400

Hon. George W. Malone
United States Senate
Washington 25, D. C.

My dear Senator Malone:

On November 3 and 12, 1953, respectively, you sent us copies of letters addressed to you by Mrs. Charles Chester and Mrs. Inez Gilbert-Butler of Lovelock, Nevada, and in each instance you asked if it would be possible to have Government engineers investigate a prospect owned by a partnership including the two ladies named. The prospect is called the Star Point cobalt mine, Pershing County, Nevada (our Docket No. 3263 - Cobalt-Copper).

Under date of November 9, 1953, we wrote to you that because of your expressed interest in the matter you would be advised if Mrs. Chester requested exploration aid from us and as to any subsequent disposition of such an application. Mr. Chester's application of February 17, 1954, was referred on March 4, 1954, to our Executive Officer, Region III, for a field examination of the property, and the Field Team report was received here May 10, 1954.

Careful study of all our information shows that a small amount of copper mineralization can be found at the property, but no cobalt minerals were identified and no trace of cobalt was found in our samples. All our findings indicate that the probability of disclosing minable ore reserves by the proposed program is not sufficiently promising to justify Government participation, and we so notified Mr. Chester by letter today.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: DOCKET
CODE 400
ADM. READ. FILE
H. W. DAVIS, USBM
P. W. GUILD, USGS
FIELD TEAM, REGION III
OPER. COMM.

WSMartin/ls
5/18/54

400

MAY 1954

Mr. Charles H. Chester
4th and Dartsmouth Streets
Lovelock, Nevada

Re: Docket No. DMEA 3263 - Cobalt-Copper
Star Point Cobalt Mine
Pershing County, Nevada

Dear Mr. Chester:

Your application for exploration assistance on the above-referenced project and other information available to us in Washington have been carefully reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of copper mineralization on your property, indicates to us that the probability of disclosing minable copper ore reserves by your proposed program is not sufficiently promising to justify Government participation. No cobalt minerals were identified and no trace of cobalt was found in our samples. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Exploration Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: DOCKET
CODE 400
FIELD TEAM, REG. III
OPER. COMM.
H. W. DAVIS, USBM
P. W. GUILD, USGS
ADM. READ. FILE

JHopkins/ls 5/18/54

May 18, 1954

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of exploration project in the amount of $76,411.00
Docket No. DMEA 3263 - Cobalt and Copper
Charles H. Chester, et al.
Star Point Cobalt Mine
Pershing County, Nevada

The denial of the subject application by this Division is based on the following information:

(1) The rocks in the area are quartzite and minor interbedded shales and metavolcanic rocks of Carboniferous age that have been gently folded and faulted.

(2) The rocks are cut by fractures and barren quartz veins that range in width from a few inches to 8 feet and in strike length from 10 to about 100 feet. One other quartz vein known as the "Copper" vein contains copper minerals. It ranges in width from 1 to 10 inches and extends down the dip for 11 feet and along the strike for 12 feet. It is inferred to extend about 30 feet along the strike. This is the most important mineral showing on the property.

(3) Other mineral showings are in fracture zones up to 1/8 inch wide that contain secondary copper minerals. The ore minerals are chrysocolla, azurite, malachite, and cuprite. No cobalt minerals were identified and samples contained no trace of cobalt.

(4) There are no ore reserves of any class on the Star Point property. Assay data of samples taken by the examiners are as follows:

Sample No.	Width Feet	% Cu	% Co	Oz. per ton Au.	Ag	Location
243	2.0	2.80	0.01*	0.005	Tr.	No. 1 adit
244	2.5	4.87	0.01*	0.005	Tr.	No. 1 adit
245	3.4	2.39	0.01*	0.005	Tr.	No. 1 adit
246	2.5	3.69	0.01*	0.005	0.10	Copper vein
247	Selected	5.25	0.01*	0.005	0.10	Copper vein dump
249	grab	3.30	0.01*	0.02	0.50	1½ ton stockpile
250	grab	1.63	0.01*	0.005	0.10	½ ton stockpile

* = less than

(5) Past production is reported to be one car lot that returned $10,000.00. This could not be verified.

(6) As the Copper vein is narrow and non-persistent and contains very little evidence of leaching, and as the secondary copper minerals are not found in minable concentrations, the Field Team concludes that there is little chance of discovering an ore body of significant size, and considers the likelihood of a commercial cobalt deposit is non-existent. The Field Team, therefore, recommends denial.

(7) The Commodity Divisions of the Bureau of Mines and Geological Survey concur in the denial.

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

CC: DOCKET
ADM. READ. FILE
CODE 400
OPER. COMM.

JHopkins/ls
5/18/54

IN REPLY REFER TO:

402

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

May 20, 1954

Memorandum

Re: DMA-3263
Star Point Mine
Pershing County, Nevada
76,411
Cobalt-Copper

To: Mr. W. S. Martin, DMTA

From: E. L. Newcomb, USGS

Subject: Concurrence with Field Team denial

The applicant proposes extensive crosscutting and drifting on his property to explore for cobalt and copper mineralization.

The field team has examined the Star Point claims and has recommended the application be denied copper or cobalt exploration assistance.

Several surface pits and short adits have been opened up on the property without disclosing any significant mineralization. Sparse amounts of secondary copper mineralization occur in association with narrow, non-persistent quartz veins and fracture zones. However, none of these ore exposures contain sufficient amounts of copper or cobalt to justify the proposed exploration work.

The nature of the copper deposits and the trace amounts of cobalt in the field team samples indicate that a significant ore discovery is unlikely to be found by the proposed underground exploration.

I concur with the field team's recommendation that the application be denied copper and/or cobalt DMTA assistance.

E. L. Newcomb
Geologist

400

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

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

May 5, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3263 (Cobalt-Copper)
Star Point Cobalt Mine
Pershing County, Nevada

Reference is made to your letter dated March 4, 1954, requesting a field examination of the subject property.

Attached are four copies of a report entitled "DMEA-3263, Star Point Cobalt Mine, Pershing County, Nevada, Cobalt-Copper," by George H. Holmes, Jr., and Henry W. Jones, Mining Engineers, U. S. Bureau of Mines, and Roscoe M. Smith, Geologist, U. S. Geological Survey, dated April 29, 1954.

According to the examining engineers and geologist, the principal ore body at the Star Point cobalt-copper mine is a copper-bearing quartz vein called the "Copper" vein, which strikes north and dips 50° west, and is exposed in a surface cut 11 feet deep. The vein ranges in width from 1 to 10 inches and has been followed along the strike for about 12 feet and down the dip 11 feet. It could not be traced along the surface but it is inferred to extend about 30 feet along the strike. Other ore bodies - found in the No. 1 adit - are fracture zones as much as 5 feet wide in the sedimentary rocks. The fractures contain secondary copper minerals in seams up to 1/8 inch wide. Mineralized fractures occur in all attitudes, but are commonly parallel with the bedding or parallel with strong fracture zones. Where fractures are closely spaced the rock may contain copper in commercial amounts. Several of the numerous prospect pits also reveal fractured rock containing a little copper stain along the fractures.

Reviewed by
DMEA OPERATING COMMITTEE
5-14-54
(date)

The ore minerals are chrysocolla, azurite, malachite, and cuprite. They occur principally in fractures in the quartz, but also occur in fractures in the underlying quartzite and shales. No cobalt minerals were identified.

As the Copper vein is narrow and non-persistent and contains very little evidence of leaching, and as the secondary copper minerals are not found in minable concentrations, the field team representatives conclude that there is little chance of discovering an ore body of significant size. They consider that the likelihood of a commercial cobalt deposit is non-existent. It is recommended, therefore, that the application be denied.

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

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-3263, Star Point Cobalt Mine

Pershing County, Nevada

Cobalt-Copper

George H. Holmes, Jr., Mining Engineer
Henry W. Jones, Mining Engineer
U. S. Bureau of Mines

Roscoe M. Smith, Geologist
U. S. Geological Survey

April 29, 1954

Reviewed by
DMEA OPERATING COMMITTEE
5-14-54
(date)

EXAMINATION REPORT

Docket No.: DMEA-3263 (Cobalt-Copper)

Name and address of applicant: Charles H. Chester, et al
4th & Cornell Streets
Lovelock, Nevada

Name and location of mine: Star Point Cobalt Mine
Pershing County, Nevada

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Mr. Charles H. Chester and partners, Lovelock, Nevada applied on Feb. 15, 1954 to the Defense Minerals Exploration Administration for assistance in a $76,411 program to explore for extensions of cobalt and copper bearing ore bodies on the Star Point claims, about 48 miles northeast of Lovelock, Pershing County, Nev.

A field examination was made on April 6 and 7 by G. H. Holmes, Jr. and H. W. Jones, mining engineers of the U.S. Bureau of Mines and R. M. Smith, geologist of the U.S. Geological Survey.

The applicants proposed to explore the property by extensive diamond drilling and to purchase mine machinery and equipment for subsequent development work. The proposal was later changed to explore for the downward extansion of the principal ore body by crosscutting and drifting.

As the Copper vein is narrow and non-persistent and contains very little evidence of leaching, and as the secondary copper minerals are not

found in minable concentrations, the field team representatives conclude that there is little chance of discovering an ore body of significant size. They consider that the likelihood of a commercial cobalt deposit is non-existent. It is recommended therefore that the application be denied.

TIME SPENT ON PROPERTY

The Star Point cobalt-copper mine was examined on April 6 and 7, 1954 by George H. Holmes, Jr. and Henry W. Jones, U.S. Bureau of Mines and Roscoe M. Smith, U.S. Geological Survey, accompanied by Charles H. Chester and William L. Sullivan, operating partners.

NAME AND LOCATION OF PROPERTY

The five claims comprising the Star Point group are in sec. 24 and 25, T. 30 N., R. 36 E., M.D.B.&M., Pershing County, Nev.

The property is about 47.5 miles by road northeast of Lovelock, Nevada, the nearest source of labor and supplies (fig. 1). To reach the property, travel 14.3 miles northeast from Lovelock on U.S. Highway 40, turn right and proceed 22.4 miles over graded State Highway 50, turn right and travel 1.8 miles east on the Kyle Hot Springs road. At this point a rough, ungraded desert road branches off to the left and continues 10.8 miles to the property.

ACCESSIBILITY

Nevada State Highway 50 which extends from U.S. Highway 40 at Oreana eastward through Limerick Canyon and northward through Buena Vista valley to Mill City, also on U.S. 40, is a graded dirt road and open

to travel during most of the year. Heavy snows during winter months block the road occasionally. The Kyle Hot Springs road is maintained by the county and is in fair condition, but the 10.8 mile stretch of ungraded desert road to the property is rough and travel is slow. It is impassable during wet weather.

COMPETENCY OF APPLICANT

Mr. Charles H. Chester stated that he has spent many years as a miner in various camps throughout the west; Mr. Sullivan is a rancher and has no knowledge of mining. Their operating ability and financial responsibility is questionable. Mrs. Maxie A. Chester claims many years experience as a geologist; Lewis A. Williams and Kathryn S. Williams are Mrs. Chester's son and daughter-in-law and evidently have contributed financially to the operation.

APPLICANT'S PROPERTY RIGHTS

The five unpatented mining claims, Star Point No. 1, Star Point No. 2, Star Point No. 3, Star Point No. 4 and Division, were acquired by the partnership by relocation during October 1953 and are owned by them.

DESCRIPTION OF PROPERTY

The property is located along the foothills on the west slope of the East Range of mountains at an elevation of about 4900 feet. The climate is semi-arid with hot, dry summers and moderately cold winters. Vegetation is sparse comprising the usual desert plants and shrubs. No water or transmitted electric power is available and there is no mine machinery

or equipment on the property. Housing facilities comprise one old prospector's shack.

Mine workings consist of 20 or more shallow cuts, trenches, and pits (fig. 2) and three adits, one having 80 feet, one 75 feet, and one 175 feet of underground workings (fig. 3). The applicant reported that the exploratory work was done during the past 25 years by Mr. Claudius Masera, and that in conducting the work, Mr. Masera was guided largely by the advice of angels. The work was terminated by his death in 1951 in the Nevada State Insane Asylum.

Since acquiring the property, the applicants have enlarged one of the surface pits by blasting three hand-drilled holes and removing part of the muck.

Figures 2 and 3 show sample locations. Assays data are as follows:

Sample No.	Width, Feet	%, Cu	%, Co	Oz. Au/T	Oz. Ag/T	Location
243	2.0	2.80	*0.01	0.005	Trace	No. 1 adit
244	2.5	4.87	*0.01	0.005	Trace	No. 1 adit
245	3.4	2.39	*0.01	0.005	Trace	No. 1 adit
246	2.5	3.69	*0.01	0.005	0.10	Copper vein
247	Selected hi-grade	5.25	*0.01	0.005	0.10	Copper vein dump
249	grab	3.30	*0.01	0.02	0.50	1-1/2 ton stockpile
250	grab	1.63	*0.01	0.005	0.10	1/2-ton stockpile

*less than.

The mine workings were checked with a Geiger counter for possible radioactivity but none was noted. Samples were checked with an ultra-violet lamp for possible scheelite mineralization but none was indicated.

An analysis of samples 243 and 247 indicated less than 0.01 percent nickel; no radioactivity; and no gallium.

GEOLOGY

The rocks in the area are quartzite and minor interbedded shales and metavolcanic rocks of the Leach formation[1/] of Carboniferous age (fig. 1). The sedimentary rocks strike NE and dip gently NW. They are gently folded and the shale layers are in places highly contorted and faulted. Faults are commonly parallel with bedding. The rocks are cut by fractures which occur in all attitudes, and by quartz veins that strike north and dip steeply east. These veins are barren and are frozen to the wall rock: They range in width from a few inches to 8 feet and in strike length from 10 to about 100 feet. One other quartz vein strikes north and dips 50° W. It contains copper minerals and its contact with the wall rock is marked by 1/4 inch of gouge.

ORE DEPOSITS

The principal ore body at the Star Point cobalt-copper mine is a copper-bearing quartz vein called the "Copper" vein (fig. 2) which strikes north and dips 50° W, and is exposed in a surface cut 11 feet deep. The vein ranges in width from 1 to 10 inches and has been followed along the strike for about 12 feet and down the dip 11 feet. It could not be traced along the surface but it is inferred to extend about 30 feet along the strike.

Other ore bodies--found in the No. 1 adit--are fracture zones as

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1/ Muller, S. W., Ferguson, H. G., and Roberts, R. J., 1951, Geology of the Mt. Tobin quadrangle, Nevada: U. S. Geological Survey Geologic Quadrangle Maps of the U. S.

much as 5 feet wide in the sedimentary rocks. The fractures contain secondary copper minerals in seams up to 1/8 inch wide. Mineralized fractures occur in all attitudes, but are commonly parallel with the bedding or parallel with strong fracture zones. Where fractures are closely spaced the rock may contain copper in commercial amounts.

Several of the numerous prospect pits also reveal fractured rock containing a little copper stain along the fractures.

The ore minerals are chrysocolla, azurite, malachite and cuprite. They occur principally in fractures in the quartz, but also occur in fractures in the underlying quartzite and shales. No cobalt minerals were identified, and samples submitted to the Nevada state mineralogist contained no trace of cobalt.

The grade of the ore bodies is not known but a sample of selected high-grade material from the Copper vein assayed 5.25 percent copper and less than 0.01 percent cobalt. The best ore from the No. 1 adit was mined from the bottom of the winze. Three samples were cut from the material, the best of which assayed 4.84 percent copper and less than 0.01 percent cobalt. Total production is reported to be one car of ore which yielded $10,000. One car may have been produced but it is considered unlikely that the grade was high enough to yield $10,000.

As no gossan material or leached boxwork was seen on the property, the source of the secondary copper minerals is not known, but it is inferred

that they were derived from primary copper minerals in the Copper vein because (1) the vein contains a few pyrite crystals, (2) it contains the highest concentration of secondary minerals, and (3) all the remaining secondary minerals occur below--in the footwall--of this vein. A one inch quartz stringer exposed in the winze in No. 1 adit (fig. 3) contains very little copper stain in fractures, but is not considered to be the source of the underlying ore minerals. If this inference is correct the copper in the No. 1 adit may have been leached from the overlying part of the Copper vein (now eroded) and carried by surface waters along fracture zones to its present site.

ORE RESERVES

There are no ore reserves of any class on the Star Point property. Stockpiles containing a total of 2 tons of ore have been hand-sorted from the existing dumps by the present owners. These stockpiles were sampled and assays are as follows:

1-1/2 tons - 3.30 percent copper

1/2 ton - 1.63 percent copper

PAST OPERATION

Mr. Chester stated that the property was formerly owned by Claudius Masera who prospected and explored it during a 25 year period. A check with the Mineral Industry Division of the Bureau of Mines, San Francisco, California gave the following information:

"There are two records of shipments by Claudio Masera on file.

"One in 1929 was from the Congo claim which he described as 14 miles east of Unionville, in Pershing County. A shipment of 39 tons of ore (dry) to I. S. &R. Co. copper smelter at Tooele, contained 3,975 pounds of copper (gross). There was no gold or silver reported in the ore by the smelter.

"In 1943, Masera shipped 33,402 pounds of ore (dry) to the same smelter. This lot had the following content:

Gold	-	0.05	oz. per ton
Silver	-	1.7	oz. per ton
Copper	-	2.95	percent
Zinc	-	0.9	percent
Insoluble	-	82.3	percent
Iron	-	5.4	percent
Sulfur	-	0.5	percent
Lime	-	0.6	percent

"Apparently the smelter did not assay for cobalt as they sometimes do.

"The origin of this material was the Silver Peak claim in sec. 36, TWP 30 N., Range 36 E., Pershing County." The 1929 shipment was probably from the Star Point property (since renamed) and averaged about 5 percent copper. This is evidently the carload shipment referred to by Mr. Chester and from which Masera supposedly received $10,000; which is refuted by the returns. The 1943 shipment is from the same general area but according to the section given, it would be south of the Star Point mine.

Mr. Chester advised that he had sold one ton of copper bearing quartz to a Lovelock contractor for $200.00 for ornamental use.

No exploration or development is being done at the present time and no shipments to smelters have been made by the present owners.

Two stockpiles of mineralized material have been gathered and contain 1-1/2 and 1/2 tons of ore respectively. This ore was obtained from workings on the Star Point No. 2 claim, and, with the exception of one small open cut, was broken by prior operators.

MANPOWER, SUPPLIES, ETC.

Labor, materials, supplies and equipment are available at Lovelock. Water must be hauled to the property. Power would have to be supplied by Diesel- or gasoline-driven generators. Current wages for miners are $16.00 per day.

APPLICANTS PROPOSAL

The applicant proposed originally to explore for the lateral and downward extensions of mineralized zones by diamond drilling and to purchase necessary mine machinery and equipment for mine development and operation. A cost of $76,411 was estimated for this work.

During the DMEA examination, the applicant advised the engineers and geologist that he now proposed to explore the property by extending the existing Blacksmith adit an indefinite distance eastward until ore is encountered, and from that point to crosscut north and south an unknown

distance until the entire thickness of the ore body has been penetrated. He also proposes to build a new road 1-1/2 miles to connect with the road to Mill City, Nev.

He has no idea how much "drifting" is required to cut the vein nor how much crosscutting is required to crosscut the full thickness of the vein, but estimates that $32.00 per foot may be adequate to do the underground work.

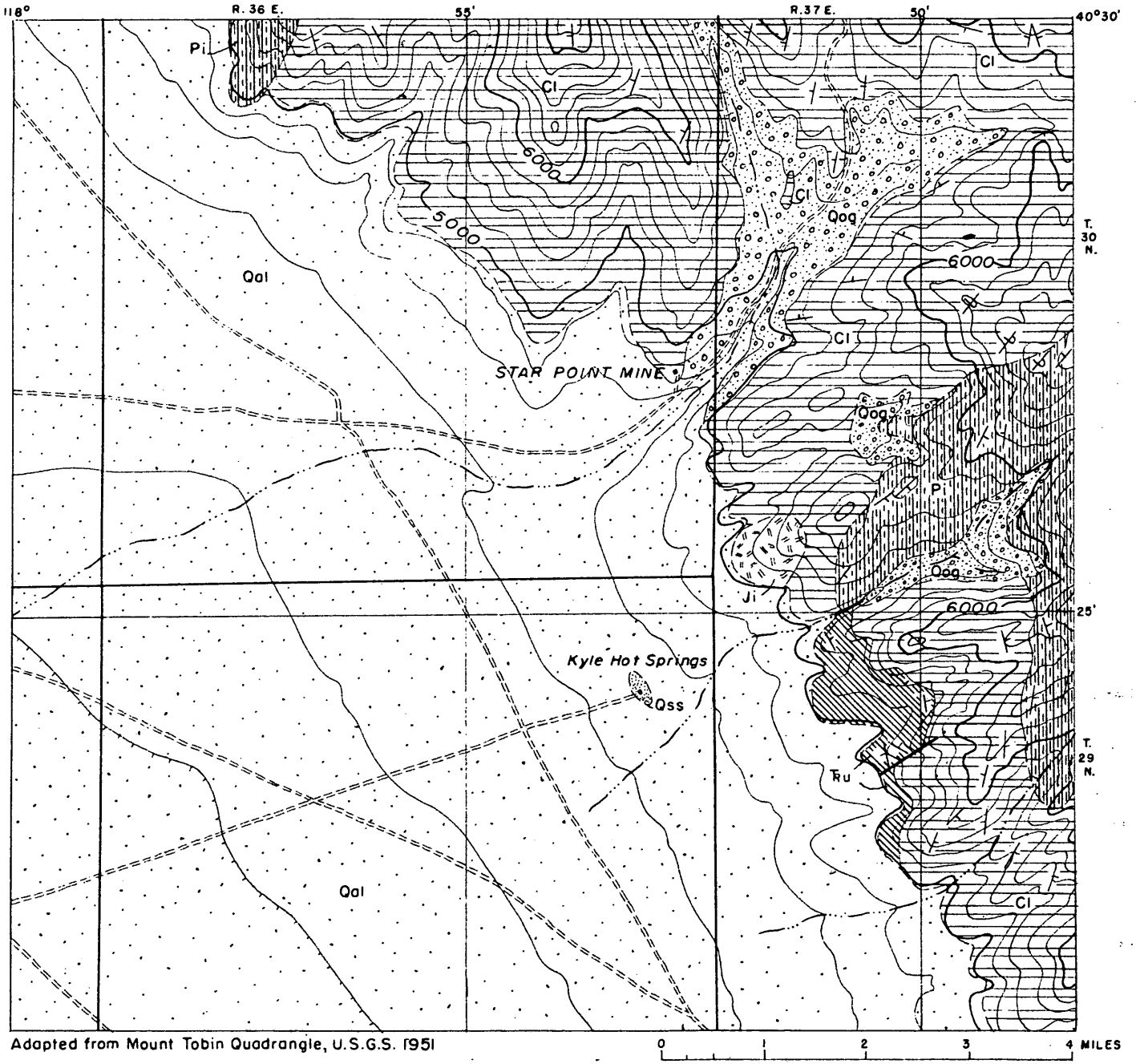
The Blacksmith adit is 56 feet lower than the Copper vein in the 11-foot cut. If the vein extends 56 feet down the dip at 50°, it would be cut at a distance of about 70 feet beyond the existing face of the Blacksmith adit. One hundred feet of drifting would be adequate to explore the strike length of the vein if found, so a total of 170 feet of underground work would be adequate to test the downward continuation of the Copper vein.

CONCLUSIONS AND RECOMMENDATIONS

As the Copper vein is narrow and non-persistent and contains very little evidence of leaching, and as the secondary copper minerals are not found in minable concentrations, the field team representatives conclude that there is little chance of discovering an ore body of significant size. They consider that the likelihood of a commercial cobalt deposit is non-existent. It is recommended therefore that the application be denied.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-3263



Adapted from Mount Tobin Quadrangle, U.S.G.S. 1951

EXPLANATION

Qal — Alluvium

Qss — Spring sinter

Qog — Older gravels

Ji — Intrusve rocks

Ru — Triassic(?) rocks (Undifferentiated)

Pi — Inskip formation

Cl — Leach formation

Contact (dashed where appoximately located)

Fault

Strike and dip of beds

Strike and dip of overturned beds

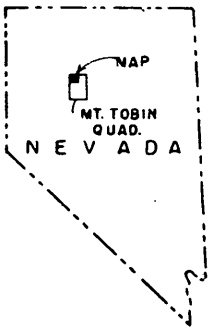
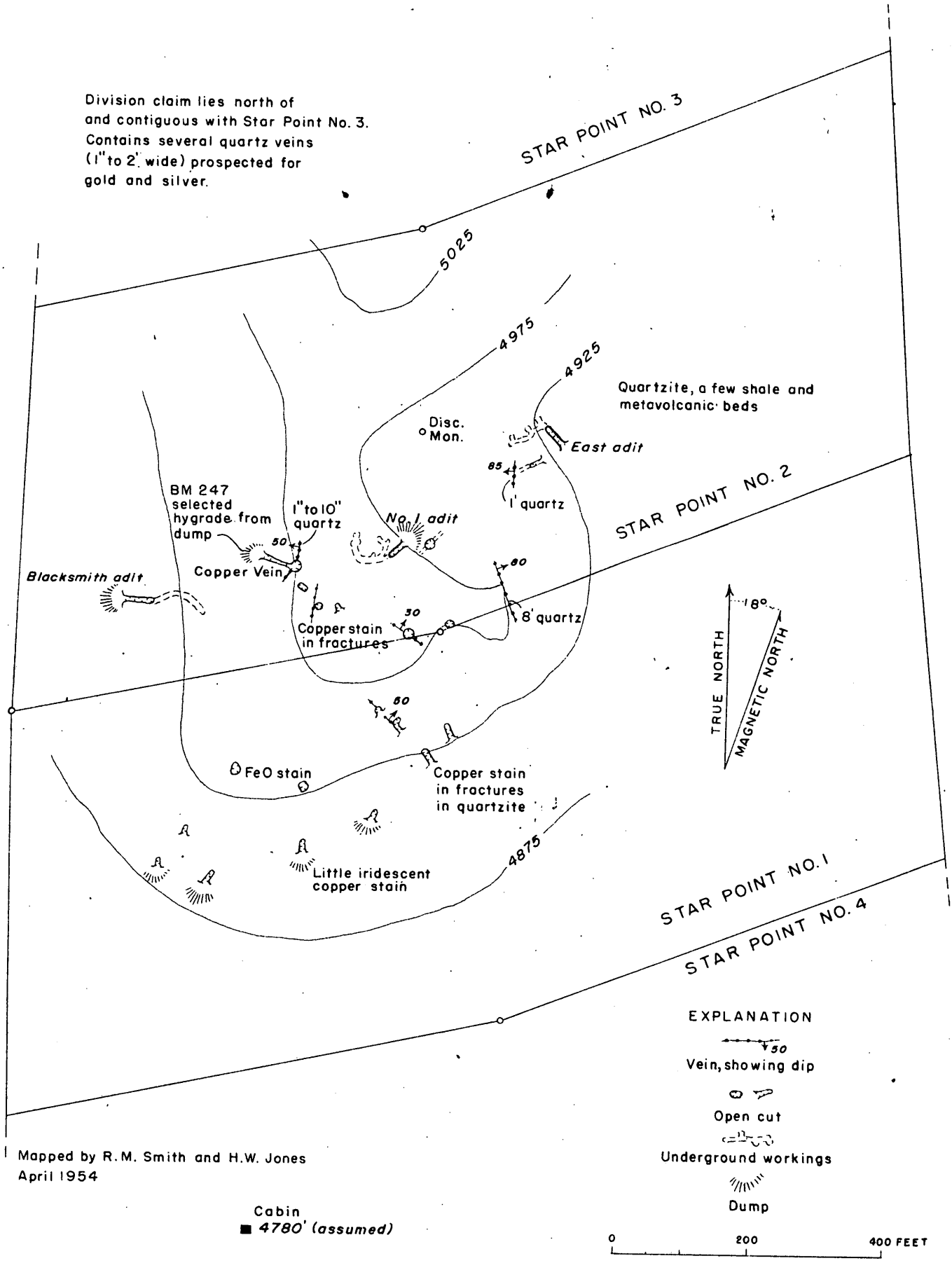
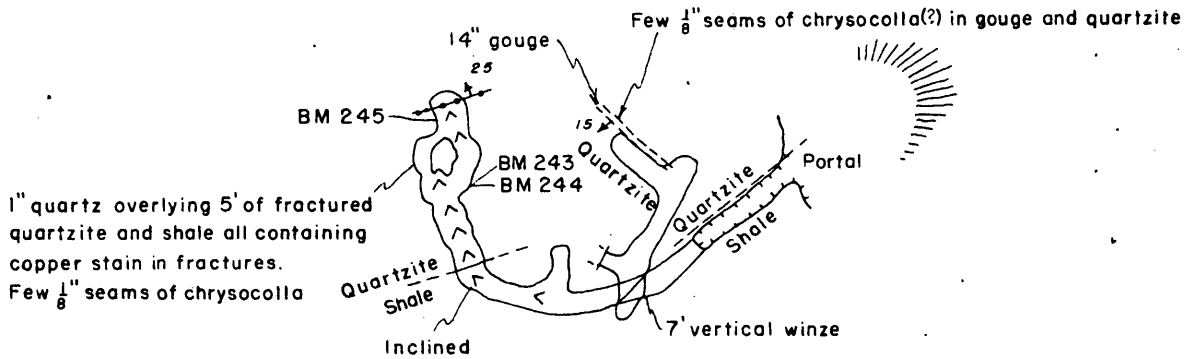


Figure 1. Geologic map of the Star Point mine area, Pershing County, Nevada

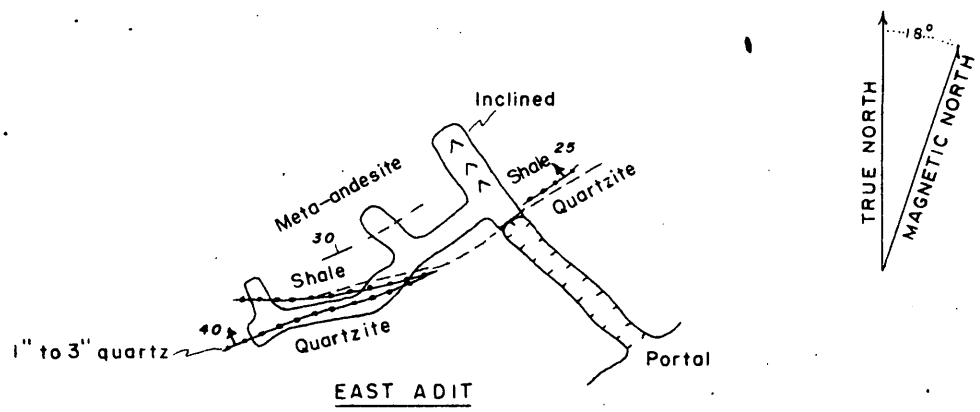


Mapped by R.M. Smith and H.W. Jones
April 1954

Figure 2. Star Point mine, Pershing County, Nevada

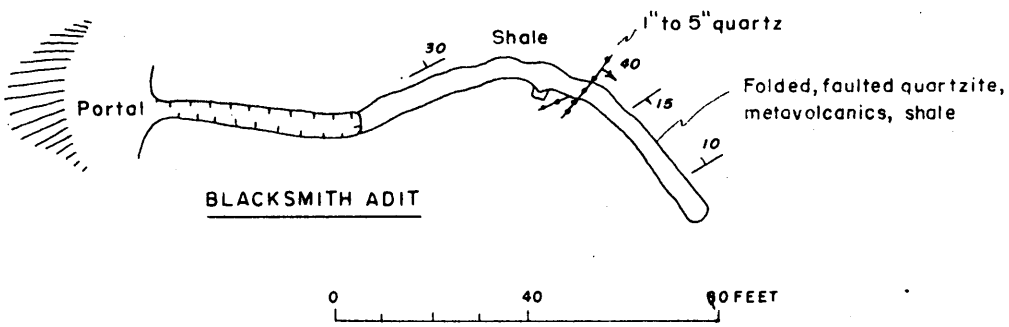


NO. 1 ADIT



EAST ADIT

Mapped by R.M. Smith and H.W. Jones
April 1954



BLACKSMITH ADIT

Figure 3. Star Point mine, Pershing County, Nevada

MAR 4 1954

Mr. Charles H. Chester, et al.
4th and Dartsmouth Streets
Lovelock, Nevada

Re: Docket No. DMEA 3263, Cobalt-copper
Star Point Cobalt mine
Pershing County, Nevada

Dear Mr. Chester:

The above-docketed application for exploration assistance has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 2, California, for a field examination of the property.

Any assistance that you can render the members of the Field Team will be appreciated.

Sincerely yours,

C. O. Mittelsdorf

Administrator

FARutledge:foc
3-2-54
cc to: Docket
Code 400
Adm. Read. File
Oper. Comm.
FT. Reg. 3
H.W. Davis, USBM
Phillip Guild, USGS

MAR 4 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 3263, Cobalt-Copper
Charles H. Chester, et al.
Star Point Cobalt mine
Pershing County, Nevada

Dear Mr. Miller:

The above-docketed application for exploration assistance is being referred to your office for a field examination of the property.

The application does not clearly state the amount and type of exploration proposed outside of the 4,000 feet of diamond drilling @ $10.00 per foot - $40,000.00. The remainder of the estimated cost, $36,410.77, apparently is earmarked mainly for development and production. In addition, Mrs. Chester's letter of February 17, 1954, states that the applicants are unable to put up their share of the project cost. During the examination, the examining engineer should explain to the applicants the following:

1. No costs of development or production are chargeable to the Defense Minerals Exploration Administration contracts.

2. The applicants should have sufficient capital available to meet all costs of the project for at least two months because payment of the Government's share of the approved costs will be made monthly upon presentation of the proper supporting data (See Title VI, Questions 47 and 54 of the enclosed pamphlet, Questions & Answers, The Defense Minerals Exploration Program). If the applicants will be unable to so finance a project, they should be requested to withdraw the subject application.

Copies of the applicants' letters of February 15 and 17, 1954, are enclosed. We believe you already have copies of our letters of November 9, 1953, to Mrs. Chester and Senator Malone about the same property. You should also have a copy of our letter of November 25, 1953 to Senator Malone about Mrs. Inez Gilbert-Butler's cobalt property at Lovelock, Nevada. It will be appreciated if you can ascertain whether the cobalt deposit discussed therein is Mrs. Chester's property.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

FARutledge:foc
3-2-54
cc: Docket
Code 400
FT. Reg. 3
Operating Comm.
Adm. Reading File
H. W. Davis, USBM
Phillip Guild, USGS

P. S. - Mrs. Chester's reply, dated February 17, 1954, to the Administrator's letter of November 9, 1953, speaks of "25%". Please advise the applicants that inasmuch as copper must also be included with cobalt in considering their application, participation by the Government would have to be an average or 62.5 percent of the approved costs. However, in the explanation to the applicants, the examining engineers should, of course, avoid implying any commitment in behalf of DMEA.

C
O
P
Y

Lovelock, Nevada
February 17, 1954

Mr. C. O. Mittendorf, Administrator
United States Department of the Interior,
Washington 25, D. C.

Dear Sir:

Pursuant to communications received some little time back from both yourself, and our good friend Senator George Malone, regarding the Cobalt-copper mine we own here in Pershing County. We wish to thank you for your prompt attention to this matter, which has taken us some time to get prepared.

Although we received your letter and Application for Participation in this exploration program for the purpose of drilling and development of our cobalt property, we are just now finishing up our own development program to the point where we feel that it is appropriate to ask for this further assistance from you.

We now have several thousand dollars worth of development work finished, and a large tonnage of good commercial ore in sight. Therefore, we feel that we are justified in asking for further aid, pursuant to DMEA Order I.

Therefore we have prepared a Costs Sheet, including drilling program as well as future development. We have also prepared a crude map showing something of the development and ore bodies, together with pictures, for your benefit.

Although it is our desire to get this property drilled, and we are eager to assist in every manner, yet I wish to state here that we have so far used up so much money in this work that we are therefore unable to put up our 25% of such costs at this time.

However, we shall be on the property at all times, furnishing supervision, labor, and whatever else we can do to assist in this program, as well as to continue the present work and even to start shipments to the Smelter in Utah soon.

We have thought that we might be allowed to pay our 25% of the costs of this future DMEA project out of our returns of Ore shipments, which we should be glad to do, monthly. We have good commercial ore in sight in the present developments.

Mr. Chester has 30 years of experience in mining, while I, myself, am a fairly good geologist, with 25 years of experience in that field. We have developed several good mining properties in the past, successfully.

There are five owners in our group. We are all vitally interested in the success of this project.

Thanking you for your kind attention to this matter.

I am, very truly yours,
/s/ Mrs. Charles Chester
Mrs. Charles Chester
Star Point Mine, Cobalt

C
O
P
Y

Lovelock, Nevada
February 15, 1954

U. S. Department of the Interior
Defense Minerals Exploration Administration,
Washington 25, D. C.

Gentlemen:

We are returning our Application for participation in your Aid in exploration under the Defense Production Act of 1950, DMEA Order I, pursuant to our Cobalt Mine.

We would appreciate your help in this matter very much, since we believe that we have a cobalt deposit here quite as important as the Black Bird Cobalt Mine, at Cobalt, Idaho.

We have used our own money to develope this mine to the best of our ability, and have now gone as far as possible, with our limited supply of capital.

We are unable, at the present time, to put our own 25% of the necessary finances for this project, but we are perfectly willing to pay that amount out of the proceeds of Smelter Returns as we ship this ore.

Since we now have several carloads of fine high grade ore out and ready to ship as soon as roads will allow for it, we will soon be able to carry on along these lines. And we would be happy to pay over a good percentage of such returns monthly until our 25% of the costs of this project is taken care of -- or returned to you.

This property needs drilling, to maintain proper mining operations, and to learn the extent of this enrichment, also to reach the higher cobalt values. However, even while this drilling program is going on we can be shipping good ore.

We will also require a selling program which will take care of the cobalt values, since to date we have been unable to find a Smelter which will pay us for the cobalt.

We have some very high grade copper ore which the smelters are anxious to purchase, but we want also to receive something from the cobalt.

We are capable, and prepared to carry on the mining and development work even during the drilling program, and we could be shipping ore during this period. Therefore, we are certain that we can pay off our 25% of said program without fail.

I am, very truly yours,

Charles H. Chester

/s/ Charles H. Chester
Supervisen & co-owner.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

Denied file

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3263
Metal or Mineral Cobalt
Date Received
Estimated Cost $76,411
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: 4th & Dartsmouth Sts. Lovelock, Nevada.
Charles H. Chester, and Mazie A. Chester, of Lovelock, Nevada, and William L. Sullivan, of Lovelock, or Baker, Oregon; and Lewis A. Williams, and Kathryn S. Williams, of 1610 Broadway, Burbank, California

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. we are not incorporated

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Star Point Cobalt Mine, Buena Vista Mining District, Pershing County, Nevada; County Recorders office, lovelock, Book 15, Page 1; Book 15, Page 2; Book 15, Page 6. File Nos. 40078, 40079, 40080, 40087. Section 24; T 30 N., R 36 E.

(*b*) State any mine name by which the property is known. Star Point

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Owners
we are not incorporated

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Cobalt
this is also big copper deposit

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. this work is already under way and development continuing

(*c*) The work will start within 5 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? no labor

(*b*) How do you propose to furnish your share of the costs? Monthly, and out of Ore shipments which will begin immediately.

[no] Money [no] Use of equipment owned by you [ ] Other Returns from Ore Shipments

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated February 15th, 195__

Charles H. Chester
(Applicant)
For himself and on behalf of the other named applicants.

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1