DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4296

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This document has been recorded as

Exploration Assistance

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

Routing Slip Cys to USGE, USBM, Reg. II

To:	500	Date	5/18/56
To:	Mr. Mittendorf	Date	5/25/56
To:	500	Date	5/25/56
To:	Mr. Mittendorf	Date	6/12/56
To:	COM	Date	6-12-56
To:	500	Date	6-15
To:	COM	Date	7-27-56
To:	500	Date	7/30/56
To:	Mr. Mittendorf	Date	8/15/56
To:	Open Corr.	Date	8-17-56
To:	F.E. Johnson	Date	8-20-56
To:	COM	Date	8-21-56
To:	Base Metals	Date	8/21/56
To:	Op. Corrs.	Date	10/23/56
To:	Adm	Date	10-24-56

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CONTROLLED DOCUMENT

File Copy
Surname
J. W.
Wyswood
Lamb
Kilsgaard
Selfridge

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

Mr. Walter H. Schmelzer
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster
The Quanomi Mine
Washoe County, Nevada

Dear Mr. Schmelzer:

Your application for aid for an exploration project and other reports available to us in Washington concerning your application have been 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-molybdenum mineralization on your lease, indicates to us that the probability of disclosing significant ore reserves is not sufficiently promising to justify Government participation. 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 Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

JWAlt/er 10/23/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Congressman Clifton Young (2)
Region II, (2)
Chron.

File Copy
Surname

J. W.
Lamb
Kilgaard
Selfridge

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

Hon. Clifton Young
House of Representatives
Washington, D. C.

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

My dear Mr. Young:

This is to advise you that the application for Government exploration assistance covering the cited property has been denied. A copy of our letter of denial to the Applicants is enclosed.

If I can be of further service to you at any time, I trust that you will feel free to call upon me.

Sincerely yours,

G. O. Mittendorf

Adminstrator

Enclosures

JWAlt/er 10/23/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2)
Chron.

R.C.L.

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

October 23, 1956

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Denial of Application, Docket No. DMEA-4296, Walter H. Schmelzer and Mrs. Harriet W. Foster, The Guanomi Mine (Copper-Molybdenum), Washoe County, Nevada

The cited application, dated May 16, 1956, was received by this office on May 18. On May 28, additional information was requested from the Applicant. A second letter was written on June 19 and again on July 27, requesting the information. On August 21, the application was referred to the Field Team for an examination of the property and recommendations.

The Applicant proposed to explore the property by 2,000 feet of diamond drilling at a total estimated cost of $15,000.00. The exploration proposal was indefinite and a target or location for exploration was not specified.

Exploratory workings of the property consist of a 1,000-foot adit, a caved shaft, two caved drill holes, and a railroad cut. There has been no production.

The Field Team examined the property on September 14, 1956, and their report was received by this office on October 15.

Mineralization of economic value is not exposed on the property, nor is there any indication that minerals of value may exist thereon.

The Field Team took six samples, four in the adit and two on the dump. All of these samples assayed low in copper and molybdenum.

The Field Team states:

"Copper, molybdenum, gold, and silver mineralization is not exposed in the mine workings, and no reserves of these metals exist."

We concur with the recommendations of the Field Team and the commodity members of the USGS and the USBM that the application be denied.

W. R. Griswold

File Copy
Surname
J. ACH

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

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W. R. Griswold

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JWAlt/er

Copy to: Docket
Base Metals
Chron.

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

RECEIVED
OCT 18 1956

October 17, 1956

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: Commodity Specialist, Branch of Base Metals

Subject: Review of Field Team examination report, Docket No. DMEA 4296 (copper-molybdenum), Walter H. Schmelzer and Mrs. Harriet W. Foster, The Guanomi Mine, Washoe County, Nevada. $15,000.00

The applicants proposed an indefinite program to explore for copper and molybdenum mineralization on the property by 2000 feet of core drilling at an estimated cost of $15,000.00.

Assay data submitted with application indicated weak copper and molybdenum mineralization. Examination of the property revealed that no mineralization of economic value was exposed and there are no indications of minerals of value.

I concur with the recommendation of the Field Team that the application for Government assistance to explore the Guanomi mine be denied.

J. W. Pennington

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
F. D. Lamb
F i l e s

RECEIVED
OCT 23 1956

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Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
F. D. Lamb
F i l e s

IN REPLY REFER TO:

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OCT 16 1956

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

October 15, 1956

Re: DMEA 4296
W. H. Schmelzer and
Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada
$15,000 - Copper, Molybdenum

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

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

Subject: Review of Field Team report.

The applicants requested assistance in exploring by 2,000 feet of drilling a mass of rhyolite, a sample of which was shown by spectrographic analysis to contain about 0.1% copper and 0.10% molybdenum.

Six samples were taken by the examiner. One sample, S-537, a grab sample of the dump, assayed 0.06% copper and 0.01% molybdenum.

As drilling and underground work and sampling have failed to expose mineralized rock of anywhere near ore grade, the examiner and the Field Team recommend that the application be denied.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
OCT 1 8 1956

October 15, 1956

Re: DMEA 4296
W. H. Schmelzer and
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The Guanomi Mine
Washoe County, Nevada
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I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/15/56

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. W. Pennington, 3623

R m E

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

RECEIVED
OCT 11 1956

1605 Evans Avenue
Reno, Nevada

October 9, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4296 (Copper-Molybdenum
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada
(Your letter August 21, 1956)

Attached are four copies of a report by B. H. Sheahan on subject property.

Roscoe Smith and I concur in the recommendation that the application for an exploration loan be denied.

S. Ricker

Attach.

Reviewed by
DMEA OPERATING COMMITTEE
10-15-56
(date)

BUREAU OF STANDARDS
WASHINGTON, D. C.

OCT 11 9 20 AM '56

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

RECEIVED
OCT 11 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

By

B. H. Sheahan
Mining Engineer
U. S. Bureau of Mines

October 4, 1956

Reviewed by
DMEA OPERATING COMMITTEE
10-15-56
(date)

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History and Production	2
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ILLUSTRATIONS

Figure 1 . . . . . Location map

Figure 2 . . . . . Sketch map

INTRODUCTION

Mr. Walter H. Schmelzer and Mrs. Harriet W. Foster, a partnership, of Camp Foster, Sutcliffe, Star Route, Reno, Nevada, applied for Government assistance in a $15,000.00 program under the Defense Minerals Exploration Administration, Docket No. DMEA-4296, to explore for copper and molybdenum at The Guanomi Mine, Washoe County, Nevada.

A field examination was requested by the Operating Committee August 21, 1956, and the property was examined September 14, 1956, by B. H. Sheahan, Mining Engineer, U. S. Bureau of Mines. Mr. Walter H. Schmelzer accompanied the engineer during the examination and Mrs. Harriet W. Foster furnished information related to the history of the property.

The Applicants' exploration proposal was indefinite and a target or location for exploration was not specified; however, 2000 feet of core drilling was requested.

CONCLUSIONS AND RECOMMENDATIONS

Mineralization of economic value is not exposed on the property nor is there any indication that minerals of value may exist thereon.

The Applicants' request for exploration assistance should be denied.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Guanomi Mine Claim is five miles airline west of Nixon, Nevada, and one-half mile southwest of the present shore line of Pyramid Lake. The property is in Sections 24 and 25, T 23 N., R 22 E., M.D.B. &M., Washoe County, Nevada, within the Pyramid Lake Indian Reservation.

To reach the Claim from Reno, Nevada, follow Nevada State Highway 33 northeasterly 33.6 miles, turn right at junction, and follow a paved road 7.8 miles south along the east shore of Pyramid Lake to a dirt road on the right marked "Camp Foster." This road leads southerly 0.2 miles to cabin near the main workings.

HISTORY AND PRODUCTION

In 1927, Mr. Thomas William Foster and his partner, Mr. Walter H. Schmelzer, found traces of gold and silver rhyolite exposed by a railroad excavation. The following year, they obtained a prospecting permit from the Paiute Indian Council at Nixon, Nevada, and two wildcat holes were drilled. An inclined hole, No. 3, intersected four feet of quartz which was said to contain $22.40 per ton in gold. A shaft was later sunk 90 feet to further explore the quartz but ore was not encountered. After the death of Mr. Foster, prospecting was continued by Mr. Schmelzer and a 1000 foot adit was driven. This

work was done with hand tools with an indefinite objective, in hope that something of value would be discovered.

There has been no production.

PROPERTY AND OWNERSHIP

The property includes a 38.59 acre tract known as the Guanomi and Guanomi Annex. The land is within the boundary of the Pyramid Lake Indian Reservation and is owned by the Paiute Indian Tribe. A lease dated August 9, 1951, between the Paiute Tribe and the Applicants, stipulates the mining of gold, silver, lead, and zinc. Terms of the agreement require rental payments of one dollar per acre per year plus royalty at 10 percent of net value of production with a minimum charge of $100.00 per year. As one of the applicants resides at the property, this agreement provides the equivalent of cheap rent.

The camp consists of one cabin, two sheds, and a few trees. Only hand mining tools, a small blacksmith forge, and a wheelbarrow are on the property.

DEVELOPMENT

Exploratory workings indicated on Sketch Map, Figure 2, include a 1000 foot adit, 3 feet by 5-1/2 feet in section; a caved shaft, two caved drill holes; and a railroad cut.

About 30 gallons of water per minute flows from the southeast drift of the adit. The adit is unsafe due to poor ventilation and inadequate timber supports.

GENERAL GEOLOGY

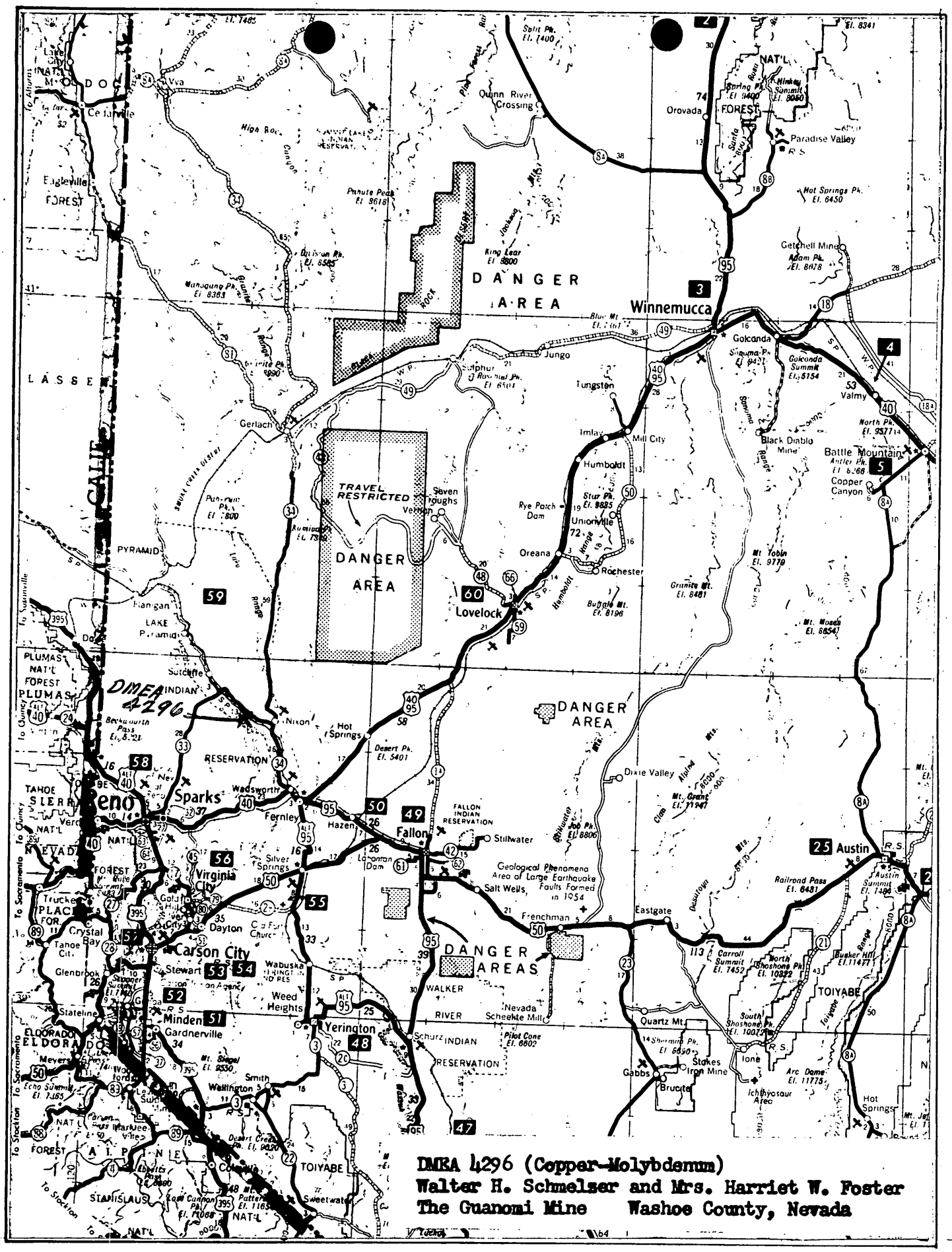
The best exposure of the formation is found in the railroad above the adit. Most of the surface is covered by a few feet of alluvium underlain by recent lake bed sediments. This formation caps rhyolite. Surface and ground waters have leached and altered the tertiary rhyolite and have deposited gypsum and limonite. Underground workings penetrated rhyolite which contained a little fine-grained pyrite and silica. No ore minerals were observed. Water from the adit contains considerable soluble aluminum, magnesium and iron sulphates which render it unfit for agriculture or domestic use. Copper, molybdenum, gold, and silver mineralization is not exposed in the mine workings, and no reserves of these metals exist.

SAMPLING

Six samples were taken from the property. Locations are indicated on Sketch Map, Figure 2.

Sample No.	Width	Percent Cu.	Percent Mo.	Oz/Ton Au	Oz/Ton Ag	Remarks
S-533	5 ft.	0.04	*0.01	Tr.	Tr.	Rhyolite &
S-534	5 "	0.03	*0.01	Tr.	Tr.	" " pyrite
S-535	5 "	0.02	*0.01	Tr.	Tr.	" "
S-536	Select Spec.	0.02	*0.01	Tr.	Tr.	" "
S-537	Dump Grab	0.06	*0.01	Tr.	Tr.	" "
S-538	" "	0.03	*0.01	Tr.	Tr.	" "

Sample No. S-538 was taken of dump material that came from the inaccessible east drift according to Mr. Schmelzer.


DMEA 4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Guanomi Mine Washoe County, Nevada
DANGER AREA
TRAVEL RESTRICTED
DANGER AREAS
Winnemucca
Lovelock
Fallon
Reno
Sparks
Carson City
Virginia City
Yerington
Minden
Gardnerville
Stateline
Genoa
Gerlach
Orovada
Paradise Valley
Golconda
Valmy
Battle Mountain
Austin
Eureka
Humboldt
Imlay
Mill City
Unionville
Rochester
Oreana
Jungo
Tungsten
Seven Troughs
Vernon
Nixon
Hot Springs
Wadsworth
Fernley
Hazen
Stillwater
Salt Wells
Frenchman
Eastgate
Dixie Valley
Quinn River Crossing
Cedarville
Eagleville
Cornucopia
Copper Canyon
Black Diablo Mine
Getchell Mine
Gabbs
Stokes Iron Mine
Brucite
Ione
Quartz Mt.
Schurz
Wabuska
Weed Heights
Smith
Wellington
Dayton
Stewart
Glenbrook
Crystal Bay
Tahoe City
Truckee
Meyers
Echo Summit
Sweetwater
Pyramid Lake
Lake Tahoe
Geological Phenomena Area of Large Earthquake Faults Formed in 1954
Railroad Pass
Carroll Summit
North Shoshone Pk.
South Shoshone Pk.
Ichthyosaur Area
Arc Dome
Hot Springs
Nevada Scheelite Mill
Pilot Cone
Desert Pk.
Desert Creek Pk.
Mt. Siegel
Mt. Grant
Mt. Moses
Mt. Tobin
Granite Mt.
Bunkle Mt.
Job Pk.
Sturr Pk.
Rye Patch Dam
Lahontan Dam
Pahute Peak
Dufurrena Pk.
Mahogany Pk.
Granite Pk.
King Lear
Split Pk.
Hot Springs Pk.
Gerlach
Sulphur
Rochester
Austin
Eureka
Stateline
Meyers
Smith
Wellington
Yerington
Schurz
Gardnerville
Minden
Stewart
Carson City
Dayton
Virginia City
Sparks
Reno
Fernley
Fallon
Hazen
Wadsworth
Nixon
Hot Springs
Gerlach
Vernon
Seven Troughs
Oreana
Rochester
Unionville
Humboldt
Imlay
Mill City
Jungo
Tungsten
Golconda
Valmy
Battle Mountain
Copper Canyon
Black Diablo Mine
Getchell Mine
Gabbs
Stokes Iron Mine
Brucite
Ione
Quartz Mt.
Eastgate
Frenchman
Salt Wells
Stillwater
Dixie Valley
Paradise Valley
Orovada

RECEIVED
OCT 11 1956

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

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1605 Evans Avenue
Reno, Nevada

October 9, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMA-4296 (Copper-Molybdenum
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SRicker:gh
cc: R. M. Smith
File

Reviewed by
DMEA OPERATING COMMITTEE
10-15-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

RECEIVED

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
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S-538	" "	0.03	*0.01	Tr.	Tr.	" "

Sample No. S-538 was taken of dump material that came from the inaccessible east drift according to Mr. Schmelzer.

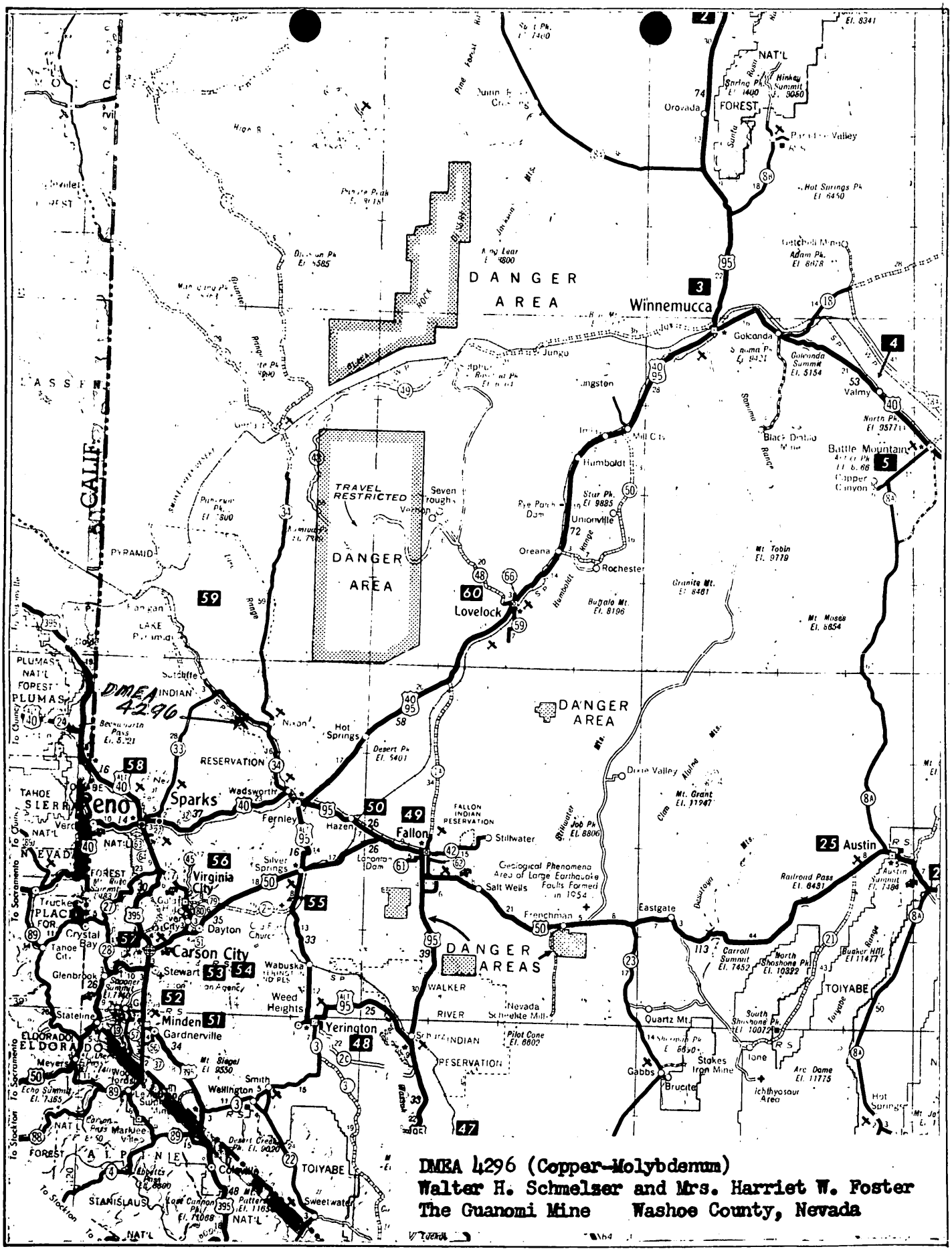

Figure I LOCATION MAP NEVADA

RECEIVED
OCT 11 1956

August 25, 1956

Re: Docket No.DMEA-4296
(Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster
The Guanomi Mine, Washoe Co., Nev.

Mr. C. O. Mittendorf
Administrator DMEA
Washington 25, D. C.

Docket

Dear Mr. Mittendorf:

I have just received your kind letter of the twenty-first in reply to my letter to Mr. Griswold, Chief of Base Metals Division, of August the twelfth.

I note that you have referred the application for Government assistance in the development of the mining property owned by me and my partner at this location to Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, at 1602 Evans Avenue, Reno, Nev.

This action on your part is entirely in line with our hopes and expectations, and I am today writing Mr. Ricker as per copy enclosed. A visit from him or one of his staff will, I feel, greatly clear up the matter in our minds as well as the understanding of yourself and the Department which you head.

Thanking you for your kind and understanding letter, and assuring you that we will do all possible to satisfy your requirements and convince the staff of DMEA that this is a worth-while project.

Sincerely yours,

Harriet W. Foster

(Mrs. Harriet W. Foster)

Encl.

RECEIVED
AUG 29 1956

COPY
For Mr. Mittendorf.

August 25, 1956

RE: Docket No. DMEA-4296
(Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster,
The Guanomi Mine, Washoe Co., Nev.

Mr. Spangler Ricker
Executive Officer DMEA Field Team
Region II, 1605 Evans Avenue
R E N O, Nevada.

Dear Mr. Ricker:

I have just received from Mr. C. O. Mittendorf, Administrator of DMEA in Washington, D.C., notification that as a result of our correspondence during the past weeks he has referred the matter to you for field examination.

I am writing you because it seemed to me that it would be of some assistance to whomever is sent out to this camp to have a little preliminary explanation.

Camp Foster is not on the map so I shall have to explain that this mining camp is forty miles from Reno via Highway 33 to Pyramid Lake and then right eight miles by the highway running along Pyramid Lake. There is a sign at the junction where highway 33 contacts Pyramid Lake, and if you will watch your speedometer at eight miles from the junction along the lake is another sign pointing to Camp Foster. There it is a good (dirt) road to the cabin on the hillside, say a quarter of a mile, the ore dumps and many large trees. There is no bad road to go over, and there is a very large sign on a shed very visible from the highway marking "Camp Foster" plainly.

I myself am here most of the time. I expect to go to market Sept. 4th but otherwise I shall be here. However, it is very essential that my partner, Mr. Walter H. Schmelzer, who is often away from camp, to be here for he is the miner and can show you and explain all matters you want to know, so I think it wise that you write us several days ahead of your trip out here, as we have mail only three days a week, so that your trip will not be useless.

RECEIVED
AUG 29 1956

Looking forward to seeing you, I am,

Sincerely,

Harriet W. Foster

(Mrs. Harriet W. Foster)

File Copy
Surname

Signed
Nelson
Lamb
Selfridge
Yellman

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

AUG 21 1956

Mrs. Harriet W. Foster
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs.
Harriet W. Foster
The Guanacni Mine
Washoe County, Nevada

Dear Mrs. Foster:

We have your letter of August 12, 1956, regarding your application for Government assistance in the referenced exploration project, with the enclosed map. While it is not so indicated on the map, we presume the rectangular area outlined in the upper part of the map is the approximately 40 acre portion which you hold under lease.

Your application for Government assistance to explore the cited property is now being referred for a field examination to

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

The Regional Office will contact you at an early date as to when an examination is to be made. Any assistance that you may give the members of the Field Team during the examination will be appreciated.

We note in your application that you recommend a deep drilling program which would have to be done by a contractor. We must point out that if such a program should be approved, your partnership would be required to provide funds to the extent of one half of such costs. Furthermore, since the Government makes no disbursements in advance, you would require sufficient funds to defray all expenses of the project for probably the first two months until your vouchers were processed and reimbursement made to you for the Government's approved share of the costs.

WRGriswold/er (8/16,17 &20/56)
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2) - Chron.

Sincerely yours,

C. O. Mittendorf

Administrator

File Copy
Surname

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

Mrs. Harriet W. Foster
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs.
Harriet W. Foster
The Summit Mine
Washoe County, Nevada

Dear Mrs. Foster:

We have your letter of August 12, 1956, regarding your application for Government assistance in the referenced exploration project, with the enclosed map. While it is not so indicated on the map, we presume the rectangular area outlined in the upper part of the map is the approximately 40 acre portion which you hold under lease.

Your application for Government assistance to explore the cited property is now being referred to:

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

If the Field Team requires additional information concerning your application they will contact you at an early date.

We note in your application that you recommend a deep drilling program which would have to be done by a contractor. We must point out that if such a program should be approved, your partnership would be required to provide funds to the extent of one half of such costs. Furthermore, since the Government makes no disbursements in advance, you would require sufficient funds to defray all expenses of the project for probably the first two months until your vouchers were processed and reimbursement made to you for the Government's approved share of the costs.

WRGriswold/er (8/16 & 17/56)
Copy to: Docket
Admr R File
Op. Commiitee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2)
Chron.

Sincerely yours,

Administrator

File Copy
Surname

Original
Selfridge
Fitzsimon
Mottendorf

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

500

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

AUG 1956

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs.
Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

Dear Mr. Ricker:

The cited application for exploration assistance is being referred to your office for a field examination of the property and recommendations.

Copies of memoranda dated May 21 and 22, by N. E. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed for your information.

We are also enclosing copies of letter from the Applicants, dated August 12 and from Congressman Clifton Young, dated August 11, and copies of our replies to such letters. We are also enclosing two copies of the map attached to the Applicants' August 12 letter.

You will note that little information of any significance has been supplied as concerning the property in question; yet it is probable that the Applicants have done about all they can along this line. Hence, rather than have this matter drag on indefinitely, it is suggested that you send one man to examine the property and discuss the proposed work with the Applicants.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JLB)

Enclosures

WRGriswold/er (8/17 &20/56)
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

FRANK D. LAMB (JLB)
Member, Bureau of Mines

N. E. Nelson (JLB)
Member, Geological Survey

File Copy
Surname
Griswold

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

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

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter M. Schmelzer and Mrs.
Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

Dear Mr. Ricker:

The cited application for exploration assistance is being referred to your office for consideration, a field examination of the property if warranted, and recommendations.

Copies of memoranda dated May 21 and 22, by N. E. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed for your information.

We are also enclosing copies of letter from the Applicants, dated August 12 and from Congressman Clifton Young, dated August 11, and copies of our replies to such letters. We are also enclosing two copies of the map attached to the Applicants' August 12 letter.

You will note that little information of any significance has been supplied us concerning the property in question; yet it is probable that the Applicants have done about all they can along this line. Hence, rather than have this matter drag on indefinitely, it is probably better that you send one man to take a quick look at the property in question.

Sincerely yours,

Enclosures

Chairman, Operating Committee

WRGriswold/er 8/17/56

APPROVED:

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Aiilsgaard, USGS
Chron.

Member, Bureau of Mines

Member, Geological Survey

File Copy
Surname
Mineral
Nelson
Lamb
Selfridge
H Johnson

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

Aug 21 1956

Hon. Clifton Young
Member of Congress
Post Office Box 147
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Quaquami Mine
Washoe County, Nevada

My dear Mr. Young:

I have your letter of August 11, 1956, inquiring as to the present status of the cited application.

On May 28, June 19, and again on July 27, we wrote Mr. Walter H. Schmelzer requesting additional information so that we might proceed with the application. To date, the necessary information has not been received, although we have received a letter from Mrs. Foster dated August 12.

An application of this sort always presents a problem for us, as there is no justification for a field examination. It contains no reports, maps, assays, nor evidence of any sort to show the possible existence of worthwhile mineralization. You can realize that we hesitate to authorize the very considerable expenditure of Government funds required for a field examination without having some evidence to justify such an outlay. However, in order to avoid prolonging the processing of this application indefinitely, we are making an exception in their case and are referring the application to our Field Team for an examination.

WRGriswold/er(8/20/56 rewritten 8/16 & 17/56)
Copy to:
Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2)
Chron.

Sincerely yours,

C. O. Mittendorf

Administrator

File Copy
Surname
Griswold

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

Hon. Clifton Young
Member of Congress
Post Office Box 147
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs.
Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

My dear Mr. Young:

I have your letter of August 11, 1956, inquiring as to the present status of the cited application.

On May 28, June 19, and again on July 27, we wrote Mr. Walter H. Schmelzer requesting additional information so that we might proceed with the application. To date, the necessary information has not been received, although we have received a letter from Mrs. Foster dated August 12.

Applications of this sort always present a problem for us. It contains no reports, maps, assays, nor evidence of any sort to show the possible existence of worthwhile mineralization. You can realize that we hesitate to authorize the very considerable expenditure of Government funds required for a field examination without having some evidence to justify such an outlay. Nevertheless, we doubt that it would be possible for these people to supply much significant information. Hence, we are making an exception in their case and are referring the application to our Field Team for an examination.

Sincerely yours,

Administrator

WRGriswold/er 8/16&17/56
Copy to: Docket
Admr R File
Cp. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II, (2)
Chron.

August 12, 1956

RECEIVED
AUG 15 1956

Re: Docket #DMEA-4296
Copper-Molybenum, Guanomi Mine
Washoe Co., Nevada.

Mr. W. R. Griswold
Chief Metals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D.C.

Dear Mr. Griswold:

Ever since receipt of your letter of July 27th we have been pondering carefully as to what you require in order to go forward with the project we have here, for which we have applied for aid in developing.

You asked for more data in regard to our lease, stating that the first page referred to was missing. I have been very diligent to find out what and where such first page is but to date have not been able to answer this question nor can the authorities at Stewart, Nevada, seat of the Nevada Reservation of the Piaute Tribe, been able to help me. The only thing they have is the surveyor's map which might be the first page. This I borrowed and copied with the crude means I have at hand and am enclosing herewith for your inspection. If it will serve surely the Government has equipment for photographing such things if you wish some more copies, rather than insisting that I laboriously make three more maps by hand.

With regard to the geological reports you request,- I have a number of them by well qualified geologists including the finder and owner of the property, but they would not serve in this case because they were made quite a long time ago and followed only the work then done - three very shallow and one 155 ft. drill hole. They were drilling for gold and had found a vein that carried well when the geologist referred to above, my late husband, Mr. Thomas William Foster, died. That project had to be abandoned for lack of funds to carry it on and the 1,000 ft. tunnel showing Molybdenum and Copper was substituted.

I regret my inability to follow the Government's regulations in this case and feel it rather inconsiderate that you insist upon the exact requisition of your department or the application will be cancelled August 27th. Can you not co-operate and help us with suggestions rather than being autocratic as your curt letter seems to me? In the long run the Government or anybody else isn't going to do a thing until they examine the property, and if you have

Enclosed map in envelope at back of docket

no authorization to requisition one of the many, many mining experts the Government has right here in Reno, almost at our back door, I cannot see that the Agency is of much use to miners. As you have been frank as to your point of view I take the liberty of being as frank from the standpoint of the owner of the property. Because of the expense involved it would be impossible for me to have a qualified geologist come here and make a report of the workings as they now exist. It was for this reason that we have applied to your Administration for help.

If you cannot do otherwise, please postpone cancelation of the application for say three months and give us a chance to understand one another.

I know that Representative Cliffton Young of the Congress who is sponsoring this project and recommending us as earnest and reliable people would appreciate your consideration and forebearance as we would.

Very truly yours,

Harriet W. Foster

(Mrs. Harriet W. Foster
and
Mr. Walter H. Schmelzer)

P.S.
Mr. Griswold, my grandfather was John S. Watts, several terms in Congress of the United States from the (then) Territory of New Mexico in early days. He was voted the ugliest member of all the Congressmen, but he was very brainy and effective as anyone taking the trouble to read some of his speaches will admit, and many of his pertinent remarks are quoted to this day I am told.

Harriet Watts Foster

CLIFTON YOUNG
REPRESENTATIVE AT LARGE
NEVADA

WASHINGTON ADDRESS:
421 HOUSE OFFICE BUILDING

Please reply to:
Post Office Box 147
Reno, Nevada

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

COMMITTEES:
INTERIOR AND INSULAR AFFAIRS
EDUCATION AND LABOR

500

RECEIVED
AUG 14 1956

August 11, 1956

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

Dear Mr. Mittendorf:

I am writing again in behalf of Mrs. Harriet W. Foster, Camp Foster, Star Route, Sutcliffe, via Reno, Nevada, under application for a loan.

I would appreciate you advising me of the current status of this case and suggest any possible means by which it may be brought to an early conclusion.

Sincerely,

Cliff Young

Cliff Young, M.C.

CCY:ac
AIR MAIL

File Copy
Surname
J. Cell
Johnson
Wittenberg

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

JUL 27 1956

Mr. Walter H. Schmelzer
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

Dear Mr. Schmelzer:

On June 19, 1956, we wrote you requesting additional information regarding your application for the cited property. As we have not heard from you since that date, we are desirous of knowing your intent regarding this application.

Please advise us at your earliest convenience regarding your application for Government exploration assistance. If we do not hear from you within thirty days, we will consider that you are no longer interested and will place your application in our inactive files.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief,
Base Metals Division

JWAlt/bjl (7/27/56)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Pennington
Mr. Kiilsgaard
Region II (2)
Chron.

R.C.S.

File Copy
Surname
J. W.

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

JUN 19 1956

Mr. Walter H. Schmelzer
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

Dear Mr. Schmelzer:

This is to acknowledge receipt of your letter of June 11, and the enclosed copies of the Mining Lease. We wish to advise you that the necessary information was not supplied with this lease. Under Item 1 of the lease, it is stated: "See Sheet No. 1-A attached and made part of this Lease showing legal description of land to be leased." This sheet is not attached to the lease.

We do have your map showing the work that has been done, but it does not show your proposed work and where it is located in relation to your property lines. If the Field Team makes an examination of your property, such a map would be valuable to them. It is not the duty of the Field Team to make a property map for an Applicant. They do not do consulting work in competition with private industry.

Will you please supply us with copies of Sheet No. 1 of the lease and a property map at your earliest convenience so that we may continue with the processing of your application.

Sincerely yours,

W. R. Griswold

W. R. GRISWOLD,
Chief, Base Metals Division

JWAlter

Copy to: Docket
Admr R File
Base Metals
Mr. Pennington, USBM
Mr. Nielsgaard, USGS
Region II (2)
Chron.

R.C.

RECEIVED

JUN 14 1956

June 11, 1956

Docket Number DMEA - 4296
Base Metals Division

Mr. Robert E. Adams
Chief Operations Control and Statistics Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D.C.

Dear Mr. Adams:

There has come from the DMEA a request for four copies of the lease granted to us by the Department of the Interior through the Pyramid Lake Piaute Indian Council at Nixon, Nevada.

Herewith we are granting this request and you will find attached hereto the four copies of the lease.

There was also a request for a map but four copies of the map of the workings as they now are were sent in along with our application. There would seem no need to send four more. It is the only map thus far made of the workings. I regret that we have no professional blue prints and inasmuch as the Government will have to send a representative to go through the workings, which are all open and ready for examination, it is needless to go to the expense of having professional maps made.

Trusting that what we have sent in is sufficient information for you to proceed, I am,

Very truly yours,

Harriet W. Foster
Walter H. Schmelzer

Harriet W. Foster
Walter H. Schmelzer

Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter.

the lessee to occupy so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, milling, storing, and removing such minerals.

2. The term "Superintendent" as used herein shall refer to the superintendent or other official in charge of the Indian Agency having jurisdiction over the lands leased.

3. In consideration of the foregoing, the lessee hereby agrees:

(*a*) ROYALTY.—To pay, or cause to be paid, to the Superintendent, for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), as royalties, the sums of money as follows, to-wit:* a royalty of not less than 10% (ten per cent) of the product mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined. Further, a minimim royalty shall be paid to the tribe which for any one year shall not be less than $100.00. This shall be paid additional to rentals, payable in accordance with the provisions of this lease agreement.

All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

(*b*) ANNUAL RENTAL.—To pay, or cause to be paid, to the Superintendent for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), in advance beginning with the date of approval of the lease, as annual rental, the following: 25 cents per acre for the first calendar year or fraction thereof, 50 cents per acre per annum for the second and third years, and $1 per acre per annum in advance for each and every calendar year thereafter during the continuance of the lease; it being understood and agreed that said sum so paid shall be a credit on the royalties accruing during the year for which the payment of annual rental is made, and that said annual rental when paid shall not be refunded to the lessee because of any subsequent surrender or cancelation hereof.

(*c*) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations; to carry on development and operations in a workmanlike manner and to the fullest possible extent; to commit no waste on the said land and to suffer none to be committed upon the portion in his occupancy or use; to comply with all the requirements of the laws of the State in which the land is located; to take appropriate steps for the preservation of the property and the health and safety of workmen; promptly to surrender and return the premises upon the termination of this lease to whomsoever shall be lawfully entitled thereto, in as good condition as received, excepting for the ordinary wear and tear and unavoidable accidents in their proper use; not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings and improvements shall remain a part of said land and become the property of lessor, excepting the office fixtures and records, personal property, tools, pumping and drilling outfits, boilers, engines, and mining machinery, which shall remain the property of the lessee and may be removed at any time prior to 60 days after the termination of the lease by forfeiture or otherwise, provided the payments agreed upon by this lease have been made and the lease terms and regulations applicable thereto have been fully complied with, but not otherwise; not to permit any nuisance to be maintained on the premises under lessee's control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; and not to use such premises for any other purposes than those authorized in this lease.

(*d*) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the lessee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the lessee, shall be held as a want of compliance with the purposes of this lease and shall render it subject to cancelation: *Provided,* That whenever the Secretary of the Interior shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable, but such action will not release the lessee from the payment of the advance annual rental.

(*e*) MONTHLY STATEMENTS.—To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the Superintendent or the Treasurer of said Tribe if payments are made to him, sworn

* Here insert the royalties agreed upon in accordance with applicable regulations.

Form 5-157b
(April 1940)

CONTRACT No. I-10 IND. 4473

UNITED STATES MINING LEASE No. N-6

DEPARTMENT OF THE INTERIOR

OFFICE OF INDIAN AFFAIRS

RECEIVED
JUN 14 1956

MINING LEASE—TRIBAL INDIAN LANDS

(FOR MINERALS OTHER THAN OIL AND GAS)

THE PYRAMID LAKE PIAUTE Tribe, State of NEVADA

THIS INDENTURE OF LEASE, made and entered into in ~~duplicate~~ SEX-TUPLET this _____ day of _____, 19____, by and between The Pyramid Lake Piaute Tribal Council for and in behalf of the Pyramid Lake Piaute Tribe of the ~~Pyramid Lake Indian Reservation, a federal corporation, and acting~~ in the behalf of A lbert Mauwee, Acting Chairman, and Albert Aleck, Sec~~ratary, respectively of the said Pyramid Lake Piaute Tribal Council~~ of said Pyramid Lake Piaute Tribe, of the Pyramid Lake Indian Reser- of ~~vation~~, State of Nevada, Town of Nixon

for and on behalf of the Pyramid Lake Piaute Tribe ~~Tribe~~ of Indians, designated herein as lessor, and Harriet W. Foster (a widow) and Walter H. S chmelzer (a single man)

of Camp Foster, Sutcliffe, State of via Reno, Nevada

herein designated as lessee:

WITNESSETH

1. That the lessor , for and in consideration of $1, receipt whereof is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions hereinafter contained and hereby agreed to be paid and observed by the lessee, doth hereby demise, grant, and lease unto the said lessee, the following-described tract of land lying and being within the Pyramid Lake Indian Reservation, County of Washoe and State of Nevada, to wit:

See Sheet No.1-A attached and made a part of this Lease showing legal description of land to be leased

of section _____, township _____, range _____, _____ meridian,

and containing 40 acres, more or less, for the full term of 10 years from the date of approval hereof, and as long thereafter as the mined product is continously produced for the sole purpose of prospecting for and mining minerals, as follows: (in paying quantities on old mining claims known as "Guanomi" and "Guanomi Annex"

16—15629

monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty and advance rental shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in operation upon said property, and upon all of the unsold minerals obtained from the land herein leased, as security for payment of said sums. An audit of the lessee's accounts and books shall be made annually or at such times as may be directed by the Superintendent by certified public accountants approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish free of cost a copy of such audits to the Secretary of the Interior through the Superintendent within 30 days after the completion of each auditing.

(*f*) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases: *Provided,* That no regulations hereafter approved shall effect a change in rate of royalty, the annual rental herein specified, or the term of this lease, without the written consent of the parties to this lease.

(*g*) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement or otherwise nor to sublet any portion of the leased premises, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

(*h*) BOND.—To furnish such bond as may be required by the regulations of the Secretary of the Interior conditioned upon compliance with the terms of this lease.

4. MILLING.—All ores or minerals mined on said land shall be cleaned and prepared for market thereon, and no ore or crushed material shall be removed therefrom to be cleaned or prepared for market without the written consent of the Secretary of the Interior.

5. INSPECTION.—The leased premises and producing operations, improvements, machinery, and fixtures thereon and connected therewith and all books and accounts of the lessee shall be open at all times for inspection by agents of the lessor or any duly authorized representative of the Secretary of the Interior.

6. DISPOSITION OF SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, such disposition to be subject at all times to the right of the lessee herein to the use of so much of said surface as is necessary in the extraction and removal of the minerals from the land herein described in accordance with this lease.

7. SURRENDER AND TERMINATION.—The lessee shall have the right at any time during the term hereof to surrender and terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due and payable to the lessor, and the further sum of $1, upon a showing satisfactory to the Secretary of the Interior that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded lessee shall file a recorded release with his application to the Superintendent for termination of this lease.

8. CANCELATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior, there has been a violation of any of the terms and conditions of this lease before restrictions are removed, the Secretary of the Interior shall have the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease null and void, and the lessor shall then be entitled and authorized to take immediate possession of the land.

9. HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

10. GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

The lease also hereby agrees to furnish employment to Indian labor in the operation of these 1 cased premises whenever and whereever possible or practicable to do so. 4

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

Two witnesses to execution by lessor:

(Signed) C. Tyndall, Jr.

P. O.

" Albert Aleck

P. O.

Albert Mauwee (Signed) [SEAL]
Acting Chairman Pyramid
Lake Piaute Tribal Council.

[SEAL]

Two witnesses to execution by lessee:

C. Tyndall, Jr. Signed

P. O.

Albert Aleck, Signed

P. O.

Harriet W. Foster (signed) [SEAL]

Walter H. Schmelzer (Signed)

Attest:

ACKNOWLEDGMENT OF LESSOR

STATE OF NEVADA
COUNTY OF Omsby } ss:

Before me, a notary public, on this 28th day of July, 1950 personally appeared Albert Mauwee, Acting Chairman, Pyramid Lake Piaute Tribal Council, to me known to be the identical person, who executed the within and foregoing lease, and acknowledged to me that he executed the same in his official capacit as Chairman of the Pydamis Lake Piaute Council as his free and voluntary act and deed for the uses and purposes therein set forth.

(Signed) Don F. Gunnell
Notary Public.

My commission expires

UNITED STATES DEPARTMENT OF THE INTERIOR

Washington, D. C., August 16, 1950

The within lease is hereby approved.

(Signed) H. M. Critchfield
~~Assistant Secretary of the Interior.~~
For the Commissioner Interior Office

Filed for record this day of , 19

at o'clock m.

By

Rental received, $

16—15629 U. S. GOVERNMENT PRINTING OFFICE

STIPULATION MODIFYING TERMS OF OIL AND GAS LEASE

WHEREAS, on July 28, 1950, the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation and Harriet W. Foster and Walter H. Schmelzer entered into mining lease contract No. 1-10-Ind. 4473, and

WHEREAS, the Lessor and the lessee desire to clarify the royalty provision of the lease as stated in paragraph 3 (a) and agree that this stipulation shall be made a part of this lease,

RECEIVED
JUN 14 1956

NOW THEREFORE

It is understood and agreed by and between the parties to the lease that the royalty provision shall be amended to read as follows:

3 (a) ROYALTY. - To pay or caused to be paid to the superintendent, for the use and benefit of lessor, or to the Treasurer of said tribe where the tribe is organized under the Act of June 18, 1934 (48 Stat.984), as royalties, the sum of money as follows, to wit: Ten per-cent (10%) of the net assay value of all products mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined.

FURTHER: a minimum royalty shall be paid to the tribe which for any one year, shall not be less than $100.00. This shall be paid in addition to rentals, payable in accordance with the provisions of this lease agreement. Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter. All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

IN WITNESS WHEREOF, The parties thereto have affixed their signatures this first day of September, 1950.

WITNESSES:

C. Tyndal, Jr.
Warren Toby
Mary Church
Helen M. Cronin

Albert Mauwee, Lessor

Harriet W. Foster, Lessee

Walter H. Schmelzer, Lessee

HARTFORD ACCIDENT & INDEMNITY COMPANY

Surety

J. E. Slingerland, Attornet in Fact

(SEAL)

Form 5-157 b
(April 1940)

CONTRACT NO. I. 10 IND. 4473

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF INDIAN AFFAIRS

MINING LEASE No. N-8

MINING LEASE—TRIBAL INDIAN LANDS

(FOR MINERALS OTHER THAN OIL AND GAS)

RECEIVED
JUN 14 1956

THE PYRAMID LAKE PIAUTE Tribe, State of NEVADA

THIS INDENTURE OF LEASE, made and entered into in ~~duplicate~~ XXXXXXX this ..... day of ....., 19....., by and between The Pyramid Lake Piaute Tribal Council for and in behalf of the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation, a federal corporation, and acting in the behalf of Albert Mauwee, Acting Chairman, and Albert Aleck, Secretary, respectively of the said Pyramid Lake Piaute Tribal Council of said Pyramid Lake Piaute Tribe, of the Pyramid Lake Indian Reservation State of Nevada, Town of Nixon for and on behalf of the Pyramid Lake Piaute Tribe Tribe of Indians, designated herein as lessor, and Harriet W. Foster (a widow) and Walter H. Schmelzer (a single man) of Camp Foster, Sutcliffe, State of via Reno, Nevada herein designated as lessee:

WITNESSETH

1. That the lessor , for and in consideration of $1, receipt whereof is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions hereinafter contained and hereby agreed to be paid and observed by the lessee, doth hereby demise, grant, and lease unto the said lessee, the following-described tract of land lying and being within the Pyramid Lake Indian Reservation, County of Washoe and State of Nevada, to wit:

See Sheet No.1-A attached and made a part of this Lease showing legal description of land to be leased

of section ....., township ....., range ....., ... meridian,

and containing 40 acres, more or less, for the full term of 10 years from the date of approval hereof, and as long thereafter as the mineral product is continously produced (in paying quantities for the same purposes and upon the terms and conditions hereinafter set forth, and the said lessee agrees to pay the lessor for the same the royalties specified on old mining claims known as "Guanomi" and "Guanomi Annex"

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the lessee to occupy so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, milling, storing, and removing such minerals.

2. The term "Superintendent" as used herein shall refer to the superintendent or other official in charge of the Indian Agency having jurisdiction over the lands leased.

3. In consideration of the foregoing, the lessee hereby agrees:

(*a*) ROYALTY.—To pay, or cause to be paid, to the Superintendent, for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), as royalties, the sums of money as follows, to-wit:*

a royalty of not less than 10% (ten per cent) of the product mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined. Further, a minimum royalty shall be paid to the tribe which for any one year shall not be less than $100.00. This shall be paid additional to rentals, payable [illegible] shall be the provisions before this lease [illegible] accruing.

Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter.

first calendar year or fraction thereof, 50 cents per [illegible] annum in advance for each and every calendar year thereafter during the continuance of the lease; it being understood and agreed that said sum so paid shall be a credit on the royalties accruing during the year for which the payment of annual rental is made, and that said annual rental when paid shall not be refunded to the lessee because of any subsequent surrender or cancelation hereof.

(*c*) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations; to carry on development and operations in a workmanlike manner and to the fullest possible extent; to commit no waste on the said land and to suffer none to be committed upon the portion in his occupancy or use; to comply with all the requirements of the laws of the State in which the land is located; to take appropriate steps for the preservation of the property and the health and safety of workmen; promptly to surrender and return the premises upon the termination of this lease to whomsoever shall be lawfully entitled thereto, in as good condition as received, excepting for the ordinary wear and tear and unavoidable accidents in their proper use; not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings and improvements shall remain a part of said land and become the property of lessor, excepting the office fixtures and records, personal property, tools, pumping and drilling outfits, boilers, engines, and mining machinery, which shall remain the property of the lessee and may be removed at any time prior to 60 days after the termination of the lease by forfeiture or otherwise, provided the payments agreed upon by this lease have been made and the lease terms and regulations applicable thereto have been fully complied with, but not otherwise; not to permit any nuisance to be maintained on the premises under lessee's control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; and not to use such premises for any other purposes than those authorized in this lease.

(*d*) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the lessee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the lessee, shall be held as a want of compliance with the purposes of this lease and shall render it subject to cancelation: *Provided,* That whenever the Secretary of the Interior shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable, but such action will not release the lessee from the payment of the advance annual rental.

(*e*) MONTHLY STATEMENTS.—To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the Superintendent or the Treasurer of said Tribe if payments are made to him, sworn

* Here insert the royalties agreed upon in accordance with applicable regulations.

monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty and advance rental shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in operation upon said property, and upon all of the unsold minerals obtained from the land herein leased, as security for payment of said sums. An audit of the lessee's accounts and books shall be made annually or at such times as may be directed by the Superintendent by certified public accountants approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish free of cost a copy of such audits to the Secretary of the Interior through the Superintendent within 30 days after the completion of each auditing.

(*f*) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases: *Provided,* That no regulations hereafter approved shall effect a change in rate of royalty, the annual rental herein specified, or the term of this lease, without the written consent of the parties to this lease.

(*g*) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement or otherwise nor to sublet any portion of the leased premises, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

(*h*) BOND.—To furnish such bond as may be required by the regulations of the Secretary of the Interior conditioned upon compliance with the terms of this lease.

4. MILLING.—All ores or minerals mined on said land shall be cleaned and prepared for market thereon, and no ore or crushed material shall be removed therefrom to be cleaned or prepared for market without the written consent of the Secretary of the Interior.

5. INSPECTION.—The leased premises and producing operations, improvements, machinery, and fixtures thereon and connected therewith and all books and accounts of the lessee shall be open at all times for inspection by agents of the lessor or any duly authorized representative of the Secretary of the Interior.

6. DISPOSITION OF SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, such disposition to be subject at all times to the right of the lessee herein to the use of so much of said surface as is necessary in the extraction and removal of the minerals from the land herein described in accordance with this lease.

7. SURRENDER AND TERMINATION.—The lessee shall have the right at any time during the term hereof to surrender and terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due and payable to the lessor, and the further sum of $1, upon a showing satisfactory to the Secretary of the Interior that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded lessee shall file a recorded release with his application to the Superintendent for termination of this lease.

8. CANCELATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior, there has been a violation of any of the terms and conditions of this lease before restrictions are removed, the Secretary of the Interior shall have the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease null and void, and the lessor shall then be entitled and authorized to take immediate possession of the land.

9. HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

10. GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

The lease also hereby agrees to furnish employment to Indian labor in the operation of these leased premises whenever and wherever possible or practicable to do so.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

Two witnesses to execution by lessor:

(Signed) C. Tyndall, Jr. — Albert Maurce (Signed) Acting Chairman Pyramid Lake Piute Tribal Council. [SEAL]

P. O. Albert Aleck — [SEAL]

Two witnesses to execution by lessee:

P. O. C. Tyndall, Jr. Signed — Harriot W. Foster (signed) [SEAL]

P. O. Albert Aleck, Signed — Walter H. Dohmeizer (Signed)

Attest:

ACKNOWLEDGMENT OF LESSOR

STATE OF
COUNTY OF NEVADA } ss:

Before me, a notary public, on this 28th day of July, 19 50 personally appeared Albert Maurce, Acting Chairman, Pyramid Lake Piute Tribal Council, to me known to be the identical person, who executed the within and foregoing lease, and acknowledged to me that he executed the same in his official capacity as Chairman of the Pyramid Lake Piute Council as his free and voluntary act and deed for the uses and purposes therein set forth.

(Signed) Don F. Gunnell *Notary Public.*

My commission expires

UNITED STATES DEPARTMENT OF THE INTERIOR

Washington, D. C., August 18 19 50

The within lease is hereby approved.

(Signed) H. Fritchfield *Assistant Secretary of the Interior.*

For the Commissioner Interior Office

Filed for record this day of , 19

at o'clock m.

By

Rental received, $

16—15629 U. S. GOVERNMENT PRINTING OFFICE

STIPULATION MODIFYING TERMS OF OIL AND GAS LEASE

WHEREAS, on July 28, 1950, the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation and Harriet W. Foster and Walter H. Schmelzer entered into mining lease contract No. 1-10-Ind. 4473, and

WHEREAS, the Lessor and the lessee desire to clarify the royalty provision of the lease as stated in paragraph 3 (a) and agree that this stipulation shall be made a part of this lease,

RECEIVED
JUN 14 1956

NOW THEREFORE

It is understood and agreed by and between the parties to the lease that the royalty provision shall be amended to read as follows:

3 (a) ROYALTY. - To pay or caused to be paid to the superintendent, for the use and benefit of lessor, or to the Treasurer of said tribe where the tribe is organized under the A ct of June 18, 1934 (48 Stat.984), as royalties, the sum of money as follows, to wit: Ten per-cent (10%) of the net assay value of all products mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined.

FURTHER: a minimum royalty shall be paid to the tribe which for any one year, shall not be less than $100.00. This shall be paid in addition to rentals, payable in accordance with the provisions of this lease agreement. Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter. All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

IN WITNESS WHEREOF, The parties thereto have affixed their signatures this first day of September, 1950.

WITNESSES:

C. Tyndal, Jr.
Warren Toby
Mary Church
Helen M. Cronin

Albert Mauwee, Lessor

Harriet W. Foster, Lessee

Walter H. Schmelzer, Lessee

HARTFORD ACCIDENT & INDEMNITY COMPANY

Surety

J. E. Slingerland, Attornet in Fact

(SEAL)

Form 5-157 b
(April 1940)

CONTRACT NO. I. 10 IND. 4473

UNITED STATES
DEPARTMENT OF THE INTERIOR MINING LEASE No. 2-8
OFFICE OF INDIAN AFFAIRS

MINING LEASE—TRIBAL INDIAN LANDS

(FOR MINERALS OTHER THAN OIL AND GAS)

RECEIVED
JUN 14 1956

THE PYRAMID LAKE PIAUTE Tribe, State of NEVADA

THIS INDENTURE OF LEASE, made and entered into in quadruplicate this ..... day of ....., 19....., by and between The Pyramid Lake Piaute Tribal Council for and in behalf of the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation, a federal corporation, and acting in the behalf of Albert Sawes, Acting Chairman, and Albert Alcok, Secretary, respectively of the said Pyramid Lake Piaute Tribal Council of said Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation State of Nevada, Town of Nixon

for and on behalf of the Pyramid Lake Piaute Tribe Tribe of Indians, designated herein as lessor, and Harriet E. Foster (a widow) and Walter H. Schwalzer (a single man)

of Camp Foster, Cutcliffe, State of via Reno, Nevada

herein designated as lessee:

WITNESSETH

1. That the lessor , for and in consideration of $1, receipt whereof is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions hereinafter contained and hereby agreed to be paid and observed by the lessee, doth hereby demise, grant, and lease unto the said lessee, the following-described tract of land lying and being within the Pyramid Lake Indian Reservation, County of Washoe and State of Nevada, to wit:

See Sheet No.1-A attached and made a part of this lease showing legal description of land to be leased

of section ....., township ....., range ....., ... meridian,

and containing 40 acres, more or less, for the full term of 10 years from the date of approval hereof, and as long thereafter as the mined product is continously produced (in paying quantities for the sole purpose of prospecting for and mining minerals, as follows:

on old mining claims known as "Guanomi" and "Guanoel" Mines"

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the lessee to occupy so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, milling, storing, and removing such minerals.

2. The term "Superintendent" as used herein shall refer to the superintendent or other official in charge of the Indian Agency having jurisdiction over the lands leased.

3. In consideration of the foregoing, the lessee hereby agrees:

(*a*) ROYALTY.—To pay, or cause to be paid, to the Superintendent, for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), as royalties, the sums of money as follows, to-wit:*

a royalty of not less than 10% (ten per cent) of the product mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined. Further, a minimim royalty shall be paid to the tribe which for any one year shall not be less than $100.00. This shall be paid additional to rentals, payments of this lease agreement.

Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter.

first calendar year or fraction thereof, 50 cents per acre per annum for the second and annum in advance for each and every calendar year thereafter during the continuance of the lease; it being understood and agreed that said sum so paid shall be a credit on the royalties accruing during the year for which the payment of annual rental is made, and that said annual rental when paid shall not be refunded to the lessee because of any subsequent surrender or cancelation hereof.

(*c*) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations; to carry on development and operations in a workmanlike manner and to the fullest possible extent; to commit no waste on the said land and to suffer none to be committed upon the portion in his occupancy or use; to comply with all the requirements of the laws of the State in which the land is located; to take appropriate steps for the preservation of the property and the health and safety of workmen; promptly to surrender and return the premises upon the termination of this lease to whomsoever shall be lawfully entitled thereto, in as good condition as received, excepting for the ordinary wear and tear and unavoidable accidents in their proper use; not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings and improvements shall remain a part of said land and become the property of lessor, excepting the office fixtures and records, personal property, tools, pumping and drilling outfits, boilers, engines, and mining machinery, which shall remain the property of the lessee and may be removed at any time prior to 60 days after the termination of the lease by forfeiture or otherwise, provided the payments agreed upon by this lease have been made and the lease terms and regulations applicable thereto have been fully complied with, but not otherwise; not to permit any nuisance to be maintained on the premises under lessee's control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; and not to use such premises for any other purposes than those authorized in this lease.

(*d*) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the lessee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the lessee, shall be held as a want of compliance with the purposes of this lease and shall render it subject to cancelation: *Provided,* That whenever the Secretary of the Interior shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable, but such action will not release the lessee from the payment of the advance annual rental.

(*e*) MONTHLY STATEMENTS.—To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the Superintendent or the Treasurer of said Tribe if payments are made to him, sworn

* Here insert the royalties agreed upon in accordance with applicable regulations.

monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty and advance rental shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in operation upon said property, and upon all of the unsold minerals obtained from the land herein leased, as security for payment of said sums. An audit of the lessee's accounts and books shall be made annually or at such times as may be directed by the Superintendent by certified public accountants approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish free of cost a copy of such audits to the Secretary of the Interior through the Superintendent within 30 days after the completion of each auditing.

(*f*) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases: *Provided,* That no regulations hereafter approved shall effect a change in rate of royalty, the annual rental herein specified, or the term of this lease, without the written consent of the parties to this lease.

(*g*) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement or otherwise nor to sublet any portion of the leased premises, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

(*h*) BOND.—To furnish such bond as may be required by the regulations of the Secretary of the Interior conditioned upon compliance with the terms of this lease.

4. MILLING.—All ores or minerals mined on said land shall be cleaned and prepared for market thereon, and no ore or crushed material shall be removed therefrom to be cleaned or prepared for market without the written consent of the Secretary of the Interior.

5. INSPECTION.—The leased premises and producing operations, improvements, machinery, and fixtures thereon and connected therewith and all books and accounts of the lessee shall be open at all times for inspection by agents of the lessor or any duly authorized representative of the Secretary of the Interior.

6. DISPOSITION OF SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, such disposition to be subject at all times to the right of the lessee herein to the use of so much of said surface as is necessary in the extraction and removal of the minerals from the land herein described in accordance with this lease.

7. SURRENDER AND TERMINATION.—The lessee shall have the right at any time during the term hereof to surrender and terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due and payable to the lessor, and the further sum of $1, upon a showing satisfactory to the Secretary of the Interior that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded lessee shall file a recorded release with his application to the Superintendent for termination of this lease.

8. CANCELATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior, there has been a violation of any of the terms and conditions of this lease before restrictions are removed, the Secretary of the Interior shall have the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease null and void, and the lessor shall then be entitled and authorized to take immediate possession of the land.

9. HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

10. GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

The lessee also hereby agrees to furnish employment to Indian labor in the operation of these 1 cased 4 premises whenever and wherever possible or practicable to do so.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

Two witnesses to execution by lessor:

(Signed) C. Tyndall, Jr. [SEAL]

Albert Skussee (Signed)
Acting Chairman Pyramid
Lake Piaute Tribal Council. [SEAL]

P. O. Albert Aleck

Two witnesses to execution by lessee:

[SEAL]

P. O. C. Tyndall, Jr. Signed

Harriet W. Foster (signed)

Walter H. Schaelner (Signed)

P. O. Albert Aleck, Signed

Attest:

ACKNOWLEDGMENT OF LESSOR

STATE OF NEVADA
COUNTY OF Esmeralda } ss:

Before me, a notary public, on this 28th day of July, 19 50 personally appeared Albert Kausee, Acting Chairman, Pyramid Lake Piaute Tribal Council, to me known to be the identical person, who executed the within and foregoing lease, and acknowledged to me that he executed the same in his official capacity as Chairman of the Pyramid Lake Piaute Council as his free and voluntary act and deed for the uses and purposes therein set forth.

(Signed) Ben F. Gunnell *Notary Public.*

My commission expires

UNITED STATES DEPARTMENT OF THE INTERIOR

Washington, D. C., August 16, 19 50

The within lease is hereby approved.

(Signed) H. A. Critchfield *Assistant Commissioner of the Interior.*

For the Commissioner Interior Office

Filed for record this day of , 19

at o'clock m.

By

Rental received, $

16—15629 U. S. GOVERNMENT PRINTING OFFICE

STIPULATION MODIFYING TERMS OF OIL AND GAS LEASE

WHEREAS, on July 28, 1950, the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation and Harriet W. Foster and Walter H. Schmelzer entered into mining lease contract No. 1-10-Ind. 4473, and

WHEREAS, the Lessor and the lessees desire to clarify the royalty provision of the lease as stated in paragraph 3 (a) and agree that this stipulation shall be made a part of this lease,

RECEIVED

JUN 14 1956

NOW THEREFORE

It is understood and agreed by and between the parties to the lease that the royalty provision shall be amended to read as follows:

3 (a) ROYALTY. - To pay or caused to be paid to the superintendent, for the use and benefit of lessor, or to the Treasurer of said tribe where the tribe is organized under the Act of June 18, 1934 (48 Stat.984), as royalties, the sum of money as follows, to wit: Ten per-cent (10%) of the net assay value of all products mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined.

FURTHER: a minimum royalty shall be paid to the tribe which for any one year, shall not be less than $100.00. This shall be paid in addition to rentals, payable in accordance with the provisions of this lease agreement. Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter. All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

IN WITNESS WHEREOF, The parties thereto have affixed their signatures this first day of September, 1950.

WITNESSES:

C. Tyndal, Jr.
Warren Toby
Mary Church
Helen M. Cronin

Albert Mauwee, Lessor

Harriet W. Foster, Lessee

Walter H. Schmelzer, Lessee

HARTFORD ACCIDENT & INDEMNITY COMPANY

Surety

J. E. Slingerland, Attornet in Fact

(SEAL)

Form 5-157 b
(April 1940)

CONTRACT NO. I. 10 IND. 4473

UNITED STATES
DEPARTMENT OF THE INTERIOR MINING LEASE No. N-8
OFFICE OF INDIAN AFFAIRS

RECEIVED
JUN 14 1956

MINING LEASE—TRIBAL INDIAN LANDS

(FOR MINERALS OTHER THAN OIL AND GAS)

THE PYRAMID LAKE PIAUTE Tribe, State of NEVADA

THIS INDENTURE OF LEASE, made and entered into in ~~quadruplicate~~ SEX-TUPLICATE this XXXXXXX day of ....., 19....., by and between The Pyramid Lake Piaute Tribal Council for and in behalf of the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation, a federal corporation, and acting in the behalf of A lbert Mauwee, Acting Chairman, and Albert Aleck, Secratary, respectively of the said Pyramid Lake Piaute Tribal Council of said Pyramid Lake Piaute Tribe, State of the Pyramid Lake Indian Reservation Nevada, Town of Nixon for and on behalf of the Pyramid Lake Piaute Tribe Tribe of Indians, designated herein as lessor, and Harriet W. Foster (a widow) and Walter H. Schmelzer (a single man) of Camp Foster, Sutcliffe, State of via Reno, Nevada herein designated as lessee:

WITNESSETH

1. That the lessor , for and in consideration of $1, receipt whereof is hereby acknowledged, and of the royalties, covenants, stipulations, and conditions hereinafter contained and hereby agreed to be paid and observed by the lessee, doth hereby demise, grant, and lease unto the said lessee, the following-described tract of land lying and being within the Pyramid Lake Indian Reservation, County of Washoe and State of Nevada, to wit:

See Sheet No.1-A attached and made a part of this Lease showing legal description of land to be leased

of section ....., township ....., range ....., ... meridian,

and containing 40 acres, more or less, for the full term of 10 years from the date of approval hereof, for the sole purpose of prospecting for and mining minerals, as and as long thereafter as the mined product is continously produced (in paying quantities on old mining claims known as "Guanomi" and "Guanomi" Annex"

16—15629

the lessee to occupy so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, mining, milling, storing, and removing such minerals.

2. The term "Superintendent" as used herein shall refer to the superintendent or other official in charge of the Indian Agency having jurisdiction over the lands leased.

3. In consideration of the foregoing, the lessee hereby agrees:

(*a*) ROYALTY.—To pay, or cause to be paid, to the Superintendent, for the use and benefit of the lessor, or to the Treasurer of said Tribe where the tribe is organized under the act of June 18, 1934 (48 Stat. 984), as royalties, the sums of money as follows, to-wit:*

a royalty of not less than 10% (ten per cent) of the product mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined. Further, a minimum royalty shall be paid to the tribe which for any one year shall not [illegible] than $20.00. This shall be paid additional to rentals, payable [illegible] the month succeeding.

Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter.

advance beginning with the [illegible]

first calendar year or fraction thereof, 50 cents per acre per annum for the second and third years, and $1 per acre per annum in advance for each and every calendar year thereafter during the continuance of the lease; it being understood and agreed that said sum so paid shall be a credit on the royalties accruing during the year for which the payment of annual rental is made, and that said annual rental when paid shall not be refunded to the lessee because of any subsequent surrender or cancelation hereof.

(*c*) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations; to carry on development and operations in a workmanlike manner and to the fullest possible extent; to commit no waste on the said land and to suffer none to be committed upon the portion in his occupancy or use; to comply with all the requirements of the laws of the State in which the land is located; to take appropriate steps for the preservation of the property and the health and safety of workmen; promptly to surrender and return the premises upon the termination of this lease to whomsoever shall be lawfully entitled thereto, in as good condition as received, excepting for the ordinary wear and tear and unavoidable accidents in their proper use; not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings and improvements shall remain a part of said land and become the property of lessor, excepting the office fixtures and records, personal property, tools, pumping and drilling outfits, boilers, engines, and mining machinery, which shall remain the property of the lessee and may be removed at any time prior to 60 days after the termination of the lease by forfeiture or otherwise, provided the payments agreed upon by this lease have been made and the lease terms and regulations applicable thereto have been fully complied with, but not otherwise; not to permit any nuisance to be maintained on the premises under lessee's control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; and not to use such premises for any other purposes than those authorized in this lease.

(*d*) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but in good faith for mining the minerals specified; and the failure by the lessee in the diligent development and continued operation of the mine or mines, except when operations may be interrupted by strikes, the elements, or casualties not attributable to the lessee, shall be held as a want of compliance with the purposes of this lease and shall render it subject to cancelation: *Provided,* That whenever the Secretary of the Interior shall consider the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he may deem advisable, but such action will not release the lessee from the payment of the advance annual rental.

(*e*) MONTHLY STATEMENTS.—To keep an accurate account of all mining operations, showing the sales, prices, dates, purchasers, and the whole amount of minerals mined, the amount removed, and the gross receipts derived therefrom, and to furnish the Superintendent or the Treasurer of said Tribe if payments are made to him, sworn

* Here insert the royalties agreed upon in accordance with applicable regulations.

monthly reports thereon not later than the 25th of the succeeding month; and all sums due as royalty and advance rental shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in operation upon said property, and upon all of the unsold minerals obtained from the land herein leased, as security for payment of said sums. An audit of the lessee's accounts and books shall be made annually or at such times as may be directed by the Superintendent by certified public accountants approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish free of cost a copy of such audits to the Secretary of the Interior through the Superintendent within 30 days after the completion of each auditing.

(*f*) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases: *Provided,* That no regulations hereafter approved shall effect a change in rate of royalty, the annual rental herein specified, or the term of this lease, without the written consent of the parties to this lease.

(*g*) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement or otherwise nor to sublet any portion of the leased premises, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

(*h*) BOND.—To furnish such bond as may be required by the regulations of the Secretary of the Interior conditioned upon compliance with the terms of this lease.

4. MILLING.—All ores or minerals mined on said land shall be cleaned and prepared for market thereon, and no ore or crushed material shall be removed therefrom to be cleaned or prepared for market without the written consent of the Secretary of the Interior.

5. INSPECTION.—The leased premises and producing operations, improvements, machinery, and fixtures thereon and connected therewith and all books and accounts of the lessee shall be open at all times for inspection by agents of the lessor or any duly authorized representative of the Secretary of the Interior.

6. DISPOSITION OF SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, such disposition to be subject at all times to the right of the lessee herein to the use of so much of said surface as is necessary in the extraction and removal of the minerals from the land herein described in accordance with this lease.

7. SURRENDER AND TERMINATION.—The lessee shall have the right at any time during the term hereof to surrender and terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due and payable to the lessor, and the further sum of $1, upon a showing satisfactory to the Secretary of the Interior that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded lessee shall file a recorded release with his application to the Superintendent for termination of this lease.

8. CANCELATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior, there has been a violation of any of the terms and conditions of this lease before restrictions are removed, the Secretary of the Interior shall have the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease null and void, and the lessor shall then be entitled and authorized to take immediate possession of the land.

9. HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

10. GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

The lease also hereby agrees to furnish employment to Indian labor in the operation of these 1 cased premises whenever and wherever possible or practicable to do so.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

Two witnesses to execution by lessor:

(Signed) C. Tyndall, Jr. [SEAL]

P.O. Albert Aleck

Albert Mauwee (Signed)
Acting Chairman Pyramid Lake Piaute Tribal Council. [SEAL]

Two witnesses to execution by lessee:

P. O. C. Tyndall, Jr. Signed [SEAL]

P. O. Albert Aleck, Signed

Harriet W. Foster (signed)

Walter H. Schmelzer (Signed)
Attest:

ACKNOWLEDGMENT OF LESSOR

STATE OF
COUNTY OF NEVADA } ss:

Before me, a notary public within and for said county, this 28th day of July, 1950 personally appeared Albert Mauwee, Acting Chairman, Pyramid Lake Piaute Tribal Council, to me known to be the identical person, who executed the lease, and acknowledged to me that he executed the same in his official capacity as Chairman of the Pyramid Lake Piaute Council and that the same is his free and voluntary act and deed for the uses and purposes therein set forth.

My commission expires (Signed) Don F. Gunnell *Notary Public.*

UNITED STATES DEPARTMENT OF THE INTERIOR

Washington, D. C., August 16, 1950

The within lease is hereby approved.

(Signed) H. M. Critchfield *Assistant Secretary of the Interior.*

xxxxxxxxxxxxxxxxxxx
For the Commissioner Interior Office

Filed for record this day of, 19

at o'clock m.

By

Rental received, $

16—15629 U. S. GOVERNMENT PRINTING OFFICE

STIPULATION MODIFYING TERMS OIL AND GAS LEASE

WHEREAS, on July 28, 1950, the Pyramid Lake Piaute Tribe of the Pyramid Lake Indian Reservation and Harriet W. Foster and Walter H. Schmelzer entered into mining lease contract No. 1-10-Ind. 4473, and

WHEREAS, the Lessor and the lessee desire to clarify the royalty provision of the lease as stated in paragraph 3 (a) and agree that this stipulation shall be made a part of this lease,

RECEIVED
JUN 14 1956

NOW THEREFORE

It is understood and agreed by and between the parties to the lease that the royalty provision shall be amended to read as follows:

3 (a) ROYALTY. - To pay or caused to be paid to the superintendent, for the use and benefit of lessor, or to the Treasurer of said tribe where the tribe is organized under the A ct of June 18, 1934 (48 Stat.984), as royalties, the sum of money as follows, to wit: Ten per-cent (10%) of the net assay value of all products mined, sold or otherwise disposed of under the provisions of this lease contract, which royalty shall be not less than $1.00 a ton of 2000 pounds for all ore mined.

FURTHER: a minimum royalty shall be paid to the tribe which for any one year, shall not be less than $100.00. This shall be paid in addition to rentals, payable in accordance with the provisions of this lease agreement. Such minimum royalty shall be due and payable one year from the date of the approval of this lease and each year thereafter. All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding.

IN WITNESS WHEREOF, The parties thereto have affixed their signatures this first day of September, 1950.

WITNESSES:

C. Tyndal, Jr.
Warren Toby
Mary Church
Helen M. Cronin

Albert Mauwee, Lessor

Harriet W. Foster, Lessee

Walter H. Schmelzer, Lessee

HARTFORD ACCIDENT & INDEMNITY COMPANY

Surety

J. E. Slingerland, Attornet in Fact

(SEAL)

File Copy
Surname
J.W.
Griswold
H.Fleischer

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

Hon. Gliff Young
House of Representatives
Washington, D. C.

JUN 12 1956

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and
Mrs. Harriet W. Foster
The Guamani Mine
Washoe County, Nevada

My dear Mr. Young:

This is with reference to your letter, dated June 8, 1956, regarding the cited property. On May 28, we wrote to the Applicant for information in order that we may continue the processing of this application. Enclosed is a copy of the letter that we wrote to Mr. Walter H. Schmelzer, dated May 28, 1956.

You will note that the three items which we specifically request do not involve technical problems and should be easy to supply. We also requested any geological information which might be available, but this actually is not a definite requirement. Obviously, we do expect an Applicant to give us something along the lines of a generalized description of the property and the ore occurrence.

Our Field Team does not have the necessary staff of geologists and engineers to do the preliminary work for every applicant on every property submitted. Unless an applicant is able to supply at least a little significant information with his application, we have no means of making any sort of appraisal as to whether a field examination is warranted.

If I can be of any further assistance to you at any time, I trust that you will feel free to call upon me.

Sincerely yours,

JWAlt/er 6/12/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2)
Chron.

C. O. Mittendorf

Administrator

Enclosure

R.P.G.

CLIFF YOUNG
REPRESENTATIVE AT LARGE
NEVADA

WASHINGTON ADDRESS:
421 HOUSE OFFICE BUILDING

50

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

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS

SUBCOMMITTEES:
INDIAN AFFAIRS
PUBLIC LANDS
MINES AND MINING
IRRIGATION AND RECLAMATION
TERRITORIES AND INSULAR AFFAIRS

June 8, 1956

RECEIVED
JUN 1 1 1956

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

Dear Mr. Mittendorf:

Re Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada

I have again been contacted by Mrs. Foster with regard to the above cited application.

Mrs. Foster advises me that this is a one-man project without facilities of making expert or professional blue prints or getting the necessary information in the proper form without incurring considerable expense. Inasmuch as an engineer or geologist must be sent to examine the property itself, she would like to know if this would be possible prior to the submission of all the detailed information requested.

Any information you can furnish me in this regard would be greatly appreciated.

Sincerely yours,

Cliff Young

Cliff Young, M. C.

CY: ja

File Copy
Surname
J. AW

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

MAY 28 1956

Mr. Walter H. Schmelzer
Camp Foster
Sutcliffe Star Route
Reno, Nevada

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Quasomi Mine
Washoe County, Nevada

Dear Mr. Schmelzer:

Your application dated May 16, 1956, for Government exploration assistance for the cited property has been received and reviewed by the Base Metals Division of the Defense Minerals Exploration Administration.

In order to expedite the processing of your application, we would appreciate receiving the following information:

1. A copy of the lease for your property.

2. A claim map which should show the location of any work that has been done on this leased land and where you propose to do your exploration work.

3. Assays of samples taken on the property showing where they were taken and the width of the sample. To evaluate your property, copies of assay reports are essential.

Any geological information with maps showing the geology of your property will be appreciated.

Please submit all information in quadruplicate at your earliest convenience.

JWAlt/er 5/26/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Region II (2) - Chron.

Sincerely yours,

W. R. Griswold

W. R. GRISWOLD,
Chief, Base Metals Division

R.G.

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

Alb
Betty

RECEIVED
MAY 23 1956

May 22, 1956

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: Commodity Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4296 (copper-molybdenum), W. H. Schmelzer et al., Guaromi Mine, Washoe County, Nevada. $15,000.00

The applicant proposes to explore the property by 2,000 feet of drilling at a total estimated cost of $15,000.00.

However, the program is indefinite and incomplete. No information is given on location of drilling sites or number and depth of holes.

According to the analysis, even though it is spectrographic and only semi-quantitative, the material appears to be low-grade.

Referral of the application to the Field Team for appropriate action is recommended.

J. W. Pennington

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
R. W. Geehan
F i l e s

RECEIVED
MAY 23 1956

May 22, 1956

Memorandum

To: W. R. Grimald, Defense Minerals Exploration Administration

From: Community Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4296 (copper-molybdenum), W. K. Schmalzer et al., Gardnerd Mine, Washoe County, Nevada. $15,000.00

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J. W. Pennington

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
R. W. Shelton
Files

IN REPLY REFER TO:

all Betty

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

RECEIVED
MAY 22 1956

May 21, 1956

Re: DMEA 4296
W. H. Schmelzer & Mrs. Harriet W. Foster
The Guanomi Mine
Washoe County, Nevada
$15,000 - Copper, Molybdenum

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

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

Subject: Review of application.

The applicants request assistance in exploring by about 2,000 feet of drilling a mass of rock reported to average about 0.10% copper and 0.10% molybdenum.

The applicants have driven, by hand, a long near-surface drift and crosscut. A so-called sample taken by the applicant and assayed spectrographically showed the above approximate percentages of copper and molybdenum.

If the information furnished is correct, considerable work appears to have been wasted, probably due to lack of experience.

Denial of the application is recommended.

N. E. Nelson

N. E. Nelson

IN REPLY REFER TO:

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

RECEIVED
MAY 22 1956

May 21, 1956

Re: DMEA 4296
W. H. Schmelzer & Mrs. Harriet W. Foster
The Guaneni Mine
Washoe County, Nevada
$15,000 - Copper, Molybdenum

Memorandum

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If the information furnished is correct, considerable work appears to have been wasted, probably due to lack of experience.

Denial of the application is recommended.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-5/21/56

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. W. Pennington, 3623

File Copy
Surname
J. Alt
Surnamed

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

MAY 25 1956

Hon. Cliff Young
House of Representatives
Washington, D. C.

Re: Docket No. DMEA-4296 (Copper-Molybdenum)
Walter H. Schmelzer and Mrs. Harriet W. Foster
The Gusmoni Mine
Washoe County, Nevada

My dear Mr. Young:

This is with reference to your letter dated May 23, 1956 regarding the cited property. The application of Walter A. Schmelzer and Mrs. Harriet W. Foster was received by the Defense Minerals Exploration Administration on May 18 and is under consideration. The Applicants will shortly be notified as to what action will be taken regarding their request for Government exploration assistance.

If I can be of any further service to you at any time, I trust that you will feel free to call upon me.

Sincerely yours,

G. O. Mittendorf (for)

Administrator

JWAlt/er 5/25/56

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Riisgaard, USGS
Region II (2)
Chron.

R.C.L.

CLIFF YOUNG
REPRESENTATIVE AT LARGE
NEVADA

WASHINGTON ADDRESS:
421 HOUSE OFFICE BUILDING

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

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS

SUBCOMMITTEES:
INDIAN AFFAIRS
PUBLIC LANDS
MINES AND MINING
IRRIGATION AND RECLAMATION
TERRITORIES AND INSULAR AFFAIRS

W P Betty

May 23, 1956

RECEIVED
MAY 24 1956

4296

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

Dear Mr. Mittendorf:

I am writing in behalf of Mrs. Harriet W. Foster, Camp Foster, Sutcliffe, Nevada, who filed application on May 14 for DMEA assistance with regard to her copper and molybdenum property.

Any information you may furnish me with regard to the status of this case will be greatly appreciated.

With kind regards.

Sincerely,

Cliff Young

Cliff Young
Member of Congress

CY/b

May 18, 1956

Mr. Walter H. Schmelzer
Camp Foster, Sutcliffe Star Route
Reno, Nevada

Subject: DMEA - 4296
Re: Exploration Assistance
Guanomi Mine

Dear Mr. Schmelzer

The receipt of your application dated May 16, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA - 4296 and referred to the Base Metals Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

RECEIVED
MAY 18 1956

May 14, 1956

PERSONAL

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
United States Department of the Interior
WASHINGTON, D. C.

Dear Mr. Mittendorf:

As one of the partners of the mining property, the Guanomi Mine forty miles north of Reno, Nevada, the subject of our application for co-operation through your Administration, thanks to the assistance given us by the Honorable Clifton Young, our Congressional Representative in Washington, I am taking the liberty of writing you this personal letter with the intention of furnishing you with a few more intimate details than is possible by filling out the blanks sent us. They go forward by this same mail.

To give you a little background as to how this property was acquired it is necessary to go back quite a while. My late husband, Thomas William Foster, origin Indiana, was a highly qualified and experienced mining engineer. Over a period of thirty years he did nothing but mine, mostly in executive capacities but his passion was geologizing and prospecting in promising areas, much of it in Latin America, some in Canada and in many parts of the mining regions of the United States. He was successful.

We met and were married in Honduras where my father was in the diplomatic service at Puerto Cortez, Honduras. From that time I went with him into the remote regions where his work took him and I lived a very adventurous life much as the wife of Ex-President Herbert Hoover did.

His technical training he received at Vandernalin's Mining Institute of San Francisco. These details have a bearing upon the acquisition of this mining property, the Guanomi Mine, the one for which we are applying aid in development at this time.

In 1924 Mr. Foster having returned from an assignment in Mexico came in contact with an aged prospector and miner from the mining fields of Colorado. He and his old wife were living on a leased place on the Pyramid Lake Indian Reservation and though at that time the Reservation had not been opened to outside prospectors he as an old miner did do quite a lot of prospecting there. He brought some of these ores to Mr. Foster who thought

C.O.M.

well of them. When the Reservation was finally opened to mining in 1927 Mr. Foster and a partner, Walter H. Schmelzer, equipped their outfit and started prospecting on the Pyramid Lake Reservation following up mainly the information given Mr. Foster by the old prospector. In the meantime both the old prospector and his wife had died and as there was no way of having his aid they had to start from scratch.

After three months Mr. Foster through his skill as a geologist found what he felt was the best one of the finds of the old prospector. One of the samples of ore he gave Mr. Foster went high in value and after much hard work he decided that it came from a deep cut (now just back of this camp) made by the Southern Pacific Railroad in building their road through this region. This cut revealed similar formation which does not appear on the surface. There is a heavy over-burden all over this area.

Mr. Foster feeling it was worth while doing some work to substantiate his judgment bought a drill and put down four holes which brought some encouraging results. At 155 ft. in a 45 degree slanting hole they encountered some good ore, enough to induce them to do more work.

At this juncture, unfortunately, Mr. Foster succumbed to an attack of pneumonia and passed away in three days leaving all his property to me and Mr. Schmelzer. We were without capital to continue this work so promisingly started but we had faith in it and have been able to retain our rights by lease through the understanding and friendly co-operation of the local authorities and the Indians.

During the intervening time Mr. Schmelzer has put in as much time and effort in developing the property as he could spare from his regular duties, hoping to strike ore rich enough that he could ship and thus finance a more formal development. After consulting with various authorities and men who understand such matters we were advised to contact your Administration feeling sure that the property warrants the aid we seek.

I had been living in Long Beach, California where most of my relatives live but we gave up the home there and came out here to the Reservation to see if we could not do something toward making the property pay. We have built an attractive camp with our own hands and although the tar-paper house is not beautiful it serves very well I am enclosing a snap-shot of the camp and dumps as seen from Pyramid Lake. The gal in the foregound in the black bathing suit is myself. You can see the terrain would be favorable for drilling.

No doubt my partner would not approve of my writing you this personal letter but since I cannot go to see you and talk to you I have felt that it might be of some value in helping you to understand the situation.

Thanking you for bearing with me and requesting if our application is accepted - and this is devoutly to be wished, that you send us a qualified geologist of long experience, I am,

Very sincerely,

Harriet W. Foster

(Mrs. Harriet W. Foster)

AFTER 5 DAYS RETURN TO
Camp Foster, Star Route
Sutcliffe, via Reno, Nev.

AIR MAIL
6¢
U.S. POSTAGE

VIA AIR MAIL

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
United States Department of the Interior
WASHINGTON, D. C.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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. DMEA-4296
Metal or Mineral Copper-Molybdenum
Date Received 5/18/56
Estimated Cost $15,000.00
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: Walter H. Schmelzer and Mrs. Harriet W. Foster (widow)
Camp Foster, Sutcliffe Star Route, RENO, Nev.
(Partnership) All Partners

(*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.

(*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
The property under lease from the Department of the Interior through the Indian Service is at present forty (40) acres with option of more if needed.

(*b*) State any mine name by which the property is known. The Guanomi Mine

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lease 10 yrs.

(*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 No encumbrances of any kind

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

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.

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5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

(*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.

(*c*) The work will start within ..... days and be completed within ..... 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)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☒ Other

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 May 16, 1956

Walter H. Schmelzer
(Applicant)

and ~~By~~ Harriet W. Foster

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

ANSWERING MF-103, Page 1 "Instructions"

ITEM 4: Attached is a map showing the work done on the property. All workings are open for examination. All workings have been developed by Walter H. Schmelzer, partner, who is still working on the project. All ores extracted from these workings are still on the dump because of its low grade. The work done shows Copper and Molybdenum as well as silver, gold, etc. (b)

c. Because of favorable indications geologically in a deep cut by the S. P. Railroad just back of the camp, Mr. Schmelzer ran a tunnel parallel to the formation shown in the cut of 300 ft. approximately, and from this point we cross-cut east a distance of approximately 400 ft. About 80 ft. east from the end of the adit tunnel we ran into a dyke of different material. This dyke was about 100 ft. wide and separates two different ore bodies - one to the west and 200 ft. east of the dyke. This ore body east of the dyke shows low grade Copper and Molybdenum as shown bt analysis by the Twining Laboratories of Fresno, Cal. The ore analysed was a cross-cut sample over a 200 ft. width. At this point a highly mineralized water was encountered. The indications are that a good grade would be found at depth. The above mentioned work has shallow backs - some 40 ft. only, due to the fact that no machinery was installed to handle the water due to lack of sufficient finances. This is also true of the cross-cut west of the dyke mentioned. The same showing in Copper and Molibdenum. The full width of both of these ore bodies have not been fully determined. Because of a heavy overburden there is no way of making a surface determination.

d. The Southern Pacific Railroad crosses this formation and a paved State highway runs within 600 ft. of the property affording excellent transportation without expense. As to resident points Reno is a distance of 40 miles over paved road or Wadsworth a distance of 20 miles.

e. The city of Reno would have facilities for manpower, materials, Supplies, equipment, water, power, etc. The property is situated 40 miles from Reno. As to local water we are located within 1,000 ft. of Pyramid Lake. Power in any force would have to be installed. There is an electric power line supplying the Indian town of Nixon. The distance from this power line and Camp Foster is about 4 miles.

5, a. Primarily Copper and Molybdenum and other minerals found to be present in the Twining analysis attached.

b. As undoubtedly you would send your geologists to inspect the property we would naturally follow their advice. We have in mind some deep drilling on the east ore body as experts who have seen the property advise.

c. If a drilling operation should be decided on, Our wish is to start as soon as arrangement can be made. Mr. Schmelzer is working in the mine all the time in underground exploration.

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d. The applicant, Walter H. Schmelzer, is experienced in underground exploration work and has been carrying on this work for a long period of time. He is able and expierenced in this work but if a drilling operation is decided upon that would have to be contracted.

6. Estimate of costs. We calculate that 2,000 ft. of drilling would be a good test. The figures we have gotten for a drilling operation run about $7.50 per foot. Of course, only actual drilling and results thereof will decide the depth of the drilling. The 2,000 ft. of drilling mentioned above would not have to be in one hole but several different holes as the geologist sees fit. That would be an expense of $15,000 ft. of drilling. The ground is favorable to east access of a drill and the formation is easy drilling as the work done in the tunnels shows.

a. As to independent contracting, that would have to be decided in the light of the circumstances then obtaining.

b. Up to date all work has been done by the applicant.

c. All the equipment needed to date have been hand tools owned by applicants. The cost is low.

d. No operating equipment except as answered in "c".

e. There is a good camp in good condition at the mine.

f. No new buildings or improvements needed for the work proposed

g. If the drilling operation is decided upon this item would not enter into the picture.

h. No contingencies at present.

7. a. We are prepared to carry out underground exploration equal in cost to what the drilling program would cost.

b. We are prepared to carry out our share of the cost by underground exploration and otherwise as the matter develops.

C O P Y

THE TWINING LABORATORIES

2527 Fresno St., FRESNO, Cal.

May 26, 1941

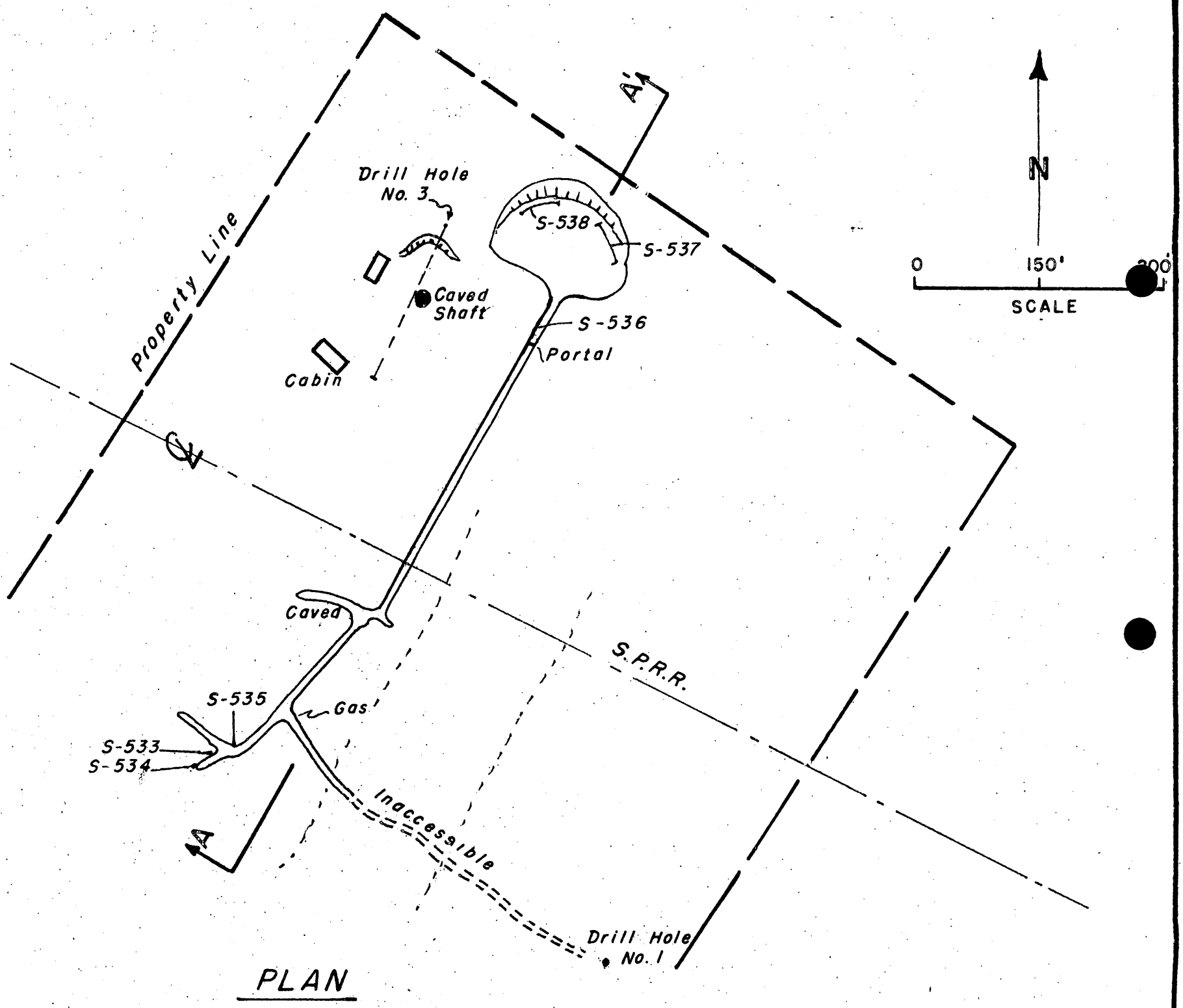
EXAMINATION B 10231:

SPECTROGRAPHIC ANALYSIS -	Approximate Amounts
IRON	5.0%
ALUMINUM	2.0%
CHROMIUM	0.1%
MANGANESE	0.1%
COPPER	0.1%
MOLYBDENUM	0.1%
CALCIUM	0.1%
MANGANESEUM	0.1%
SODIUM	0.01%
TITANIUM	0.01%
SILICON	40.0%

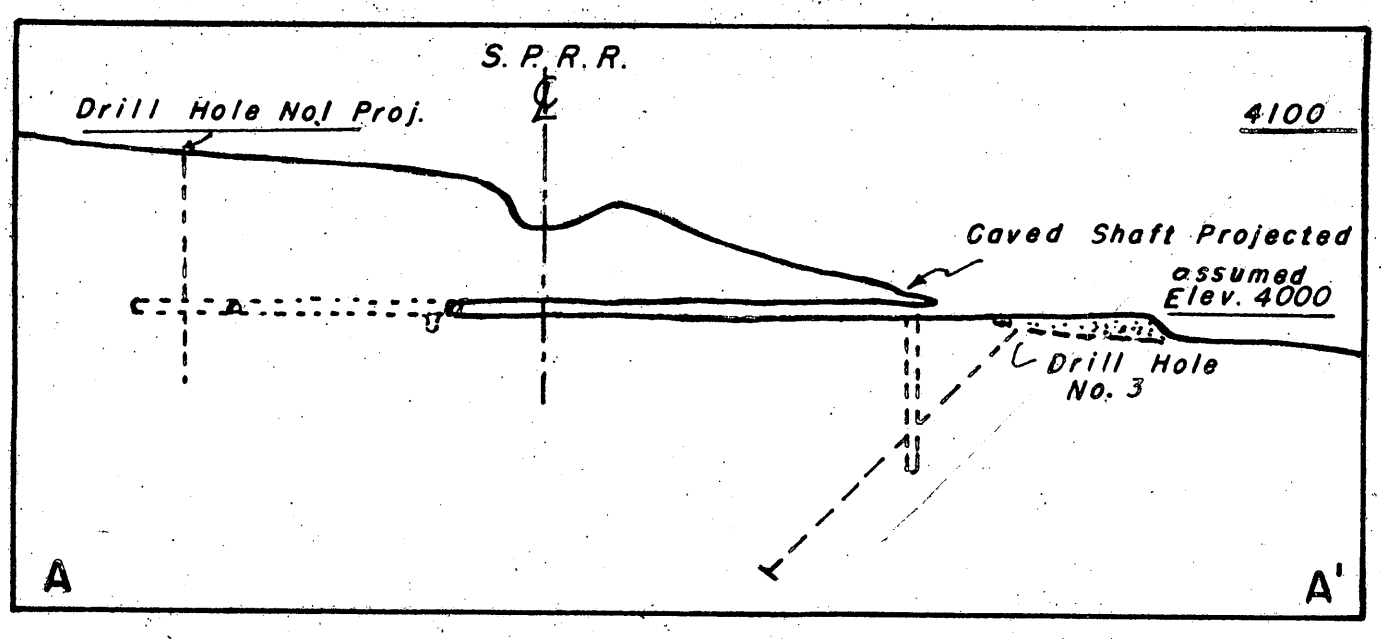
THE TWINING LABORATORIES

DSP/cy

(Signed) By F. E. Twining



PLAN



SECTION A-A'

SKETCH MAP

DMEA 4296 (cu-Mo.) Guanomi

Washoe County, Nevada

B. H. Sheahan

U. S. B. M. 9/14/56

Figure 2

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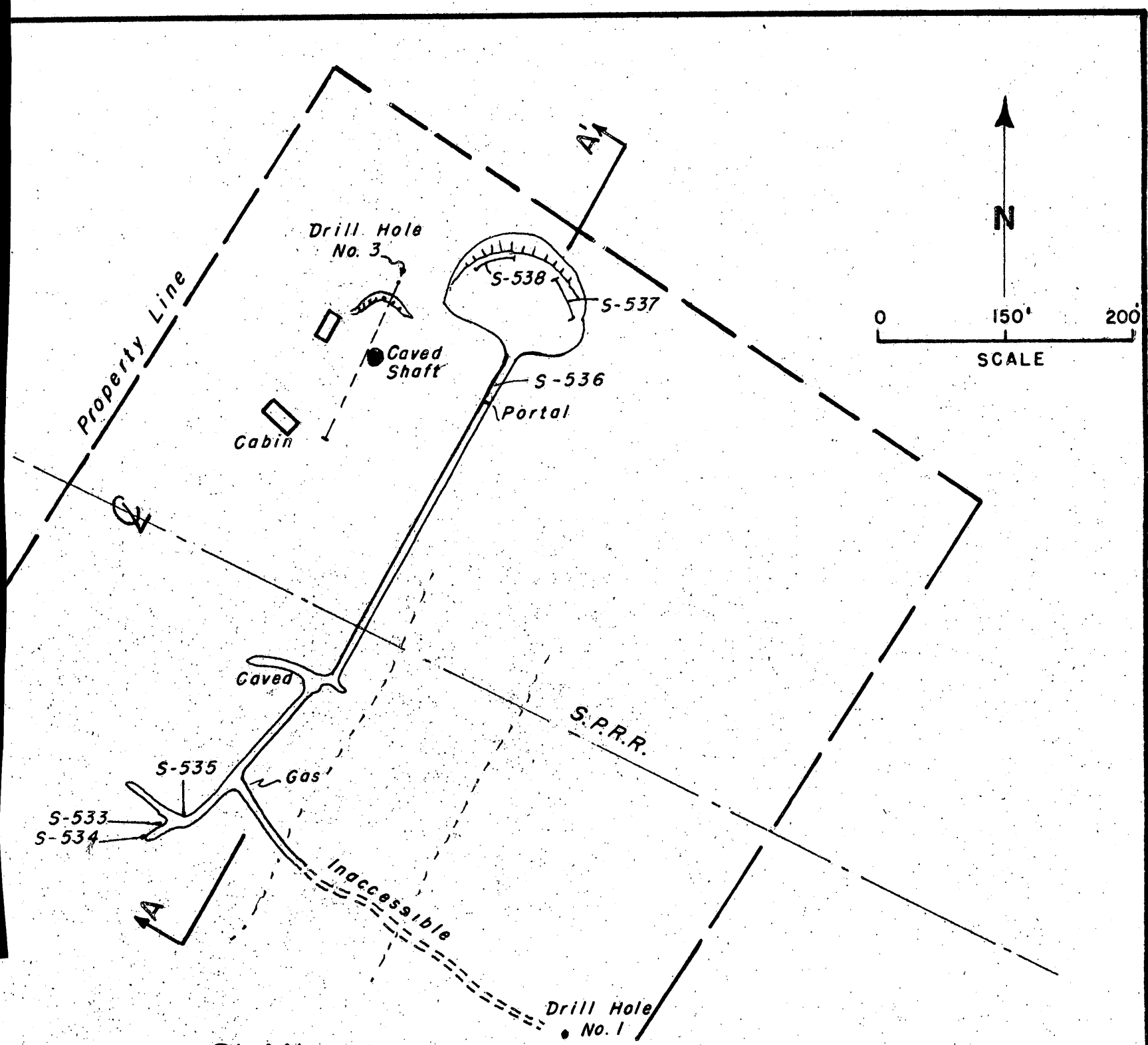
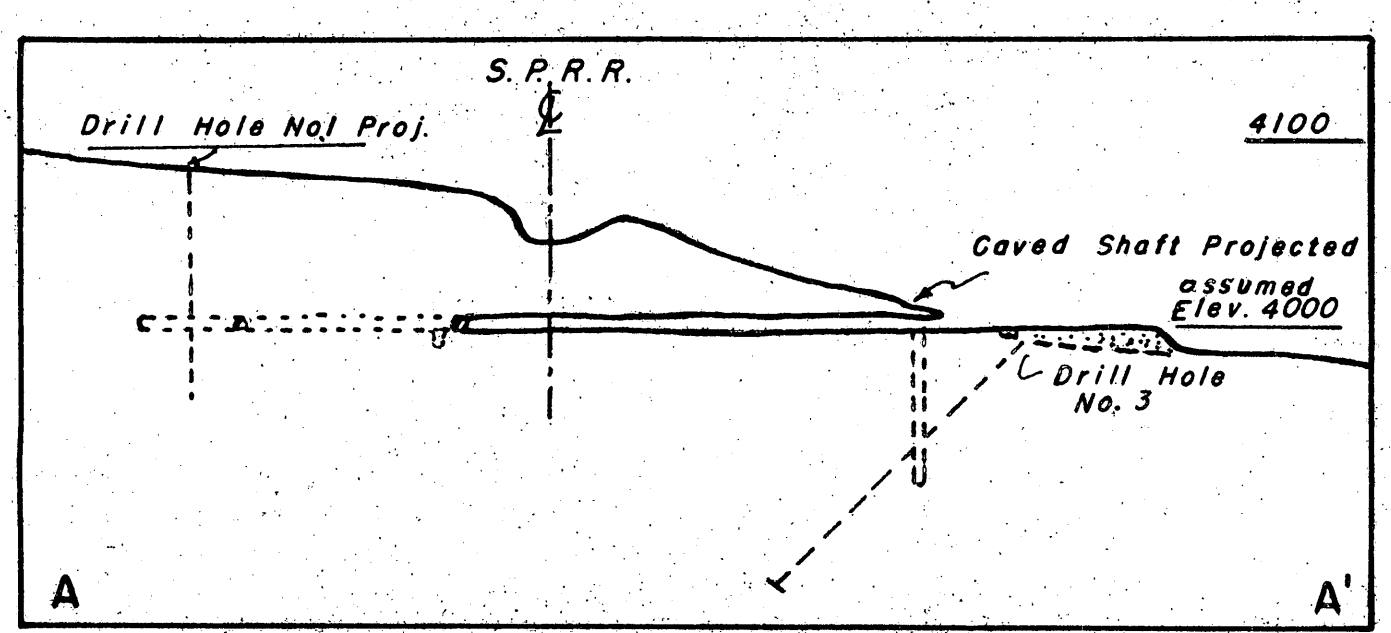


PLAN



SECTION A-A'

SKETCH MAP

DMEA 4296 (cu-Mo.) Guanomi

Washoe County, Nevada

B. H. Sheahan U.S.B.M. 9/14/56

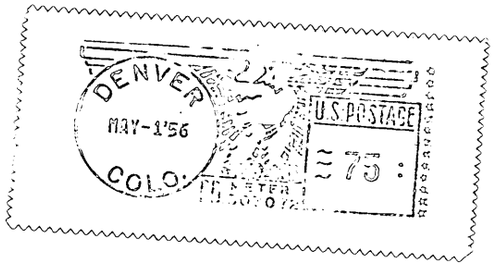
Figure 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICIAL BUSINESS

INTERIOR • BUREAU OF MINES
224 NEW CUSTOM HOUSE, DENVER 2, COLO.

VIA AIR MAIL



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

N

MAP OF WORKINGS

200' width low grade copper and Molybdenum

CROSS-CUT TUNNEL

Cut Sample from Width of this ore body ran .1% Copper and .1% Molybdenum. See enclosed spectographical Analysis sheet.

separating two ore bodies

Low grade ore body showing traces of Copper, Molybdenum Gold and Silver

W

E

Branch of Southern Pacific RR from Fernley to eastern Oregon

Dyke

ADIT TUNNEL

(Scale: 1 inch to 50 ft.)

S

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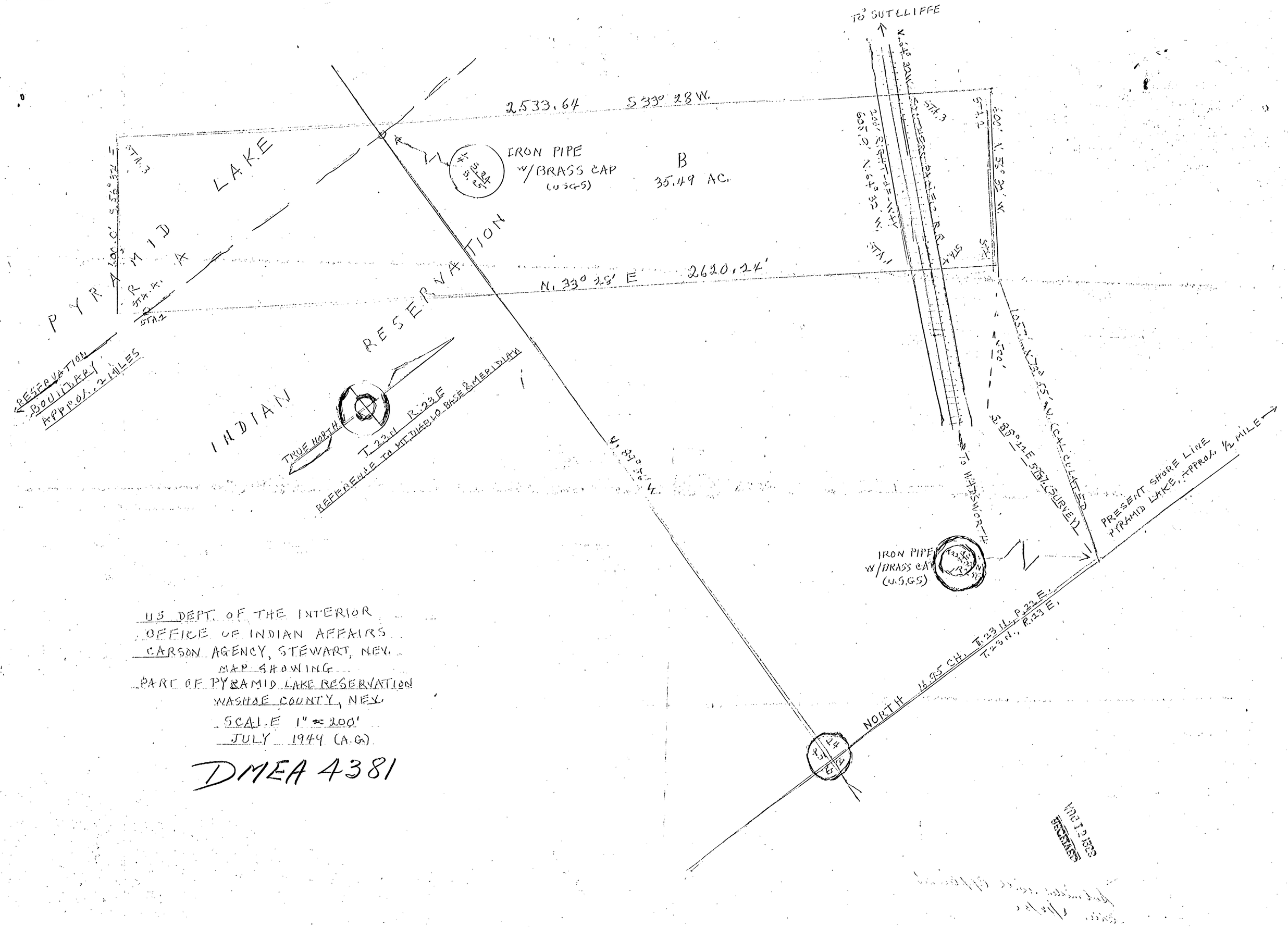

US DEPT. OF THE INTERIOR
OFFICE OF INDIAN AFFAIRS
CARSON AGENCY, STEWART, NEV.
MAP SHOWING
PART OF PYRAMID LAKE RESERVATION
WASHOE COUNTY, NEV.
SCALE 1" = 200'
JULY 1949 (A.G.)

DMEA 4381