MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

AIRMAIL

Mr. and Mrs. R. E. Kaufman

Baker, Nevada 89311

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-K248 and Idm-K774

Dear Mr. and Mrs. Kaufman:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contracts.

This correspondence relates to the agreements executed by you in connection with the subject contracts under the Defense Minerals Exploration Administration program.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Division File
Econ. Geol. File
✓DMEA-2082
DMEA-3428
OME Reading File
R-II
120M

Identiaal ltr also mailed to:
Mr. & Mrs. Bryan S. Robison
and Mr. & Mrs. Shirley G. Robison,
Ely, Nevada 89301

MMerrithew/mm (3/22/67)

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

March 15, 1967

Mt. Wheeler Mines, Inc.
409 Felt Building
Salt Lake City, Utah 84111

Attention: Mr. James D. Williams, President

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-E248 and Idm-E774

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 21 1967
INITIALS | CODE

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return three copies to this office with copies of any pertinent documents.

Are all of the unpatented mining claims owned by the Operator including the three Pole Cat claims purchased Dec. 31, 1963, still in good standing? Yes/X/No/__/

Is the lease and option to purchase patented claims from the St. Lawrence Mining Company still in full force and effect? If not, please give details. Yes/X/No/__/

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **March 1965**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [X]

2. Since **March 1965**, has there been any production from the land subject to the contract? Yes [ ] No [X]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. *If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

   Is beryllium-or tungsten-bearing material stockpiled? If so, please give details. Yes [ ] No [X]

3. Since through workings (see of contract)? Yes [ ] No [X]

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by: MT. WHEELER MINES, INC.

Name James D. Williams Title President

Address 409 Feel Bldg. Date March 18, 1969
Salt Lake City, Utah 84111

***Has any beryllium- or tungsten-bearing material been sold?** Yes [ ] No [X]

IN REPLY REFER TO:

OFFICIAL COPY
C. M. E.
RECEIVED
1966

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

March 23, 1966

Ref 110
120
220

Mt. Wheeler Mines, Inc.
409 Felt Building
Salt Lake City, Utah 84111

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-E248 and IDm-E774

Attention: Mr. James D. Williams, President

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return ~~two~~ three copies to this office with copies of any pertinent documents.

Are all of the unpatented mining claims owned by the Operator including the three Pole Cat claims purchased Dec. 31, 1963, still in good standing? Yes/X/ No/__/

Is the lease and option to purchase patented claims from the St. Lawrence Mining Company still in full force and effect? Yes/X/ No/__/
If not, please give details.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

DMEA-2082 and 3428
Idm-E248 and E774

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 1965, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [X]
Is the option granted to Anaconda Copper Company still in full force and effect? If not, who presently controls the property? Yes/ / No/X/
Mt. Wheeler Mines, Inc.,

2. Since March 1965, has there been any production from the land subject to the contract? Yes [ ] No [X]

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
-NONE-		

B. * If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons	-NONE-	
Other		Tons		

Is beryllium-or tungsten-bearing material stockpiled? if so, Yes/ / No/X/
Please give details.

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [X]
If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
-NONE-		

Submitted by: MT. WHEELER MINES, INC.

Name James D. Williams Title Pres.

Address 409 Feex Bldg Salt Lake City Date March 28, 1965

*has any beryllium- or tungsten-bearing material been sold? Yes/ / No/X/

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

March 26, 1965

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-E248 and
Idm-E774

Mt. Wheeler Mines, Inc.
409 Felt Building
Salt Lake City, Utah

Attention: Mr. James D. Williams, President

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return ~~two~~ three copies to this office with copies of any pertinent documents.

	Yes	No
Are all of the unpatented mining claims listed as owned by the Operator still in good standing? If not, please give details.	/X/	/_/
Unpatented Pole Cat 1 " " 2 Is the Mining Lease and Option to Purchase of December 18, 1950, between the Kaufmans and the Robisons and James D. Williams, as supplemented April 30, 1951, still in full force and effect? If not, please give details. Purch. price pd. in full 12/31/63, now owned by Mt. Wheeler	/_/	/X/
Is the Lease and Option to Purchase of November 25, 1950, from the St. Lawrence Mining Company, covering the patented claims, still in full force and effect? If not, please give details.	/X/	/_/

OFFICIAL COPY
O. M. E.
RECEIVED
APR 2 1965

INITIALS	CODE
ama	800
~~[illegible]~~	~~100~~
[illegible]	110
4/5 mm	~~120~~ 111
	120

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since August 1964, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since August 1964, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Mt. Wheeler Mines, Inc.
By: James D. Williams
James D. Williams
Title President & Gen. Mgr.

Address 409 Felt Building
Salt Lake City, Utah 84111
Date March 30, 1965

4511

file 2082

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

August 3, 1964

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-E248 and
Idm-E774

Mt. Wheeler Mines, Inc.
~~809 Kearns Bldg.~~ 409 Felt Bldg
Salt Lake City, Utah

Attention: ~~Mr. Robert C. Dwyer, Vice President~~
James D. Williams, President

NOTE CHANGE

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return three copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 11 1964

DATE	IN	CODE
8/11		~~800~~
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8/11	FEL	110
		120
		~~120~~
8/11		120M
		220

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **October 1963**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [ ] No [X]

Currently what is the exact status of the land in the contracts?

Mine is idle except for assessment work for current year which will end August 31, 1964. All claims in good standing.

2. Since **October 1963**, has there been any production from the land subject to the contract? Yes [ ] No [X]

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes [ ] No [X]

A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name James D. Williams

Address James D. Williams
409 Felt Building
Salt Lake City 10, Utah

Title President, Mt. Wheeler Mines, Inc

Date August 8, 1964

4511

SEP 4 1963

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

August 29, 1963

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contracts Idm-E248 & Idm-774

Mr. James D. Williams
President
Mt. Wheeler Mines, Inc.
P. O. Box 1446
Salt Lake City 10, Utah

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 21 1963

DATE	INITIALS	CODE
10/21		800
10-21		100
10/21		110
10/21		500
		520

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 14, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since June 14, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Robert G. Dunyon Title Vice-President -Mt. Wheeler Mines

Address 809 Kearns Bldg., Salt Lake City, Utah Date October 17, 1963

4512

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 18 1962

DATE	INITIALS	CODE
		800
		100
		110
6/19		500
		220

JUN 11 1962

Re: DMEA-2082 and DMEA-3428
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contract Idm-E248 and Idm-E774

Mt. Wheeler Mines, Inc.
P. O. Box 1446
Salt Lake City 10, Utah

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 6, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since November 6, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Mt. Wheeler Mines, Inc. By: James D. Williams Title President

Address P.O. Box 1446 Salt Lake City 10, Utah Date June 14, 1962

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco 11, California

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 4 1961

DATE	INITIALS	CODE
12/4	[illegible]	800
		500
November 28, 1961		
12/6	gla	500
		220

Mr. J. D. Williams, President
Mt. Wheeler Mines, Incorporated
P. O. Box 1446
Salt Lake City 10, Utah

Re: DMEA-2032 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract Idm-E 248

and

DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract Idm-E 774

Duplicate filed in DMEA-3428

Dear Mr. Williams:

Enclosed herewith for your records are two copies of a Report of Royalty Review on the subject contracts by Mr. E. D. Talbert, OME Auditor.

The Acting Field Officer, Region 11, concurs with these Reports of Royalty Review.

Very truly yours,

GLENN G. GENTRY

Glenn G. Gentry
Acting Field Officer, OME
Region 11

Enclosures 2

Copy to: Fiscal Section, Division of Administrative Services, W.O.
Acting Chief, Contract Administration and Audit Division, W.O.
OME Files

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 24 1961

Memorandum

To: Acting Field Officer, Region II

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract Idm-E248
and
DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract Idm-E774

The original and five copies of a Report of Royalty Review covering the subject contracts are enclosed. If you concur in the facts stated therein, please make the following distribution, which provides double the normal number of copies because two contracts are involved:

(a) Original and one copy to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.;
(b) Two copies to the Operator; and
(c) Two copies for your files.

As evidence of your concurrence, a copy of your letter transmitting the Operator's copies should be furnished this Division. If for any reason you do not concur, the original and all copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 11-24-61

cc:
Docket - DMEA-2082
Director's Reading File
CA & A Division
Mr. Rothrock

43683

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

Official
~~EXTRA COPY~~
O. M. E
RECEIVED NOV 24 1961

DATE	INITIALS	CODE
11/24	[illegible]	800
		~~500~~
27	~~[illegible]~~ S.M.H.	500
		220

November 15, 1961

Memorandum

To: Chief, Division of Field Operations
Office of Minerals Exploration
Washington 25, D. C.

From: Acting Field Officer, OME, Region 11

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada

Amended Contract No. Idm-E248
DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.,
Pole Adit
White Pine County, Nevada
Contract No. Idm-E774

Reference is made to your letter of November 6, 1961 regarding production of Beryllium ores from the subject mines. The estimated tonnage of Beryllium ores stockpiled at the mine are:

As of May 4, 1960 ---------- 2,000 tons ±
Additional ore as of Sept. 15, 1961 -- 1,000 " ±

The latest rumor, heard here on November 13, 1961, indicated the Anaconda Company had discontinued exploration at the Mt. Wheeler Mine, pending re-negotiation of their contract with the Lessor.

However, at this writing, the above is only a rumor. Additional details will be forwarded to your office whenever such are available to us.

GLENN G. GENTRY

Glenn G. Gentry

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco 11, California

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 13 1961

DATE	INITIALS	CODE
11/14		800
		500
		220

November 7, 1961

Memorandum

To: Mr. E. D. Talbert, Acting Chief,
Contract Administration and Audit Division,
OME, Washington 25, D. C.

From: Acting Field Officer, OME, Region 11

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.,
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract Idm-E 248

and

DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.,
Pile Adit
White Pine County, Nevada
Contract Idm-E 774

Pursuant to your letter of November 2, 1961 we herewith enclose the original and three copies of check sheets of the Examining Engineer with relation to the subject contracts.

Glenn G. Gentry

Enclosures 8

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/6	[illegible]	500
11/6	Talbot	800
"	on leave	130
"	[illegible]	110
11/6	[illegible]	100
		220

NOV 6 1961

Memorandum

To: Acting Field Officer, Region II

From: ACTING Chief, Division of Field Operations

Subject: DMRA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract No. Idm-E248
DMRA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract No. Idm-E774

We have your interesting memorandum of September 15 covering your visit to the Mt. Wheeler property. In the last paragraph you mentioned an estimated 1,000 tons of stockpiled ore. Are we correct in assuming that this is in addition to the 2,000 tons mentioned in your May 4, 1960, memorandum?

W. R. Griswold (gla)

WRGriswold/gla

11-6-61
cc to: Director's Reading File
Review Committee
Dockets (2)
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 2 1961

Memorandum

To: Acting Field Officer, Region II

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract Idm-E248
and
DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract Idm-E774

This Division is preparing a Report of Royalty Review on the subject contracts. Accordingly, your submission of an original and three copies of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that there has been no production from these projects since 1954. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
November 2, 1961

Copy to: Docket - DMEA-2082
Director's Reading File
CA & A Division

43683

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

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 19 1961

DATE	INITIALS	CODE
9-15		100
9/19		110
9/20		800
		~~500~~
		~~500~~
		220

September 15, 1961

Memorandum

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

From: Acting Field Officer, OME, Region II

Subject: Annual Inspection by OME Field Team of:
DMEA-2082 (Tungsten)
3428 (Lead-Zinc)
Mt. Wheeler Mines Co., Inc.
Mt. Wheeler Mine, White Pine County, Nevada
Contract's No's. Idm-E 248 & 774

Under an agreement between the Mt. Wheeler Mines Company, Inc. and the Anaconda Company, continued exploration of the mine is being conducted by the Anaconda Company for the purpose of developing beryllium minerals in sufficient tonnage and of adequate grade to justify capital expenditures necessary for beneficiation of a marketable product.

Through the courtesy of Mr. Roland B. Mulchay, Assistant Chief Geologist, The Anaconda Company, 809 Kearns Building, Salt Lake City, Utah, the mine was visited on August 25, 1961.

Mr. Fred Tong, Resident Manager for the Anaconda Company and his staff welcomed me to the property, permitted an inspection of the maps and afterwards a trip through the Pole Adit workings escorted by Mr. Mike Wright, one of the Geologists.

The exploration work is conducted for the Anaconda Company, by the Centennial Development Company of Eureka, Utah.

The contractor, represented at the mine by Mr. William Bridgman, Superintendent, employs about 50 men working on a three shift per day basis and six days per week. At the time of my visit Mr. James Quigley one of the Centennial Company partners, was visiting the operation.

The property was partially explored for beryllium ores by the Beryllium Resources, Incorporated and after their departure the Anaconda Company are now continuing the work.

The operators have equipped the property with adequate machinery, principally transferred from their former operating lead-zinc mines at Darwin, California, and have installed a Berylometer, crushing and sampling facilities and established a field engineering office.

The adit representing the DMEA-2082, tungsten area, commonly identified as the North Adit, has been extended for approximately 1,000 feet on a general north easterly course which is nearly parallel to the Pole Adit alignment. This course followed an east-wast fissure which cut the limestone bedding.

Within the fissure and at a considerable distance east of the portal of the Adit, modest occurrences of sheelite associated with quartz were disclosed. The strike lengths of the lenses was short and of narrow widths. No information was provided as to the BeO content. However, the area has been temporarily abandoned by the operator.

Work in the Pole Adit has been conducted at various locations over a horizontal distance of about 4,000 feet from the Portal and to an area called the No Assay Vein.

One raise extended about 100 feet through the Wheeler Limestone Bedding encountered a large flow of water which reduced progress and increased costs.

However the raise work is continuing in an effort to reach to top of the bedding and to explore areas within the bedding.

Exploration work is presently conducted both north and south of the Pole Adit. The South 13 lateral has been extended about 125 feet south easterly from the adit level and the workings have disclosed significant beryllium mineralization (phenacite) in white limestone. The dimensions of the exposure, at the time of inspection was about 25 feet wide X 50 ft. - 75 ft. long X unknown thickness. The mineralization followed the S 60° W fissuring which dips about 68° westerly.

The exploration cross cuts (so called laterals) are usually slusher drifts inclined about minus 15 degrees.

Apparently the new exposure of beryllium ores in white limestone has opened up a new area (found by following a drill hole extended by former operators) and is extending the deposit in a south easterly direction.

Following this theory the operators are conducting new exploration in two places:

1) At about one mile south westerly from the Pole Adit a new adit striking N 30° E is to be extended under the lime bedding.

2) Diamond drilling has also started near the base of lime cliffs at about 2 miles south westerly from the camp.

A large tonnage of ore is indicated by the completed underground work though no official confirmation was obtained.

Broken rock from the exploration workings, when considered as ore, is stockpiled at the north end of the mine dump. Two of these stockpiles now contain an estimated 1,000 tons of ore.

Glenn G. Gentry

OME file

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 5 1961

DATE	INITIALS	CODE
9-5	[illegible]	100
		140
9/6	4807	800
"	Preserve	500
		900
		270

DMEA-208

555 Battery Street
San Francisco 11, California

August 30, 1961

The Anaconda Company
809 Kearns Building
Salt Lake City 1, Utah

Attention: Mr. Roland B. Mulchay
Assistant Chief Geologist

Dear Mr. Mulchay:

Accompanied by Mr. Robert Hall, Mining Engineer, U. S. Bureau of Mines, Region II, I visited the Mt. Wheeler mine on Friday August 25, 1961 and was very cordially received by Mr. Fred Tong and his staff.

After a general discussion of the project and inspection of several maps of the mine workings, we were escorted through the Pole Adit and various cross cuts by Mr. Mike Wright.

My visit was certainly interesting and informative. I am only sorry that my time at the property was so limited.

Please accept the thanks of both Mr. Hall and myself for the treatment we received and to Mr. Tong and Mr. Wright for their courtesy. The project appeared to be running smoothly and we all hope the development will be entirely successful.

Very truly yours,

GLENN G. GENTRY

Glenn G. Gentry
Acting Field Officer, OME
Region II

Copy to: Chief,
Division of Field Operations
Washington 25, D. C.
J. D. Williams, P. O. Box 1446
Salt Lake City 10, Utah
OME File

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 21 1961

DATE	INITIALS	CODE
8/21	[illegible]	120
8/22	[illegible]	800
		500
		500
		220

August 17, 1961

Memorandum

To: Chief, Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region II

Subject: DMEA-2082 (Tungsten)
3428 (Lead-Zinc)
Mt. Wheeler Mines Co., Inc.
Mt. Wheeler Mine, White Pine County, Nevada
Contract's No's. Idm-E 248 & 774

Reference is made to my letter of August 14, 1961 addressed to Mr. Roland B. Mulchay, Assistant Geologist for the Anaconda Company, regarding an OME official visit to the subject property.

Enclosed is a copy of Mr. Mulchay's reply on August 15, 1961. My report on this inspection will be submitted as soon as possible after my return to this office.

Glenn G. Gentry

Encls.

cc: OME file

THE ANACONDA COMPANY

809 Kearns Building
Salt Lake City 1, Utah

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 21 1961

DATE	INITIALS	CODE
	August 15, 1961	

Asst. Chief Geologist

August 15, 1961

Mr. Glenn G. Gentry, Acting Field Officer
Office of Minerals Exploration
Region II
555 Battery Street
San Francisco 11, California

Dear Mr. Gentry:

I have your letter of August 14th in regard to a visit to the Mt. Wheeler Mine on August 25, 1961 as an annual inspection trip in connection with the DMEA-3428 (Idm-E 774) contract.

Mr. Fred Tong, who is in charge of operations at the property, will expect you, and will be glad to show you the work being done to develop beryllium minerals at the property. Mr. Robert Lynn is in charge of the geological work, and can discuss the general plan of the development with you if you wish. I am sure your visit to the mine will be pleasant and interesting.

Yours very truly,

Roland B. Mulchay

RBM:S

Roland B. Mulchay

cc-Mr. V. D. Perry
Mr. F. E. Tong
Mr. R. D. Lynn
Mr. J. D. Williams

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 17 1961

DATE	INITIALS	CODE
4/17	gad	1V0
April 13, 1961		1V0
4/17		800
"		500
"		500
		220

Memorandum

To: Chief, Division of Field Operations, Office of Minerals Exploration, Washington 25, D. C.

From: Acting Field Officer, OME, Region II

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract No. Idm-E 248

DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract No. Idm-E 774

According to news items appearing in the January and April 1961 issues of the Mining World, the Anaconda Company has acquired a two-year option on about 2,000 acres in the Mt. Washington District, 40 miles southwest of Ely, Nevada (should be southeast). The property is owned by Mt. Wheeler Mines, Inc., and was formerly under option to Beryllium Resources, Inc.

On December 3, 1959, a copy of document marked Exhibit F., Agreement, between the Mt. Wheeler Mines, Inc., and Beryllium Resources, Inc., consisting of six pages, was submitted by Mr. James D. Williams, President, Mt. Wheeler Mines, Inc., and forwarded to your office for your records.

As yet, we do not have any information from Mr. Williams relative to the terms of the option agreement with the Anaconda Company.

contract [illegible] We assume, however, the Anaconda Company were informed regarding the DMEA lien on any production from the property and their responsibility in that regard.

Glenn G. Gentry

Glenn G. Gentry

Copy to: OME File

Operator not required to furnish copies under this contract

DMEA-2082

OFFICIAL FILE COPY

Date	Surname	Code
5/11	Holt	500
	Griswold	500
5/11	Talbut	800
5/13	[illegible]	130
5/11	Jackson	140
5-13	gad	220
		225

MME Form 7
(10-58)

MAY 13 1960

Memorandum

To: Acting Field Officer, Region II

From: Chief, Division of Field Operations

Subject: DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Amended Contract No. Idm-E248
DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract No. Idm-E774

We have your May 4 memorandum with the interesting enclosure. Regarding your request concerning our instructions and advice about the stockpiled crude ore, Mr. Stager covered the situation when he stated, "The metallurgy of the ore is still to be developed and proven." If, at a later date, any stockpiled ore is converted into a marketable product, royalty payments would certainly be due the Government. However, until such time, this material has no tangible value. Even if a certain amount of such material should be "wasted " in metallurgical test work, it would still be to the best interest of the Government to encourage such work of testing, with the hope that a satisfactory process could be developed.

In addition, any income from the ore, as such, would, of course, be subject to royalty.

/S/ George C. Selfridge

WRGriswold/gla
5-11-60

cc to: Director's Reading File
Review Committee
Docket DMEA-2082
Docket D MEA-3428
CA&A Division
Chron
Code 500

43683

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Mr. Griswold~~		
2. ~~Mr. Holt~~		
3. Mails and Files		
4.		
5.		
FROM: gla		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Mr. Talbert has a copy only of Mr. Gentry's memo of May 4. He doesn't need a copy of Mr. Stager's memo, but I think we should have a duplicate set made for Docket DMEA-3428.

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 9 1960

DATE	INITIALS	CODE
5-9	gad	VVO
5/9	[illegible]	800
5/10	[illegible]	500
5/11	[illegible]	[illegible]
		225

copy to 800

Memorandum

To: Chief, Division of Field Operations, OME, Washington, D. C.

From: Acting Field Officer, OME, Region II

Subject: Dockets Nos. DMEA-2082 and 3428
Mt. Wheeler Mines, Inc.
Pole Adit, Mt. Wheeler Mine
White Pine County, Nevada
Contracts Nos. Idm-E 248 and 774

Because of Government participation in the exploration of the subject contracts and the amount of royalties due the Government from the operator, the enclosed information from H. K. Stager, Geologist, U.S.G.S. may be of interest to the OME.

The 2,000 tons of 0.75 percent BeO ore stockpiled at the mine, and in which the Government has a certain financial interest, may at some time be used in metallurgical testing.

If the crude ore is concentrated into a saleable product, the Government is entitled to royalty payments. However, if the crude ore is wasted in the testing and/or no saleable product is obtained, then the Government's equity has been lost. These questions may arise at a later date if the property is placed in operation. I shall appreciate having your instructions and advice in this matter.

Glenn G. Gentry

Glenn G. Gentry

Attachment

Copy to: OME File

U. S. Geological Survey

Branch of Mineral Deposits

April 27, 1960

Air Mail

Memorandum

To: M. R. Klepper, Assistant Chief Geologist, Geologic Division
Through: S. Warren Nobbe, Chief
Branch of Mineral Deposits

From: H. K. Stager, Branch of Mineral Deposits

Subject: Current status of the Mt. Wheeler Mine, White Pine County, Nevada

On April 23, 1960, while in Denver, Colorado, to attend the National Western Mining and Energy Conference, I discussed the current status of the Mr. Wheeler mine with Mr. J. D. Williams, president of Mt. Wheeler Mines, Inc., owners of the property, and Dr. Norman C. Williams, vice-president of Beryllium Resources, Inc., recent operators of the mine.

Beryllium Resources, Inc., completed 11,009 feet of exploratory diamond drilling in 95 holes and drove 700 feet of drifts, crosscuts, and raises between September 1959 and March 1960. As a result of this exploration the operators estimated measured and indicated reserves of 40,000 tons of 0.75 percent BeO ore. About 2,000 tons of ore of this grade was mined and stockpiled at the mine. All mining was stopped during the last week of January and diamond drilling was stopped the last of February pending renegotiation of the lease and purchase price. Total cost of the venture, including lease payments, equipment, supplies, etc., during the period of exploration, was reported by Beryllium Resources to be about $400,000. During March Beryllium Resources attempted to renegotiate the purchase price downward from the original $1,900,000 (cash) to $300,000. The owners would not accept the lesser price and on March 21, 1960, the lease and option to purchase was declared in default and the property was returned to the full control of the owners. Beryllium Resources has removed all of their equipment and machinery from the property, including track, pipe, ventilation tube, supplies, etc. The buildings have not been dismantled or removed, except possibly for part of the compressor house that had to be dismantled in order to remove the machinery. Most of the track, pipes, ventilation tube, etc., is stored on the Kirkaby Ranch in the valley below the mine.

Mr. James D. Williams was at the property for the last week of March and the first two weeks of April while the mine was being sampled and examined by several mining companies interested in the possible purchase of the property. Mr. Williams would not say who these mining companies were but did tell me that a new option has been given and exploration of the deposit will be resumed by June 1st, at which time the mine will be completely rehabilitated including track, ventilation, assay laboratory, etc.

Feelings between Mr. J. D. Williams of Mt. Wheeler Mines and Dr. Norman C. Williams of Beryllium Resources are very strained so that I did not attempt to get them together to compare their views on the exploration or potential of the deposit. From talking to them both separately, and from my own studies of the deposit, I think it reasonable to infer reserves of twice the tonnage measured and indicated by exploration to date and feel that the potential of the mine and district is many times this amount. The geometry of the deposit, however, will result in an expensive exploration and mining operation. The metallurgy of the ore is still to be developed and proven.

In answer to Bob Pearson's letter to me of April 21, 1960, I feel that the deposit is not economic at its present state of development, but there is far too much beryllium there to say that it never will be. Certainly there is strong justification for a great deal more exploration and study.

CC: W. R. Griffitts
R. Kirkemo
D. M. Lemmon
D. N. Whitebread

Director's reading file

Stager

HKS:mmb
Copied from
courtesy copy from Stager
to C. C. Conley CME

copy to R & P.M.
L E Evans

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 17 1960

DATE	INITIALS	CODE
3-17	gad	VVO
3/17	[illegible]	800
3/18	[illegible]	500
March 15, 1960		
3/18	[illegible]	
		225

Memorandum

To: W. F. Dietrich, Chief, Division of Mineral Resources, Region II

From: Glenn G. Gentry, Mining Engineer, Region II

Subject: Beryllium Reconnaissance
Mt. Wheeler Mines, Inc.
White Pine County, Nevada

Dmea 7087 E748
Dmea-3478 E774

During a conference with Mr. Dale Terry, geologist for the Beryllium Resources Company, present lessee of the Mt. Wheeler mine, the following information was obtained:

Beryllium Resources Company is now controlled by two parent companies, namely:

Hidden Splendor Mining Company

Raidore Rock Mining Company

All exploration at the Mt. Wheeler mine ceased on March 1, 1960, pending re-negotiation of the purchase price of the contract. These negotiations were expected to be concluded on March 10, 1960. However, considerable difficulty has occurred in reaching a satisfactory agreement with Mr. J. D. Williams, President of Mt. Wheeler Mines, Inc., and therefore additional time may be required before a final answer is received.

During the period of exploration by Beryllium Resources, 10,000 feet of diamond drilling was completed and several hundred feet of drifting and cross-cutting. Production amounted to about 200 tons of ore estimated to average 0.5 percent BeO. This ore is presently stockpiled on the mine dump a short distance north of the ore bin.

Total expenditures by the lessee were estimated at about $250,000.00

The lessee is in process of removing all of the mining equipment from the property and is considering abandoning the lease. Two watchmen are presently the only lessee employees.

Rumors prevalent in Salt Lake City indicate that Mt. Wheeler Mines, Inc. have not been successful in interesting other mining companies in further exploration of the property.

Glenn G. Gentry

Copy to: Operating Committee, OME, Washington, D. C.
H. K. Stager, U.S.G.S.
A. C. Johnson, Reno, Nevada
OME File

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

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 7 1959		
DATE	INITIALS	CODE
12-7	gad	220
"	JEH	110
"	EEH	800
December 3, 1959		
"	~~Francis~~	~~500~~
		225

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Interim Inspection Report

Attached are three copies of Interim Report on

Docket No. DMEA 3428 2082
Contract No. Idm-E 774
Commodity Lead-Zinc

Operator Mt. Wheeler Mines, Inc.
Property St Lawrence and Pole Cat group
White Pine County, Nevada

By H. K. Stager, U.S.GS

Dated November 17, 1959

W. F. Dietrich

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

Attachments

Copy to: H. K. Stager, U.S.G.S.
Finance Officer, Region II
A. C. Johnson, Reno, Nevada
File

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 7 1959

DATE	INITIALS	CODE

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California

Memorandum November 30, 1959

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

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

Subject: Field Inspection of the Mt. Wheeler Mine, (DMEA-2082 and DMEA-3428), White Pine County, Nevada

On November 17, 1959, while in eastern Nevada on an Interim Inspection of the Hamilton project (DMEA-4924), I inspected the activities of Beryllium Resources, Inc., at the Pole Adit of the Mt. Wheeler mine. During the day spent on the property I made two trips underground, one in the morning accompanied by Mr. Ted Brady, Mine superintendent, who took me to all of the working faces and explained the work that had been done and plans for present and future work; and again in the afternoon accompanied by Messrs. Dale Terry and Dick Pascoe, geologists for the Operator, to examine geologic features of the deposit and to collect specimens of the ore minerals.

Since the purchase of the property in September, by Beryllium Resources, Inc. from Mt. Wheeler Mines, Inc., the new Operators have rehabilitated most of the mine and surface installations including track, air, water, and ventilation lines, throughout the tungsten zone (DMEA-2082 area), rebuilt the change room, compressor house, powder magazine, cook and bunk house, geology and engineering office with a core storage and sample preparation section.

A contract with MacPherson Drilling Company of Montrose, Colorado for 10,000 feet of diamond-drilling has been started and eight men are employed operating two underground diamond-drills on a two-shift-per-day basis. About 24 holes had been completed for a total of 2,800 feet. Eleven holes have been drilled from the No. 4 north lateral, 1 hole from the No. 6 north lateral, and 12 holes in the vicinity of station 29 in the main adit. The holes are AX in size and range from about 20 feet to 300 feet in length. Core recovery is excellent. One drill was drilling north from the No. 2 south lateral and one drill was drilling near station 29 at the time of the inspection. None of the cores had been logged or sampled at the time of the inspection but close examination revealed numerous well developed crystals of phenacite and beryl. Examination under ultraviolet light also indicated abundant scheelite. The cores will be logged, split, and sampled by Terry and Pascoe. The core samples, as well as all out mine samples will be crushed and pulverized at the mine and then shipped to Brush Beryllium Company where they will be assayed for BeO, WO_3, and CaF_2. Beryllium Resources, Inc. has purchased two "Berylometers" but as yet have not been able to obtain an AEC permit for the use of the radioactive source isotope so are unable to obtain the necessary Antimony 124 to operate the instruments. However, they expect to have a permit soon and will be able to scan all of the cores and test all mine samples and specimens for beryllium content.

In addition to the diamond-drilling the Operators are driving two development headings in the tungsten-beryllium zone. About 14 men are engaged in this work on a two-shift-per-day basis. The No. 7 north

lateral is being driven north under the Wheeler (C4) limestone bed and had been advanced 155 feet from the main adit at the time of the inspection. One or more raises will be put up into the overlying ore zone from this lateral. Another face (slusher drift) is being driven northward in the ore zone from the main No. 5 north lateral raise and will eventually connect with a raise and drift from the No. 7 north lateral. This face is in good grade ore and the material is being stockpiled outside of the main adit for mill testing in a pilot plant to be built by the Operators. The stockpile contained about 200 tons of ore and another 200 tons was broken in the slusher drift. This ore is reported to average about 2.0 percent BeO. Abundant phenacite crystals are visible in the broken ore and in the drift face.

As yet it is not possible to accurately appraise the beryllium reserves or potential of the mine but the results of all sampling and testing to date are favorable and the Operators are enthusiastic and confident that they can develope enough ore of a suitable grade to sustain a mining and milling operation at the property.

The mine staff were friendly and cooperative. The reasons for denying access to U.S.G.S. personnel on the last visit (Sept. 24, 1959) were explained to be the result of agreements contained in the purchase contract between Lt. Wheeler Mines, Inc. and Beryllium Resources, Inc. By the terms of this contract Lt. Wheeler Mines had the option of selling all of its stock (1,300,000 shares) to Beryllium Resources for $0.25 per share up to November 15, 1959 with Beryllium Resources forced to buy or give up the property. After this date the agreed purchase price of the stock increased and a different arrangement went into effect.

For this reason the officers of the corporation directed the mine staff to deny access to all Mt. Wheeler Mines personnel and in fact everyone except their own employees so that no possible leak of information could occur to prompt the Mt. Wheeler Mines stockholders to force the stock purchase. No outsiders were allowed in the mine and no stock was sold by Mt. Wheeler Mines stockholders. I was assured that in the future all U.S.G.S. and U.S.B.M. geologists and engineers would be welcome at the property at any time. The officers and staff of Beryllium Resources, Inc. are fully aware of the BMA lien on any production from the property and of their responsibilities in that regard. Mr. James Williams informed me that a copy of the part of the purchase agreement concerning the BMA obligations would be furnished to the Executive Officer, OMS Field Team, Region II.

(A copy of Exhibit F of this agreement was delivered to this office by Mr. Williams on November 24, 1999, a copy of which is attached.)

EXHIBIT F

AGREEMENT

THIS AGREEMENT, made at Salt Lake City, Utah, this 10th day of September, 1959, by and between MT. WHEELER MINES, INC., a Nevada corporation, hereinafter designated and referred to as "Mt. Wheeler", and BERYLLIUM RESOURCES, INC., a Nevada corporation, THE HIDDEN SPLENDOR MINING COMPANY, a Delaware corporation, FEDERAL URANIUM CORPORATION, a Nevada corporation, LISBON URANIUM CORPORATION, a Utah corporation, and RADOROCK RESOURCES, INC., a Nevada corporation, hereinafter collectively designated and referred to as "Operator",

WITNESSETH:

WHEREAS, Mt. Wheeler is the owner of that certain mining equipment and machinery described in Exhibit A attached hereto and by reference made a part hereof; and

WHEREAS, Mt. Wheeler is the owner of those mining properties and mining property interests described in Exhibit B attached hereto and by reference made a part hereof; and

WHEREAS, concurrently with the execution of this agreement, certain principal stockholders of Mt. Wheeler have entered into an Agreement with Operator for the sale of shares of the capital stock of Mt. Wheeler Mines, Inc., a copy of which Agreement is attached hereto, designated Exhibit C and by reference made a part hereof; and

WHEREAS, Operator desires to purchase the said mining equipment and machinery described in Exhibit A, and Mt. Wheeler is willing to sell said mining machinery and equipment on the terms and conditions hereinafter provided; and

WHEREAS, Operator is desirous of obtaining and Mt. Wheeler is willing to grant to Operator the right to enter upon, prospect, explore, develop and mine the said mining properties described in Exhibit B, on the terms and conditions hereinafter provided;

NOW, THEREFORE, it is agreed as follows:

1. Mt. Wheeler hereby agrees to and by these presents does sell, assign, transfer, and set over to Operator all of the mining machinery and equipment described in Exhibit A, for the sum of

Fifty Thousand Dollars ($50,000.00), receipt of which is hereby acknowledged by Mt. Wheeler. Mt. Wheeler hereby represents and warrants that the said mining machinery and equipment is owned by it and that the same is free and clear of any and all liens and encumbrances. Mt. Wheeler agrees to forthwith execute and deliver to Operator a bill of sale to the said mining machinery and equipment, and to endorse and deliver to Operator any and all title certificates evidencing the ownership of motor vehicles.

2. Mt. Wheeler hereby grants to Operator the right to enter upon the mining properties described in Exhibit B, or any of said mining properties, and to prospect, explore, develop same, perform drilling, take cores and samples for assaying, testing and other purposes, at such places and in such quantities as Operator shall, in its sole judgment and discretion, deem advisable, and to mine and extract ores from the said mining properties, and to market the said ores. Operator shall possess the said rights provided for in this paragraph from the date hereof to the date upon which this agreement is terminated, or until the date upon which Operator acquires ninety percent (90%) or more of the outstanding capital stock of Mt. Wheeler Mines, Inc. Notwithstanding any provisions that may be contained in this paragraph or elsewhere in this agreement which may be construed to the contrary, Operator shall have no duty to explore, develop or mine the said mining properties (other than to perform annual assessment work as provided in Paragraph 3 below), but solely the right, in its sole judgment and discretion, to engage in such exploratory, development, and mining operations as it deems advisable. In the event that Operator mines and extracts and sells ores from the mining property, it shall pay to Mt. Wheeler twenty-five percent (25%) of the "net profits" actually realized from the sale of ores produced from the said mining properties. "Net profits" shall mean the gross selling price realized from the sale of ores produced from the mining properties, less the following, which Operator agrees to pay:

(a) Any and all royalties payable with respect to production.

(b) Any and all payments required to be made under or pursuant to the terms of any D.M.E.A. Loan Agreement or Agreements made by Mt. Wheeler Mines, Inc.

(c) Any and all taxes on severance or production of minerals from the mining properties.

(d) Any and all costs of transporting and hauling ores produced from the mining properties.

(e) Any and all costs of marketing ores produced from the mining properties.

(f) The sum of Ten Dollars ($10.00) per ton for each ton of ore produced from the mining properties, which sum has been determined by the parties hereto to represent the reasonable cost of mining the ores.

(g) Any and all costs incurred in beneficiating, processing and refining ores prior to the sale thereof.

Payments due to Mt. Wheeler shall be made on the 1st day of January and the 1st day of July of each year, commencing with the 1st day of the January or July following the date upon which Operator realizes the first proceeds from the sale of ores produced from the mining properties.

3. Operator shall, at all times, preserve the mining properties in good condition and shall conduct all exploratory, development and mining operations in accordance with good and prudent mining practices. Operator shall perform timely all assessment work upon the unpatented mining claims described in Exhibit B hereto for the assessment year ending September 1, 1960; Operator shall provide Mt. Wheeler with all data necessary for the timely filing by Mt. Wheeler of proof of labor respecting said claims.

4. Mt. Wheeler Mines, Inc., its officers, agents and employees, shall have no right whatsoever to inspect the mining properties, nor operations conducted thereon, and shall have no right whatsoever to receive any reports or information relating to operations upon the mining properties prior to November 16, 1959. From and after November 16, 1959, Mt. Wheeler Mines, Inc., and its duly authorized agent or agents, shall have the right, at their own risk, to inspect the mining properties and operations conducted thereon by Operator. In addition thereto, Mt. Wheeler, and its duly authorized agent and agents shall, upon written request, be entitled to receive any and all geologic, engineering and assay reports relating to ores discovered and extracted from the mining properties hereafter prepared by or for Operator. The foregoing shall not include, however, any reports or information relating to metallurgy, nor any reports or information which reflects the general impressions, conclusions, opinions, or studies of experts relating to the production and refining of minerals. Any and all information and reports furnished by Operator to Mt. Wheeler, pursuant to this paragraph, shall be kept in strict confidence.

5. As additional consideration for the right to explore and

develop the Mt. Wheeler mining properties, Operator agrees to pay to Mt. Wheeler the sum of Two Thousand Dollars ($2,000.00) per month for the month of August, 1959, and for each subsequent month, to and including the month of August, 1960, or until at least 51% of the issued and outstanding capital stock of Mt. Wheeler Mines, Inc. is acquired by Operator, whichever occurs first. Said payments shall be made on the 29th day of each month, commencing with the 29th day of September, 1959. Receipt is hereby acknowledged by Mt. Wheeler of the sum of Two Thousand Dollars ($2,000.00) for the month of August, 1959.

6. This agreement shall terminate upon the occurrence of any one or more of the following events:

(a) In the event the Agreement, Exhibit C, is terminated.

(b) At the election of either party hereto, in the event of a default or breach of the provisions hereof by the other party.

(c) In the event Purchasers under the Agreement, Exhibit C, make the commitment and deliver the promissory notes provided for in Paragraph 3 (b) (3) of the Agreement, Exhibit C, then in that event, Operator may at any time after making said commitment and delivering said promissory notes and collateral terminate this agreement upon thirty (30) days' advance written notice of Operator's desire to terminate. Provided, however, if Operator terminates under this subparagraph it shall, nevertheless, be obligated to and shall perform the promises contained in Paragraphs 3 and 5 hereof, if same have not already been performed.

7. Upon a termination of this agreement:

(a) Payment shall be made promptly by Operator for any monies due to Mt. Wheeler and all others under Paragraph 2 hereof;

(b) Operator shall forthwith cease any and all mining operations and within a reasonable time shall remove its personnel and equipment from the properties of Mt. Wheeler Mines, Inc.;

(c) Operator will turn over to Mt. Wheeler Mines, Inc. full and complete information concerning their

mining operations, and copies of any and all geologic, engineering, and assay reports relating to any and all operations conducted by them on the Mt. Wheeler Mines, Inc. properties.

8. Operator will obtain and keep in full force and effect, at its expense, workmen's compensation insurance and also public liability insurance covering its operations with respect to Mt. Wheeler Mines, Inc., which also indemnifies and holds harmless Mt. Wheeler Mines, Inc. and which is in such amounts as will pay at least up to a maximum of $100,000 to any one person, or entity, and up to a total of $300,000 for any one accident. Copies of said policies, certificates of insurance, to be forwarded to Mt. Wheeler.

EXECUTED, the day and year first above written.

MT. WHEELER MINES, INC.,
a Nevada corporation

ATTEST:

By_____
Its_____

_____
Secretary

MT. WHEELER

BERYLLIUM RESOURCES, INC.,
a Nevada corporation

ATTEST:

By_____
Its_____

_____
Secretary

THE HIDDEN SPLENDOR MINING COMPANY,
a Delaware corporation

ATTEST:

By_____
Its_____

_____
Secretary

FEDERAL URANIUM CORPORATION,
a Nevada corporation

ATTEST:

By_____
Its_____

_____
Secretary

LISBON URANIUM CORPORATION,
a Utah corporation

ATTEST:

By_____
Its_____

_____
Secretary

RADOROCK RESOURCES, INC.,
a Nevada corporation

ATTEST:

By_____
Its_____

_____
Secretary

OPERATOR

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

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 2 1959		
DATE	INITIALS	CODE
12-2	gad	220
12/2	[illegible]	800
12/4	[illegible]	500
		225
November 30, 1959		

Mr. J. M. Herbert
Assistant Regional Forester
U. S. Department of Agriculture
Forest Service Building
Ogden, Utah

DMEA-V087
E V48

Re: DMEA exploration loans in the Mt. Washington mining district of White Pine County, Nevada

Dear Mr. Herbert:

Reference is made to my letter of November 12, 1959 which transmitted certain DMEA contract information relative to the Mt. Wheeler Mines, Inc. I failed to remind you that while this information is available to other Government agencies, it is with the understanding that it is for confidential use only. This applies particularly to the non-disclosure of the amounts involved in contracts with individual companies.

I would appreciate it if you respect this confidentiality rule.

Very truly yours,

W. F. DIETRICH

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

Copy to: Operating Committee, OME, Washington, D. C.
Regional Director's Reading File, Region II
H. K. Stager, U.S.G.S.
A. C. Johnson, Reno, Nevada

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/17	Selfridge	120
11/17	Johnson	110
		246
11-17	gad	225

NOV 17 1959

Memorandum

To: Executive Officer, OME Field Team, Region II

From: Chairman, Operating Committee, OME

Subject: Dockets Nos. DMEA-2082 and DMEA-3428 (Lead-Zinc-Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine and Pole Adit
White Pine County, Nevada
Contract Nos. Idm-E248 (amended) and Idm-E774

Reference is made to your letter of November 12, 1959, to Mr. J. M. Herbert, Assistant Regional Forester, U. S. Department of Agriculture, Ogden, Utah, concerning the amount expended under the subject contracts.

In recent months we have had a number of inquiries from the Forest Service relating to DMEA dockets. Our policy in the past has been that the information contained in the dockets is of a confidential nature. While it is available to other Government agencies, it is with the understanding that it is for confidential use only. To date, DMEA-OME has never disclosed the amounts actually expended on any property for reasons which are obvious.

It presently appears that we will have an increasing number of inquiries from other Government agencies concerning DMEA-OME dockets. As there are certain procedures to follow, we are enclosing two copies each of an inquiry dated February 16, 1959, received from the Executive Officer of Region III and our reply dated February 19, 1959, to give you a little background of our general policy. As you are relatively new in your position and a great deal of background has accumulated concerning the confidentiality of DMEA-OME dockets, please feel free to call upon us relative to the release of any docket information about which you might not be sure with regard to policy matters.

/s/ George C. Selfridge (246)

APPROVED:

Frank D. Lamb (246)
Member, Bureau of Mines

Harold Kirkemo (246)
Member, Geological Survey

Attachments

GCSelfridge/hb (11/17/59)
Copy to: Mails & Records
Director's Read. File
Director's File
Operating Committee
Frank D. Lamb, USBM
Harold Kirkemo, USGS
G. C. Selfridge

8623

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 16 1959

DATE	INITIALS	CODE
11/16		200
11/16		110
		120
		225

November 12, 1959

Mr. J. M. Herbert
Assistant Regional Forester
U. S. Department of Agriculture
Forest Service Building
Ogden, Utah

Re: IMEA exploration loans in the Mt. Washington mining district of White Pine County, Nevada

Dear Mr. Herbert:

Reference is made to your letter of November 6, 1959 relative to the captioned subject. Two exploration contracts in this area between the Government and the Mt. Wheeler Mines, Inc. were approved and executed. Their status follows:

Docket No.	Contract No.	Date of Contract	Date Work Completed	Amount Approved	Amount Expended	Government Participatio
IMEA 2082	Idm-X 248	1/24/1952	10/25/1954	$170,424.	$140,832.	$105,624.68
IMEA 3428	Idm-X 774	3/15/1955	11/30/1956	303,200.	282,892.	141,446.46
				$473,624.	$423,724.	$247,071.14

A Certificate of Discovery issued by the Government on April 7, 1955 entitles the Government to collect royalties from any production from the property, pursuant to Article 2 of the amended contract, dated May 11, 1953.

We hope the above information will clarify your records.

Very truly yours,

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

Copy to: Operating Committee, OME, Washington, D. C.
Regional Director's Reading File
H. K. Stager, U.S.G.S.
A. C. Johnson, Reno, Nevada
Files

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
INTERMOUNTAIN REGION

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 16 1959

DATE	INITIALS	CODE

FOREST SERVICE BUILDING
OGDEN, UTAH

ADDRESS REPLY TO
REGIONAL FORESTER
AND REFER TO
1510

November 6, 1959

AIR MAIL

Mr. R. B. Mauer, Regional Director
United States Bureau of Mines
555 Battery Street
San Francisco, California

Dear Mr. Mauer:

We are interested in determining the amount of DMEA loans which have been made in the Mt. Washington Mining District in the Snake Range of Eastern Nevada.

Mr. Sanborn of the U. S. Forest Service office in San Francisco recently contacted your office about this matter and was informally advised that the total financing amounted to $372,205.64.

We should appreciate a letter from you substantiating this figure and also advising us as to the period of years involved.

Very truly yours,

J. M. HERBERT

J. M. HERBERT
Assistant Regional Forester

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 2 1959

DATE	INITIALS	CODE
11-2	gad	220
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		225
October 29, 1959		

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Mt. Wheeler Mining Company DMEA. 208

Attached is a verifax copy of a letter from Norman C. Williams, Vice President of subject company, addressed to H. K. Stager, U. S. Geological Survey.

For: W. F. Dietrich

Attachment

Copy to: A. C. Johnson, Reno, Nevada
OME File

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 2 1959

DATE	INITIALS	CODE
11-2	gad	220
"	[illegible]	500
		225

October 29, 1959

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Mt. Wheeler Mining Company DMEA. 208

Attached is a verifax copy of a letter from Norman C. Williams, Vice President of subject company, addressed to H. K. Stager, U. S. Geological Survey.

For: W. F. Dietrich

Attachment

Copy to: A. C. Johnson, Reno, Nevada
OME File

RECEIVED
OCT 19 1959
U.S. DEPT. OF INT. BRANCH
GEOLOGICAL SURVEY
MENLO PARK, CALIFORNIA

BERYLLIUM RESOURCES, INC.
1370 SOUTH THIRD WEST
SALT LAKE CITY 15, UTAH
NTER 4-4382

Ofc. Corr.

October 15, 1959

Mr. H. K. Stager, Geologist USGS
United States Dept. of the Interior
Office of Minerals Exploration
4 Homewood Place
Menlo Park, California

Dear Mr. Stager:

This will acknowledge your letter of October 7, relative to your visit and interest in our Mt. Wheeler mine.

I am very sorry that your visit to the mine on September 24, was to no avail. We have a rather strange sort of agreement with Mt. Wheeler Mining Company, wherein itis most undesirable for anyone other than our employees to go into the mine until November 15, and it is for that reason that we have denied outside visitors access to the mine.

We are fully aware of the Geological Survey and Bureau of Mines authority to enter the mine as a result of the D. M. E. A. loans. I have explained this in detail to Steve Wilson, and Bruce Clemmer of the Salt Lake Bureau of Mines office, and they are sympathetic to our cause. I would like to have the opportunity to explain this situation to you also.

I would be very delighted to have you and members of your staff visit the Mt. Wheeler properties for whatever period of time you wish, but I would greatly appreciate it if your visit could be deferred until after November 15.

I can appreciate your interest in the occurrence of phenakite at the Mt. Wheeler properties, for it is most unusual if not unique. As soon as possible after the November 15 date, I hope to publish both a scientific and popular article on this occurrence so that the search for beryllium by others may be aided somewhat. I assure you, you do not require any references to qualify for your visit to the property; I know you well by reputation, and am more than pleased to cooperate with the Geological Survey and Bureau of Mines in any way I can.

Sincerely yours,

Norman C. Williams
Vice President

NCW:bb

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 9 1959

DATE	INITIALS	CODE
10/9	RCW	225
10/9	[illegible]	402
10/12	Holt	500
		225

Beryllium Resources, Inc.
First Security Building
Salt Lake City, Utah

re: Dockets No's DMA-2082 and 3428
Mt. Wheeler Mines, Inc.
White Pine County, Nevada
Contracts No's IDM-E248 and 774

Gentlemen:

Information reaching this office indicates your Company is preparing to explore certain areas in the Mt. Wheeler Mine.

Your attention is directed to the referenced contracts between the Government and Mt. Wheeler Mines, Inc., and particularly to Article 4 (c) of Contract No. IDM-E248 and Article 4 (b) of Contract No. IDM-E774, which provide the right of inspection by representatives of the Government.

The Government therefore requests a letter from your Company, permitting inspections of the Mt. Wheeler Mines, Inc. mining property by authorized agents of the United States Government at any time such inspections are considered by the Government to be necessary or advisable.

Your cooperation in this matter will be appreciated.

Very truly yours,

W. F. Dillrich
Executive Officer
O&E Field Team, Region II

cc:
Operating Committee, OME, Wash, D. C.
Finance
H. K. Stager
OME File

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 1 1959

DATE	INITIALS	CODE
10/1	RCW	225
		~~120~~
10/1		800
10/2	Holt	~~500~~ S.P.H.
		225

September 29, 1959

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Mt. Wheeler Mine, Docket DMEA-2082

H. K. Stager and seven other U.S.G.S. geologists visited the Mt. Wheeler mine last week and were refused permission to inspect the underground workings.

The Beryllium Industries Company are employing sixteen men, have constructed several buildings on the camp site and expect to conduct a large amount of exploration work.

Mr. Carey, geologist in charge for the operator, seemed to understand that the Government had a lien on the property and a claim on royalty from production.

W. F. Dietrich

W. F. Dietrich

Copy to: H. K. Stager, U.S.G.S.
A. C. Johnson, Region II
OME File

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 28 1959

DATE	INITIALS	CODE
9-28	gad	220
9-28	Hoet	508
	Griswold	

September 24, 1959

Memorandum

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

From: Executive Officer, OME Field Team, Region II

Subject: Mt. Wheeler Mines, Inc., Dockets Nos. DMEA-2082 and 3428

Attached is a copy of a letter received from James D. Williams, President, Mt. Wheeler Mines, Inc., in reply to our letter of September 18, 1959.

Please note paragraph two of Mr. Williams' letter which partially supplies the information you requested in your telegram of September 18, 1959.

W. F. Dietrich

Attachment

Copy to: Frank D. Lamb, Asst. Chief, Division of Minerals
Charles T. Baroch, Chief, Branch of Rare & Precious Metals
H. K. Stager, U.S.G.S.
A. C. Johnson, Supv. Mining Engineer, Region II
Files

SEP 1959
BUREAU OF MINES
DIVISION OF
MINERAL RESOURCES
REGION II

MT. WHEELER MINES, INC.
P. O. BOX 1446
SALT LAKE CITY 10, UTAH

Route to: | Init.
Warner
Section

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 28 1959
DATE | INITIALS | CODE

September 22, 1959

Mr. W. F. Dietrich
Executive Officer
OME Field Team, Region II
San Francisco 11, California

Dear Mr. Dietrich:

In reply to your letter of September 18, please be advised that the mining properties have not been sold to any one, and I suggest that you rely upon more substantial information than rumors.

However, for your information the common stock of the corporation is under a purchase arrangement with a number of substantial mining companies and a full disclosure of all pertinent facts relative to the DMEA contracts and government claim has been made.

Very truly yours,

James D. Williams

James D. Williams

JDW-K

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco 11, California

September 18, 1959

Mr. James D. Williams, President
Mt. Wheeler Mines, Inc.
218 Felt Building
Salt Lake City, Utah

Dear Mr. Williams:

It is rumored that the Mt. Wheeler mines, Dockets DMEA-2082 and DMEA-3428, Contracts Idm-E 248 and Idm-E 3774, have been sold to the Hidden Splendor Mining Company.

Please inform me whether or not this is true, and if so, whether the new owner has been made aware of the Government's claim of $246,497.47 under Article 2 (D) of the later contract.

Very truly yours,

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

Copy to: Operating Committee, OME, Washington, D. C. ✓
H. K. Stager, U.S.G.S.
A. C. Johnson, Region II
OME File
Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE
9-21	gad	110
9-21	[illegible]	110
9/22	[illegible]	800
9/22	[illegible]	800
		225

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/18	[illegible]	500
~~9/18~~	~~[illegible]~~	~~800~~ 130
		110
9/18	gad	220
		225

Department of the Interior

OME
14X0108, Salaries and Expenses,
Office of Minerals Exploration,
Interior

T E L E T Y P E

SEP 18 1959

W. F. DIETRICH, EXECUTIVE OFFICER
OME FIELD TEAM, REGION II
420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIFORNIA

REFERRING TO DOCKETS DMEA-2082 and DMEA-3428, MT. WHEELER MINES, INC., CONTRACTS IDM-K248 AND IDM-K774, WE HAVE HEARD RUMORS THAT THIS PROPERTY HAS BEEN SOLD TO THE HIDDEN SPLENDOR MINING CO. IF ANY SUCH SALE HAS BEEN MADE, WOULD YOU PLEASE TRY TO ASCERTAIN IF THE PURCHASER IS AWARE OF THE GOVERNMENT'S CLAIM OF $246,497.47. SEE ARTICLE 2(d) OF THE LATER CONTRACT.

W. R. Griswold

W. R. GRISWOLD
ACTING CHAIRMAN, OPERATING COMMITTEE

WRGriswold/gla 9-18-59
cc to: Director's Reading File
Operating Committee
Confirmation to Region II
Docket DMEA-2082
Docket DMEA-3428
Code 500
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/31	Fisher	800
8/31	Talbut	800
		120
	GCS	200
9/1	gad	220

SEP 1 1959

Haskins & Sells
Certified Public Accountants
Kearns Building
Salt Lake City 1, Utah

Re: Docket No. DMEA-2082 (Tungsten)
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contract No. Idm-E248
and
Docket No. DMEA-3428 (Lead-Zinc)
Mt. Wheeler Mines, Inc.
Pole Adit
White Pine County, Nevada
Contract No. Idm-E774

Gentlemen:

This is to confirm the amount of $246,497.47 shown in your letter dated August 24, 1959, as the amount of the Government contribution to the above exploration projects not repaid as of this date computed as follows:

Contract No. Idm-E248		
Government advance	$105,624.68	
Less: Repayments	573.67	$105,051.01
Contract No. Idm-E774		141,446.46
Net balance		$246,497.47

Under provisions of Amendment No. 4 to Amended Contract No. Idm-E248, and Articles 7 and 11 and Annex II of Contract No. Idm-E774, the Government is entitled to a royalty on all production from the land subject to the contracts during a period ending March 15, 1967, or until the total amount of the Government's contribution has been repaid without interest, whichever occurs first.

Sincerely yours,

George C. Selfridge (for)

Acting Director

CEFisher/ama
August 31, 1959

Copy to: Docket - DMEA-2082
Director's Reading File
CA & A Division

43683

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS

KEARNS BUILDING
SALT LAKE CITY 1

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 28 1959

DATE	INITIALS	CODE
8/28	gad	220
		~~120~~
		800
		500

August 24, 1959

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Gentlemen:

In connection with work being done by us with the books and records of Mt. Wheeler Mines, Inc., will you please confirm to us the following:

1. Total amount due the government under the following:

   Docket No. DMEA-3428 (Lead-Zinc)
   Mt. Wheeler Mines, Inc.
   Contract No. IDM-E774

   and

   Docket No. DMEA-2082
   Mt. Wheeler Mines, Inc.
   Contract No. IDM-E248

2. Terms of above contracts.

3. Payment terms.

These records reflect a total liability of $246,497.47. OK

An addressed, stamped envelope is enclosed for your reply.

Yours truly,

Haskins & Sells

RLM/am
Enc.

Request for Confirmation Approved.

Mt. Wheeler Mines, Inc.

_____
President

FOR OFFICIAL USE ONLY
NOT FOR PUBLIC INSPECTION

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

OFFICIAL FILE COPY
IN REPLY REFER TO:
O. M. E.
RECEIVED AUG 31 1959

DATE	INITIALS	CODE
8/31	gad	rvo
		~~rvo~~
	Hcl	~~500~~ S.C.H.
		225

August 31, 1959

Memorandum

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

From: Harold Kirkemo, U. S. Geological Survey

Subject: Report of beryllium deposit at the Pole Adit, Mt. Wheeler mine, White Pine County, Nevada (DMEA 2082 Tungsten, DMEA 3428 Lead-Zinc) file

In response to your inquiry Friday about reports of a beryllium deposit at the subject mine, I submit the following information which Harold K. Stager, Geologist, U. S. Geological Survey, included in a letter to me dated August 21, 1959.

"You can refer to the final reports for the two DMEA projects for details on geology, history, etc., but to give you a brief historical background of our interest in this mine we explored the tungsten deposit at Mt. Wheeler under contract No. Idm-E248 between February 1952 and October 1954, driving about 3,200 feet of adit, crosscuts, and raises. A second project, to explore for a lead-zinc deposit, under contract No. Idm-E774 was undertaken between March 15, 1955 and November 30, 1956 and included the driving of an additional 6,600 feet of drifts and raises plus 1,706 feet of diamond-drilling. Total cost to the Government for these two projects was $247,071.14. The project was certified, on the basis of tungsten discoveries, on April 7, 1955. The Government's lien for royalties on production expires on January 29, 1967.

"Most of the project exploration was confined to the 20 to 50 foot thick Wheeler limestone bed (Combined Metals limestone at Pioche) near the base of the Pioche shale of Cambrian age. The shale is about 285 feet thick and is underlain by the Prospect Mountain quartzite, about 3,000 feet thick and also of Cambrian age. These rocks are intruded by a large granite sill of probable Tertiary age. The occurrence of thin veinlets and widely scattered small crystals of pale-blue beryl in the silicified limestone was noted during the driving of the adit and a spectroscopic analysis of a sample taken by one of the DMEA engineers indicated

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the presence of beryllium, but as the apparent beryl content was not thought to be significant no special notice was taken at the time. However, early this year the nationwide interest in beryllium prompted the president of Mt. Wheeler Mines, Inc., Mr. J. D. Williams to take a closer look at the BeO content of the more obviously mineralized rocks cut by the mine workings with rather startling results. It was found that the scheelite-bearing rock contained as much as 2.54 percent BeO, that the fluorite-rich zones in the mine contained over 1 percent BeO, and that there were other zones in which no scheelite or fluorite were present that contained over 1 percent BeO. The most favorable host rock appears to be the lower 30 feet of the limestone and the beryllium content is widespread in this zone.

"Several major mining companies interested in beryllium immediately became interested in the deposit and in the past few months the mine has been examined by representatives of Kennecott, Bear Creek, American Zinc, Combined Metals, Wah Chang, Westvaco, Hidden Splendor, Brush Beryllium, Cyprus Mines, and others. About 500 samples have been taken by these companies and by the owners and verify the presence of significant tonnages of beryllium-bearing ore. The reserves estimated by the owners, based on this sampling, at present total about one hundred thousand tons of measured ore that averages about one percent BeO, from a quarter to a half million tons of indicated ore of about the same average grade (0.75 to 1.25 percent BeO) and an inferred tonnage of several million tons. Metallurgical tests by Kennecott have yielded a concentrate that contains 20.02 percent BeO, from heads of about 0.75 percent BeO. The tailings contain about 0.17 percent BeO. From this high grade concentrate assay it is obvious that the beryllium content is not contained in beryl alone as pure beryl only contains about 14 percent BeO. It is believed that much of the beryllium occurs as the silicate phenacite (Be_2SiO_4) that contains about 45 percent BeO or as chrysoberyl ($BeAl_2O_4$) that contains about 20 percent BeO.

"Mr. Williams informed the Menlo Park DMEA office of the renewed activity at the mine in July, about the same time that the Bureau of Mines people in Salt Lake and Denver became interested. As a result I made a point of visiting the mine on August 5, 1959 accompanied by G. G. Gentry and A. C. Johnson, Bureau Engineers, while we were in eastern Nevada on a DMEA inspection trip. We met Mr. Williams at the mine and examined as much of the workings as it was safe to enter. The air is bad beyond about 3,000 feet from the mine portal but we were able to examine the entire tungsten workings as well as one of the major fluorite zones. We took 15 representative samples that have been sent to the Bureau of Mines

in Salt Lake City for assaying and testing. I returned to Menlo Park with about ten pounds of specimens of the various beryllium-bearing rock types and have turned them over to Bob Coleman of the G. & P. Branch for separation and identification."

Arrangements have been made for Dwight M. Lemmon of the Geological Survey to visit the Wheeler mine in the next week or two. He knows the operator and the geology of the Snake Range. His report will determine our future activities on this deposit.

Harold Kirkemo

Harold Kirkemo

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 7/1/57-12/31/57 Date of Examination 12/31/57

Operator Mt. Wheeler Mines, Inc.

Mine Name Pole Adit

County and State White Pine County, Nevada

Docket Number and Commodity DMEA-2082 (Tungsten)

Contract Number Idm-E 248 (Amended)

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 3 1958

DATE	INITIALS	CODE
2/4	C	220

Date of Contract

Date of Certification

Expiration Date of Royalty Payments

NO CHANGE

Total Amount of Contract

Total Expenditures under Contract

Amount of Government Participation at %

Royalty Payments this Period

Previous Royalty Payments

Total Royalty Payments to Date

Percent Government Participation Repaid

NO CHANGE

Royalty Due on Production to Date

Royalty Remarks:

DMEA-2082 Idm-E 248

		Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Mines ☐ Survey ☐ Joint ☐			
Revised Estimate of DMEA Reserves (Field Team) Mines ☐ Survey ☐ Joint ☐			
Increase of Reserves by work performed subsequent to DMEA project work			
Production DMEA ore	(This Period)		
	(Previous)		
	(To date)		
Operator's ore found subsequent to DMEA work	(This period)		
	(Previous)		
	(To date)		

NO CHANGE

NO CHANGE

Percent Revised Reserves mined _____

Investment Data

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

NO CHANGE

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

NO CHANGE

Signed Glenn G. Gentry (Engineer)

Glenn G. Gentry

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 1/1/57 - 6/30/57 Date of Examination 6/30/57

Operator Mt. Wheeler Mines, Inc.

Mine Name Pole Adit

County and State White Pine County, Nevada

Docket Number and Commodity DMEA-2082 (Tungsten)

Contract Number Idm-E 248 (amended)

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/8	Cow	100

Date of Contract 1/29/52

Date of Certification 4/7/55

Expiration Date of Royalty Payments 1/29/67

Total Amount of Contract $170,424.00

Total Expenditures under Contract $140,832.90

Amount of Government Participation at 75% $105,624.68

Royalty Payments this Period -0-

Previous Royalty Payments $573.67

Total Royalty Payments to Date $573.67

Percent Government Participation Repaid 0.54%

Royalty Due on Production to Date -0-

Royalty Remarks:

No additional tonnage of tungsten ore has been mined.

Mt. Wheeler Mines, Inc. DMEA-2082 Lin-E 248

						Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report)	Mines	[ ]	Survey	[ ]	Joint [X]	13,570	0.80% WO_3
Revised Estimate of DMEA Reserves (Field Team)	Mines	[ ]	Survey	[ ]	Joint [ ]	No change	
Increase of Reserves by work performed subsequent to DMEA project work						None	
Production DMEA ore	(This period)					None	
	(Previous)					429.69 S.D.T.	535.24 S.T.U. WO_3
	(To date)					429.69 S.D.T.	535.24 S.T.U. WO_3
Operator's ore found subsequent to DMEA work	(This period)					None	
	(Previous)					None	
	(To date)					None	

Percent Revised Reserves mined 3.16%

Investment Data

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
	None			None			None	

Raises Size	Raises Feet	Raises Cost	Drilling Type & Size	Drilling Feet	Drilling Cost	Rehabilitation Description	Rehabilitation Cost
	None			None		None	

Mine Plant Description	Mine Plant Cost	Facilities Mill Description	Facilities Mill Cost	Roads Description	Roads Cost
Bldgs. & Equipment	$10,000. ✓	None		None	

Remarks

Future mining operations will probably not be considered unless the market for tungsten justifies the necessary investment.

Signed Glenn G. Gentry (Engineer)
Glenn G. Gentry

C. O. Mittendorf, Administrator

Defense Minerals Exploration
Administration

N.S. in S.+R.

DECEMBER 26, 1956

MR. JAMES D. WILLIAMS, PRESIDENT
MT. WHEELER MINES, INC., 408 FELT BUILDING
SALT LAKE CITY, UTAH

WILL PHONE YOU 2 PM EASTERN TIME THURSDAY DECEMBER 27.

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COMittendorf/fw
12/26/56

cc: Mails & Files
Admr. Reading File
Base Metals Division
Administrator

2062

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 7/1/56 - 12/31/56 Date of Examination 12/31/56

Operator Mt. Wheeler Mines, Inc.

Mine Name Pole Adit

County and State White Pine County, Nevada

Docket Number and Commodity DMEA-2082 (Tungsten)

Contract Number Idm-E 248 (Amended)

RECEIVED JAN 28 1957 D.M.E.A.

Date of Contract 1/29/52

Date of Certification 4/7/55

Expiration Date of Royalty Payments 1/29/67

Total Amount of Contract $170,424.00

Total Expenditures under Contract $140,832.90

Amount of Government Participation at 75 % $105,624.68 Subject to change to about $280000±

Royalty Payments this Period 0

Previous Royalty Payments $573.67

Total Royalty Payments to Date $573.67

Percent Government Participation Repaid 0.54%

Royalty Due on Production to Date 0

Royalty Remarks: No additional tonnage of tungsten ore has been mined.

M[illegible] Wheeler Pole Adit Idm-E[illegible]48 DMEA 2082
T[illegible]s Analysis

Original Estimate of DMEA Reserves (Field Team Final Report) Mines /____/ Survey /____/ Joint / x /	13,570	0.80% WO_3
Revised Estimate of DMEA Reserves (Field Team) Mines /____/ Survey /____/ Joint /____/	No change	
Increase of Reserves by work performed subsequent to DMEA project work	None	
Production DMEA ore (This period)	None	
(Previous)	429.69S.D.T.	535.24 S.T.U. WO_3
(To date)	429.69 S.D.T.	535.24 S.T.U. WO_3
Operator's ore found subsequent to DMEA work (This period)	None	
(Previous)	None	
(To date)	None	

Percent Revised Reserves mined 3.16

Investment Data

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
None			None			None		

Raises Size	Raises Feet	Raises Cost	Drilling Type & Size	Drilling Feet	Drilling Cost	Rehabilitation Description	Rehabilitation Cost
None			None			None	

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost
Bldgs. &Equipment	$30,000.00	None		None	

Remarks

Additional exploration under Contract Idm-E 774 was concluded on November 30, 1956. No Zn-Pb. mineralization was found.

Signed Glenn G. Gentry, (Engineer)

IN REPLY REFER TO:

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

RECEIVED NOV 15 1956 D.M.E.A.

November 15, 1956

Re: DMEA 2082, Idm-E248
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Tungsten

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report

The contract and amendments approved the expenditure of:-

Stage I	$ 75,476.00	(Pole adit)
Stage II	57,085.00	(Pole adit)
Stage III	18,340.00	(North zone)
Total	$150,901.00	

"As a result of this work (Stage I) small ore bodies were discovered, ... but they were not explored sufficiently to determine the grade nor to delineate the size of the discovery." Field Team Final Report. The examiners estimate 10,370 tons of 0.8% WO_3 of all classes resulted from the Stage II work, and 3,200 tons of 0.8 WO_3 of all classes are estimated to have resulted from the Stage III work.

In the period July 1, 1954 - December 31, 1954, 430 tons of ore, averaging 1.25 WO_3, was shipped. The net value was $12,463.97 and royalty payments in the amount of $573.67 were made. No other shipments appear to have been made up to June 30, 1956. "The operator discontinued production of tungsten ore when DMEA contract was completed as no milling facilities were available in the immediate area." Semi-annual report of Certified Projects, June 30, 1956.

The project was certified April 7, 1955. I concur with that action.

N. E. Nelson

N. E. Nelson

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 1/1/56 - 6/30/56 Date of Examination 6/30/56

Operator Mt. Wheeler Mines, Inc.

Mine Name Pole Adit

County and State White Pine County, Nevada

Docket Number and Commodity DMEA-2082 (Tungsten)

Contract Number Idm-E248 amended

Date of Contract 1/29/52

Date of Certification 4/7/55

Expiration Date of Royalty Payments 1/29/67

Total Amount of Contract $170,424.00

Total Expenditures under Contract $150,901.01

Amount of Government Participation at 75 % $113,175.76

Royalty Payments this Period -0-

Previous Royalty Payments $573.67

Total Royalty Payments to Date $573.67

Percent Government Participation Repaid 0.51

RECEIVED
JUL 26 1956

Royalty Due on Production to Date -0-

Royalty Remarks: Two lots were shipped to Combined Metals Reduction Co., Bauer Plant, Bauer, Utah and royalties paid on these shipments.

Original Estimate of Reserves
DMEA Final Report

	Tons	Grade
Measured:	180	0.8
Indicated:	5,290	0.8
Inferred:	8,100	0.8

Increase (or Decrease) of Reserves
Work performed subsequent to original and last Field Team estimate:

	Tons	Grade
Measured:		
Indicated:		
Inferred:	No change	
Revised Estimate of Reserves	13,140.31	0.8
Production this Period	-0-	
Amount of Previous Production	429.69 S.D.T. = 535.24 S.T.U. WO_3	
Total DMEA Production to Date	429.69 S.D.T. = 535.24 S.T.U. WO_3	

Production Remarks: The operator discontinued production of tungsten ore when the DMEA contract was completed as no milling facilities were available in the immediate area.

Other Remarks: Additional exploration work presently conducted under contract Idm-E774 consists of extending the Pole adit for the purpose of intersecting the St. Lawrence fissure which is to be explored for lead-zinc minerals.

Signed Glenn G. Gentry

REGION II
SEMI-ANNUAL REPORT
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Docket No.: DMEA-2082 (Tungsten) Date: 12/31/55

Contract No.: Idm-E248 (amended)

RECEIVED
JAN 17 1956

Operator: Mt. Wheeler Mines, Inc.
218 Felt Bldg.
Salt Lake City, Utah

Pole Adit
White Pine County, Nevada

Date of Contract: 1/29/52 Completion Date: 1/29/55

	Total	Expenditures	Gov't Participation
Amount of Contract:	$170,424.00	$150,901.01	$113,175.76

105,624.68

Date Certified: 4/7/55

Estimated Reserves

DMEA Project	Tons	Grade	Gross Value
Measured:	180	0.8	$ 9,072.00
Indicated:	5,290	0.8	266,616.00
Inferred:	8,100	0.8	408,240.00
January 1, 1956			
Measured:	180	0.8	$ 9,072.00
Indicated:	5,290	0.8	266,616.00
Inferred:	8,100	0.8	408,240.00

	This Period	Todate	Gross Value
Production:	0	854 tons	$32,951.00

	This Period	Todate	Percent Payment
Royalty:	0	$573.67	0.51

Status: Additional exploration work being conducted under contract Idm-E774 consists of extending the Pole adit for the purpose of intersecting the St. Lawrence fissure which is to be explored for lead-zinc minerals.

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

NOV 1 1955

Mr. George Mayer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Royalty Audit Report
Mt. Wheeler Mines, Inc.
Yds-2248, DMEA-2082

Dear George:

Receipt is acknowledged of your First Royalty Audit Certificate and Report covering the above-cited Exploration Project Contract.

The Report is acceptable and normal distribution may be effected.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
November 17, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.B.

REGION II
SEMI-ANNUAL REPORT
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 13 1955

Docket No.: DMEA-2082 (Tungsten) **Date:** June 30, 1955

Contract No.: Idm-E248 (Amended)

Operator: James D. Williams
Mt. Wheeler Mines, Inc.
P. O. Box 150
Salt Lake City 10, Utah

Date of Contract: January 29, 1952 **Completion Date:** January 29, 1955

	Total	Gov't Participation	Operator
Amount of Contract:	$170,424.00	$127,818.00	$42,606.00
Expenditures:	$147,031.00	$117,625.00	$29,406.00

Date Certified: April 7, 1955

Status: The original exploration project has been completed, and the amended exploration project was abandoned by the operator on October 20, 1954.

	Tons	Grade	Gross Value	Deductions	Net Value
Total **Production DMEA:**	429.691		$17,417.71	$4,557.07	$12,860.64

	This Period	Todate	Percent Payment
Royalty:	None	573.67	0.48

Remarks:

No milling facilities for tungsten ores are available in the vicinity of the Mt. Wheeler mine. Therefore, the operator has discontinued the mining of tungsten ores and is now extending the Pole Adit under exploration contract No. Idm-E774. ✓

Should have breakdown of "ducks"

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

APR 29 1955

Mr. George Mavor
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Idm-E248, DMEA-2082
Mt. Wheeler Mines, Inc.

Dear Mr. Mavor:

Reference is made to the third paragraph of your Explanation Schedule of the Report of Review of the above-cited project.

In the third line you have "the Government's equity of 25 percent." This should be 75 percent. I have corrected the copies sent to Washington. Please make the corrections on your copies and those to be distributed. With this correction the Report is accepted.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
April 29, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.B.

DOCKET
Surname:

Rutledge
Martin
Killsgaard
Selfridge
Hedges
FEJohnson

APR - 7 1955

Mr. and Mrs. Shirley G. Robison
Ely, Nevada

Re: Docket No. DMEA 2082-Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248

Dear Mr. and Mrs. Robison:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. Part of the property as set forth in the contract was leased to Mt. Wheeler Mines, Inc., by R. E. Kaufman and Hedwig Kaufman, his wife, Bryan S. Robison and Chloe R. Robison, his wife, and Shirley G. Robison and Marjorie M. Robison, his wife, under a certain indenture dated December 18, 1950. The same property was also referred to in the "Landlord's Subordination Agreement" executed by the above-named individuals on October 17, 1951, and the "Owner's Consent to Lien" forms similarly executed on May 18, 1953, and May 19, 1954.

Also enclosed is a copy of our letter to Mt. Wheeler Mines, Inc.

Sincerely yours,

C. O. Mittendorf
Administrator

Enclosures

cc: Docket
Code 400
Adm. Read. File
Oper. Committee
FT, Region 2

cc: Mr. Johnson, Code 110
Mr. Chambers, Code 800
Mr. Hedges, USBM
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS

FARutledge/ls
4/6/55

R.C.J.

400

DOCKET
Surname:

Rutledge
Martin
Hudgens
Selfridge
Hedges
Johnson

APR - 7 1955

Mr. and Mrs. R. E. Kaufman
Baker, Nevada

Re: Docket No. DMEA 2082-Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248

Dear Mr. and Mrs. Kaufman:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. Part of the property as set forth in the contract was leased to Mt. Wheeler Mines, Inc., by R. E. Kaufman and Hedwig Kaufman, his wife, Bryan S. Robison and Chloe E. Robison, his wife, and Shirley G. Robison and Marjorie M. Robison, his wife, under a certain indenture dated December 18, 1950. The same property was also referred to in the "Landlord's Subordination Agreement" executed by the above-named individuals on October 17, 1951, and the "Owner's Consent to Lien" forms similarly executed on May 18, 1953, and May 19, 1954.

Also enclosed is a copy of our letter to Mt. Wheeler Mines, Inc.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

cc: Docket
Code 400
Adm. Read. File
Oper. Committee
FT, Region 2

cc: Mr. Johnson, Code 110
Mr. Chambers, Code 800
Mr. Hedges, USBM
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS

FARutledge/ls
4/6/55

R.S.

DOCKET
Surname:

Rutledge
Martin
Kuilsgaard
Selbredge
Hedges
Johnson

APR - 7 1955

Mr. and Mrs. Bryan S. Robison
Ely, Nevada

Re: Docket No. DMEA 2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248

Dear Mr. and Mrs. Robison:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. Part of the property as set forth in the contract was leased to Mt. Wheeler Mines, Inc., by R. E. Kaufman and Hedwig Kaufman, his wife, Bryan S. Robison and Chloe E. Robison, his wife, and Shirley G. Robison and Marjorie M. Robison, his wife, under a certain indenture dated December 18, 1950. The same property was also referred to in the "Landlord's Subordination Agreement" executed by the above-named individuals on October 17, 1951, and the "Owner's Consent to Lien" forms similarly executed on May 18, 1953, and May 19, 1954.

Also enclosed is a copy of our letter to Mt. Wheeler Mines, Inc.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures

cc: Docket
Code 400
Adm. Read. File
Operating Comm.
FT, Region 2

cc: Mr. Johnson, Code 110
Mr. Martin, Code 400
Mr. Chambers, Code 800
Mr. Hedges, USBM
Mr. Holliday, USBM
Mr. Kiilsgaard, USGS

FARutledge/ls
4/6/55

R.L.S.

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

Notes

April 6, 1955

MEMORANDUM

To: The Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Supplement to memorandum of February 24, 1955
Government's equity in equipment and installations
Docket No. DMEA 2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248

Reference is made to the following statement in the last paragraph of our memorandum of February 24:

> " . . . the Government's equity in some $6,798.61 of materials and supplies was waived in lieu of the Operator's costs in excess of those authorized to complete the approved work."

Our statement was not intended to indicate that the Government had waived its equity in the referenced materials and supplies without receiving a consideration in return.

The total cost to complete the project to January 31, 1953, was $82,770.66. As the authorized cost of the project at that time was only $75,476.00, the excess ($7,294.66) was disallowed by audit. The contract was later amended to add more funds and additional work. Therefore, the Government's equity in the amount of $6,798.61 in the referenced materials and supplies was transferred to the Operator in lieu of payment for the entire amount of these excess costs. Please see letter dated May 28, 1954, to Field Team and Miller's reply of June 15, 1954.

W S Martin
W. S. Martin, Chief
Iron and Ferro-Alloys Division

R 2n Ea

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1955

1605 Evans Avenue
Reno, Nevada

April 4, 1955

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D.C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-2082 - Tungsten
Mt. Wheeler Mines, Inc.,
Mt. Wheeler Mine
White Pine County, Nevada
Contract No. Idm-E248

Reference is made to your letter of March 29, 1955 regarding our final report on above subject docket.

The report was mailed to Washington on March 28, and unless we hear to the contrary, we will assume that it has been by this time received in Washington.

S. Ricker

S. Ricker

400

DOCKET
Surname

Rutledge
Martin
Selfridge
Spencer
Mattendorf

MAR 29 1955

Mr. Spangler Ricker, Executive Officer
DMEA Field Team, Region II
U. S. Bureau of Mines
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 2082-Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248

Dear Mr. Ricker:

Reference is made to the subject docket and your memorandum dated February 7, 1955, which states that the Field Team's final report should be completed by February 28, 1955.

Please advise when we may expect to receive this report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

Approved:

J. H. Hedges (2/B)
Member, Bureau of Mines

S/ R. D. Trace (2/B)
Member, Geological Survey

cc: Docket
Adm. Read. File
Oper. Committee
Code 400
FT, Reg. 2 - Reno
Thor Kiilsgaard, USGS
Robt. Holliday, USBM

FARutledge/ls
3/28/55

A.C.G.

R m E a

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 30 1955

1605 Evans Avenue
Reno, Nevada

March 28, 1955

Memorandum

To: Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket DMEA-2082 - Tungsten
Mt. Wheeler Mines, Inc.,
Mt. Wheeler Mine,
White Pine County, Nevada
Contract Idm-E248

Attached are four copies of final report on above subject project by Roscoe Smith, geologist, U. S. Geological Survey and Glenn G. Gentry, mining engineer, U. S. Bureau of Mines, dated March 21, 1955.

S. Ricker

Attachments

Reviewed by
DMEA OPERATING COMMITTEE
4-4-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

Department of the Interior
Defense Minerals Administration
MAR 30 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

FINAL REPORT

F.T. Final

DMEA-2082, Contract Idm-E248 (Tungsten)

Mt. Wheeler Mines, Inc.

Mt. Wheeler Mine, White Pine County, Nevada

by

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

Roscoe M. Smith
Geologist
U. S. Geological Survey

March 21, 1955

Reviewed by
DMEA OPERATING CONTRACTOR
4-4-55
(Date)

Docket No.: DMEA-2082 (Tungsten)

Operator: Mt. Wheeler Mines, Inc.
218 Felt Bldg.
Salt Lake City, Utah

Property: Mt. Wheeler Mine
White Pine County, Nev.

Contract No.: Idm-E248

INTRODUCTION

The Mt. Wheeler property, also known as the Pole adit, White Pine County, Nevada, was explored by the Mt. Wheeler Mines, Inc., 218 Felt Bldg., Salt Lake City, Utah, in cooperation with the Defense Minerals Exploration Administration under contract Idm-E248 dated January 29, 1952 amended May 11, 1953, and amended with an increase in funds May 20, 1954.

The objective of the work was the exploration along the strike of tungsten showings that were revealed at the surface in two zones: (1) the Pole adit zone and (2) the North zone. The work was conducted in three stages. Stage I explored the Pole adit zone at intervals along the strike and was conducted between January 29, 1952 and January 29, 1953. The results are summarized below and were reported in detail in a final report by Glenn G. Gentry, R. M. Smith, and D. C. Laub, March 25, 1953. Stage II delineated the size and grade of ore bodies in the Pole adit zone and was conducted between May 11, 1953 and December 12, 1953. The results were reported in a report dated March 4, 1954 by Glenn G. Gentry and Roscoe M. Smith.

Stage III was conducted between May 24 and October 25, 1954. Detailed results of this work are reported herein.

SUMMARY AND CONCLUSIONS

Stage I (Pole adit).--The work consisted of:

1.	Constructing a compressor building	$ 2,000.00
2.	Constructing a shop building	750.00
3.	Laying 2,000 feet of buried water line	1,140.00
4.	Advancing the Pole adit 965 feet southeasterly, crosscutting 335 feet in 6 locations from the adit to the ore zone, raising 90 feet in 8 locations from the crosscuts to the ore bed, drifting 242 feet in 6 locations in the ore	71,586.00
	(Work in excess of contract - $7,333.41 - paid for by operator)	
	Total, 1465 feet	$75,476.00

As a result of this work small ore bodies were discovered in laterals (crosscuts) 1, 3, and 4, but they were not explored sufficiently to determine the grade nor to delineate the size of the discovery.

Stage II (Pole adit).--The work consisted of constructing a 12' x 12' powder magazine, driving 1,023.5 feet of slusher drifts (or flat raises) northerly in 5 locations up the dip of the Wheeler limestone bed, drifting 176 feet east and west in 5 locations in the ore zone from the slusher drifts, and raising 49.5 feet in 5 locations from the drifts (contract allowed 1,200 feet - excess paid by operator).

Total, 1,249 feet $141,076.00

As a result of Stage II the Pole adit zone was found to be about 100 feet wide and to contain sausage-shaped ore bodies as much as 15 feet in diameter and 40 feet long distributed along two (in some places three) scheelite-bearing quartz stringers at their intersections with two favorable layers of the Wheeler limestone. Ore reserves in all classes in the Pole adit zone were estimated to be 10,370 tons averaging 0.8 percent WO_3 or 8,296 units.

Production from these ore bodies is feasible and additional exploration by the operator is warranted, but the inferred reserves do not warrant additional Government assistance as the area has been adequately tested, the size of the ore bodies in the Pole adit zone are not commensurate with the cost of the project, and the discovery of larger ore bodies is improbable.

Stage III (North zone).--The purpose of the work was to explore the North zone underground along the strike of tungsten showings revealed at the surface. Because the outcrop of the North zone is more pronounced and higher grade than the outcrop of the Pole adit zone it was inferred that the ore bodies might also be larger and higher grade.

The work consisted of drifting easterly 323.7 feet along the strike of the Wheeler limestone bed (contract allowed 500 feet), crosscutting (or flat raise) 128 feet northerly up the dip of the limestone bed (contract allowed 200 feet), and timbering 56 feet (contract allowed 200 feet).

Total cost, 451.7 feet	$ 18,340.00
Government's share of the cost	13,755.00
Total approved cost	29,348.00
Unexpended	$ 11,008.00

The work indicated that the North zone is about 25 feet wide and contains only one principal scheelite-bearing quartz vein. Ore bodies along it are inferred to be about the same size and grade as those in the Pole adit zone. Ore reserves are estimated to be 3,200 tons averaging 0.8 percent WO_3 or 2,560 units.

It is concluded that drifting along the veins where concentrations of scheelite are found would discover additional ore in intermittent lenses. By careful mining and sorting production from the North zone is economically feasible, although sorting under mineralight may be necessary to obtain an economic, marketable product.

No scheelite ore has been produced from the North adit and, therefore, no royalties are presently due the Government.

RECOMMENDATIONS

The examining engineers recommend that additional exploration for tungsten be done at the operator's expense, and not be undertaken with Government funds as the size of the veins exposed in the North zone and of the ore bodies in the Pole adit zone indicate an extensive discovery of scheelite ore is not to be expected.

Owing to the possibility that the operator or leasers may further explore the North zone and produce ore at some future date, the examining engineers recommend that DMEA certify Stage III was successful and that Government is entitled to royalties from any future production. Stages I and II were also successful and should be included in the certification.

THE PROJECT

Stage III (North zone).--Under Stage III of the amended contract, the following work was specified:

500 feet of drifting
200 feet of crosscutting
200 feet of timbering

The operator started work on May 20, 1954 and discontinued work on October 20, 1954 and during this period has completed the following:

323.7 feet of drifting
128.0 feet of crosscutting
56.0 feet of timbering

The exploration consisted of driving an adit (fig. 2) in an easterly direction a distance of 323.7 feet and from this adit crosscutting in a northerly direction a distance of 128.0 feet. The total drifting and crosscutting amounted to 451.7 linear feet. As only light and scattered occurrences of scheelite were disclosed in the adit, and caving ground was encountered in the face, further extension of the adit was discontinued by the operator during September, 1954. At a point 284 feet southeast of the portal of the adit, the operator started crosscutting in a northerly direction and

extended the crosscut for a distance of 128.0 feet. At approximately 90.0 feet north of the center line of the adit, the crosscut disclosed a fissure about 10 feet wide having a general east to west strike and filled with a mixture of quartz, limestone and ankerite mud. The quartz part of the vein, carrying some scheelite, ranged in width from 12 inches to 2 feet and was the only significant occurrence of scheelite in the crosscut.

Samples 1375, 1391, 1491, 1492 and 1493 cut from the vein averaged 2.55 percent WO_3. A slab round drilled and blasted on the east and west walls of the crosscut at the point of intersection with the quartz vein did not disclose any increase in the width of the quartz vein or of the scheelite content. However, by drifting in both easterly and westerly directions and following the quartz vein, there is a possibility that lenses of scheelite having commercial value may be encountered.

During the period the exploration work has been in force, inspections have been made by the examining engineer on the following dates:

June 18, 1954
August 5, 1954
October 5 and 9, 1954
November 21, 1954
January 29, 1955

Under date of March 1, 1955 the operator has submitted his final report covering the exploration work performed under the contract.

Expenditures

Approved by the amended contract:

500 feet of drifting at $40.00/ft.	$20,000.00
200 feet of crosscutting and/or raising at $40.00/ft.	8,000.00
200 feet of timbering at $6.00/ft.	1,200.00
Assaying	148.00
Estimated total cost of the project	$29,348.00

Government's share of the approved cost at 75% $22,011.00

Cost of the project

The applicant has reported expenditures of:	$18,340.00
Unexpended	$11,008.00

Government's share of unexpended funds at 75% $ 8,256.00

Value of production during operations and Government royalty: - None.

No sampling has been reported by the applicant and no charges for assaying have been made.

Recapitulation of the operator's report of expenditures, as submitted, is as follows:

June, 1954:	Drifting; 163 ft. at $40.00/ft.	$6,520.00
	Timbering; 36 ft. at $6.00/ft.	180.00
July, 1954:	Drifting; 121 ft. at $40.00/ft.	4,840.00
August, 1954:	Drifting; 67 ft. at $40.00/ft.	2,680.00
September, 1954:	Drifting; 76.5 ft. at $40.00/ft.	3,060.00
	Timbering; 20.0 ft. at $6.00/ft.	120.00
October, 1954:	Drifting; 23.5 ft. at $40.00/ft.	940.00
		$18,340.00

Efficiency of operations

The exploration project has been conducted in an efficient manner and the adit and crosscut are considered to be satisfactory to the Government. The area explored is dry and the rock has only required a minimum of timber support.

Equipment purchased for the project

No equipment was purchased for this Stage III of the amended contract and no supplies remained upon completion of the project. The amended contract specified payment on a unit or footage basis. After discontinuing exploration work on the project, the operator has removed the air and water lines, the mine car, mine rail and cross ties, together with drilling machines, air and water hose. This equipment has been transferred to the applicant's Pole adit which is situated approximately 900 feet south of the North zone and where the applicant is presently engaged in extending the Pole adit in an easterly direction.

GEOLOGY

The Mt. Wheeler property is in an area of high relief; steep slopes alternate with high limestone cliffs. The slopes are covered with 1 to 15 feet of alluvium and a light stand of timber. The property is in Pole Canyon, a large amphitheater on the west slope near the central part of the Snake Range, from an altitude of 7,000 to 10,000 feet.

The central part of the Snake Range consists of sedimentary rocks of Cambrian age that are gently tilted south, cut by faults in several systems, and intruded by a quartz monzonite stock.

Sedimentary rocks have been divided by Young[1/] into three units. Listed in order of youngest to oldest, they are:

St. Lawrence limestone	670 feet
Pioche shale	350 feet
Prospect Mountain quartzite	Base not exposed

All the beds strike about S. 70 E. and dip 10° S. The St. Lawrence limestone is partly a cliff-forming unit in this area. The Pioche shale forms tree-covered slopes, and is identified from other shales in the region by generally containing mica. About 45 feet above the base it contains a 22-foot limestone member called the Wheeler limestone bed. The tungsten deposits are in this limestone, which is equivalent to the Combined Metals limestone in the Pioche district 60 miles to the south. The Prospect Mountain quartzite underlies most of the range in this area and may be as much as 5,000 feet thick. A quartz monzonite stock crops out about 2 miles north of the mine area and is presumed to underlie the quartzite at an unknown depth.

The sedimentary rocks are cut by three sets of faults. One set strikes east and dips steeply north and contains scheelite-bearing quartz veins and veinlets ranging from an inch to 5 feet in width. Zones of these veinlets are persistent for hundreds of feet in an easterly direction. A second set of faults strike north

---

1/ Young, Earl B., 1951, Geologic report to Combined Metals Reduction Company, Salt Lake City, Utah.

and dip steeply east or west. These faults commonly contain gouge and displace the bedding from a few inches to a few feet. In some places ground water solutions along these faults have dissolved the Wheeler limestone as much as 20 feet on each side of a fault forming caves which have subsequently been filled with mud. The largest fault in this system found underground displaces the Wheeler Bed about 28 feet with the east side down. These faults are normal and the displacement appears to be mostly dip slip. A third set of faults is parallel with the bedding but appears to have no effect on the ore deposits.

ORE DEPOSITS

The ore bodies are podlike replacement bodies along the nearly horizontal intersections of two zones of steep east-striking quartz veins with the nearly flat Wheeler limestone. The pods are as much as 15 feet in diameter and 40 feet long, and have been tested intermittently along the strike for about 900 feet in the Pole adit zone and 300 feet in the North zone (fig. 3).

Scheelite, the only tungsten mineral seen, occurs sporadically replacing the limestone adjacent to quartz veinlets, and also sparsely disseminated in the quartz. Most of the scheelite is in crystals and aggregates 1/16 to 1/2 inch in diameter concentrated along fractures and intersections of fractures. The rock between fractures is commonly unmineralized. Fractures are from 1 to 30 inches apart, and where they are closely spaced the rock constitutes ore. Sorted

ore that was shipped ranged in grade from 0.6 to 2.4 percent WO_3 but the ore bodies average only about 0.8 percent WO_3.

In the Pole adit zone, which is about 100 feet wide, most of the ore bodies occur along two (in some places three) scheelite-bearing quartz stringers in the lower part of the Wheeler limestone but in No. 5 lateral ore also was found at the intersection of quartz stringers with the upper part of the limestone. The ore bodies pinch and swell along the strike and range from pods a few inches in diameter and a few feet long to larger pods a maximum of 15 feet in diameter and 40 feet long. The largest of these pods was in the No. 5 lateral (figure 3), which has yielded 434 tons averaging 1.56 percent WO_3.

The North zone was explored because here the surface showings are better than those at the Pole adit zone. Where the ore zone was cut in the crosscut it is about 25 feet wide, contains one vein system 10 feet wide and 4 scheelite-bearing quartz stringers a few inches wide. Replacement ore 12 to 24 inches wide occurs along the south side of the main vein and ore 6 inches wide was reported along the north side. Samples from the widest ore averaged 2.5 percent WO_3 but the entire ore body is estimated to average about 0.8 percent WO_3.

The ore bodies in the North adit and near the portal of the Pole adit are near the surface, where ground water circulating in north-striking faults formed many solution cavities, many of them filled with mud. The ore body mined in No. 5 lateral (Pole adit) is

more distant from the portal and under greater cover. Although cut by north-striking faults, it did not contain mud-filled cavities. This is probably owing partly to the greater depth and partly to laterals near the portal of the adit being underneath an alluvium-covered slope in Pioche shale whereas the No. 5 lateral is vertically below St. Lawrence limestone.

ORE RESERVES

The ore reserves are summarized as follows:

Class	Tons	Percent WO_3	Units
Pole adit zone			
Measured	180	0.8	144
Indicated	5,290	0.8	4,232
Inferred	4,900	0.8	3,920
	10,370	0.8	8,296
North zone			
Measured -	A few tons		
Indicated -	A few tons		
Inferred	3,200	0.8	2,560
Total	13,570	0.8	10,856

Measured and indicated reserves are in pods along two quartz veinlets extending 1,000 feet from the portal of the Pole adit to No. 6 lateral (fig. 3). Ore bodies averaging 7 feet high and 7 feet wide may occupy two-thirds of the combined strike lengths.

Inferred reserves in the Pole adit zone are along two veinlets extending 1,200 feet from No. 6 lateral to the Sheffield fissure.

Ore bodies 7 feet high and 7 feet wide are inferred to occupy half the combined strike lengths. In the North zone ore bodies 5 feet high and 7 feet wide are inferred to occupy half the strike length of one veinlet from the portal 2,200 feet to the Sheffield fissure. A factor of 12 cubic feet per ton was used.

FUTURE EXPLORATION

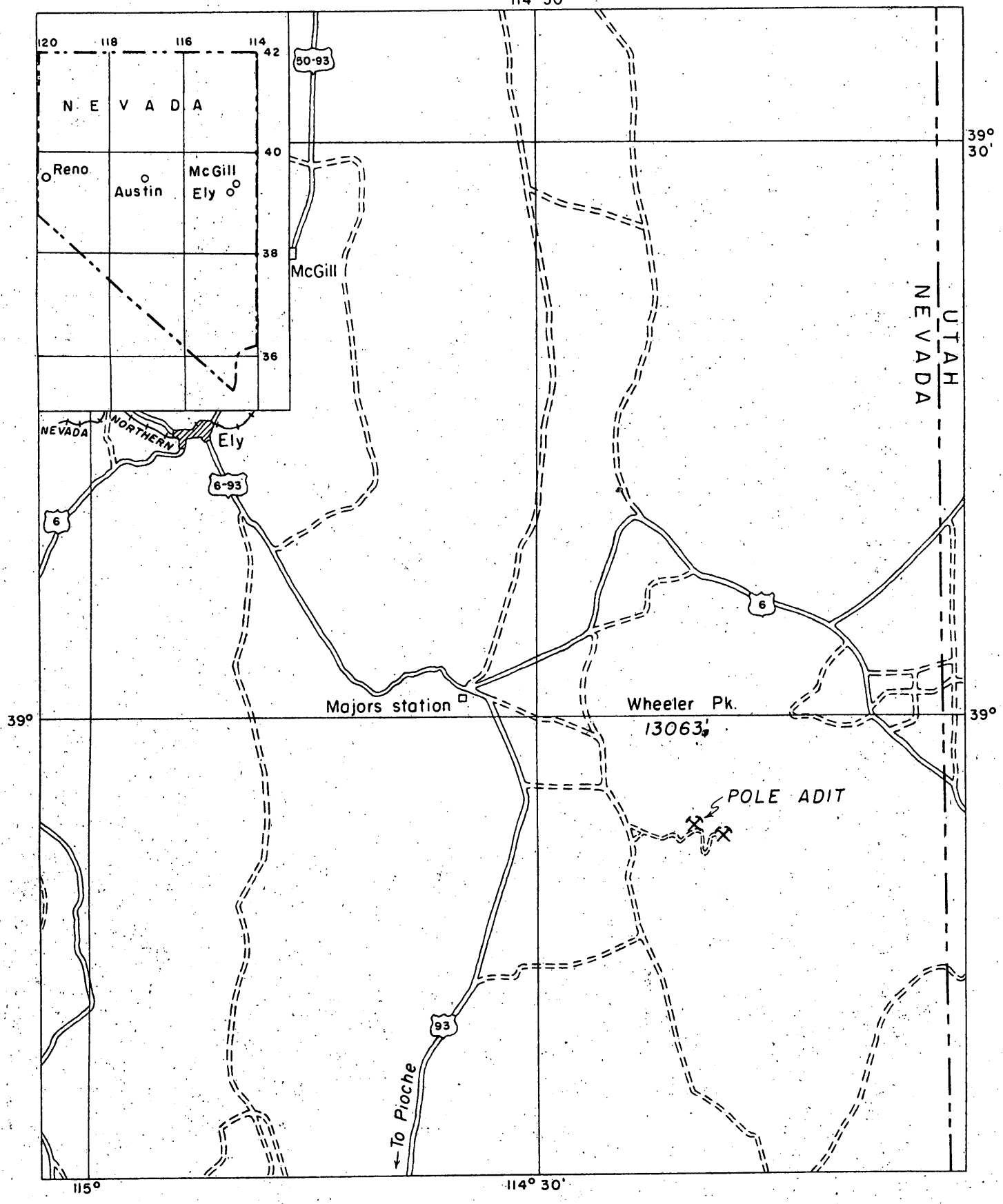
The Pole adit zone should be further explored east of the No. 5 lateral, partly because the best ore has been found in No. 5 lateral and partly because better mining conditions were also found farther eastward where the body is under deeper cover. The North zone should also be explored both easterly and westerly from the lateral which cuts the ore zone. Ore bodies in this zone have been inferred to cover only 1/2 of the strike length of the zone, and inasmuch as the lateral may have cut the zone in a barren spot between scheelite-bearing pods at least 50 feet of strike length in this zone should be tested.

Sufficient work has been done in the Pole adit zone to reasonably delineate the size, shape and grade of the ore bodies. These are large enough to support a small mining enterprise. In the North zone the size, shape and continuity of ore bodies was not determined but the zone was tested sufficiently to determine that ore bodies of higher grade or larger size than the Pole adit zone are unlikely. Although additional exploration in both zones by the operator is warranted, additional participation by the DMEA is not justified

because there appears to be little chance of making a discovery commensurate with the cost of the project.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 2082
(TUNGSTEN)



INDEX MAP OF NEVADA

0 5 10 MILES

Figure 1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 30 1955

R 3 E a

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

DEPARTMENT OF
Defense Di

MAR 10 1955

1605 Evans Avenue
Reno, Nevada

Memorandum

March 9, 1955

To: Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-2082, Tungsten
Mt. Wheeler Mine, White Pine County, Nevada
Contract No. Idm-E248

Attached are four copies of the Operator's final report on the above subject project.

S. Ricker

Encl.

BUREAU OF MINES
WASHINGTON, D. C.

MAR 10 2 32 PM '55

MT. WHEELER MINES, INC.
P. O. BOX 150
SALT LAKE CITY 10, UTAH

DEPARTMENT OF THE INTERIOR
Defense Mine
RI
MAR 10 1955

March 1, 1955

Mr. A. C. Johnson
Supervising Mining Engineer, Region II
United States Bureau of Mines
1605 Evans Avenue
Reno, Nevada

Re: Mt. Wheeler Mines, Inc
DMEA-2082-Tungsten; Idm-E-248
Final Report - November, 1954

Dear Mr. Johnson:

Pursuant to your letter of February 24, we are enclosing an original and four copies of a Final Narrative Report and monthly progress map covering the above captioned docket. We have also included ozalid copies of a letter accepting termination of the contract signed by the Administrator. No MF-104 or 104-A cost reimbursement is claimed for the two slab rounds blasted.

Very truly yours,

MT. WHEELER MINES, INC.
By

James D. Williams
President

JDW-K

Enc.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
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1955 MAR 4 AM 9:22

RENO, NEVADA

OF THE INTERIOR

MAR 10 1955

FINAL NARRATIVE REPORT
Month of November, 1954

Mt. Wheeler Mines, Inc.
DMEA-2082-Tungsten; Idm-E-248
Contract Amount - $170,424.00
Government Participation - 75%

1. The Work

Total exploration footage completed under Amendment No. 4, DMEA-2082-Tungsten; Contract Idm-E-248; North Zone, amounted to 451.0 feet, allocated as follows -

Main Drift	323.0 Ft.
North Lateral	31.0 "
Drift Up Bedding	97.0 "
	451.0 Ft.

This is shown on Map C-100 attached. Unexpended footage amounted to 249.0 feet.

2. Geology

The first 46 feet of the main drift was driven fairly well within the main E-W trending wide quartz fissure, cutting across it southerly at a small angle. From 46.0 to 82.0 feet the drift was gradually turned southerly, to a S 68° E course, to maintain the shale-lime contact in the face. This course allowed the contact to drop slowly to the bottom of the drift, indicating a S 70° E strike of the bedding. Numerous northwesterly faults were cut, all having small displacements. Considerable mud was encountered in both the faults and the Wheeler bed. This mud condition probably prevails because of the shallow distance of the drift below the surface. Similar conditions were encountered in the Pole Adit prior to obtaining sufficient depth below the surface and a limestone surface cover. No significant discoveries of scheelite mineralization were observed in the main drift.

Two fairly strong showings of scheelite were cut in the drift up bedding on the south side of the main quartz fissure. Two feet, more or less, of replaced ore at this point assayed approximately 2.0% WO_3. On the north side of the main quartz fissure, a 6 inch stringer of plus 1.0% WO_3 was cut. Two slab rounds were blasted in the ore exposed on the south side of the main quartz fissure exposing a slight pinching in width.

3. Conclusions

It is our conclusion that this north work indicates little possibility of making a substantial discovery of economically mineable tungsten ore and that no further exploration in that area should be conducted. In accordance with this conclusion we recommend termination of the contract.

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

NOV 1 9 1954

Mr. James D. Williams, President
Mt. Wheeler Mines, Inc.
P. O. Box 159
Salt Lake City, Utah

Re: Docket No. DMEA 2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-E248, Amended

Dear Mr. Williams:

Reference is made to your request by letter dated October 25, 1954, for a further amendment to the subject contract, as amended. We note the suggestion that you discontinue the work authorized by Amendment No. 4 in the North adit and that we allocate the remaining 249 feet of work to No. 7 lateral in the Pole adit.

Inasmuch as the work in the North adit indicates little possibility of making a substantial discovery of minable ores, we agree with you that further work in this area is not justified.

Careful study of the work proposed and a review of all our information on the Pole adit, laterals, drifts, crosscuts, and raises, indicates to us that Government participation in additional exploration for tungsten in the Pole adit of the Mt. Wheeler mine is not warranted. Under the circumstances, we regret to advise that your request for transfer of funds to further explore the bedding from No. 7 lateral of the Pole adit is denied.

As it is agreed that no further work is justified in the North adit, we will accept the work accomplished to October 25, 1954, and at the points indicated in your letter of the same date, as substantial compliance with the work required by the contract.

We would appreciate the submission of the MF-104 cost reports and a final report at your earliest convenience.

Sincerely yours,

Administrator

Rutledge
Martin

February 24, 1955

MEMORANDUM

To: The Administrator, DMEA

From: Chief, Iron and Ferro-Alloys Division, DMEA

Subject: Government's equity in equipment and installations
Docket No. DMEA 2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler mine
White Pine County, Nevada
Contract No. Idm-R248

The following estimate of the fair value of equipment and installations at the Mt. Wheeler mine in which the Government has an equity is based on the probable value of these items in continued exploration under the proposed project and in the exploitation of the reserves resulting from the subject contract and not on the salvage value, which would be the method used where the work did not result in a discovery or the equipment and installations would be of no further benefit to the mine. The probable value of the equipment and installations is based on the following data:

1. Monthly cost reports; MF-104 and MF-104A
2. James D. Williams' letter dated November 17, 1952, to H. C. Miller
3. George Mayor's letter dated February 13, 1953
4. Final Field Team report dated March 25, 1953
5. Inventory report dated May 12, 1953, by George W. Mayor and Glenn G. Gentry
6. George Mayor's letter dated May 14, 1953, to H. C. Miller
7. Machinery and equipment located at Mt. Wheeler tungsten mine - Inventory as of 6/5/53 attached to Field Team report dated March 4, 1954
8. J. L. Chambers' memorandum dated May 12, 1954
9. Memorandum of May 14, 1954, by G. C. Selfridge
10. Operating Committee's letter of May 28, 1954, to H. C. Miller
11. Memorandum of June 1, 1954, by G. C. Selfridge
12. H. C. Miller's letter of June 15, 1954, to Operating Committee.

Equipment purchased under rental-purchase agreements is indicated by an asterisk (*) and only the approved costs to which the Government participated to 75 percent of the costs thereof are given.

A summary of the installations and equipment in which the Government has an equity follows:

		Condition	Salvage	Value
Compressor Building	$2,711.65	Good	80%	$2,169.32
Blacksmith & change bldg.	1,391.41	Good	80%	1,113.13
Water line	1,294.57	Fair	60%	776.74
Installation of equipment	3,492.55	Good	60%	2,095.53
Powder magazine	1,101.52	Good	90%	991.37
Air Receiver	40.00	Good	60%	24.00
Fuel tank	89.17	Fair	50%	44.59
Joy blower	518.63	Good	60%	311.18
2 & 3" drifter drills	1,750.00	Poor	30%	525.00
Slusher equipment	558.00	Fair	40%	223.20
Jackleg & accessories	526.58	Good	60%	315.95
Threading dies	86.00	Good	60%	51.60
7' bar & accessories	268.32	Good	60%	160.99
3 Slusher hoists	2,776.90	Good	60%	1,666.14
10 mine cars	5,065.00	Good	80%	4,052.00
Ford truck Marmon-Harrington drive	6,040.00	Good	80%	4,832.00
	$27,710.30			$19,352.74
Compressor *	4,230.00			
Jumbo *	770.00			
Trammer *	3,800.00			
Rocker shovel *	2,360.00			
10 KW Generator *	1,550.46			
	12,710.46 *		60%	7,626.28 *
				$26,979.02

Government's equity @ 75% - - - - - $20,234.27

In addition, the Government's equity in some $6,798.61 of materials and supplies was waived in lieu of the Operator's costs in excess of those authorized to complete the approved work. These consisted of the following:

Track	$3,255.13
Air and water lines	1,959.99
Vent tube	880.85
Miscellaneous tools	702.64
	$6,798.61

Copy to: Docket DMEA 2082
Code 400-Mr. Martin
Code 500-Mr. Griswold
Adm. Reading File

W. S. Martin

FARutledge/ls
2/24/55

W. S. Martin, Chief
Iron and Ferro-Alloys Division

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1955

420 Custom House
555 Battery Street
San Francisco 11, Calif.

February 7, 1955

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA
Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contract No. Idm-E248 (Amended)

Reference is made to your letter of January 24, 1955, requesting information as to the date when the Field Team final report on the subject docket will be completed.

Mr. A. C. Johnson has advised me that the report should be completed by February 28, 1955.

S. Ricker
Executive Officer
DMEA Field Team, Region II

Copy to: Roscoe Smith, USGS

400

DOCKET
Surname:

Martin
Selfridge
Yeatman
Whitteaker

JAN 24 1955

Mr. Spangler Ricker, Executive Officer
DMEA Field Team, Region II
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMEA 2082 - Tungsten
Mt. Wheeler Mines, Inc.
Mt. Wheeler Mine
White Pine County, Nevada
Contract No. Idm-E248-Amended

Dear Mr. Ricker:

It will be appreciated if you will inform us as to the approximate date when we may expect to receive the Field Team's final report on the above-referenced exploration project.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

J. H. Hedges

Member, Bureau of Mines (JHB)

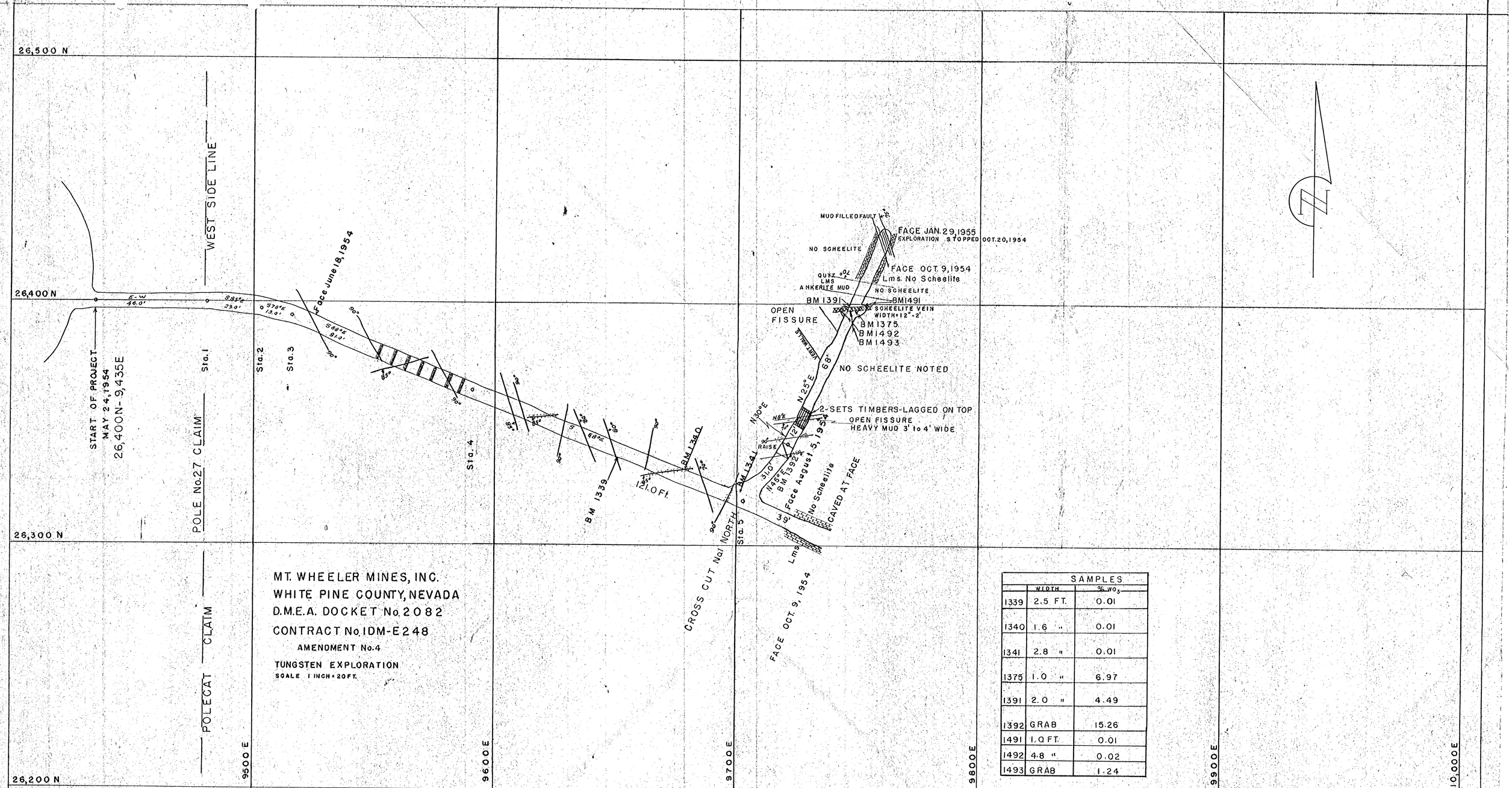
Thor H. Kiilsgaard

Member, Geological Survey (JHB)

cc: DOCKET
CODE 400
OPER. COMMITTEE
ADM. READ. FILE
FT, REG. II - San Francisco
R. W. GEEHAN, USBM
T. KIILSGAARD, USGS

WSMartin/ls
1-19-55

J.C.Y.



SAMPLES		
	WIDTH	% WO_3
1339	2.5 FT.	0.01
1340	1.6 "	0.01
1341	2.8 "	0.01
1375	1.0 "	6.97
1391	2.0 "	4.49
1392	GRAB	15.26
1491	1.0 FT.	0.01
1492	4.8 "	0.02
1493	GRAB	1.24

Fig. 2

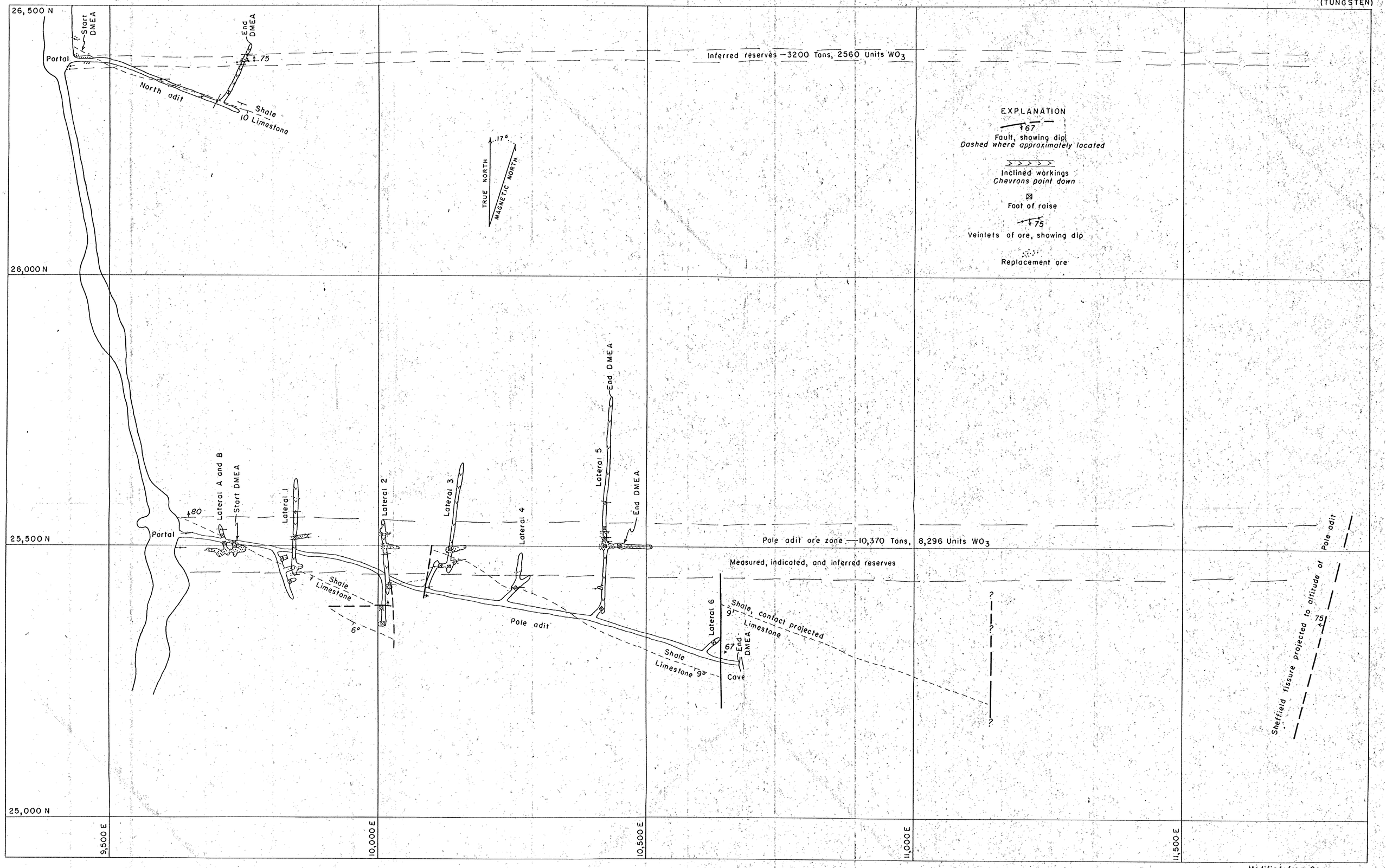
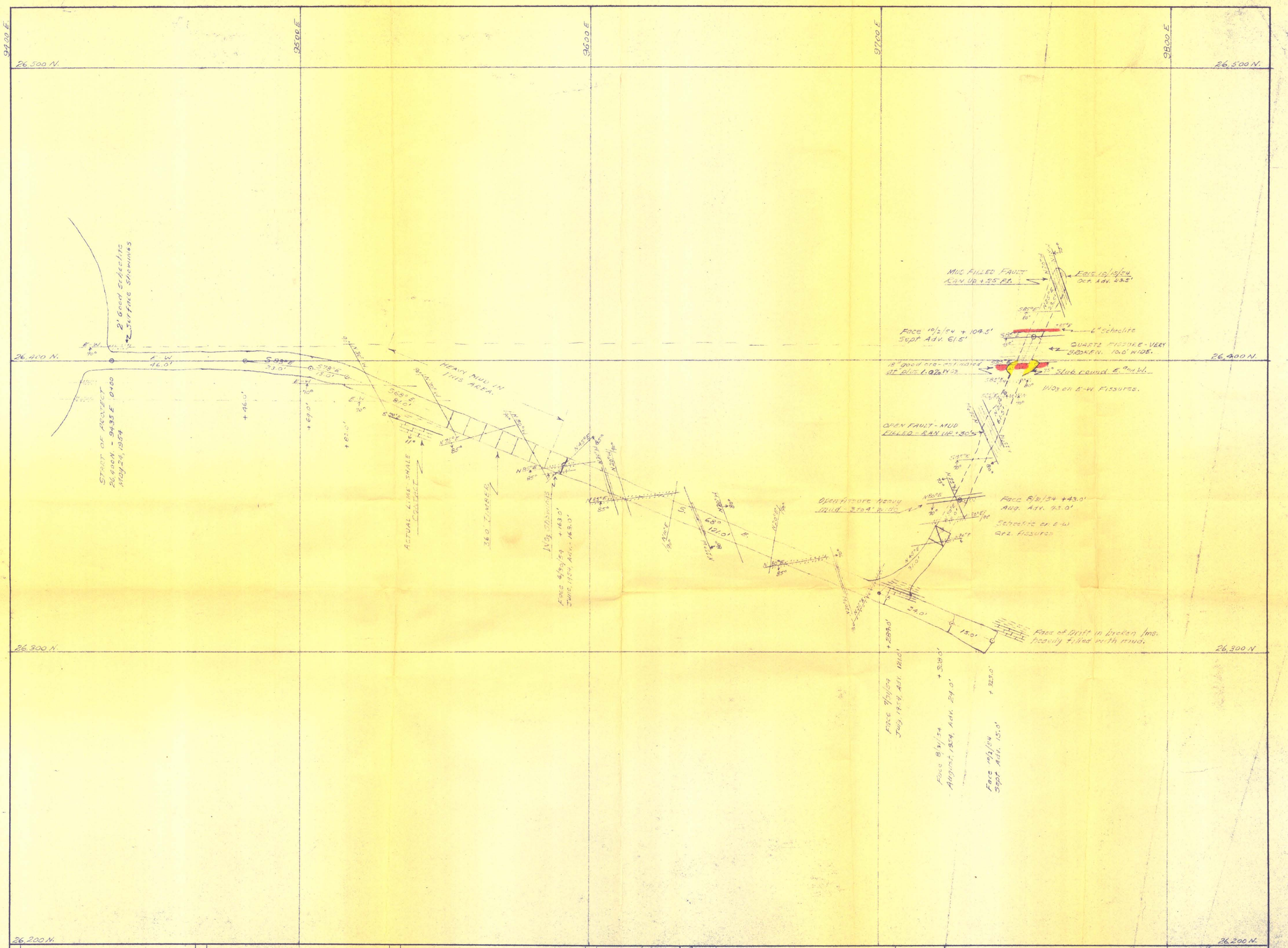


FIGURE 3

MT. WHEELER TUNGSTEN MINE, WHITE PINE COUNTY, NEVADA

0 100 200 300 FEET

Modified from Company maps



REVISIONS		REVISIONS		REFERENCES	
		June, 1954 Advance	163.0'	October 1954 Advance	23.5'
		July, 1954 Advance	121.0'	November 1954 - Final Report.	
		Aug., 1954 Advance	67.0'	Total Project Advance - 451.0 Ft.	
		Sept. 1954 Advance	76.5'		

WORK		
DRAWN	7/7/54	
TRACED	8/9/54	✓
CHECKED	9/3/54	✓
APPROVED	10/9/54	✓
	2/23/55	✓

Mt. Wheeler Mines, Inc.
218 Felt Building
Salt Lake City, Utah.

PLANT

D.M.E.A. - 2082 - Tungsten
Contract Tdm-E248 Amend. No. 4
PROGRESS MAP ~ NORTH ZONE.

SCALE 1" = 20'

C - 100

CESCO-1000W