In letter sending contract to Field Team say:

"We have added both the Climax #4 and Climax #2 claims to the proposed contract."

From the Field Team comments on adding Climax #2 we conclude indirectly that there is small likelihood that Climax #5, Cabin, the eight claims of the Guard group, or the 3 Millsite claims, would benefit from the proposed work.

10/12/56
Called to Mr. Chapman's attention.
JLP

DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1028 DMEA NO. 4301

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
Leases and assignments of leases
Application and attachments
(3) Envelope for maps

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
Operator's Final Report
(2R) Interim Reports
(2R) Operator's monthly reports and all attachments (latest on top)
On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-81028, Docket DMEA-4301 (tungsten), dated October 30, 1956, with

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Climax Tungsten Mine (Tamney Tungsten Mine) located in Nye County, Nevada, during the period January 1, 1959, through May 18, 1962.

In accordance with Article 6, Amendment No. 1, and a Termination Agreement of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 11 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated January 16, 1959, indicated accepted costs under the exploration contract amounting to $19,082.50 with the Government's contribution on a 75 percent basis being $14,311.87.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which also found no sales subject to the Government's royalty through December 31, 1958. Accordingly, as of May 18, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. D. Talbert
E. D. Talbert, OME Auditor

June 7, 1962

Idm-81028 The Climax Tungsten Company DMEA-4301

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the Climax and Climax Nos. 1 through 4 unpatented lode mining claims in secs. 16, 17, and 20, T. 8 S., R. 53 E., M.D.B. & M., Oak Springs Mining District. At the time the contract was executed the Operator (a partnership of Theodore M. Tamney, Willard A. Kinney, and Allen J. Wright) was in possession of the property through ownership by one of the partners (Tamney) and a co-use agreement dated December 1, 1952, with the Atomic Energy Commission.

The exploration work under this contract was discontinued at the end of April 1957. No ores were produced during the exploration period. Subsequent examinations of the property and replies from the Operator to inquiries have disclosed neither further activity on the property nor change in ownership or possessory status. The last reply to inquiry was submitted by A. J. Wright on May 18, 1962.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files disclose no mineral production during the period covered by this review;

(2) The property has been idle since April 1957; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

MAY 8 1959
O.M.E.

REPORT OF ROYALTY REVIEW

I have reviewed the files and records of the OME Field Team, Region II, pertaining to Contract No. Idm-E1028, Docket No. DMEA-4301 (Tungsten), dated October 30, 1956, including Amendment No. 1, with

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

for the purpose of determining the amount of royalties due the U. S. Government on sales of Tungsten from property known as the Climax Tungsten Mine, located in Nye County, Nevada, during the period October 30, 1956 to December 31, 1958.

A pseudo certification of discovery or development was incorporated under Item 5 of Termination Agreement dated July 18, 1958, and accordingly royalty is payable on all production from the land described in Article 2 and Annex I of the contract, for a maximum period of 11 years from the date of the contract. A Report of Review in lieu of final cost audit dated January 16, 1959, indicated acceptable costs under the exploration contract amounted to $19,082.50 with the Government's contribution on a 75 percent basis, being $14,311.87.

No royalties have been paid to date in connection with this contract.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) According to the Field Team's Semi-Annual Report of Certified Projects for the period July 1, 1958 to December 31, 1958, operations ceased on May 8, 1957, and the mine has been idle since that date, and no ore was produced during the period of the DMEA contract.

(b) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

May 5, 1959

George Mavor
George Mavor, OME Auditor

EXTRA COPY
O. M. E.
RECEIVED JAN 19 1959

DATE	INITIALS	CODE
	NSM	

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

pertaining to Exploration Project Contract No. Idm-11028, Docket No. MMA-4301, including Amendment No. 1, and a Termination Agreement dated July 18, 1958, for the months of January 1957 to April 1957, inclusive, covering a project for the exploration of Tungsten, on property known as the Climax Tungsten Mine, located in Nye County, Nevada.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$19,082.50
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$19,082.50

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Fourteen Thousand Three Hundred Eleven and 87/100 Dollars is valid and proper, provided that the Regional Executive Officer, The Director, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Amount payable to Operator	$14,311.87
Amount reimbursed	14,311.87
Balance due Operator	$ -0-

George Mayer

January 16, 1959

George Mayer, OME Auditor

Government's copy

FILE COPY
DMEA
RECEIVED AUG 15 1958
DATE | INITIALS | CODE

TERMINATION AGREEMENT

Since the Defense Minerals Exploration Administration has indicated that it is not in the best interests of the Government to further extend by five years the time for completion of the exploration project work;

THEREFORE, IT IS AGREED this 18th day of July, 1958, between the UNITED STATES OF AMERICA, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and THE CLIMAX TUNGSTEN COMPANY, a partnership, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1028 (Docket No. DMEA-4301), dated October 30, 1956, as amended, hereinafter called the "Contract", that:

1. Effective October 31, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

6. All rights of the Government respecting reports (including preservation of Operator's records), accounts, audits, and recovery of any overpayment, are preserved.

7. The Operator expressly reserves all of its rights and claims against the Atomic Energy Commission, whether arising by virtue of this contract or otherwise.

Ruton
Kemper
App'd. Sol. Off.
Chapman
Martin
Talbot
Johnson

IN WITNESS WHEREOF, these parties have executed this agreement this 18th day of July, 1958.

THE UNITED STATES OF AMERICA

By O. Mitteudorf
Administrator, Defense Minerals Exploration Administration

THE CLIMAX TUNGSTEN COMPANY

By _____ (Partner)
Allen J. Wright

By Theodore M. Tamney ~~(Partner)~~
Theodore M. Tamney

By _____ (Partner)
Willard A. Kinney

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 27 1957

DATE	INITIALS	CODE

Government's Copy

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA 4301

AMENDMENT NO. 1

It is agreed this 3rd day of June, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Climax Tungsten Company, that Exploration Project Contract No. Idm-E1028 (Docket No. DMEA 4301) dated October 30, 1956, is amended as follows:

1. (a) Work under the contract shall be suspended during the period beginning May 8, 1957, and ending not later than October 30, 1957.

(b) The Government shall not contribute to any costs incurred by the Operator during the period of suspension, nor to any costs of rehabilitation or repair which, in the Government's opinion, would not have occurred if there had been no suspension of the work.

(c) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. In Article 3 of the contract, the period for completion of work is extended from 15 months to 23 months or until September 30, 1958.

3. The maximum period for royalty payments and liens to secure them is extended from ten (10) to eleven (11) years.

This amendment shall not be construed to increase the estimated total cost of the project. The aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Long
Martin
"Appd. Sol. Off."
Chapman
Martin
Talbut
Selfridge

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C Mitchell Dong
Administrator, Defense Minerals
Exploration Administration

CLIMAX TUNGSTEN COMPANY

By Albert E Wright
Title Partner

APR 16 1958

TN:WWA-3968

Mr. Theodore R. Tamney
2573 - 94th Street
Oakland 5, California

Subject: CLAIM UNDER CONTRACT NO. AT(29-2)-156, CO-USE AGREEMENT
THEODORE R. TAMNEY

Dear Mr. Tamney:

Your claim in the amount of $10,030.40 under the subject Co-Use Agreement has been referred to this office by our Las Vegas Branch. We have reviewed the claim and the Co-Use Agreement very carefully and our findings are as follows:

1. Items 1 and 2 - Rental of Equipment

Paragraph IX of the Co-Use Agreement specifies the items of cost which are compensable under the Agreement and includes, with respect to equipment, the following:

"Accruing rental, if any, on mill and reduction equipment and camp housing at the Groom Mine."

It is our understanding that the equipment listed under Items 1 and 2 of your claim were not located at the Groom Mine during the period involved. Also it is not indicated that the equipment is "mill and reduction equipment." Accordingly, the rental thereon cannot be reimbursed under the terms of the Co-Use Agreement. If this understanding is not correct, and the equipment was at the Groom Mine, and was "mill and reduction equipment" it will be necessary for you to provide us with the reasonable proof of actual expenditure as provided in Article II F. of the Co-Use Agreement. Also, the necessity for continued rental throughout this period should be explained.

2. Item 3 - Wages to Theodore Tamney as Manager of mining operations on Tract M-48; and Item 4 - Wages to Mrs. Mullins, Cook

Paragraph II-F of the Co-Use Agreement provides that compensation shall not include any profits to cover any loss of profits. In view of the fact that you entered into this agreement as an individual, we feel that your salary cannot be reimbursed, as your wages would constitute a profit to you as the owner.

It was the intent of the Agreement to reimburse the Owner for cost reasonably incurred due to shutdown of the mining operations as a direct result of AEC activities, subject to the limitations of Article IX. As you will recall the provision to allow payroll costs was intended to cover wages and related expenses of workers who were retained in a stand-by status, to permit resumption of operations immediately following the period of shutdown. It is understood that you have not, as yet, resumed operation of the mine. Accordingly, the reasonableness of allowing wages and related payroll costs for Mrs. Mullins (Item 4 of the Claim) is questionable. Before allowing her wages, it will be necessary for you to provide us reasonable proof of actual expenditures and substantiation that the continuance of Mrs. Mullins' wages, during the shutdown period, was a reasonable action in view of the length of time involved and the fact that she did not resume her former duties at the mine.

3. Item 5 - Workmen's Compensation

We will need some further explanation of how this amount is calculated.

4. Item 6 - Inspection Trip

Again, Article IX itemizes the types of costs allowable and states that they shall be limited to only those items listed and to no others. You will note that cost of inspection is not included in this listing. Accordingly, we are unable to compensate you for such an inspection trip.

We are taking no further action on your claim pending receipt of further word from you. I regret that we are unable to take more favorable action on your claim for $10,030.40; however, you will appreciate that we must abide by the terms of the Co-Use Agreement.

Sincerely yours,

W. W. Allaire, Director
Nevada Operations Division

CC: Max E. Smith, Chief, Las Vegas Branch
Asst. Gen. Counsel, ALO

Docket Copy

B

MF-200A
(Rev. April 1956)

RECEIVED DEC 5 1956 D.M.E.A.

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4301	Tungsten	1028	Nye	Nevada

It is agreed OCT 30 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The Climax Tungsten Company, a partnership comprised of Theodore M. Tamney, Willard A. Kinney, and Allen J. Wright

whose mailing address is 1229 Latham Square Building, Oakland 12, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before December 30, 1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within fifteen months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $66,320.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $49,740.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows:

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

THE CLIMAX TUNGSTEN COMPANY
(Operator)

By _____
Allen J. Wright (Partner)

By _____
Theodore M. Tamney (Partner)

By _____
Willard A. Kinney (Partner)

By _____
Administrator, Defense Minerals Exploration Administration

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

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

RECEIVED
DEC 5 1956
D.M.E.A.

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA-4301

ANNEX I

The land referred to in Article 2 of the Contract consists of five unpatented lode mining claims in the Oak Springs Mining District, Nye County, Nevada, Location Notices of which are recorded in the County Recorder's Office, Nye County, as follows:

Name	Book	Page No.
Climax	94	94
Climax No. 1	94	95
Climax No. 2	94	95
Climax No. 3	94	96
Climax No. 4	94	97

This land is within the area set aside by the Atomic Energy Commission for testing nuclear devices. The Operator owns the land subject to a co-use agreement dated December 1, 1952, executed with the Atomic Energy Commission, which forbids the owners to operate the property during periods of testing the aforesaid devices, which testing occurs over an approximate period of 1½ to 3 months every two years.

The claims are shown on the attached Claim Map, Figure 2.

The approximate geographic location of the Claims is shown on the attached Location Map, Figure 1.

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA-4301

RECEIVED DEC 5 1956 DMEA

EXHIBIT A

Description of the Work

Attached hereto are the following maps:

Figure 1 - Location Map

Figure 2 - Claim Map (claims outlined in blue)

Figure 3 - Climax Tungsten Mine, Nye County, Nevada (showing workings and contours)

Figure 4 - Carlisle Adit, showing proposed Stage I (showing drifts, crosscut and winze and diamond drill holes)

Figure 5 - Goldfield Adit, Climax Tungsten Mine (showing proposed diamond drilling, drifting and crosscutting)

Figure 6 - Climax Tungsten Mine, Section A-A' through McCarthy Raise

Figure 7 - Climax Tungsten Mine, Section B-B'

Figure 8 - Climax Tungsten Mine, Section C-C'.

The project is divided into two stages. The Operator shall complete Stage I and shall perform as much of Stage II, dependent upon the results of Stage I work, as is approved in advance by the Government. Any Stage II work approved in advance by the Government may be performed prior to completion of Stage I.

All drifts and crosscuts shall be timbered as necessary, and shall be not less than 4½ feet by 6½ feet in the clear.

Mineralized zones shall be sampled at 5-foot intervals and the samples assayed for tungsten trioxide (WO_3). Not more than 90 samples shall be assayed under Stage I, and not more than 100 samples shall be assayed under Stage II.

Diamond drill holes shall be AX minimum size and cemented, redrilled, reamed, and cased as necessary. The location, direction, and extent of all work are subject to the approval of the Government.

Stage I

1. Rehabilitate the Carlisle Adit, approximately 300 feet, installing track (20-pound rail), 2-inch air line, 1-inch water line, and 10-inch vent-tube.

2. As indicated on Figure 4, (Carlisle level), drift southerly 300 feet, and from a point near the end of the drift crosscut westerly approximately 250 feet to intersect other tactite zones.

3. Approximately from the point indicated on Figure 4, sink an inclined winze easterly 100 feet, on the tactite zone, not less than 6 feet by 9 feet in the clear. From the bottom of the winze, drift northerly and southerly a total of 100 feet, the distances drifted north and south to be dependent upon the mineralization.

4. From points approved by the Government, raise a total of 200 feet. The raises shall be between 50 and 100 feet in height, dependent upon the mineralization.

5. From locations approved in advance by the Government, long hole drill a total of 500 feet of hole, the maximum length for a single hole being 50 feet.

6. Diamond drill 2 holes approximately from the point indicated on Figure 4. One hole shall be drilled S. 70 degrees W., dipping minus 60 degrees, and 200 feet long. The other hole shall be drilled N. 70 degrees E., dipping plus 60 degrees, and 200 feet long.

Stage II

7. Rehabilitate the Goldfield adit, approximately 900 feet, installing track (20-pound rail), 2-inch air line, 1-inch water line, and 10-inch vent-tube.

8. From a point approximately 170 feet from the portal of the adit, drift and crosscut as indicated on Figure 5. One crosscut (marked drift on map) shall be driven 150 feet easterly from the adit, and one crosscut shall be driven 150 feet westerly from the adit. The existant crosscut shall be extended northeasterly for 200 feet. The total crosscutting and drifting for this item shall not exceed 500 feet.

9. Diamond drill approximately 1,100 feet of hole as indicated on Figures 5 and 7.

Estimated Cost of the Project

Fixed Unit Costs

RECEIVED 1956

Stage I

Rehabilitate Carlisle adit, 300 feet @ $3.50/ft.	$ 1,050.00	
Drift and crosscut 550 feet on the Carlisle adit level @ $35.00/ft., including timbering	19,250.00	
Winze 100 feet @ $92.20/ft., including timbering	9,220.00	
Drift from bottom of winze, 100 feet @ $37.00/ft., including timbering	3,700.00	
Long hole drill 500 feet @ $2.00/ft.	1,000.00	
Diamond drill 400 feet @ $7.00/ft., including reaming, casing, cementing, redrilling	2,800.00	
Assay 90 samples for WO_3 @ $5.00/each sample	450.00	
Estimated Total Cost of Stage I		$37,470.00

Stage II

Rehabilitate Goldfield adit, 900 feet @ $3.50/ft.	$ 3,150.00	
Drift and crosscut 500 feet on the Goldfield adit level @ $35.00/ft., including timbering	17,500.00	
Diamond drill 1,100 feet @ $7.00/ft., including reaming, casing, cementing, redrilling	7,700.00	
Assay 100 samples for WO_3 @ $5.00/each sample	500.00	
Estimated Total Cost of Stage II		28,850.00
Estimated Total Cost of Project		$66,320.00
Government Participation @ 75%		$49,740.00

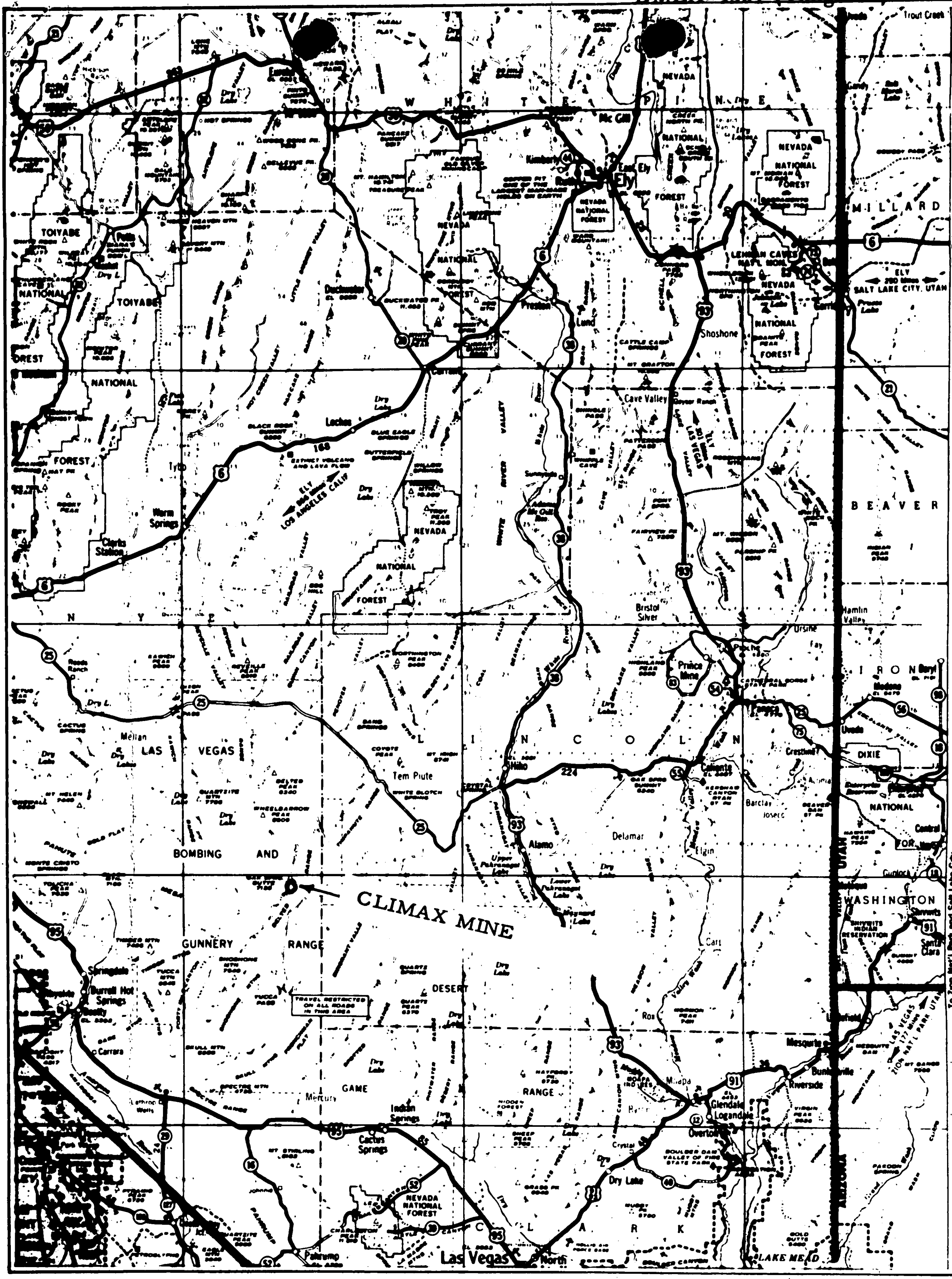


Figure I LOCATION MAP NEVADA

RECEIVED
DEC 5 1956
D.M.E.A.

CLIMAX TUNGSTEN COMPANY

1229 Latham Square Building
Oakland, California

RECEIVED
MAY 21 1956

May 10, 1956

Defense Minerals Exploration Administration
c/o Bureau of Mines
1605 Evans Street
Reno, Nevada.

Gentlemen:

RE: CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA
Also Known as - TAMNEY TUNGSTEN and OAK SPRING TUNGSTEN MINE

We are submitting herewith our application for a Defense Minerals Exploration loan on the above mentioned property together with the following enclosures:

1. Application
2. Engineering report by Lawrence B. Wright
3. Geology map by Lawrence B. Wright
4. Geologic and topographic map by Herbert N. Witt
5. Assay Map by G. Donald Emigh
6. Coxcomb assay map by G. Donald Emigh
7. Carlisle workings map by T. M. Tamney

CARLISLE TUNNEL LEVEL COXCOMB LEDGE

It is desired to continue raise, position #1 Map #2, another 20 feet to intercept Coxcomb surface ore zone projected at 34 degrees, or flatter, or to continue position 2 Map #2 through to the surface, some 40 or more feet. A more accurate survey and mapping would be made to determine the advisability of which undertaking should be started first. If it is proven by the completion of one or the other of these projects that the zone could reasonably be projected to the Carlisle tunnel level some 40 or more feet in the hanging wall ahead of the present face, position 3 Map #1 and #2, it is desired to cross cut to the possible ore zone; if ore zone is intercepted it is desired to do a total of 160 feet of drifting north and south. The purpose of this work is to locate ore zone indicated (on map #1 Section B and cross section B-B) to have bottomed at some horizon between surface and Carlisle tunnel level.

It is also desired to drift 100 feet south on ore zone exposed at position A map #1.

When the above work has been completed, the Climax Tungsten Company would like the option to terminate contract. However, should results of this work warrant and the Climax Tungsten Company wish to continue, it is then proposed to go into the second stage of exploration which would consist of an additional 200 feet of cross cutting and drifting in the original zone together with core drilling, drifting and cross cutting as follows:

RIDGE LEDGE MAP #3

Six hundred feet of 7/8" core drilling consisting of six holes, as indicated on map #3 positions #4, 5 & 6, 80 feet to 120 feet in length at 25 and 55 degrees from the surface down toward the west from the hanging wall side so as to intersect known surface ore zones at 60 feet and 120 feet on the dip projected at 75 degrees to the east. Should these holes indicate ore at these levels it is desired to cross cut 200 feet more or less at position #5 and drift 100 feet north and 100 feet south, or drift in from the granite tunnel level, depending on the economical approach indicated after core drilling has been completed.

GOLDFIELD TUNNEL LEVEL MAP #4

Eight hundred feet of 7/8" core drilling consisting of 3 holes as indicated on map #4 positions #7, 8 & 9.

Position 7 is to explore projected position of Coxcomb vein some 500 feet on the eastward dip below the surface outcrop. If successful it is desired to cross cut approximately 100 feet more or less to the ore zone and drift 100 feet north and 50 feet south, values justifying.

Position #8 is to explore garnet zone, position C map #4; also to reach in to the foot wall granite and lime contact zone.

Position #9 is to further explore garnet zone C to the north of position #9. Should position #8 or #9 indicate ore in zone C it is desired to do a total of 125 feet of cross cutting and drifting on this zone.

It is desired to drift 50 feet east and 75 feet west on zone D map #4.

The foregoing consists of a total of 1400 feet of core drilling and 1400 feet of crosscutting and drifting and 60 feet of raise.

Defense minerals Exploration Administration

The estimated cost of completing Stage #1 is $19,670.00 and for Stage #2, $69,587.00.

The application is submitted on the basis that the undertaking of Stage #2 will be contingent on the successful outcome of Stage #1.

Yours very truly,

CLIMAX TUNGSTEN COMPANY

T. M. Tamney

T. M. Tamney

TMT:H
ENCLOSED

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
MAY 21 1956

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-4301
Metal or Mineral Tungsten
Date Received MAY 21 1956
Estimated Cost $89,257.00
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: The Climax Tungsten Company, a partnership of Theodore M. Tamney, Willard A. Kinney, and Allen J. Wright
1229 Latham Square Building, Oakland 12, California

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*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 Climax Lode Claim, recorded Book 94 Page 94 Nye County, Tonopah, Nevada. Climax #1 Book 94 Page 95, and Climax #3 Book 94 page 96

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

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

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

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

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

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

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

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

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

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

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

(*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 30 days and be completed within 18 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)? yes

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

[X] 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 10, 1956

CLIMAX TUNGSTEN COMPANY
(Applicant)

By Theodore M. Tamney
Theodore M. Tamney

Willard A. Kinney

Allen J. Wright

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

4. PHYSICAL DESCRIPTION

(a) There are no mining or exploration operations being carried on at the present time, (see enclosed maps for details of work that has been done). There is a new 60 ton steel ore bin now setting at the portal of the Carlisle cross cut. There are several reports on the Climax Mine (sometimes referred to as Tamney Tungsten Mine), including one by D. G. Wyant and Byers of the U. S. G. S. December 1941, in which this property is a part of report on Oak Springs, Nye County, Nevada. This property is also known as Tract M-48. Enclosed is a copy of report by Lawrence B. Wright as this is the most recent report available.

(b) The production of this mine is some one thousand tons of .54% WO_3 (see Gould Stope map #2);for ore reserves and grade refer to enclosed report and assay maps.

(c) The rocks found on the Climax property are a series of calcareous sediments, probably Paleozaic, intruded by granitic rocks, both overlain in part by a series of Tertiary volcanics. The volcanics are largely rhyolitic tuffs overlain by massive rhyolite flows, which form Oak Spring Butte and surrounding messa. The granitic rocks are a biotite granitic or granodiorite with accompanying aplite and pegmatites. (for further details see enclosed report).

(d) The Climax mine is located some 47 miles north from Mercury, Nye County, Nevada, and can be reached by oil road from Mercury across Frenchman and Yucca Flats. A co-use agreement with the A.E.C. allows the operation of this mine subject to certain local restrictions such as security clearance for personnel. The only interruption due to this co-use agreement is during the actual detonation of the neuclar tests which occurs once in two years and lasts some six weeks to three months depending on the weather and type of tests.

(e) Manpower would probably come from Pioche, Caliente, and possibly Las Vegas; availability varies according to local conditions. Equipment would be trucked from Las Vegas some 115 miles. There is a 360 foot well and mill site located in Groom Valley, 12 miles by road and 6 miles by way of proposed pipe line, which belongs to this mine. The well is equipped with windmill and pump. The pump would have to be pulled and repaired - estimated cost $100.00.

Tub Spring which is also situated on a millsite belonging to the Climax mine, is some 3/4 mile away which has been measured producing 740 gallons per day. When cleaned out and in a useable condition this would take care of a small camp with a minimum of water to be hauled. Cost of rehabilitating this spring is estimated to cost $75.00.

5. THE EXPLORATION PROJECT

(a) The mineral which we wish to explore is Tungsten.

(b) See maps and report enclosed.

(c) Allen J. Wright, in his association with the firm of Thurman & Wright, has been engaged in both hard rock and placer mining some 18 years. Theodore M. Tamney who will supervise this operation has had 5 years experience contracting, mine development and supervising.

6. FIRST STAGE

(a)	300 ft. 5' x 7' crosscutting and drifting @ $40.00 per ft.	$12,000.00
	60 ft. Raise @ $60.00 per ft.	3,600.00 ?
(b)	Supervision - 4 months @ $500.00 per month	2,000.00
	Surveying - fee basis, estimated	400.00
	Geological Consultant - on fee basis, estimated	1,000.00
(c)	None	
(d)	None	
(e)	None	
(f)	None	
(g)	Workmen's Compensation, Employers Liability, and payroll taxes on payroll for supervision	320.00
(h)	Estimated cost to rehabilitate spring	200.00
	Estimated assaying costs	150.00
	Total Estimated Cost - First Stage	$19,670.00

6. SECOND STAGE

(a)	1400 ft. of 7/8" core drilling, at 12.00 ft	$16,800.00 % high
	1100 ft. 5"x7" drift @ 38.00 "	41,800.00
(b)	Supervision 11 months @ $500.00 per month	5,500.00
	1 Sludge and core sampler - 4 Mos. @ $300.00 per month	1,200.00
	Surveying on fee basis - estimated	1,000.00
	Geological Consultant - on fee basis, estimated	1,500.00
(c)	Core and sludge boxes	265.00
(d)	None	
(e)	None	
(f)	None	

6. SECOND STAGE (continued)

(G)	Workmen's Compensation, Employers Liability and Payroll taxes on payroll for supervision and core sampler	$ 1,072.00
(H)	Assaying estimated	450.00
	Total Estimated Cost - Second Stage	$69,587.00
	Estimated Total Cost - Stage #1 and #2	$89,257.00

RECEIVED
MAY 21 1956

R E P O R T

TAMNEY TUNGSTEN PROPERTY

(That portion containing Carlisle Adit)

Nye County, Nevada

By

Lawrence B. Wright

September, 1953

TAMNEY TUNGSTEN PROPERTY
Also Known as the CLIMAX

FOREWORD:

This examination was made for the account of Mr. Allen Wright of Oakland, California, and had for its objective the determination, from geological study, the degree of certainty of correlation between the tungstic oxides values in the Carlisle workings and those of the jagged precipitous outcrops above the workings. Also, to evaluate the character of ore distribution in the drifts and crosscuts and, to sample the underground occurrences for the purpose of checking values previously reported and particularly with a view to possible tonnage, practical mining width and, procedure.

Wm. J. Logan E.M. assisted with the examination as sampler.

Twenty-seven (27) samples weighing 746 lbs. were taken and assaying was done by the C. M. Ball Laboratory of Berkeley, California.

A preliminary look at the property was made August 15th by Allen Wright, Witt, Kirsten, Kinney, Logan and the writer. This area is part of the Atomic Energy bomb testing grounds so it was necessary for all to be cleared with the Security Office at Mercury, Nevada, before going to the property. We returned to Las Vegas that night.

On Sunday the 16th Logan and I returned to the Carlisle adit, established camp and commenced a detailed survey of the workings, sampling, geologic mapping and, a study of surface outcrops which were mapped in part. Field work was completed the evening of August 22nd and we spent the night at Mercury, Nevada, enroute to Las Vegas with samples. Samples were stored in the Garrett Auto Freight Warehouse August 23rd and personally shipped to Berkeley by Mr. Logan August 24th.

LOCATION: ELEVATION: ACCESS:

The Tamney Tungsten property is in Nye County, Nevada, and can be reached from Las Vegas via Indian Springs, thence to Mercury, the AEC Camp at the South entrance of the A-bombing area, thence across the area a distance of 47 miles (to the Carlisle adit) from Mercury; 115 miles from Las Vegas. It may also be reached from the north through Groome by entering the bombing area.

The elevation of the Carlisle adit according to Aneroid reading is 5640 feet. However, the U. S. Vanadium geologic & area map gives the elevation as 6121 feet. The portal is approximately 1500 feet above the floor of Yucca flat.

The present access road is an ungraded single track desert road branching from the old Groome road about 4 1/2 miles from the adit, with the last 3/4 mile involving grades up to 12%. A survey has been made outlining the route of a proposed new road with more favorable grade, but terminating some 100 feet below the Carlisle adit.

PROPERTY:

The claim covering the tactite outcrops is the Climax Lode Claim. There are also Climax Nos. 1, 2, 3, and 4, and the Guard Group, a series of seven buffer claims. For a complete property map reference is made to Mr. H. N. Witt, Mining Engineer, San Francisco.

WATER & TIMBER:

There are two springs in the vicinity that might provide sufficient water for a small crew and possibly for two or three rock drills using pressure tanks. Neither of these springs were in useful condition during this examination.

There is no timber on the property, or nearby.

TYPE OF MINERALIZATION:

The scheelite bearing rock is fractured and sheared massive tactite, a replacement and alteration product of limestone consisting essentially of garnet, epidote, olivine, quartz, and some allied silicates and oxides. The main masses of tactite are hard, dense, massive rocks in which the banding of the limestone has been mostly obscured. The whole is underlain by granite rocks, with lenses and dikes of granite cutting upward into both limestone and tactite. The entire suite of rocks has been tilted, warped, folded, fractured and faulted.

Mineralization is most pronounced in (a) the hangingwall contact zone in the tactite adjacent to or near the limestone, (b) along and adjacent to transverse fractures. (c) In superimposed layers of banded beds within the tactite in folded areas. (d) The masses of dense tactite contain a sparse distribution of scheelite. Calcite, as well as hematite and limonite, is seen along fracture planes. A little manganese oxide was observed. Powellite, which contains a low percentage of tungstic oxide but is also fluorescent, was observed more in the laboratory, it being difficult to distinguish from the scheelite in the field in this particular occurrence.

HISTORICAL BACKGROUND & EXPLORATION:

Discovery of scheelite here is credited to a prospector named Tamney. Since then a number of examinations of the property have been made and a very considerable footage of exploratory work done at various horizons. The bulk of this work was done during option periods by U. S. Vanadium Corp., Pacific Bridge Co., and, Goldfield Consolidated Mines Co. A good account of this sequence of events has been prepared by H. N. Witt

and reference is directed thereto for details. The property being within the limits of the AEC bomb testing area, no activity has been permitted during the past several years until recently when permission has been granted by Federal authorities to undertake development and production subject to certain local restrictions.

Exploratory work consists mainly of the Granite, Goldfield and Carlisle adits and their branches. The Granite adit is driven eastward into the footwall area of the main "cockscomb" outcrops and failed to reach the projected area of downward extension. It is the lowest in elevation. Next, higher, is the Goldfield adit, driven northward into the south end of the footwall area of the main showing. One branch turns northwesterly deeper into the footwall, while the northeast branch almost reaches the projected downward extension of the main outcrops, but south of the surface shoots. The first 150 feet or so of the Goldfield adit passes through an area of limestone having discordant east-west strikes with a minor showing of tactite and scheelite near the area of change in trend.

The Carlisle workings' portal is close to the footwall of the main tactite mass which the adit enters at 25 feet and continues through a horizontal thickness of 147 feet to the hangingwall contact with banded limestone. Drifts have been driven in both directions, north and south, with short crosscuts and auxiliary drifting farther to the south (see map).

SCOPE OF THIS EXAMINATION:

The purpose of this examination is to determine if the indicated tonnage of profitable scheelite ore lying between the Carlisle workings and the surface outcrops is sufficient to justify (a) road improvements

(b) equipping (c) mining (d) hauling and (e) concentrating and marketing.

In the determination of all this, the surface sampling done by U. S. Vanadium Corp. has been accepted. The Carlisle workings have been resampled as previous sampling here frequently cut too much from "down dip" in the backs, and was often localized along fractures having a concentration of values.

Claim boundaries and ownership status are not a part of this study.

MAPPING & SURVEYING:

Mapping of the adit workings was by steel tape and Brunton pocket transit. The surface outcrops were mapped by Brunton triangulation to a point on the adit dump. The geology and sample locations are shown on an accompanying 20 scale map, which also shows longitudinal and transverse sections with ore distribution patterns, estimated tonnages, and average grade.

SAMPLING: ASSAYING:

Samples were cut at points representing average mineralization and the length of cuts determined after examination with ultra-violet light. Twenty seven samples were taken, weighing 746 lbs., sacked, or, 725 lbs. net; 26.8 lbs. per sample, average weight. The combined footage cut was 80.6 feet. The average amount cut per foot was 9.0 lbs.

Sampling of outcrops was not deemed necessary in view of data already available. However, the outcrops are so blocky and rugged that conventional channel samples would have been impossible. It is assumed that representative samples were taken as well as outcrop character permitted

GEOLOGY OF CARLISLE ADIT & WORKINGS:

The accompanying map shows the essential geologic features. It will be noted that,

1. The volume of altered (to tactite) limestone is comparatively large.

2. The best mineralization occurs adjacent or near to the hangingwall.

3. There is abundant cross fracturing without serious displacement.

4. The dip of the hangingwall limestone is generally flatter than the dip of the limestone tactite contact, evidencing some shearing along the contact in places.

5. The area of samples 1 to 6 displays individual zones of mineralization in beds dipping into the contact zone.

6. There are parallel bands of scheelite in the crosscut where samples 7, 8, 9, 10 and 11 were taken.

7. There is a continuity of mineralization in the South drift (samples 18 to 27 inclusive), although thin beyond sample 24.

8. The tactite, with some scheelite present, is continuing beyond both the North and South faces, and apparently also continues to the south in the crosscut shoots.

9. The trend of mineralization does not always parallel the contact. Strike of contact N 14° W, strike of ore shoots 1 to 8, N 35° W.

10. Two wedges of granite are exposed in crosscuts.

11. Sharp folding is evident in the south crosscut.

GEOLOGY OF OUTCROPS:

The ridge of tactite, which on the east (hangingwall) side is scheelite-bearing mainly along the contact, rises to an average height of 100 feet above the adit, and strikes N 12 E for 130 feet of its northern productive part. To the south a change in trend to south 9 degree east is progressively noticeable, and the change continues to S 40 deg. E. Here again in several places, the limestone on strike and dip is not always concordent with the limits of the tactite. Dips are to the east 35 to 55 degrees, are usually lower in the limestone beds than along the contact. Granite dikes are seen near both ends of the main tactite mass, but intrusive only into the limestone with little or no marginal alteration.

Cross fracturing is evident at several points. The influence of cross fracturing on localization of values seems less pronounced on the outcrop horizon than at the adit level. Values appear to be, to a greater extent, concordant with the east tactite contact at the surface. Based on available assay maps, the best mineralization occurs in two zones separated by a low grade zone. The overall length is 270 feet, with the poor zone subtracting 53 feet, or a combined length of the two mineable zones of 217 feet. The thickness previously sampled by others is 2.7 feet for 135 ft. of length; 6.5 feet for 34 feet, and 3.5 feet for 48 feet.

The whole suite of above described rocks is underlain by a granite sill of undetermined thickness, which appears to be concordant with the footwall limestone series.

DISCUSSION OF CORRELATING FACTORS:

Correlation of lenses and shoots of ore at adit level with those at surface is difficult and casts some doubt as to continuity in

some places. By referring to the longitudinal projection it is seen that at the north end on surface the north shoot of ore is not represented by ore in a comparable position in the drift below. Therefore this segment of surface ore must be presumed to bottom at some horizon between (as shown on section). Likewise, the lenses of ore, samples 1 to 8, in the drift are low dipping beds which intersect the contact zone at a low angle and in themselves cannot be properly projected to join the surface ore above, although other similar occurrences may lie, now unexposed, between. A raise driven to surface in this sector is needed to determine the frequency of such occurrences in the intervening area.

The South block of adit ore is in the same tactite fracture block as the surface ore above and has similar hangingwall contact concordancy. It is therefore a reasonable assumption that continuity exists in this block.

The south end of surface ore has no visible counterpart on adit level, and is believed to wedge down toward the first fracture zone to the north. Thus the indicated pattern of ore distribution is developed. While imperfect, it is now plainly evident that the slope area from end to end of outcrops and top to adit, cannot be assumed as an unbroken blanket of ore.

TONNAGE OUTLOOK:

Based on the apparent pattern of mineralization, a factor of 9.5 cubic feet per short ton, and an average stoping width of 4.0 feet except for part of North block, the probable tonnage is calculated as follows: (U. S. Vanadium assays accepted for surface values).

North Block; surface part way to adit level;

525.	Tons	@	0.75% WO_3	6.5	feet wide
2365	"	@	1.00% "	4.0	" "
2890	"		0.96%	4.5	

North Block, Adit Level, Lenses, Samples 1 to 8;

Combined, 350. tons @ 0.52% WO_3.

(By selective mining & some sorting)

Block, Surface to South Drift:

2300. tons @ 0.78% WO_3

(Calculated to 4.0 feet wide)

Block, South End Surface to Point in South Drift;

750. tons @ 0.74% WO_3

(Calculated to 4.0 feet wide)

Note: In calculating to greater width than sampled, a value of 0.20% WO_3 was ascribed to dilution material.

SUMMARY OF TONNAGES & AVERAGE GRADE:

525	Tons	@	0.75%	WO_3
2365	"	@	1.00%	"
350	"	@	0.52%	"
2300	"	@	0.78%	"
750	"	@	0.74%	"
6290	"		0.84%	"

VALUE OF ORE:

Assuming 73 percent recovery and a penalty free concentrate, the value of estimated ore is as follows:-

$$\frac{6290. \times 2000. \times .0084 \times .73}{20.} \times 63. \text{ equals } \$242,992.76$$

($38.63 per ton)

ESTIMATE OF COST OF MINING & HAULING:

Camp Expense		$7,350.00	
Road Expense		6,500.00	
Equipment		24,300.00	
Explosives		2,516.00	
Contract Labor	($5.00 per ton)	31,450.00	
Day Labor		9,800.00	
Stope Preparation		2,350.00	
Supervision		7,200.00	
Hauling	($8.00 per ton)	50,320.00	
General Expense		9,000.00	
		$150,786.00	
Pre-operation Exp. Est.		3,000.00	
		$153,786.00	($24.45 per ton)
Est. Profit Before Milling		89,206.76	($14.18 per ton)
		$242,992.76	

CONCLUSIONS:

It is thus seen that in the ground between the Carlisle adit level and the "Cockscomb" outcrops on the Climax claim there may be expected 6290 tons having an average tungstic oxide content over a 4. foot mining width of 0.84 percent, based on previous surface sampling by others and on the present sampling. By setting up the cost of a suitable mining operation for this tonnage, taking into account the location and local conditions, there is an estimated profit of $14.18 per ton before treatment, or a total sum of $89,206.76. In the event concentration and marketing could be accomplished for $5.00 per ton of ore, a profit of $9.18 per ton is indicated, before any royalties or like expenses.

As to the property as a whole, there appears to be possibilities of adding to the above tonnage estimate. In any additional exploration program attention should be given to the rake of the sharply folded area, and its downward extension examined. There is also indicated a possible rake to the north of the northermost values at the surface. None of the deeper work has reached into these areas.

Respectfully submitted,

LAWRENCE B. WRIGHT,
Consulting Mining Geologist,
San Francisco, California

September 1, 1953.

LAWRENCE B. WRIGHT

Geologist and Mining Consultant

401 Forty-First Ave.
San Francisco 21, Calif.

November 30, 1953

Allen J. Wright
Latham Square Bldg.
Oakland 12, Calif.

Subj. - Tamney Tungsten, Nevada

Dear Mr. Wright:

As intimated to you via telephone several weeks ago, there was some question in my mind regarding the results given us by Mr. Ball on the samples taken by Mr. Logan and myself in the Carlisle Tunnel of the Tamney Tungsten Property. In passing to the main subject, it will be recalled that in our first conference in Herb Witt's office re my undertaking the work, Mr. Witt and yourself settled on Mr. Ball as the analyst of samples to be taken. I stated that I had never made use of his laboratory, but had for some 20 years used Hanks, in S. F., but that if you and Mr. Witt preferred to have me base my report on Ball's results, I would be agreeable. (Mr. Witt being the vendor, and you, the vendee.)

As a routine procedure which I use on Tungsten work, after we had completed our sampling, I "lamped" and estimated the percentage of fluorescent area in each sample cut; and, later plotted a graph of these estimates. When Ball's results came to hand, I plotted them on this graph. The pattern of his assays fitted closely with the pattern of the estimates, except, that his pattern fell, in each instance, far below.

This circumstance prompted my communication with you, and my undertaking check analyses (Mr. Logan joining me in the expense of this), first at Hanks Laboratory, and finally with Ledoux & Co. This check was progressive as, first I had Hanks check the two samples that I had estimated as "high". The results were,-

Sample	#11.	Ball, 0.62	Hanks,	0.94
	#21.	" 0.92	"	1.58

Next, we decided to have checks made on two composite samples of the two principal ore areas in the Carlisle adit. The results were,-

Comp.	No. 1.	Ball, 0.41	Hanks,	0.54
	2.	Ball, 0.43	"	0.58

We then sent composite No. 2 to Ledoux & Co., who gave an assay of 0.57 tungstic oxide per ton.

My only interest in this is the impact on the conclusions of my report based on Ball's analyses, and, of course, your interest as my client. Had the analyses been made by Hanks, or Dedoux, my estimated profit before milling would have been increased by about $25,000.00.

Very truly yours,

LAWRENCE B. WRIGHT

APPENDIX I

CONTRACT NO. AT(29-2)-156

AGREEMENT FOR CO-USE

THIS AGREEMENT, made and entered into this 1st day of December, 1952, to be effective on the 29th day of October, 1952, between the UNITED STATES OF AMERICA, hereinafter referred to as the "Government", acting by and through the ATOMIC ENERGY COMMISSION, hereinafter referred to as the "Commission", and THEODORE R. TAGGART, hereinafter referred to as the "Owner".

WITNESSETH:

WHEREAS, in Condemnation Action Civil No. 1046, Nevada, entitled "United States of America, Plaintiff, vs. 417,459 Acres of Land, More or Less, in the County of Nye, State of Nevada; Ed Lane, et al., Defendants", pending in the United States District Court for the District of Nevada, the Government on the 15th day of October, 1952, obtained an Order of Immediate Possession of the lands and mining claims and millsite claims in public lands sought to be acquired by said action; and

WHEREAS, the Owner holds certain of the mining claims sought to be acquired by the Government in the Complaint in Condemnation filed in said action, said mining claims held by the Owner being more particularly described as follows:

TRACT M-48

The CLIMAX and CLIMAX No. 1, CLIMAX No. 2, CLIMAX No. 3, CLIMAX No. 4, CLIMAX No. 5, GUARD and GUARD No. 1, GUARD No. 2, GUARD No. 3, GUARD No. 4, GUARD No. 5, GUARD No. 6, GUARD No. 7, CABIN, CLIMAX MILLSITE, GUARD MILLSITE and GUARD MILLSITE No. 2, unpatented lode mining claims located in the Oak Springs Mining District, County of Nye, State of Nevada, and situated approximately in Sections 16, 17, and 20, Township 8 South, Range 53 East, M.D.B. & M. (unsurveyed), and marked in brown on Drawing No. 257-M-4 marked Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the Government has determined that it is not necessary to acquire or extinguish the possessory mining claim rights of the Owner; and

WHEREAS, the Owner and the Government desire to enter into an agreement to provide for the co-use of Tract M-48 by the parties upon certain terms and conditions which will protect the security of the Government's activities in and over the Nevada Proving Ground.

NOW, THEREFORE, in view of the foregoing and in consideration of the premises, and the payment by the Government of the sum of One Dollar ($1.00), receipt of which is hereby acknowledged, it is hereby agreed by and between the Government and the Owner as follows:

I. The Government is hereby granted the right of possession, use and occupancy of Tract M-48 for its activities in and over the Nevada Proving Ground for a period of five (5) years from the effective date hereof in common with the possession, use and occupancy of Tract M-48 by the Owner for the removal by him or his assigns of ore therefrom. This grant may, at the option of the Government, be renewed upon the terms and conditions of this agreement for co-use for a further period of five years upon 30 days' written notice to the Owner of the Government's election to exercise this option.

II. The Owner agrees to the following conditions on his possession, use and occupancy of Tract M-48:

A. Security clearance or approval may be required for personnel engaged in work on Tract M-48 for the Owner. The extent of the security clearance or approval and the personnel to obtain such clearance or approval shall be as the Commission may determine.

B. That the Owner and all persons on the Nevada Proving Ground by authorization of the Owner shall be evacuated from the area of the Nevada Proving Ground upon the request of the Commission, for safety or security reasons, not less than twenty-four hours prior to the scheduled date for a Nuclear test, and that all such persons will remain outside the boundary of the Nevada Proving Ground until the area in the immediate vicinity of Tract M-48, and along the access roads, as delineated in red on Exhibit "A", has been determined by the Commission to be safe for re-entry by such

persons. The Commission shall give reasonable notice of the scheduled dates for Nuclear tests and of its determination that the area is safe for re-entry to the person designated by the Owner as the manager or deputy manager of mining operations on Tract M-48.

C. That all persons, unless otherwise directed by the Commission, shall be restricted to entry and departure from Tract M-48 by the road or roads to the northeasterly side of the Nevada Proving Ground, as delineated in red on Exhibit "A".

D. That the Commission shall have the right of inspection at all times of the mining facilities of the Owner, and that there is reserved to the Commission the right to require removal from Tract M-48 of any persons, objects or materials considered by the Commission to be prejudicial to the national security.

E. That the Owner, when on the Nevada Proving Ground, and all persons there by his authorization, shall be subject to all applicable regulations prescribed by the Commission for personnel of the Government contractors operating in the Nevada Proving Ground.

F. That the Government shall not be responsible for damage to property, injury to persons or other losses which may arise from or be incident to the compliance by the Owner with the conditions herein provided, or for damages to the property of the Owner, or for injuries to the person of the Owner, his agents, servants or employees, or others who may be on the premises of the Nevada Proving Ground, at their invitation, or by the invitation of any one of them, arising from Governmental activities; and the Owner shall hold the Government harmless from any and all such claims; Provided, however, that in the event that operations of the Government force a permanent closing of mining operations on Tract M-48, the foregoing waiver shall not preclude the Owner from seeking

relief for such permanent closure; and Further Provided, that if the Owner and his mining personnel are excluded from Tract M-48 under the provisions contained in II. B of this agreement for co-use in excess of an aggregate of 45 days in any one calendar year, the Owner shall be compensated by the Government for costs actually incurred during the period in excess of 45 days for that calendar year. The amount of said costs shall be submitted to the Commission by the Owner supported by reasonable proof, and said costs shall in no event exceed $400.00 per day for each day in excess of 45 days. Said costs shall not include any loss of profits nor shall the Government be obligated to reimburse the Owner for the loss of any profits due to any of the conditions of this agreement for co-use. The obligation of the Government is subject to the availability of funds by Government appropriation or appropriations.

G. That this agreement for co-use may be terminated by the Government without cost upon the Owner's failure within 5 days after the Owner receives written notice to cease and desist from a violation or violations of the foregoing conditions; such written notice shall describe with reasonable clarity said violation or violations, and one copy of said notice shall be served upon the person designated by the Owner as manager or deputy manager of mining operations on Tract M-48.

H. That the assigns of the Owner and any other parties who acquire any interest in Tract M-48 during the period of this agreement for co-use or its renewal shall be subject to all the above conditions.

III. The Owner consents to the dismissal of Tract M-48 from Condemnation Case Civil No. 1046, Nevada, and hereby agrees that the Government is released from all claims and demands whatsoever arising out

of the possession, use and occupancy of Tract M-48, by virtue of the condemnation action, and Order of Immediate Possession granted therein to the Government; and the Owner agrees to execute any and all stipulations or pleadings necessary to effect the dismissal of Tract M-48 from the condemnation action.

IV. The Owner agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this agreement, for co-use, have access to and the right to examine any directly pertinent books, documents, papers and records of the Owner or his assigns involving transactions related to this agreement for co-use.

V. No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement for co-use, or to any benefit that may arise therefrom.

VI. The Owner warrants that no person or selling agency has been employed or retained to solicit or secure this agreement for co-use upon an agreement or understanding for a commission, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Owner for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this agreement for co-use without liability or in its discretion to deduct from the consideration the full amount of such commission, percentage, brokerage, or contingent fee.

VII. After the 6th day of July 1954, this agreement for co-use may be terminated by the Government without cost upon sixty days' written notice of such termination, served upon the Owner at his address: 2573 - 94th Avenue, Oakland, California.

VIII. As used in this agreement for co-use, the terms "Atomic Energy Commission" and "Commission" shall mean the United States Atomic Energy Commission or its duly authorized representative or representatives.

IX. The Owner agrees that the costs stated in Paragraph II, Section F, Page 4 of this Agreement reading as follows: "the Owner shall be compensated by the Government for costs actually incurred during the period in excess of 45 days for that calendar year" shall be only for those items listed below and no others:

1. Actual payroll costs directly attributable to the mining and milling operation incidental to the co-use of Tract No. M-48,

2. Payroll taxes and industrial accident insurance, together with subsistence for employees,

3. Accruing rental, if any, on mill and reduction equipment and camp housing at the Groom Mine,

4. Standby charges, if any, to the trucking contractor employed to haul supplies and equipment to and ore from Tract No. M-48.

IN WITNESS WHEREOF, the parties hereto have executed this agreement for co-use in several counterparts.

David Jones
WITNESS

Theodore R. Tamney
THEODORE R. TAMNEY
"OWNER"

UNITED STATES ATOMIC ENERGY COMMISSION

W W Gose
WITNESS

By G B Traker
for Manager
Santa Fe Operations
United States Atomic Energy Commission

NOV 30 1954
RECEIVED

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/17/70		120
		220

March 17, 1970

Memorandum

To: The Record

From: Chief, Office of Minerals Exploration

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract Idm-E1028

Docket file material loaned to the Justice Department for use in court in United States v. 41.32 acres of land in Nye County, Nevada, and John M. Heizer, et al., Civil No. 686, Nevada Test Site Project, was returned to this office March 16, 1970.

As the period of royalty obligation on this contract expired on October 30, 1967, and no further obligations are in force, the file may be closed and the material placed in permanent storage.

Harold Kirkemo

Harold Kirkemo

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region II
Mr. Kirkemo

HKirkemo/gla 3-17-70

11/13/68

DMEA - 4301

Climax Tungsten Co.

Kirk - Nale.

Hold File for return of material sent to Justice Dept. 7/25/67 for trial now scheduled for 5/19/68

Dave Jones, Mining Engineer, US Bureau of Indian Affairs will return material after closing of trial.

Payment proof made. Royalty agreement expired 10/30/67

Memo: Close when file material returned.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

OFFICIAL COPY
O. K. P.
RECEIVED
MAR 16 1970
INITIALS CODE
HK 120

March 12, 1970

Memorandum

To: Chief, Office of Minerals Exploration

From: Assistant Solicitor, Oil and Gas and Minerals Exploration

Subject: United States v. 41.32 acres of land in Nye County, Nevada, and John M. Heizer, et al., Civil No. 686, Nevada Test Site Project

Attached is a self-explanatory letter from the Department of Justice regarding the above subject.

Robert W. Long
Assistant Solicitor
Oil and Gas and Minerals Exploration

Enclosure

DHK

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the
Division Indicated
and Refer to Initials and Number

SSC
33-29-146-1

INTERIOR DEPT. March 9, 1970

MAR 10 1970

SOLICITOR

33-29-146-1

Bruce Wright, Esquire
Associate Solicitor--Mineral
Resources and General Legal Services
Department of the Interior
Washington, D. C.

Dear Mr. Wright:

Re: United States v. 41.32 acres of land in Nye County, Nevada, and John M. Heizer, et al., Civil No. 686, Nevada Test Site Project.

Enclosed are the following documents which were furnished with your letter of July 25, 1967:

1. The application of 1956 by Willard A. Kinney and Allen J. Wright for D.M.E.A. assistance and the attachments thereto, including a report prepared by Mr. Lawrence Wright and maps bearing his signature;

2. The contract with the Climax Tungsten Company with amendments thereto;

3. Final reports dated August 28, 1958;

4. Letter from the A.E.C. to the operator;

5. The examination report dated August 15, 1956, by Messrs. Reeves and Gentry of Department of Interior;

MAR 10 1970

6. The review and recommendations dated August 27, 1956, of the field study;

7. A sample analysis report dated August 2, 1956, from the Bureau of Mines.

Thank you for their use.

Sincerely,

Assistant Attorney General
Land and Natural Resources Division

By: S. S. Cozier

S. S. Cozier
Attorney, Land Acquisition Section

Enclosures

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

Memorandum

To: Director, U. S. Geological Survey

Through: Associate Chief Geologist

From: Chief, Office of Minerals Exploration

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-E1028

The U. S. Department of Justice has requested in a letter dated March 26, 1969, copy enclosed, to Mr. H. K. Stager, OME Field Officer, Menlo Park, California, that he serve as a witness on behalf of the United States in a condemnation trial scheduled for May 19, 1969 in Las Vegas, Nevada. The trial involves land included in the subject DMEA project which lies within the Nevada Test Site Project.

Authorization for Mr. Stager to appear as a witness on behalf of the Government is requested. Mr. Robert G. Reeves, Geologist, U. S. Geological Survey, Denver, Colorado, may also have been requested by the Justice Department to serve as a witness but he has been out of his office recently and not available by phone.

The Department of Justice is well informed about the DMEA project on this property. On July 25, 1967, copies of the DMEA contract, Field Team's inspection report and final report, consultant's report, and miscellaneous correspondence were sent to the Justice Department by Mr. Bruce Wright, Associate Solicitor, in response to a request dated June 15, 1967.

Mr. Stager was co-author with Mr. G. G. Gentry, since deceased, U. S. Bureau of Mines, of the DMEA Field Team Final Report dated August 28, 1958 on the DMEA project. Mr. Reeves was co-author with Mr. Gentry of the Field Team Application Report on the property dated August 15, 1956.

The Government has no interest in the property with respect to the DMEA contract as the repayment period under a royalty agreement expired on October 30, 1967.

The DMEA file on this project is available but the material originally loaned to the Justice Department and temporarily returned to this office last week must be returned to Justice shortly.

Harold Kirkemo

Harold Kirkemo

THK

~~Kulsgaard~~

Kirkemo

Lois Williams

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C.

Address Reply to the
Division Indicated
and Refer to Initials and Number

HDR:JFH

33-29-146-1

April 16, 1969

Mr Roberts
Mr Rogers
Barbara
Lois Williams

Acting Director
Geological Survey
Department of the Interior
Washington, D. C. 20242

Dear Sir:

Re: United States v. 41.32 Acres of Land in Nye County, Nevada, John M. Heizer, et al., No. 686 Civil (Tr. No. M-48), the Nevada Test Site Project.

This refers to your letter of April 10, 1969, stating that the services of Mr. H. K. Stager, of your Bureau, will be made available to this Department at the trial of the above matter presently scheduled for May 19, 1969, at Las Vegas, Nevada.

It is estimated that the services of Mr. Stager will be required for approximately 3 days and this Department agrees to reimburse the Department of the Interior for the services rendered by Mr. Stager in an estimated amount of $350.00, including per diem and travel expenses.

When the services have been performed by Mr. Stager, it is suggested that your Department forward its bill for reimbursement on Standard Form 1081, accompanied by copies of this letter, to this Department. Reference should be made to Land and Natural Resources Division Obligation No. 1375.

Very truly yours,

GLEN E. TAYLOR
Acting Assistant Attorney General
Land and Natural Resources Division

By: Henry D. Rogers
Henry D. Rogers
Chief, Administrative Section.

W. B. Roberts
APR 21 1969
NOTED

copy to H. K. Stager 4/22/69

RECEIVED
U. S. GEOLOGICAL SURVEY

APR 18 2 01 PM 1969

OFFICE OF THE DIRECTOR

U. S. DEPARTMENT OF JUSTICE
WASHINGTON, D. C. 20530

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S.
DEPARTMENT OF JUSTICE

Acting Director
Geological Survey
Department of the Interior
Washington, D. C. 20242

20

TO BE RETAINED IN (14)
CORRESPONDENCE & FILES SECT.

Personnel
5

Roberts 4/9
Kirkemo
Cleppe 4/9

APR 10 1969

X Coop
3

Mrs. S. S. Cozier, Attorney
Department of Justice
Land and Natural Resources Division
Land Acquisition Section
Washington, D. C. 20530

Dear Mrs. Cozier:

In reply to your letter of March 26, 1969, reference SSC 33-29, 146-1, addressed to Mr. H. K. Stager of this Bureau, Mr. Stager is authorized to testify in the following proceeding:

> United States v. 41.32 acres of land, more or less, situate in Nye County, State of Nevada, and John M. Heizer, et al., and Unknown Owners, Civil No. 686, Tract M-48, Nevada Test Site Project.

If any travel expenses or per diem are incurred by him in order to participate in the proceeding, the Survey will pay these expenses, and then bill your agency for reimbursement.

I would like to remind you of the observation made by our Associate Solicitor in his letter of July 25, 1967, transmitting to your Division, documents pertaining to this property, to the effect that some of the data in the documents may not be available for use by the Government in the proceeding. Presumably, you will inform Mr. Stager of any restrictions required in his testimony.

In the future if you desire testimony by employees of this bureau, it will be appreciated if you direct your request to this office, pursuant to 43 CFR 2.20, instead of to the employee concerned in the proceeding.

Sincerely yours,

William A. Baker

Acting Director

cc: General Files
Dir's Chron
Division
H. Kirkemo
H. K. Stager

WBRoberts/vsr 4/8/69

Stager, H. K.

Dave Jones 4/3/69

Property staked in 1939

Tonopah Bombing Range established Fall 1941. 5 million acres. 5 year. compensation to mine operators for 5 year on mine operations.

Jones since 1943
Army 42 – April 43

U.S. Army Engineer appraised mines for AEC
$32,000 appraisal. T.

Ray Hrody – Joe Umpelby recommend ~~$64,995~~ $65,000 settled on $64,995
renewal for 5 year, for $5.

Army Engineer handled appraisal & acquisition of properties for AEC.

Tammany had right to operate property at co use agreement
AEC's commencing. Interested other in property – Bill Cox, etc.

Allen & Wright optioned – Laurence Wright examined & recommended for DMEA.

High phosphate content in ore helped the Molly Corp at Mt. Pass. resulted in $23/ton penalty 1957 0.4 WO_3 instead of expected .1%.

In 1964 AEC decided need for title to land under co-use agreement

$10,000 estimated just compensation. Oct. 1964
AEC acquired total rights.

Former owner claim $400,000

Jones says present evaluation would be less than former $10,000 because of subsequent WO_3 content.

Mary Moore - Navy examined
Bill Cox employed by Dept of Justice on this case.

Jones:

Strayer probably will not be asked to express $ value unless he indicates desire to do so. S should describe DMEA work & results.
Reaver presence not necessary.

Jones on loan to Dept Justice on reimbursable basis on this trial.

Bob McKee, Gov't counsel, and Mrs. Sophie Cozier
S.S. Cozier

McKee will be trying case in Las Vegas. Want Strayer on deck May 14 or 15 for preparation.

Gov't is plaintiff -

4/7/69
Gentry died 1963

OPTIONAL FORM NO. 10
5010-103

UNITED STATES GOVERNMENT

Memorandum

TO : THOR H. KILLSGAARD DATE: APRIL 2, 1969

FROM : HAL STAGER, MENLO PARK

SUBJECT: ATTACHED LETTER FROM DEPT. OF JUSTICE

FOR YOUR INFORMATION AND ADVICE --!!

WILL TALK TO YOU ABOUT THIS WHEN YOU ARE HERE LATER THIS MONTH —.

Hal

(ALSO LETTERS FROM CONGRESSMAN JOHNSON ABOUT MARCH 15 ANGELS CAMP MEETING.)

Monty

Here is the item Kirkham called you about.

What can Hal say in court?

Thor

4/14/69

Grace:

This is the file on the case which is the subject of a court hearing May 19. Hal Stager will be a witness or on tap to be a witness.

Kirk

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the
Division Indicated
and Refer to Initials and Number

March 26, 1969

SSC
33-29-146-1

Mr. H. K. Stager
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Dear Mr. Stager:

Re: United States v. 41.32 acres of land, more or less, situate in Nye County, State of Nevada, and John M. Heizer, et al., and Unknown Owners, Civil No. 686, Tract M-48, Nevada Test Site Project.

The trial of this condemnation case is presently scheduled for May 19, 1969. We have been advised that you are familiar with the mine involved--Climax Tungsten Mine-- and, consequently, you were named as a witness on behalf of the United States. DMEA-4301

It will be appreciated if you will keep yourself available to testify at the trial, in the event it becomes necessary to use you as a witness. Either I, or Mr. Robert M. McKee who will also be trial counsel, will contact you by telephone before May 1, 1969, relative to your knowledge of the subject.

If you require further information on this, please communicate with me. My telephone number is 202-737-8200, extension 2808. Mr. McKee's number is 202-737-8200, extension 2793.

RECEIVED
APR - 1 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Sincerely,

Acting Assistant Attorney General
Land and Natural Resources Division

By: S. S. Cozier
S. S. Cozier
Attorney, Land Acquisition Section

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the Division Indicated and Refer to Initials and Number

March 26, 1969

SSC
33-29-146-1

OFFICIAL COPY
O. M. E.
RECEIVED
APR 2 1969

DMEA - 430

INITIALS	CODE
gla	130
	120
	130
	220

Mr. H. K. Stager
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Dear Mr. Stager:

Re: United States v. 41.32 acres of land, more or less, situate in Nye County, State of Nevada, and John M. Heizer, et al., and Unknown Owners, Civil No. 686, Tract M-48, Nevada Test Site Project.

The trial of this condemnation case is presently scheduled for May 19, 1969. We have been advised that you are familiar with the mine involved--Climax Tungsten Mine--and, consequently, you were named as a witness on behalf of the United States.

It will be appreciated if you will keep yourself available to testify at the trial, in the event it becomes necessary to use you as a witness. Either I, or Mr. Robert M. McKee who will also be trial counsel, will contact you by telephone before May 1, 1969, relative to your knowledge of the subject.

If you require further information on this, please communicate with me. My telephone number is 202-737-8200, extension 2808. Mr. McKee's number is 202-737-8200, extension 2793.

RECEIVED
APR - 1 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Sincerely,

Acting Assistant Attorney General
Land and Natural Resources Division

By: S. S. Cozier
S. S. Cozier
Attorney, Land Acquisition Section

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON, D.C. 20240

33-29-146-1

JUL 25 1967

Hon. Edwin L. Weisl, Jr.
Assistant Attorney General
Land and Natural Resources Division
Department of Justice
Washington, D. C. 20530

Dear Mr. Weisl:

This will respond to Mr. Harrison's letter of June 2, 1967 requesting copies of certain documents from the Defense Minerals Exploration Administration file, DMEA-4301 - Contract No. IDM-E-1038, Climax Tungsten Mine Property, which you indicate are necessary to the successful prosecution of a condemnation proceeding entitled United States v. 41.32 acres of land in Nye County, Nevada and John M. Heizer, et al., Civil No. 686, Nevada Test Site Project (your reference BSH:SSC 33-29-146-1).

The originals of the documents mentioned in the letter are enclosed. Please return the documents when they have served their purpose. Apart from the contract, the documents contain data on the ore potential and mineral characteristics of the property. In respect of these data, we suggest that, under 18 U.S.C. sec. 1905, there is a serious question regarding the availability of such data for use by the Government in the suit.

Sincerely yours,

BRUCE WRIGHT

Bruce Wright
Associate Solicitor--Mineral
Resources and General Legal Services

Enclosures

cc: Secretary's files
Solicitor's files
FEJohnson, Chief, OME, Rm. 4460
Asso. Sol., MR&GLS

RWLong:BWright:ca 7 25 67

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

June 15, 1967

Address Reply to the
Division Indicated
and Refer to Initials and Number

HSH:SSC
33-29-146-1

OFFICIAL
COPY
O. M. E.
RECEIVED
JUN 16 1967

INITIALS	CODE
	110
	140
	110

Mr. Frank E. Johnson
Chief, Office of Mineral Exploration
Geological Survey
Department of the Interior
Washington, D.C.

Dear Mr. Johnson:

Re: Tract No. M-48 of United States v. 41.32 acres of land, in Nye County, Nevada, and John M. Heizer, et al., Civil No. 686, Nevada Test Site Project.

In connection with the successful prosecution of this condemnation proceeding, it would be helpful to have copies of the following instruments which are contained in your file relating to the Tamney Tungsten Mine and the Climax Lode Claims:

The application of 1956 by Willard A. Kinney and Allen J. Wright for D.M.E.A. assistance and the attachments thereto, including a report prepared by Mr. Lawrence Wright and maps bearing his signature;

The contract with the Climax Tungsten Company with amendments thereto;

Final reports dated August 28, 1958; file Tuna

April 16, 1958

Letter of May 20, 1958, from the A.E.C. to the operator;

33-29-146-1

The examination report dated August 15, 1956, by Messrs. Reeves and Gentry of your Department;

The review and recommendations dated August 27, 1956, of the field study;

A sample analysis report dated August 2, 1956, from the Bureau of Mines.

As this case is set for pretrial in the near future, your early action on this request will be appreciated.

Sincerely,

EDWIN L. WEISL, JR.
Assistant Attorney General
Land and Natural Resources Division

By: Harold S. Harrison
Harold S. Harrison
Chief, Land Acquisition Section

OFFICIAL
COPY
6 1967
170

June 6, 1967

DMEA-4301

Memorandum

To: For the record

From: R. G. Reeves

Subject: Telephone conversation with H. K. Stager, David Jones (U. S. Bureau of Indian Affairs), and A. Lawrence Burbank, U. S. Attorney's Office, San Francisco

The Atomic Energy Commission, in connection with its Nevada Test Site operations, has found it necessary to acquire the Climax tungsten mine. The AEC and owners of the mine have been unable to reach an agreement on price (the AEC has valued the property at $10,000 and has placed that amount in escrow; the owners value the property at $350,000), so it will be decided in Federal Court in Las Vegas, Nevada. Mr. A. Lawrence Burbank from the U. S. Attorney's Office in San Francisco is representing the government at the trial, which is scheduled for January 1968. Mr. David Jones, mining engineer, Bureau of Indian Affairs (formerly with the Corps of Engineers Real Estate Directorate--in charge of mining claim evaluation on lands withdrawn for military use during W.W. II) is assisting Mr. Burbank. Messrs. Burbank and Jones are preparing for a pre-trial hearing that is scheduled for July.

The Climax mine (Docket #4301) was the subject of a DMEA exploration loan in 1956-7. The loan application examination was made by Glen Gentry of the U. S. Bureau of Mines, who is now deceased, and me.

Messrs. Burbank and Jones have requested my assistance in preparing for the pre-trial examination and for the trial itself. Mr. Burbank also indicated that I would be subpoenaed as a witness for the government.

CC: Frank E. Johnson, OME
Harold K. Stager, OME, Menlo
DRF
Geo. Div. File
Econ. Div. File
Chron
Office File Copy

RGReeves:acw

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum September 19, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 21 1966

INITIALS	CODE
9/21	120
	110
HR	230
	220

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

From: Field Officer
Region II

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-E1028

In reply to your memo of September 13, 1966, I have made inquiries concerning possible production from the subject property to the U.S. Bureau of Mines and to geologists of the Geological Survey working in the mine area. Mr. Larry Davis of the Bureau of Mines reports that his records show that there has been no production from the subject property since 1957. Mr. H. R. Cornwall and Mr. F. J. Kleinhampl of the Geological Survey who are preparing reports on the geology and mineral resources of Nye County state that they know of no mining activity at the property in recent years. Inasmuch as the property is within the AEC Tonopah Bombing and Gunnery Range it is not likely that mining has been possible since the period of DMEA exploration.

H. K. Stager

220

IN REPLY REFER TO:

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

August 23, 1966

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: DMEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1020

Mr. Theodore R. Tamney
2573 94th Avenue
Oakland, California

Dear Mr. Tamney:

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

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

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

   Has the assessment work been kept up to date? If not, please give details. **Yes/__/No /__/**

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

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date _____

IN REPLY REFER TO:

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

August 23, 1966

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: DMEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1020

Mr. Theodore R. Tamney
2573 94th Avenue
Oakland, California

Dear Mr. Tamney:

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

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

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

   Has the assessment work been kept up to date? If not, please give details. **Yes/__/No /__/**

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

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

IN REPLY REFER TO:

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

August 23, 1966

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: DMEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1020

Mr. Theodore R. Tenney
2573 94th Avenue
Oakland, California

Dear Mr. Tenney:

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

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

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

   Has the assessment work been kept up to date? If not, please give details. **Yes/__/No /__/**

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

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON, D. C. 20240

OFFICIAL BUSINESS

GEOLOGICAL SURVEY

RETURNED TO WRITER

REASON CHECKED
Unclaimed Refused
Unknown
Insufficient address
Moved, Left no address
No such post office in state
Do not remain in this envelope

Registered 500419

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF THE INTERIOR

unknown

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. Theodore M. Tamney
2573 94th Avenue
Oakland, California

RETURNED TO WRITER

REASON CHECKED
Unclaimed Refused
Unknown
Insufficient address
Moved, Left no address
No such post office in state
Do not remain in this envelope

94605

4/9 sent 3858

40

WASHINGTON, DC REG. DIV.
SEP 13 1966
U.S.P.O.

OAKLAND, CALIF.
AUG 29 1966
BAYSHORE ANNEX

OAKLAND, CALIF.
AUG 30 1966
EASTMONT STA.

OAKLAND, CALIF.
SEP 19 1966
EASTMONT STA.

WASHINGTON, DC REG. DIV.
AUG 24 1966
U.S.P.O.

OAKLAND, CALIF.
AUG 29 1966
BAYSHORE ANNEX

WASHINGTON, DC REG. DIV.
AUG 24 1966
U.S.P.O.

OAKLAND, CALIF.
FIRST STA.
AUG 1966

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		110
9/13/66	Kirkemo	120
		320

SEP 13 1966

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-E1028

We have not received replies to our Form 63's sent registered mail on the subject contract. Will you please see if you can obtain any information on production from U. S. Bureau of Mines records and make a field check of the property when you are in the area.

FRANK E. JOHNSON

Frank E. Johnson

cc: Director's Reading File
Division File
Econ. Geol. file
OME Reading File
DMEA Docket
130
120

MMerrithew/mm (9/13/66)

23263

DATE OF NOTICE

SEP 2 1966

ARTICLE ADDRESSED TO

Mr. Theodore M. Tammey
2503 - 94th Ave.
Oakland, CA 94605

X	REGISTERED	NO.
	INSURED	500419
	CERTIFIED	
	C.O.D.	

CANNOT BE DELIVERED BECAUSE:

- [ ] DELIVERY IS RESTRICTED. ADDRESSEE CAN NOT OR WILL NOT SIGN.
- [ ] INCORRECTLY ADDRESSED. SUPPLY BETTER ADDRESS IF POSSIBLE.
- [X] UNKNOWN. SUPPLY ADDRESS OR FORWARDING DIRECTIONS, IF POSSIBLE. Has been moved 6 years
- [ ] HAS BEEN ABANDONED PER DIRECTIONS

State below disposition you wish made of this registered, insured, certified, or c.o.d. article and send this form promptly in an envelope bearing first-class postage to Postmaster at:

DISPOSITION INSTRUCTIONS:

- [ ] Return to sender
- [ ] Restriction lifted—deliver to addressee's agent
- [ ] Try at _____

SIGNATURE

☆ GPO : 1965 OF—775-933

POST OFFICE DEPARTMENT

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

NOTICE OF

UNDELIVERABLE

OR

ABANDONED

MAIL

POD Form 3858
June 1965

United States Dept. of the Interior
Office of Minerals Exploration
Washington, D.C.
20240

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

...ALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

POSTMARK OF
DELIVERING OFFICE

INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO. 500490	NAME OF SENDER U.S. Geological Survey Office of Minerals Exploration
CERTIFIED NO.	STREET AND NO. OR P. O. BOX Dept. of the Interior
INSURED NO.	CITY, STATE, AND ZIP CODE Washington, D. C. 20242

POD Form 3811 Sep. 1963

4301

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☒ Show address where delivered

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Chemical Investors Co.

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

A. [illegible]

DATE DELIVERED	SHOW WHERE DELIVERED *(only if requested)*
5/30/66	588-16 Rd SA

C55—16—71548-5—F GPO

DMEA
4301

1229 Latham Square Building
Oakland, California 94612

December 17, 1963

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

RE: DMEA - 4301 (TUNGSTEN) THE
CLIMAX TUNGSTEN CO. - CLIMAX MINE
NYE COUNTY, NEVADA - CONTR.IDM-E1028

Attention: Mr. F. M. Murphy, Acting
Chief Division of Minerals

Dear Sir:

In compliance with request in your letter of December 4, 1963, we are returning herewith two copies of MME Form 63.

Yours very truly,

Allen J. Wright

AJW:H

ENCL.

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

October 5, 1964

Re: DMEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1028

The Climax Tungsten Company
1229 Latham Square Building
Oakland, California, 94612

Gentlemen:

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

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

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 16 1964

DATE	INITIALS	CODE
10/15	GCS	800
10-16	[illegible]	100
10/16	[illegible]	~~110~~
10/19	mm	120 m
		~~120~~

MME Form 63
Revised 3-62

DMEA-4301
Idm-E1028

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

2. Since December 1963, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by: Climax Tungsten Co.

Name Allen J. Wright Title Partner

Address 1229 Latham Square Bldg Date 10/12/64
Oakland, 12. Calif.

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

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 26 1963

DATE	INITIALS	
12/26	Murphy	500

220

December 4, 1963

Re: MEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1028

The Climax Tungsten Company
1229 Latham Square Bldg.
Oakland 12, California

Gentlemen:

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

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

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 18, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since May 18, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name: Climax Tungsten Co.

Address: 1229 Latham Square Bldg.
Oakland, California 94612

Title: Partner

Date: 12/17/63

4511

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

June 14, 1962

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

DATE	INITIALS	CODE
6/18	[illegible]	800
		500
		220

Memorandum

To: Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior

From: Acting Field Officer, Region II

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-E1028

Enclosed herewith is the original of a Report of Royalty Review covering the subject contract.

This office concurs in the facts as stated in the Report of Royalty Review.

PAUL V. FILLO
Paul V. Fillo

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JUN 7 1962

Memorandum

To: Acting Field Officer, Region II
(Signed) E. D. Talbert

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

Subject: DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-E1028

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 6-7-62

cc:
Docket
Director's Reading File
CA & ADivision
Mr. Rothrock

43683

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

MAY 9 1962

Re: DMEA-4301 (Tungsten)
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
Contract Idm-E1028

OFFICIAL FILE COPY
RECEIVED MAY 23 1962

DATE		
5/24		800
		100
		110
5/23	Received	500
5/24	Hoch S.H.H.	500
		220

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

Gentlemen:

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

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

Sincerely yours,

Willis R. Griswold, Chief
Division of Minerals

Why Not Stamp in this space

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since January 1, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since January 1, 1959, has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name G J Wm[illegible] Title

Address 1229 Lathan Square Bldg. Oakland 12 California Date May 18, 1962

4511

January 3, 1962

Dr. Roland Beers
Roland Beers Inc.
P. O. Box 23
Alexandria, Virginia

Dear Dr. Beers:

Enclosed are copies of maps and sketches relative to the layout of the Climax property on the AEC's Nevada Test Site. We are forwarding this information to you at the request of W. W. Allaire of the AEC's Office of Field Operations, Las Vegas, Nevada.

The enclosed material is from the records of the Office of Minerals Exploration and its use is restricted to the Federal Government. The data cannot be used for purposes other than those expressed in communications between this office, Mr. Allaire of the AEC, and you, and as described to Mr. George Selfridge of the Office of Minerals Exploration, Washington, D.C.

Sincerely yours,

John K. Crawford

John K. Crawford
Chief Nuclear Engineer

Enclosures

CC: AD-P
G. Selfridge, OME, Wash.
C. Johnson, Wash.
R. B. Maurer, San Francisco
Dietrich, San Francisco
W. W. Allaire
Files
JKCrawford/kg

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 5 1962
DATE | INITIALS
120
220

BUREAU OF MINES

TWK

X

15,1488

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 5 1962

DATE	INITIALS	CODE
		120
		220

R. D. MAURER
REGIONAL DIRECTOR
REGION II
SAN FRANCISCO, CALIFORNIA

SELFRIDGE - OME HAS PROVIDED THIS OFFICE COPIES OF SKETCHES, DIAGRAMS ETC., OF CLIMAX PROPERTY FOR ROLAND BEERS USE.

BEERS NEEDS INFORMATION TO MAKE SOME PROGNOSTICATIONS PRIOR TO THE JANUARY 17 INSPECTION OF MINE WITH AEC AND BUREAU REPRESENTATIVES.

SELFRIDGE SAYS IT IS OK TO USE OME INFORMATION FOR GOVERNMENT PURPOSES. HE IS WRITING YOU ACCORDINGLY.

JOHN E. CRAWFORD

Copy to: AD-P
G. Selfridge OME-Wash.
C. Johnson - Washington
W. W. Allaire AEC-Las Vegas
Dietrich, San Francisco
Files
JECrawford/kg

2214 January 3, 1962

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/3	Selfridge	120
1/3	Crawford	~~[illegible]~~
	Johnson	500
		~~[illegible]~~
1/3	Fumich	100
		220

JAN 3 1962

AIR MAIL

Memorandum

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

From: Director

Subject: IMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract Idm-81028

In response to your request of December 29, 1961, permission is granted to reproduce the two maps listed in your memorandum with the understanding that they are for Government use only.

In discussing the matter with Mr. Crawford and learning that time was of the essence - in that it was desired to make some preliminary calculations here, the maps were furnished Mr. Crawford for duplication.

GCSelfridge/ama 1-3-62

George Fumich, Jr.

cc:
Docket
Director's Reading File
Mr. Crawford, Rm. 3546, Interior
Mr. Johnson, Rm. 4604, Interior
Mr. Selfridge

43683

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 2 1962

DATE	INITIALS	CODE
DIVISION 1-2		100
OF		120
MINERAL RESOURCES		500

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION II

See: advice 58

420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIFORNIA

December 29, 1961

Memorandum

To: George Fumich, Jr., Director
Office of Minerals Exploration, Washington, D. C.

From: Chief, Division of Mineral Resources, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine, Nye County, Nevada
Contract No. Idm-E 1028

This is a request for permission to photostat the following maps from subject docket in order to provide essential information for the AEC in connection with a test to be conducted in the area:

Docket No. 4301

Claim map, Climax Tungsten Co.
Fig. 2 in annex to contract
(Idm 1028)

Climax Tungsten Mine, Fig. 2 in 58
Final Report, dated August 28, 1961

I do not believe that either of these maps will disclose confidential information adverse to the interest of the property owners. All of the information on these maps could be obtained by the Bureau's field engineer when he makes an examination of the property on behalf of AEC on about January 17, 1962. The use of the maps will merely save time and avoid duplication of effort.

John E. Crawford, Nuclear Specialist, Bureau of Mines, Washington, D. C. can supply you with further details of AEC's objectives, if you wish.

W. F. Dietrich

W. F. Dietrich

Copy to: Director
C. H. Johnson
John E. Crawford
Regional Director's Reading File

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/11		800
5/11		220
5/12	WSM	400

MAY 11 1959

Memorandum

To: Mr. George Mayer, OME Auditor

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

Subject: Docket No. DMEA-4097 (Lead-Zinc-Copper)
Jeremiah Millbank & James Elwood Jones, Jr.
Contract No. Idm-E992
and
Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Contract No. Idm-E1028

File - 4301

As suggested in your memorandum dated May 6, 1959, it will not be necessary to furnish copies of Check Sheet of Examining Engineer in connection with reports of royalty review for these two projects on which no royalty has accrued. Also, it will not be necessary to send copies of such reports to the Operators.

The purpose of such reports is to indicate that the auditor has reviewed the matter and is satisfied that, to the best of his knowledge and belief, there is no royalty due to the Government at the time of his review. In an appropriate instance this may be determined by other means than through referral to a Semi-Annual Report of Certified Projects or Check Sheet of Examining Engineer. In such instances one of the reasons for omitting the on-site audit may be stated along the following lines:

> Discussion with the Examining Engineer who is thoroughly familiar with this project has disclosed that there has been no production from the land subject to the contract on which royalty would be due the Government since the date of the contract.

Both reports are acceptable and distribution of the regional copies is authorized, after changing the maximum period from 10 to 11 years in your report on E-1028.

CEFisher/ama
May 11, 1959

Copy to: Docket - DMEA-4301
Director's Reading File
CA & A Division

43683

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Minerals, OME

Report Period
7.1 - 12.31.58

DMEA No.	Operator	Contract No.
4301	The Climax Tungsten Company	Idm-E1028

ORE ESTIMATES

	Tons	Analysis
DMEA (From F.T. Final Report)	42,750	0.675 % WO_3
Operator to date	- -	
Total	42,750	0.675 " "
Production to date	- -	
Ore in ground	42,750	0.675 " "

INVESTMENT None reported

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts				
Raises				
Drilling	Type			
Rehabilitation	Description			

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

"Operations were discontinued on May 8, 1957 and the mine has been idle since that date."

Prepared by Stephen P. Holt Date 2.4.60
Stephen P. Holt

31398

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 7/1/58-12/31/58 Date of Examination 12/31/58

Operator The Climax Tungsten Company

Mine Name Climax Mine

County and State Nye County, Nevada

Docket Number and Commodity DMEA-4301 (Tungsten)

Contract Number Idm-E 1028

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 27 1959

DATE	INITIALS	CODE
1-27	G	220
4		110
1/28	EEF	800
2/3	WSM	400

Date of Contract 10/30/56

Date of Certification Pseudo-certification 7/18/58

Expiration Date of Royalty Payments 10/30/67

Total Amount of Contract $66,320.00

Total Expenditures under Contract $19,082.50

Amount of Government Participation at 75 % $14,311.88

Royalty Payments this Period None

Previous Royalty Payments None

Total Royalty Payments to Date None

Percent Government Participation Repaid None

Royalty Due on Production to Date None

Royalty Remarks:

Climax Tungsten DMEA-4301 Idm-E 1028

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Mines [ ] Survey [ ] Joint [X]	19,500 plus 23,250 42,750	0.67% WO_3 0.68% WO_3 0.675 WO_3 (Since
Revised Estimate of DMEA Reserves (Field Team) Mines [ ] Survey [ ] Joint [ ]		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period)		
(Previous)		
(To date)		
Operator's ore found subsequent to DMEA work (This period)		
(Previous)		
(To date)		

Percent Revised Reserves mined None

Investment Data

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

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

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost

Remarks

Operations were discontinued on May 8, 1957 and the mine has been idle since that date.

Signed Glenn G. Gentry (Engineer)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 19 1959

DATE	INITIALS	CODE
1-19	C	220
1/20	WSM	400

Jan. 15, 1959

Memorandum

To: George Mavor, OME Auditor, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Contract No. Idm-E 1028
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Supplementary to our memorandum of October 23, 1958 on subject contract, you are hereby advised that the Operator's final report has been received and it should be in order for you to issue your report of review.

S. RICKER

S. Ricker

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
Finance Office, Reg. II
RMSmith
File
Chron

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 19 1959

INITIALS	CODE
C	220
1/19	800
1/19	
1/20	WSay	400

U. S. DEPARTMENT OF THE INTERIOR
March 3, 1849

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

Jan. 15, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 19 1959

DATE	INITIALS	CODE

~~Memorandum~~

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

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Contract No. Idm-E 1028
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Enclosed are three copies of Operator's final report on subject contract. We believe the report should be accepted. Correct geological mapping has been included in our final report.

S. Ricker

Attachments

Oper's Final Report

BUREAU OF MINES
WASHINGTON, D.C.
JAN 19 1 54 PM '50

...tions Your information

REMARKS:

Approved as proposed

INT.-DUP. SEC., WASH., D.C. M25803

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 19 1959
DATE | INITIALS | CODE

1229 LATHAM SQUARE BUILDING
OAKLAND 12 CALIFORNIA

January 13, 1959

U. S. Bureau of Mines
1605 Evans Street
Reno, Nevada

Attention: Mr. S. R. Ricker:

RE: FINAL REPORT - DOCKET NO.DMEA 4501
~~CONTRACT~~ NO.1028

Gentlemen:

Open Final Report

Work was commenced on the above mentioned contract Dec. 11, 1956, and due to activities of the Atomic Energy Commission in this area the job had to be shut down on or about May 1, 1957. During this operating period there was an adequate camp established, 300 feet of adit rehabilitation at $3.50 per foot, 173 feet of drifting at $35.00 per foot and 194.50 feet of long hole drilling at $2.00 per foot on the Carlisle adit level together with 100 feet of Winz from the Carlisle level at $92.20 per foot and 64 feet of drifting at bottom of winz at $37.00 per foot.

The drift south on the Carlisle Adit level started on a strong tungsten mineralized zone which pinched out a short distance to the south; from this point we drove through a highly silicified lime stone formation dipping from 25 to 35 degrees easterly for a distance of approximately 110 feet at which point the south drift was turned S. 43 degrees W. in an effort to encounter the massive tactite zone to the west which was cut by Carlisle Adit some 200 feet to the North, some 15 feet past turn we encountered a narrow wedge of granit dipping 30 degrees to the east, from this point on a distance of 50 feet to the present face of south drift, we drove through more highly silicified lime stone. Some long hole drilling was done here but due to the hard formation this was abandoned until more adequate equipment would be available after the A.E.C.shut down period.

WINZ AND NORTH DRIFT

Winz started on a 5 foot wide 1% WO_3 zone dipping 38 degrees to the east which seemed to be cut off by a granit tongue dipping 35 degrees to the east and varying in width from 3 to 6 feet with a diminishing amount of tactite and mineralization encountered down 100 feet to bottom of winz. From bottom of Winz a drift to the north along granit tongue was driven with no mineralization or tactite encountered.

At this point we were forced to shut down by the Atomic Energy Commissions activities in Yucca Flat, who did not see fit to allow us any compensation for shut-down costs whatsoever even though they were approached several times during the proposed shut down. At this point the A.E.C. exercised their option to continue the Co-Use agreement with the owner of the Climax mine for another 5 year period. The Climax Tungsten Company made an effort to extend the recess in the D.M.E.A. contract to cover this period;

however, D.M.E.A. seemed to prefer to terminate contract without prejudice which Climax Tungsten Company agreed to.

It is true that D.M.E.A. Contract No.1028 did not increase the ore reserve of the Climax Mine but it did open up very good possibilities for future exploration such as diamond or long hole drilling or possibly cross cutting both in south drift on Carlisle Adit level and north drift at bottom of winz.

Respectfully submitted,

CLIMAX TUNGSTEN CO.

Allen J. Wright

AJW:H

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/19	G. McCarthy	800
	"	800
1/20	C	220
	Martin	400

Via Air Mail

JAN 19 1959

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

Re: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Contract No. Idm-E1028

Dear Mr. Mavor:

Your Report of Review on the above-referenced project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
Contract Administration
and Audit Division

GMcCarthy/GMcC
January 19, 1959

cc: Docket
Director's Reading File
Mr. Chambers

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/8	Talbert	800
12/9	C	220
12/9	WSM	400

DEC 8 1958

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

Re: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Contract No. Idm-E1028

Dear Mr. Mavor:

As requested by your letter of December 3, 1958, I am returning the Washington copies of your Report of Review covering the referenced project.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

Enclosures

EDTalbert/GMcC
December 8, 1958

cc: Docket
Director's Reading File
Mr. Chambers

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 2 1958

DATE	INITIALS	CODE
12/2	C	220
12/2	[illegible]	800
12/2	WSM	400

Nov. 25, 1958

Joseph T. White, Jr., Esq.
Office of Harold Huovinen, Attorney
Easton Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Dear Mr. White:

Referenced contract was terminated as of July 18, 1958. We would, therefore, appreciate receipt of your final report in accordance with Article 5(c) of the contract so that we can close the project account on our books.

Very truly yours,

S. RICKER

S. Ricker
Executive Officer
OME Field Team, Region II

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
Finance Office, Region II
GeoMayor
RMSmith
File
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 2 1958

DATE	INITIALS	CODE
12/2	C	220
12/2	WSay	400

Nov. 25, 1958

Memorandum

To: George Mavor, OME Auditor, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Contract No. Idm-E 1028
Climax Tungsten Company
Climax Mine
Nye County, Nevada

We were in error in our memorandum of October 23, 1958 when we stated the issuance of your report of review was now in order.

The operator's final report has not yet been received. No money was withheld on his final voucherbbe-cause continuation of the work was expected, both by this office and the operator.

Upon receipt and acceptance of the operator's report, we shall advise you that the issuance of report of review is in order.

S. Ricker

S. Ricker

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
Finance Office, Reg. II
RMSmith
File
Chron

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/28		800
10/28	[illegible]	120
10/28	[illegible]	220
10/29	WSM	400

OCT 28 1958

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

Re: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Tungsten Mine
Nye County, Nevada
Contract No. Idm-F1028

Dear Mr. Mavor:

In a memorandum dated October 23, 1958, Mr. Ricker has advised you that the issuance of a Report of Review is in order for the referenced project. That such is the case is questioned because the memorandum also states that the Operator's final engineering and geological report has not been received.

By letter dated September 24, 1958, with reference to this same project, and also during his recent visit to Region II, Mr. Talbert brought to Mr. Ricker's and your attention the requirements of my memorandum of January 9, 1957, on the subject: Instructions on the Release of Audits and Reports of Review. This memorandum, which was promulgated to all Executive Officers by the Operating Committee, specifically provides that auditors will not issue a report or certificate without having a communication from the Executive Officer advising among other things, of either:

(1) The receipt and acceptance from the Operator of a satisfactory final engineering and geological report; or

(2) The approval by the Director of the waiver of the requirement for such report; or

(3) The amount to be disallowed (from the otherwise acceptable costs of the project) for failure of the Operator to submit such report.

This Division's letter of September 18, 1958, authorized the distribution of a Report of Review on the referenced project on the

8623

assumption that the above requirement had been met. I understand from Mr. Talbert, however, that as of the date of his visit to Region II the distribution had not been effected and he advised you to withhold release of all copies until the requirement was satisfied. Under the present circumstances release of the Report of Review should continue to be withheld until the Executive Officer furnishes the appropriate advice.

A copy of this letter is being sent to Mr. Ricker.

Sincerely yours,

(Signed) E. D. Talbert

for Jay L. Chambers
Contract Administration
and Audit Division

EDTalbert/ama
October 28, 1958

Copy to: Docket
Director's Reading File
Mr. Ricker
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1958

DATE	INITIALS	CODE
10/27	C	220
10/27	WSM	400

Oct. 23, 1958

Memorandum

To: George Mayer, OME Auditor, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Subject contract was terminated effective October 31, 1958, under the provisions of Amendment No. 1. All work performed was completed to the satisfaction of the Government.

A final inspection report on the completed work was submitted by Glenn G. Gentry and M. K. Steger on August 28, 1958.

The operator's final engineering and geological report has not been received.

A pseudo-certification is incorporated in the Termination Agreement.

The Government has no equity in equipment used on the project.

Work units completed within the terms of the contract are:

Stage 1	Authorized	Completed
Rehabilitate the Carlisle Adit	300 ft.	300 ft.
Drift and crosscut on the Carlisle Adit	550	173
Winze (including timbering)	100	100
Drift from bottom of winze	100	64
Long hole drilling	500	194.50
Diamond drilling	400	0
Assaying - samples	90	0

Stage II

	Authorized	Completed
Rehabilitate the Goldfield Adit	900 ft.	0
Drift and crosscut on Goldfield Adit level	500	0
Diamond drilling	1,100	0
Assaying - samples	100	0

It is now in order for you to issue the report of review.

S. RICKER

S. Ricker

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
Finance Office, Region II
RMSmith
File
Chron

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 13 1958

DATE	INITIALS	CODE
10/13	C	220
10/13	WSM	400

Department of Commerce
Bureau of Mines
Office of Minerals
Washington 25, D. C.

Date: October 9, 1958

DMEA Project No. 4301 (Tungsten)
DMEA Contract No. Idm-E1208
Commodity Tungsten
Name of applicant Climax Tungsten Co.
Name of property Climax Mine
Location of property Nye County, Nevada
Estimated cost of project $19,082.50

To: W. S. Martin, Chief, Iron and Ferroalloys Division
Through: H. G. Iverson, Chief, Br. of Ferrous Metals and Ferroalloys
From: R. W. Holliday, Commodity Specialist, Br. of Ferrous Metals and Ferroalloys
Subject: Final Report of Field Team
(Operation, Title Examination, etc.)

1. Date of project contract: Aug. 28, 1958 Was modified by amendment: Oct. 1, 1958
3. Prior reports on this property known to reviewer: Yes [ ] No [x]
4. Prior reports on nearby properties known to reviewer: Yes [ ] No [x]
5. Information available on past production: Yes [ ] No [x]
6. Other pertinent factors known to reviewer: Yes [ ] No [x]
7. Explain items marked "yes" above:

8. Factors making capital consideration:
a. Location [ ] c. Proposed exploration [ ]
b. Commodity [ ] f. Alternate exploration [ ]
e. Evidence of minerals [ ]
d. Geology [ ] g. Costs
h. [ ]

9. Action entered:
a. Obtain information from applicant [ ] e. Discuss with Field Team [ ]
b. Refer to Field Team [ ] f. Request discussion [ ]
c. Denial [ ] g. Request another examination [ ]
d. Agree with Field Team [x] h. Approval [ ]
i. Remarks: [illegible] [illegible]

10. Remarks: (Use back of page if necessary) I concur with the Field Team recommendation.

Robert W. Holliday
Robert W. Holliday

for "pseudo", in effect S.P.H.

Copy to: Ferrous Metals (2)
Div. of Minerals
Mr. Lamb
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1685 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY O. M. E. RECEIVED OCT 7 1958		
DATE	INITIALS	CODE
10/7	C	220
10/7	EEB	800
10/8	WSM	400

Oct. 3, 1958

Joseph T. White, Jr., Esq.
Office of Harold Knowlnen, Attorney
Kaston Building
Oakland 12, California

Re: Docket No. DMEA-4701
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Mm-E 1028

Dear Mr. White:

You probably know that the DMEA program was discontinued June 30, 1958. We would, therefore, appreciate an early submission of the final report referred to in your letter of August 12 so that we can close our account on referenced project.

The Office of Minerals Exploration has been authorized by a recent act of Congress to operate under similar lines as that of DMEA. Perhaps you may wish to study the proposed OME regulations and comment on them before October 17 as provided in the first paragraph of the enclosed notice reprinted from the Federal Register of September 17.

Very truly yours,

S. Ricker
Executive Officer
OME Field Team, Region II

Attachment
SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
RMSmith
File
Chron

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9-23	Holt	400
9-23	Martin	400
9/24	Tachd	800
9/26	Martin	130
"	Johnson	110
"	[illegible]	190
9/26	C	220
		400

SEP 26 1958

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

Re: Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Ricker:

Your memorandum of September 3, 1958, transmitting copies of the Final Field Team Report of August 28, 1958, on the above-captioned contract states that you and Roscoe Smith both concur with the recommendation of the authors, H. K. Stager and Glenn G. Gentry, that the Operator's Final Report should be waived.

However, Mr. Joseph T. White, in his reply of August 12 to your letter of July 28, mentions his understanding that a final account and report would be prepared and rendered as soon as practical.

We would prefer not to waive receipt of the Operator's Final Report in this instance. Instead, we would like to have on record the Operator's estimate of ore reserves, and its opinion of the value of the property and of the work done under the DMEA contract, in case of any possible future dispute along the lines indicated in Mr. White's letter to us of July 7, 1958.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (JHB)

APPROVED:

Frank J. Cservenyak (JHB)
Member, Bureau of Mines

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

WSMartin:SPHolt:foc 9/23/58
cc to: Director's Read. File
Oper. Comm.
FT. REG. II
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/24	Talbot	800
9/25	C	220
9/25	WSM	700

Via Air Mail

SEP 24 1958

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

Re: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Contract No. Idm-E1028

Dear Mr. Mavor:

By letter dated September 18, 1958, I advised you that your Report of Review on the referenced project was accepted and authorized normal distribution. In approving this Report of Review I assumed that all the prerequisites for its issuance had been met. However, it appears that this was not the case.

Mr. Chambers' memoranda of January 9, 1957, and March 1, 1957, addressed to all auditors, specifically state that auditors will not issue reports or certificates without having a communication from the Executive Officer stating, among other things, that either:

(1) The Operator's final geological and engineering report has been received and accepted, or

(2) The field Team has recommended and the Administrator (now Director) has approved a waiver of the requirement for such report, or

(3) The Operator has failed to submit a satisfactory report and the estimated cost thereof is to be disallowed or deducted from the otherwise acceptable costs.

Copies of Mr. Chambers' memoranda also were furnished the regional Executive Officers. Other references in the matter are Operating Committee Memorandum No. 20 dated June 22, 1953, and Special Notice in the Operating Committee's Minutes No. 782 of February 20, 1957.

8623

It has come to my attention that apparently none of the three alternatives, as listed above, have been fulfilled. Your comments would be appreciated.

I realize that final payment to the Operator was made in June 1957. This should have no bearing on the justification for issuance of the Report of Review or for the facts stated therein, unless the estimated costs of the report were assessed against the Operator. In such case a balance due from the Operator would be indicated.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
Contract Administration
and Audit Division

EDTalbert/GMcC
September 24, 1958

cc: Docket
Director's Read. File
Mr. Chambers
Mr. Spangler Ricker

9/16/58

SPH

I don't like to waive this Op.'s report. There could be some dispute about the certification and it would help to have the Op's. opinion on record

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~110~~		9/15
2. ~~110~~		
3. ~~800~~		
4. 400		
5.		
FROM:		

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Waiver by Administrator of requirement for Opr. final report required.

Talbut 9/15/58

INT.-DUP. SEC., WASH., D.C. M25803

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

Sept. 3, 1958

ORIGINAL FILE COPY
DMEA
RECEIVED SEP 5 1958

DATE	INITIALS	CODE
9/5	C	220
9/5	esf	130
"	[illegible]	110
9/12	[illegible]	130
9/12	C	220
		400

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1208 1028

Enclosed are three copies of our final report on subject contract by H. K. Stager, Geological Survey, and Glenn G. Gentry, Bureau of Mines.

Roscoe Smith and I concur in the conclusion of the report and believe the Operator's final report should be waived as recommended.

S. Ricker

Attachments

It's Final Report

Reviewed by
DMEA OPERATING COMMITTEE
9-12-58
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 5 1958

DATE	INITIALS	CODE
9/12	HB	130
		220

F.T
FINAL
REPORT

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

FINAL REPORT

DMEA-4301, Contract Idm-E1028 (Tungsten)
Climax Tungsten Company
Climax mine, Nye County, Nevada

by

Glenn G. Gentry
U. S. Bureau of Mines

H. K. Stager
U. S. Geological Survey

August 28, 1958

Reviewed by
DMEA OPERATING COMMITTEE
9-12-58
(date)

CONTENTS

Page

Introduction 1

Summary 2

Conclusions and Recommendations 3

Location, Accessibility, and Local Facilities 4

The Property 5

History and Ownership. . . 5
Claims 6
Development 7
Production 7

The DMEA Project 8

Geology 10

Geologic Setting 10
Ore Deposits 11
Sampling 12
Ore Reserves 13

ILLUSTRATIONS

Figure 1 . . . . . Index map

2 . . . . . Geologic map of Climax mine

3 . . . . . Map showing DMEA work in Carlisle adit

INTRODUCTION

The Climax mine, Nye County, Nevada, was explored by the Climax Tungsten Company, 1229 Latham Square Building, Oakland 12, California. Part of this exploration was done in cooperation with the Defense Minerals Exploration Administration, docket DMEA-4301, contract Idm-E1028 dated October 30, 1956.

The total cost of the DMEA project was $19,082.50, of which the Government's share at 75 percent was $14,311.38 (subject to audit).

Work was begun on December 11, 1956 and was terminated by mutual consent as of ~~December 24,~~ October 31, 1957 by an agreement signed ~~August 12,~~ July 18 1958. An examination of the property to evaluate the completed work was made on December 4, 1957 by Glenn G. Gentry, U.S. Bureau of Mines, and H. K. Stager, U.S. Geological Survey. The operator's representative was not present to accompany the examiners.

Several engineering and geologic studies have been made of the property and reports have been written by Witt[1/],

Emigh[2/], Wyant[3/], and Wright[4/].

1/ Witt, H. N., Geology of the Tamney Tungsten Property: Private Report for Goldfield Consolidated Mining Company (copy in files of Climax Tungsten Company).

2/ Emigh, G. D., The Oak Springs Tungsten Property: Private Report for U.S. Vanadium Corporation (copy in files of Climax Tungsten Company).

3/ Wyant, D. G., The Oak Springs Tungsten Property: War Minerals Investigation Report (in files of U.S. Geological Survey).

4/ Wright, L. A., Tamney Tungsten Property: Private Report for the Climax Tungsten Company.

SUMMARY

The purpose of the project was to explore the downward and lateral continuations of four tungsten-bearing tactite bodies known as the Coxcomb Ledge, the South Coxcomb East, South Coxcomb Middle, and South Coxcomb West, that crop out on the property (fig. 2).

The project was justified by past production of 1,000 tons of ore that averaged 0.54 percent WO_3, by inferred reserves of 36,750 tons of ore averaging about 0.71 percent WO_3, and by a favorable geologic setting.

An exploratory drift was driven 173 feet and 168.74 feet of test hole was drilled on the Carlisle Adit Level in the main Coxcomb Ledge area, but no scheelite-bearing tactite was found (fig. 3).

One hundred feet of exploratory winzing, 25 feet of test hole, and 64 feet of drifting were completed below the Carlisle Adit Level to test the main Coxcomb Ledge at greater depth, but no ore was found (fig. 3).

No reserves of ore resulted from the DMEA exploration. No ore was mined during the exploration and no royalty is due the Government.

CONCLUSIONS AND RECOMMENDATIONS

Exploration on and below the Carlisle Adit Level was not completed and the work that was done was not adequate to positively determine the absence of other minable ore bodies in the Coxcomb Ledge. However, the work that was done in this area indicates that if ore bodies are present they are of smaller size than was inferred prior to the start of the DMEA work.

No exploration was done in the Goldfield Adit to test the South Coxcomb Ledges and geological targets still exist in this area.

Additional exploration from the Carlisle and Goldfield Adits is justified and Government participation in this exploration, if requested, should be given favorable consideration.

Although no new ore deposits were found by the DMEA exploration, numerous favorable and untested geological targets remain to be explored. These targets, coupled with the future exploration value of the completed work justify certification of a development which has been so provided in paragraph 5 of the Termination Agreement.

The operator did not submit a final report and we recommend that it be waived as pertinent data, in addition to that on hand, could not be expected from the operator.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Climax mine is in an unsurveyed part of north-central Nye County, Nevada (fig. 1), and within the boundaries of the U.S. Atomic Energy Commission Tonopah Bombing and Gunnery Range. It is in the Oak Springs mining district, on the southwest flank of the Belted Range at an altitude of 6,121 feet.

From Las Vegas, Nevada, the mine is reached by traveling northwest 58.9 miles on U.S. Highway 95, an all-weather road, then turn right (north) 42.4 miles on the AEC all-weather road, then turn left (northwesterly) 4.2 miles on the unimproved mine access road. Highway 95 is maintained by the Nevada State Highway Department, the Bombing Range roads are maintained by the AEC, and the mine access road is maintained by the operator. The mine is accessible

by ordinary passenger car except during infrequent heavy snow storms that cause temporary blocking of the mine road.

There are no milling facilities at the property or in the immediate area. Mine labor, equipment, and supplies, are usually available in Las Vegas, Tonopah, Caliente, or Pioche, Nevada. The closest railroad, telegraph, and truck service is at Las Vegas. Telephone and mail services are available at the AEC town of Mercury, approximately 37 miles south of the mine. A limited supply of water for mining and camp use is hauled from company-owned springs approximately 1-1/2 miles east of the mine. Mining equipment utilizes gasoline and diesel fuel for power.

THE PROPERTY

History and Ownership:

The first mining activity in the Oak Springs district was in 1905 when gold, silver, copper, and turquoise were discovered on the west slopes of the Belted Range. Some copper ore was shipped in 1917. Tungsten was discovered by V. A. Tamney in 1937. Mr. Tamney located the claims, built a dry concentrator, and mined a small tonnage of ore.

During 1938, and again in 1940, the property was under lease to the Goldfield Consolidated Mines Company; during 1939 to the U.S. Vanadium Corporation; and in 1941 to the Pacific Bridge Company.

Mr. T. M. Tamney inherited the claims upon the death of his father, and in 1942 the Pacific Bridge Company surrendered their lease when the area was closed to mining by the Government order establishing the Tonopah Bombing and Gunnery Range. This order prevented operation of the mine until December 1, 1952 when a co-use agreement for a five-year period was signed with the AEC. Subsequent to 1952, T. M. Tamney entered into a partnership with Willard A. Kinney and Allen J. Wright, and the Climax Tungsten Company was formed. The property was idle from 1942 until December 11, 1956 when the company started work on the DMEA contract. Exploration was discontinued on May 8, 1957 owing to a series of tests, conducted by the AEC, that lasted until October 7, 1957. Work was not resumed after the end of the AEC tests and the DMEA contract was terminated, effective December 24, 1957.

Claims:

The property consists of 11 unpatented mining claims, held by location and recorded in Nye County, Nevada. The DMEA contract is confined to five of the claims (fig. 2), recorded as follows:

Claim name	Book	Page
Climax	94	94
Climax No. 1	94	95
Climax No. 2	94	95
Climax No. 3	94	96
Climax No. 4	94	97

The operator owns the land, subject to the AEC co-use agreement, which has been extended to December 1962. The agreement allows the owners to operate the property except during periods of nuclear devices testing which occurs every two years for 1-1/2 to 3 months.

Development:

The property is developed by 882 feet of drifts in the Goldfield Adit and by 625 feet of drifts, 91 feet of raises, and 69 feet of stopes in the Carlisle Adit. There is no connection between the two adits. The Goldfield Adit is about 246 feet below the Carlisle Adit (fig. 2).

Mining was done in open, stulled stopes. The workings require little support, and all were in good condition and accessible at the time operations were suspended on May 8, 1957. Compressor capacity is about 365 cubic feet. A mucking machine was used in the drifts and tramming was done by manpower. Housing facilities consist of two house trailers and a combination cookhouse and workroom.

Production:

The Climax mine has produced about 1,000 tons of ore that averaged 0.54 percent WO_3. Most of this ore came from the Gould stope in the Carlisle Adit (fig. 3). No ore was produced during the period of the DMEA contract.

THE DMEA PROJECT

The work proposed in the contract consisted of a two-stage project. Stage I consisted of rehabilitation of the Carlisle Adit, drifting 300 feet on the Adit level, 500 feet of long-hole drilling, and 400 feet of diamond-drilling from the drift. From the adit level a winze was to be driven 100 feet and from the bottom of the winze 100 feet of drifting was to be completed. The work under Stage II consisted of rehabilitation in the Goldfield Adit, 500 feet of crosscutting, and 1,100 feet of diamond drilling.

Under Stage I, 300 feet of the Carlisle Adit was rehabilitated and 173 feet of drifting and 168.74 feet of long-hole drilling was completed on the Adit level. A 100-foot winze was sunk from the Adit level and 64 feet of drifting from the bottom of the winze was completed. A 25-foot long-hole was drilled from the winze (fig. 3). This work did not discover ore and indicated that the Coxcomb Ledge target area was not as favorable as had been inferred. No work was done under Stage II.

On May 8, 1957 the operator discontinued all exploration, in accordance with instructions from the AEC to evacuate the property not later than May 12. On June 3, 1957, Amendment No. 1 was issued to suspend work from May 8, 1957 to not later than October 30, 1957 because of the necessity to evacuate the premises. On or about

October 7, 1957 the AEC concluded their tests and at a later date they advised the Climax Tungsten Company of permission to resume work.

The operator did not resume work and on November 18, 1957 he requested a five-year extension of time. This request was denied and a mutual Termination Agreement was proposed to the operator. This agreement was signed on August 12, 1958, effective as of December 24, 1957.

The completed part of the exploration was well done and is satisfactory to the Government.

Expenditures

Total approved cost of the project		$66,320.00
Units, Unit Costs, and Total Expenditures		
300 ft. drift rehabilitation @ $3.50/ft.	$1,050.00	
173 ft. of drifting @ $35.00/ft.	6,055.00	
194.75 ft. long-hole drilling @ $2.00/ft.	389.50	
100 ft. of winzing @ $92.20/ft.	9,220.00	
64 ft. of drifting off winze, @ $36.00/ft.	2,368.00	
Total expended (subject to audit)		$19,082.50
Government's share of total expenditures @ 75 percent . .		$14,311.88
Unexpended funds		$47,237.50
Government's share of unexpended funds @ 75 percent. . .		$35,428.12
Value of production during operations, subject to royalty .		None

Equipment

Work performed under this contract was on a unit-cost basis and all equipment was furnished by the operator.

GEOLOGY

Geologic Setting:

The following sections on geology and ore deposits are taken largely from published and private reports listed in the introduction, modified and supplemented by R. G. Reeves in the DMEA Application Report dated August 15, 1956.

The Climax mine area is an inlier of sedimentary rocks of Pennsylvanian(?) age, cut by a granite stock, in Tertiary volcanic rocks (fig. 2).

The sedimentary rocks consist of a lower marble, a lower cherty limestone, an upper marble, and an upper cherty limestone. The possibility exists that the two marble-cherty limestone units are the same, repeated by thrust faulting.

In the northern part of the mine area the sedimentary rocks strike northerly and dip 30 degrees to 40 degrees east. In the southern part of the area the beds strike easterly to northeasterly and dip from 30° to 60° N. Near the portal of the Goldfield adit, the cherty limestone is contorted, and all structures destroyed. Direction of movement appears to be from northeast to southwest, and is suggestive of thrusting.

The sedimentary rocks are cut by two easterly-trending near-vertical cross faults, and several northerly-trending strike faults that dip 30° to 50° E, and are in part bedding plane faults. These strike faults are probably thrust faults, although lack of suitable marker beds prevents confirmation of this.

A granite stock about three-quarters of a mile long and a half a mile wide cuts the sedimentary rocks, and sills and dikes of the granite cut the sedimentary rocks. The dominant effect of the granite on the pure limestone was recrystallization to marble. Some silicification has taken place on the contact. Impure limestone beds were converted to tactite consisting mainly of garnet, epidote, plagioclase feldspar, and magnetite, and in part scheelite-bearing.

Ore Deposits:

The ore occurs in several parallel tactite beds interbedded with marbleized limestone. In the northern part of the mine area the tactite bodies strike north to northwest and dip 30° to 50° E, and are 1 to 50 feet wide. In the southern part of the area the tactite bodies strike easterly and northeasterly and dip 30° to 50° N, and are from 10 to 200 feet wide. The ore is concentrated in layers mostly along the hanging walls.

The ore mineral is scheelite in a gangue of dark brown to black garnet, calcite, epidote, feldspar, and quartz. Scheelite is

uniformly distributed throughout most of the ore layers in the northern part of the mine area, and less uniformly in the ore layers in the southern part of the area. The tactite is cut by cross faults of small displacement, generally 2 to 10 feet, that are evidently pre-mineral. The main Coxcomb ledge ore body is 300 feet long, 2 to 4 feet wide, and averages 3 feet wide. It has been explored by the Carlisle Adit at a depth of about 120 feet down the dip from the outcrop (fig. 2), and was explored to where it pinches out about 20 feet below the adit level by the DMEA winze (fig. 3). The South Coxcomb Middle, and South Coxcomb West ore bodies are 150 feet long, 2 to 4 feet wide, and average 3 feet wide. The down-dip extent of these ore bodies has not been tested. The South Ledge ore body is 300 feet long, is 3 to 5 feet wide, and averages 4 feet wide. It has been cut at 90 feet down the dip by the Goldfield adit.

Sampling:

The following samples were taken during the period of the DMEA contract:

DMEA Sample No.	Width, feet	Percent WO_3	Description
BM-2159	grab	0.01	Core of rock from face of drift
BM-2160	3.5	0.21	Face of old west drift
BM-2161	4.85	0.05	Sludge from LH 2, 13.58-19.25 ft.
BM-2195	1.8	0.05	North side of winze, 59 ft. below collar
BM-2196	1.5	0.08	South side of winze, 57 ft. below collar
BM-2197	grab	<0.01	Muck pile in winze, 77-81 ft. below collar
BM-2369	1.9	<0.01	Face, northwest drift from bottom of winze
BM-2370	grab	0.53	5-ton stockpile of ore at camp (prod. prior to DMEA contract)
BM-2371	2.0	0.80	North side of winze, 8 ft. below collar
BM-2372	5.0	0.89	North side of winze, 4 ft. below collar
BM-2373	2.0	1.32	South side of winze, 3 ft. below collar

Eight long-holes were drilled to test the walls and back of the DMEA drift (fig. 3). All of the holes were in limestone except for a five-foot interval of tactite from 14 to 19 feet cut by long-hole 2 (Sample BM-2161). The sludge samples from the drill holes were examined by mineralight and no scheelite was detected. The drilling is summarized as follows:

LH No.	Location	Course	Inclination	Depth, feet
1	Carlisle adit level	S 36° W	+10°	20.83
2	" " "	S 75° E	+47°	19.25
3	" " "	N 51° E	+50°	21.41
4	" " "	N 85° E	+47°	20.00
5	" " "	N 82° W	+10°	27.25
6	Winze	S 73° W	-01°	25.00
7	Carlisle adit level	S 85° W	+02°	30.00
8	" " "	S 72° W	+03°	30.00
			Total:	193.74

Ore Reserves:

The ore reserves of the Climax mine are summarized as follows:

Area	Tons Indicated	Tons Inferred	Tons Total	Percent WO_3
Level: Carlisle adit to surface				
Main Coxcomb ledge	1,500	6,750	8,250	0.75
South Coxcomb East	--	4,500	4,500	0.65
South Coxcomb West	--	4,500	4,500	0.50
South Coxcomb Middle	--	2,250	2,250	0.7
sub-totals:	1,500	18,000	19,500	0.67 weighted average
Level: Goldfield adit to Carlisle adit level				
Main Coxcomb ledge	--	--	--	--
South ledge	--	3,750	3,750	0.75
Totals:	1,500	21,750	23,250	0.68 weighted average

These reserves are contained in the Coxcomb ledge and the South ledge areas (fig. 2). Indicated ore is considered to extend 10 feet from ore exposures. Based on a length of 300 feet and a width of 3 feet, the Coxcomb ledge at the surface contains 900 tons of indicated ore. Based on 3 layers that aggregate 300 feet long, and average 4 feet wide, and considering that one-fourth of the material is ore, the Coxcomb ledge above and below the Carlisle adit contains 600 tons of indicated ore. No other areas contain indicated ore.

The width and grade figures used in calculated ore reserves were obtained from an assay map by G. Donald Emigh, U.S. Vanadium Corporation engineer, a copy of which is in our files. Samples from the Carlisle adit taken during the DMEA examination before and during the period of the contract confirm his figures.

Inasmuch as the DMEA winze exposed the pinchout of the Coxcomb ledge ore body 20 feet below the Carlisle adit level, no reserves are inferred between this level and the Goldfield level. The 15,000 tons of ore in this block of ground that was inferred prior to the DMEA contract have been deleted from the reserve table for this reason.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/18	G. McCarthy	800
9/18	Talbert	800
9/19	C	220
9/19	WSM	400

SEP 18 1958

Office of Minerals Exploration

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

Re: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Contract No. Idm-E1028

Dear Mr. Mavor:

Your Report of Review on the above referenced contract is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
Contract Administration
and Audit Division

GMcCarthy/GMcC
September 18, p958

cc: Docket
Act. Director's Read. File
Mr. Chambers

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 15 1958

DATE	INITIALS	CODE
8/15	H.G.	225
8/15	RC	400

Aug. 13, 1958

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1208
(Your letter, July 21, 1958)

Enclosed are the Government's and Audit copies of Termination Agreement on subject contract, executed by the operator. Attached thereto are copies of the operator's covering letter dated August 12, 1958.

The remaining copies have been distributed in the usual manner.

S. Ricker

S. Ricker

Attachments

Termination
Termination file
with Contract

HAROLD HUOVINEN

ATTORNEY AT LAW
EASTON BUILDING
OAKLAND 12, CALIFORNIA

JOSEPH T. WHITE, JR.

TELEPHONE
TEMPLEBAR 2-8500

[illegible]

[illegible]

[illegible]

[illegible] port will be prepared [illegible]

The [illegible] you [illegible] extended [illegible] are appreciated.

Very [illegible]

Joseph T. White, Jr.

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

DMEA
RECEIVED JUL 30 1958

DATE	INITIALS	COST
7/30	C	220
7/30	[illegible]	800
	WSM	400

July 28, 1958

Joseph T. White, Jr., Esq.
Office of Harold Huovinen, Attorney
Easten Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1208

Dear Mr. White:

We are forwarding Mr. Mittendorf's letter and the original and four copies of a revised Termination Agreement. If this agreement is satisfactory to you, all five copies should be signed and the original and all copies except the "Operator's copy" should be returned to this office.

If it is not satisfactory to you, the original and all copies should be returned to this office together with your proposed changes for consideration.

Very truly yours,

S. RICKER

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments
SRicker:ft
cc: Opr. Com. DMEA, Wash., D.C.
Finance Office, Region II
GeoMayor
RMSmith
File
Chron

Form 7
-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-18	Chapman	400
7-18	Martin	400
7/18	Talbut	800
7/18	Martin	130
"	Johnson	110
"	Cuttendorf	100
7/21	C	320
		400

JUL 21 1958

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

Re: Docket No. DMEA-4301, Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Ricker:

Enclosed, to be forwarded if it meets your agreement, is a letter to Joseph T. White, Jr., Esq., with the original and four copies of a proposed Termination Agreement. This new proposal has been rewritten from the one dated December 24, 1957, and is intended to meet the objections of the subject Operator; it has been signed by the Administrator for the Government. Enclosed also are two extra copies of the proposed Termination Agreement for the use of the Field Team, and all copies of the letter to Mr. White, which should all be returned to us if you do not send the letter. Otherwise, please keep your copies and return ours.

If the terms and conditions of the proposed agreement are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed Termination Agreement does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee (24B)

Enclosures

Frank D. Lamb (24B)
Member, Bureau of Mines

N. E. Nelson (24B)
Member, Geological Survey

TLCHAPMAN/dl 7-18-58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Robert Holliday, USBM
T. H. Kiilsgaard, USGS

8623

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

Rubin 140
Dwyer 140
App'd. Sol. Off.
Chapman 400
Martin 400
Talbert 800
7/18 Nelson 130
7/18 Lamb 130
Johnson

Joseph T. White, Jr., Esq.
Office of Harold Huovinen, Attorney
Easton Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. White:

We understand your letter of July 7, 1958, to mean that the subject Operator would execute a Termination Agreement which omitted reference to the Atomic Energy Commission's use of the land, but which contained a reference to the fact that it is not in the best interest of the Government to further extend by an additional five years the time for completion of the Contract.

Accordingly, we have rewritten your draft of agreement to incorporate these changes. Paragraph 7 of the agreement preserves the Operator's rights against the Atomic Energy Commission.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

HCRubin:hm 7/14/58
cc: Mr. Martin
Adm. Reading file
Operating Committee
Ft. Reg. II (2)
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS
Mr. Dwyer
DOCKET

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. Mr. Dwyer		
2.		
3.		
4.		
5.		
FROM: W. S. MARTIN 7/10/58		

C

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment X Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Docket DMEA 4301, with FEJ's comment of 4/10/58, is attached with letter of 7/7/58 from Joseph T. Wiley, Jr. WSM

INT.-DUP. SEC., WASH., D.C.

M8278

HAROLD HUOVINEN
ATTORNEY AT LAW
EASTON BUILDING
OAKLAND 12, CALIFORNIA

JOSEPH T. WHITE, JR.

TELEPHONE
TEMPLEBAR 2-6500

SOLICITOR

JUL 10 1958

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 10 1958

DATE	INITIALS	CODE
7/10	H. G.	225
	WSM	400

July 7, 1958

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

Re: Docket No. DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Mittendorf:

Please pardon the delay in answering your letter of June 12, 1958. I have communicated with the principals of Climax Tungsten concerning the advisability of removing the introductory paragraph in the form of Termination Agreement.

Since you do have first hand information concerning (1) the operator's assertion that it cannot carry forward in accordance with the program, and (2) that you have indicated that an extension of time would not serve the best interest of the Government, I assume you would have no objection to a preamble which omitted reference to the Atomic Energy Commission's use of the land.

Frankly and sincerely, we feel that the Co-Use Agreement as now interpreted by the Atomic Energy Commission, together with their use, places an overwhelming burden upon Climax Tungsten's continuing its program, and we hope to be compensated for the loss in giving up the intended development work.

Very truly yours,

Joseph T. White Jr.

Joseph T. White, Jr.

JTW/alw
cc: Mr. S. Ricker, Executive Officer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Burton	
	Sharpe	
	App'd Sol. Off.	
6/10	Martin	
6/12	Selfridge	
6/12	Johnson	

"Attendant 100
6/13 C 220
400

JUN 12 1958

Joseph T. White, Jr., Esq.
Office of Harold Huovinen, Attorney
Easton Bldg.
Oakland 12, California

Re: Docket No. DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-K1028

Dear Mr. White:

We have reviewed your modifications in the Termination Agreement, which you submitted to the Executive Officer with your letter dated March 28, 1958.

We have no objection to the reservation of rights against the Atomic Energy Commission, contained in paragraph numbered 7 of the Termination Agreement form as modified. However, as we do not have firsthand information concerning the recital in the first paragraph of said form, we may not execute an agreement containing such a recital.

Therefore, please indicate to us whether the operator would execute an agreement with the recitals in the first paragraph deleted. If not, we will rely upon the Contract provisions for any further action we may take ex parte.

Our delay in responding to your letter is regretted.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

HCRubin:md
6/9/58

CC: Mr. Martin
Adm. Read. file
Operating Com.
FT Reg. II (2)
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS
HCRubin
RPDwyer

8623

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Mr. Dwyer~~	R	
2. Code 400	SOLICITOR	
3.	MAY 23 1958	
4.	INTERIOR DEPT.	
5.		

FROM: W. S. MARTIN 5/23/58

FOR: Check items for action desired

___ Action	___ Reply for signature of ___	
___ Approval	___ Investigate	___ Surname
X Comment	X Recommendations	___ Signature
___ Conference	___ Rewrite	___ File
___ Instructions	___ Your information	

REMARKS: Docket DMEA 4301 with

Attached is a letter of May 20, 1958, from Mr. W.W. Allaine, AEC, to the Administrator, relating further to the Administrator's letter of April 11, 1958, which was prepared by Mr. Rubin

WSM

M8278

INT.-DUP. SEC., WASH., D.C.

UNITED STATES
ATOMIC ENERGY COMMISSION
ALBUQUERQUE OPERATIONS OFFICE
P. O. BOX 5400
ALBUQUERQUE, NEW MEXICO

RECEIVED
MAY 23 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

IN REPLY REFER TO:

TN:WWA-4231

MAY 20 1958

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 22 1958

DATE	INITIALS	CODE
5/22	C	220
22	COW	100
	WSM	400

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

Subject: CLIMAX TUNGSTEN COMPANY, CLIMAX MINE
NYE COUNTY, NEVADA - CONTRACT NO. Idm-E1028

Dear Mr. Mittendorf:

Reference is made to your letter dated April 11, 1958, subject as above, enclosing a copy of a proposed termination agreement as revised by Mr. Tamney's counsel, and requesting our comments on the modifications made on behalf of Mr. Tamney before you execute the agreement for the Government.

The Co-use Agreement, our Contract No. AT(29-2)-156, between the Atomic Energy Commission and Theodore R. Tamney (Owner), provides that the Commission may require the Owner to shut down operations for 45 days in one calendar year without cost to the Commission and further provides for reimbursement for certain specified expenses incurred by the Owner for shutdown in excess of an aggregate of 45 days a year, but not to exceed $400 per day. From the time the agreement became effective in October 1952, until May 12, 1957, it was not necessary for the Government to issue a "shutdown order." However, it is to be noted that there were only limited operations at the mine properties during this period, and had the mine been operative, it probably would have been necessary from time to time to have required shutdowns for short periods of time during the conduct of our nuclear tests.

On April 9, 1957, we issued a suspension order to become effective May 12, 1957, and due to the nature of our test activities could not permit resumption of operations at the Climax Mine until October 25, 1957. Had there been activities at the Climax Mine, it would have been necessary to require the Owner to suspend operations for a few days at a time subsequent to October 25, 1957; however, the aggregate period of shutdowns would probably not have exceeded seven days.

Although we cannot, with any degree of certainty, predict the number of days in any one year it would be necessary to suspend operations at the Climax Mine were Mr. Tamney to pursue exploration or mining operations, it is anticipated that such operations could be conducted without interference from the AEC the greater part of each year; on the average, probably nine months or more of each year.

In view of the foregoing, it is our opinion the assertion that the mine operator cannot carry on operations at the Climax Mine within the next five years, because of AEC activities, is erroneous. Although we can see no legal objection to the inclusion of such an assertion in the termination agreement, it certainly is not factual.

As a matter of general information, Mr. Tamney submitted a claim in the amount of $10,030.40 for costs incurred during the 1957 period of shutdown. Several of the items had to be disallowed completely, and others will require additional substantiation on the part of Mr. Tamney before they can be allowed. A copy of our letter of April 16, 1958 to Mr. Tamney concerning this claim is enclosed for your information. Possibly Mr. Tamney feels that our inability to reimburse him all costs resulting from enforced shutdowns makes it impracticable to operate the mine during the remaining period of our Co-Use Agreement (until October 29, 1962).

I trust that the foregoing comments will be helpful to you. If further information is required, please do not hesitate to call upon us.

Sincerely,

W. W. Allaire

W. W. Allaire
Director
Nevada Operations Division

Enclosure:
Cy ltr to T.R. Tamney
dtd 4/16/58

cc: Max E. Smith, Chief, LVB, w/o enc.
Asst. Gen. Counsel, ALO, w/o enc.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-29	Martin	400
..	Chambers	800
	Burton	140
	Sheuger	140
5/2	Selfridge	130
		400
5/2	Johnson	110
"	Mittendorf	100
5/2		220

MAY 2 1958

Mr. Chalmers C. King
U. S. Atomic Energy Commission
Albuquerque, New Mexico

Re: Docket No. DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. King:

As requested in your teletype of April 26, we enclose one copy of each of the following documents:

1. Contract form (MF-200A) for the subject contract with Annex I, but without Exhibit A, maps or Amendment No. 1, which allowed a suspension of work from May 8, 1957, to October 30, 1957, and extended the time for completion until September 30, 1958.

2. Application form (MF-103) from the subject Operator, dated May 10, 1956. Please note the statement in boldface type immediately below the signature.

3. Applicant's reply to question 4 (d) of application (item 2 above).

Please note that the applicant first provided the information quoted in Annex I regarding occurrence of testing at the project site, and then in executing the contract represented and undertook that Annex I correctly described the land of the contract and the nature of the Operator's rights of property and possession therein.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

cc to: FT. REG. II
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

[redacted]

WSMARTIN/foc
cc to: Code
Admr.
Oper.

8623

R S 5 9

DEPT. ARMY COMM. EX 56397

26 APR 58 1414Z

DMEA
RECEIVED APR 28 1958

DATE	INITIALS	CODE
4/28	C	220
		400

80940

APR 28 1958

EUC201WFJ084VVAA089VEA040

RR RUEPCX

DE RUWFJE 88

R 252324Z

FM USAEC ALBUQUERQUE NMEX

TO CO MITTENDORF DEFENSE MINERALS EXPLORATION ADMIN DEPT OF THE INTERIOR WASHDC

AEC GRNC

BT

Asked AEC if this is part of Production Division or Paid King is in Gen. Counsel's office WSM 4/29/58

FM CHALMERS C KING PD RE YOUR APRIL 11 LETTER TO MR ALLAIRE RE CLIMAX TUNGSTEN COMPANY. WOULD YOU PLEASE INFORM US OF EXACT LANGUAGE IN ARTICLE 2 AND ANNEX 1 OF AND TO CONTRACT WHICH IS BEING TERMINATED WHICH REFERS TO AEC"S ACTIVITY AND THE EXTENT THEREOF. WE ARE ESPECIALLY ANXIOUS THAT THE GOVERNMENT NOT, BY ANY OF ITS AGENCIES OR DEPARTMENTS, GET INTO THE POSITION OF AGREEING THAT THE ACTIVITY OF THE AEC, INSOFAR AS IT INTERFERRED WITH THE CLIMAX OPERATIONS, HAS BEEN GREATER THAN THE PARTIES INCLUDING THE GOVERNMENT EXPECTED END REF OGC DRF

BT

DMEA F[redacted] 6 REFEREN[redacted]

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. AUDIT DIV.	JK	4-9
2. MR. ~~SELFRIDGE~~		
3. MR. JOHNSON	DEJ	4-10
4. MR. ~~MITTENDORF~~	Com	4/10
5. M&F		

FROM: W. S. MARTIN 4-8-59

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ✓ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS;

After reply is received this case should be reviewed carefully before execution of the termination agreement to avoid another Cordova case.

JEJ

file

INT.-DUP. SEC., WASH., D.C. M8278

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Rubin	
	Dwyer	
	App'd. Sol. Off.	
	Martin	
	Chapman	
4-9	Chamberlain	800
4/10	Selfridge	
"	Brown	
"	Hollaway	

APR 11 1958

Mr. William W. Allaire
Asst. Director for Nevada Operations
U. S. Atomic Energy Commission
Mercury, Nevada

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Allaire:

This Agency executed Exploration Contract No. Idm-E1028, dated October 30, 1956, with The Climax Tungsten Company of Oakland, California, for an exploration project on 5 unpatented Climax claims located in Oak Springs Mining District, Nye County, Nevada. The claims are subject to a co-use agreement with the Atomic Energy Commission, dated December 1, 1952.

The Operator requested that the DMEA Contract be suspended for 5 years, stating that about May 1, 1957, your Agency exercised its right to exclude The Climax Tungsten Company from these claims in order to conduct nuclear tests. Since such a long delay is not considered to be in the best interest of the Government, we propose to terminate the exploration Contract by agreement with the Operator. We submitted our usual agreement form to the Operator, but Operator's counsel has revised the agreement to include a recital in the first paragraph concerning the A.E.C. and a reservation of rights against it in paragraph 7. These modifications are not objectionable to us, and we believe that they do not in any way enlarge any rights The Climax Tungsten Company may have against the A. E. C. However, in the circumstances, we request your comments on the modifications before we execute the agreement for the Government.

A copy of the Agreement as executed by the Operator is enclosed.

Chron
Pending

CC: Robert Holliday
R. P. Dwyer
H. C. Rubin

HCRubin:md 4/7/58
CC: DMEA docket
Admin read. file
Oper. Com.
T.H. Kiilsgaard, USGS
Field Team, Reg. II
W.S. Martin

Sincerely yours,

(for)

Administrator

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

March 31, 1958

4/3	C	220
	WSM	400

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Enclosed are two copies of a letter, dated March 28, 1958, from the Operator and two copies of his suggested changes to our proposed Termination Agreement dated December 24, 1957.

I would appreciate your reaction and suggestions as to our further steps toward termination of subject contract.

S. Ricker

Attachments

HAROLD HUOVINEN
ATTORNEY AT LAW
EASTON BUILDING
OAKLAND 12, CALIFORNIA

TELEPHONE
TEMPLEBAR 2-6500

RECEIVED APR 2 1958

DATE	INITIALS	CODE

JOSEPH T. WHITE, JR.

March 28th, 1958

Stacy

United States Department of the Interior
Defense Minerals Exploration Administration
1605 Evans Avenue
Reno, Nevada.

Attn. Mr. J. Ricker,
Executive Officer

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. DMM-E 1038

Gentlemen:

Thank you for your patience in awaiting a reply concerning the termination agreement submitted to us for approval.

Since we felt it necessary to make certain modifications in that agreement, we have taken the liberty to prepare a new form, two copies of which have been duly executed and are submitted to you herewith. It should be noted that an introductory paragraph has been added as well as Item No. 7 and that, in other respects, the agreement is as you proposed.

If this meets with your approval, will you please execute and return one executed copy to us?

Yours very truly,

JOSEPH T. WHITE, JR.

JTW-ph
encs.

TERMINATION AGREEMENT

Since the Operator asserts that it cannot carry forward within the next five years the program as outlined in the contract, principally because of the Atomic Energy Commission activity and use of the land referred to in Article 2 of the contract, which use greatly exceeds that contemplated as set forth in Annex I of the contract, and since Defense Minerals Exploration Administration has indicated that an extension of time would not serve the best interests of the Government;

THEREFORE, IT IS AGREED this _____ day of _____, 195___, between the UNITED STATES OF AMERICA, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and THE CLIMAX TUNGSTEN COMPANY, a partnership, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1028 (Docket No. DMEA 4301), dated October 30, 1956, as amended, hereinafter called the "Contract", that:

1. Effective October 31, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

6. All rights of the Government respecting reports (including preservation of Operator's records), accounts, audits, and recovery of any overpayment, are preserved.

7. The Operator expressly reserves all of its rights and claims against the Atomic Energy Commission, whether arising by virtue of this contract or otherwise.

IN WITNESS WHEREOF, these parties have executed

this agreement this _____ day of _____, 195____.

THE UNITED STATES OF AMERICA

By _____
Administrator,
Defense Minerals Exploration
Administration.

THE CLIMAX TUNGSTEN COMPANY

By _____ (partner)
Allen J. Wright

By _____ (partner)
Theodore M. Tamney

By _____ (partner)
Willard A. Kinney

1605 Evans Avenue
Reno, Nevada

March 18, 1958

RECEIVED

DATE		CHECK
3/20		220
3/21	WSM	800
		400

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Gentlemen:

In order that we may close our account on referenced contract, we would appreciate having your reaction to the proposed "Termination Agreement" which was forwarded to you on December 30, 1957.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

SRicker:ft
cc: Opr. Com., DMEA, Wash., D.C. (2)
Finance Office, Reg. II
GeoMavor
RMSmith
File
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

February 6, 1958

OFFICE OF THE DIRECTOR
DMEA
RECEIVED FEB 11 1958

DATE	INITIAL	CODE
2/11	C	220
	WSM	400

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Enclosed are two copies of a letter from Joseph T. White, Jr. which explains the current status of this project.

S. Ricker

Attachments

BUREAU OF MINES
WASHINGTON, D. C.
FEB 10 10 25 AM '58

HAROLD HUOVINEN
ATTORNEY AT LAW
EASTON BUILDING
OAKLAND 12, CALIFORNIA

JOSEPH T. WHITE, JR

TELEPHONE
TEMPLEBAR 2-[illegible]

February 5, 1958

United States Department of
the Interior,
Defense Minerals Exploration Administration,
1655 Evans Avenue,
Reno, Nevada.

Re: Docket No. DMEA-4301 (Tungsten),
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. [illegible]-F 1020

ATTN: Mr. S. Ricker,
Executive Officer

Gentlemen:

This will acknowledge receipt of your letter of December 30, 1957, and termination agreement enclosed therein.

I have had no opportunity to examine the original agreement between Climax Tungsten and DMEA. As soon as this has been accomplished, the termination agreement will be examined and discussed with the principals. Please pardon the delay in this, and every effort will be made to give it the proper attention within the next few weeks.

Very truly yours,

Joseph T. White, Jr.

JTW/alw

OFFICIAL FILE COPY DMEA RECEIVED JAN 2 1958		
DATE	INITIALS	CODE
1-2-58	C	220
1/2/58	EEF	800
	NSM	400

1605 Evans Avenue
Reno, Nevada

December 30, 1957

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Gentlemen:

Replying to your request of November 18, 1957 for a five-year extension of time in connection with the above contract, your request has been reviewed and we feel that such an extension of time would not serve the best interests of the Government. Therefore, we are enclosing the original and four copies of a termination agreement on the subject contract.

If the termination agreement meets with your approval, all five copies should be signed by your firm. The copy marked "Operator's copy" should be retained by you and the original and other three copies should be returned to this office.

If any part of the agreement is not satisfactory to you, the original and all copies should be returned to this office with your suggested changes.

We wish to thank you for your cooperation in our joint effort during the period of the work.

Very truly yours,

/for/ S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

GGG:ft cc: Opr. Com., DMEA, Wash., D.C.
cc: Finance Office, Region II
GeoMavor
RMSmith
File
Chron

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/24	Holt	400
12/24	Martin	400
12-24	Chamberlin	800
Selfridge	Cy Martin	130
"	Thurlington	100
12/26	gb	220
		400

DEC 26 1957

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

Re: Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Ricker:

Enclosed are the original and four copies of a proposed termination agreement to the above-referenced contract. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of this proposed agreement are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed agreement does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Please note the pseudo certification that has been included, though not recommended in your letter of November 21, 1957.

Sincerely yours,

George C. Selfridge

by W S Martin (JHB)
Chairman, Operating Committee

APPROVED:

Frank D. Lamb

(JHB)
Member, Bureau of Mines

N. E. Nelson

(JHB)
Member, Geological Survey

Enclosures

8623

Please note ~~the~~ the pseudo certification that has been included, though not recommended in your letter of November 21.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12-20	Holt	400
12-20	Martin	400
12/20	Fisher	800
12/23	[illegible]	130
		110
		100
		220

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

Re: Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-71028

Dear Mr. Ricker:

In accordance with the recommendation of the Field Team of November 21, 1957, enclosed are the original and four copies of a proposed termination agreement to the above-referenced contract. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of this proposed agreement are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed agreement does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Enclosures

SPHOLT/DLM 12-29-57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. II
Messrs R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

Extra copy

TERMINATION AGREEMENT

It is agreed this 24th day of December, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The Climax Tungsten Company, a partnership, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1028 (Docket No. DMEA 4301) dated October 30, 1956, as amended, hereinafter called the "Contract," that:

1. Effective October 31, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, and for the same period, and subject to the same conditions provided in the Contract, as if certification of discovery or development had been made, such certification being hereby waived by the Operator.

6. All rights of the Government respecting reports (including preservation of Operator's records), accounts, audits, and recovery of any overpayment, are preserved.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
Administrator, Defense Minerals Exploration Administration

THE CLIMAX TUNGSTEN COMPANY

By _____ (partner)
ALLEN J. WRIGHT

By _____ (partner)
THEODORE M. TAMNEY

By _____ (partner)
WILLARD A. KINNEY

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12-4	Holt	400
12-4	Martin	400
		140

December 4, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Termination Agreement
Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Attached is a rough draft of a proposed Termination Agreement for the above-captioned contact for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

SPHOLT/dlm 12-4-57
cc to: Code 400

8623

TERMINATION AGREEMENT

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Departmennt of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government" and The Climax Tungsten Company, a partnership, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1028 (Docket No. DMEA 4301), dated October 30, 1956, as amended, hereinafter called the "Contract" that:

1. Effective October 31, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator, without contribution by the Government.

4. The Operator shall promptly perform all winding up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

6. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, for the same period, and subject to the same conditions as if a certification of discovery or development had been made, such certification being hereby waived.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

_____

By - Administrator, Defense Minerals Exploration Administration

_____

Operator

By _____

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12-20	Holt	400
12-20	Martin	400
		110
		100

December 20, 1957

MEMORANDUM:

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Supplement to Memorandum of May 15, 1957, titled "Summary of work and results based on Interim Report of examination April 11-12, 1957"
Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

The Operator of the above-referenced project was authorized by Amendment No. 1 to suspend operations under the contract, because of interference caused by AEC nuclear tests, for a period beginning May 8, 1957, and ending October 30, 1957.

Work was not resumed after October 30 and the Operator on November 18, 1957, requested that the recess be continued and the time for completion of the contract be extended by a period of five years, citing as reason the renewal of the AEC co-use agreement for a like period of time, with the strong probability that there would be in the future many delays in the company's mining operations.

This Division, concurring with the recommendation of the Field Team of November 21, 1957, recommends that the contract be terminated.

While the project cannot at this time be certified, because work done to date is completely inconclusive, on account of the money spent on the project a royalty agreement clause should be incorporated in the termination agreement to protect the Government's interest in case the Operator at some time in the future finds it possible to resume work, and mines or extracts ore through workings rehabilitaed or driven under the DMEA contract.

W S Martin
W. S. Martin, Director
Division of Iron and Ferro-Alloys

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5-15	Chapman	400
5-15	Martin	400
		110
		100
		220

May 15, 1957

MEMORANDUM

To: Administrator

From: Iron and Ferro-Alloys Division, DMEA

Subject: Summary of work and results based on Interim Report of examination April 11-12, 1957
Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax mine
Nye County, Nevada
Contract No. Idm-E1028

Operator: The Climax Tungsten Company (a partnership composed of Theodore M. Tamney, Willard A. Kinney, and Allen J. Wright
1229 Latham Square Building
Oakland 12, California

Contract: Executed October 30, 1956. Stage I - Rehabilitate Carlisle Adit, drift southerly 300 feet and crosscut westerly 250 feet, sink a winze 100 feet, and drift 100 feet northerly and southerly; from Carlisle level raise 200 feet in two or more raises, drill 500 feet of long hole drilling and two diamond drill holes with a total footage of 400 feet. Estimated cost of Stage I: $37,470.00

Stage II - Rehabilitate the Goldfield adit, from this adit drift and crosscut a total of 500 feet, diamond drill 1,100 feet. Estimated cost of Stage II: $28,850.00. Total cost: $66,320.00. Government participation 75 percent, $49,740.00.

Progress: Carlisle adit rehabilitated, drifting 173 feet, winzing 85 feet, and long hole drilling 8 holes, 193.75 feet. Expenditures as of March 31, 1957, $15,331.50; balance $50,988.50.

Ore Values: Little mineralization has been found to the present time. Long drill hole No. 2 showed 0.05 percent WO_3. Returns from three samples in winze have not yet been received.

Comments: Due to nuclear bomb testing by the AEC, work recess is being granted from May 8, 1957 to October 30, 1957.

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

cc to: Docket
Code 400

8623

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

Operator: Climax Tungsten Company		Actual Cost	
State: Nye County, Nevada		Agreed Unit Cost: $66,320.00	
Final Report of Audit	Commodity: Tungsten	Docket No.: DMEA-4301	Contract
Final Report of Review X		Contract No.: Idm-E1028	

Operation	Authorized by Contract and Amendments		Completed		Net cost after sale of Government Property
	Units	Cost	Units	Cost	
Drifting: Adit & Drifts Accum	1,050 ft.	$36,750	173 ft.	6,055	
Winze Drift	100 ft.	3,700	64 ft.	2,368	
Raising					
Shafts					
Winzes	100 ft.	9,220	100 ft.	9,220	
Drilling (Specify): Diamond	1,500 ft.	10,500			
Long Hole	500 ft.	1,000	194.5ft.	389	
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation				1,050	
New Building, Improvements, etc.		4,200			
Other (Specify) Assaying		250			
Totals		$66,320		19,082.00	* Subject to Audit

* Net cost total must agree with final report of audit or review.

Due to absence of Operators Final Report, audit has not bee issued

Prepared by T. L. Chapman Date 9/5/58

31398

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

DMEA RECEIVED NOV 25 1957		
DATE	INITIALS	CODE
11/25	C	220
		130
11/27	WSM	400

November 21, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

Enclosed are two copies of a letter of November 18, 1957 from the Operator's representative requesting a five-year extension on subject contract. Attached to the letters are copies of a letter from the Operator to the U. S. Atomic Energy Commission.

We would recommend that a termination or rescission of contract should be given consideration. It is apparent that the Operator plans to enter a claim against the A.E.C. and termination should be made without prejudice to the property but neither a pseudo-certification nor certification is recommended. Work completed to date has not improved the potential value of the property.

S. Ricker

Attachments

BUREAU OF MINES
WASHINGTON, D. C.

Nov 25 10 34 AM '57

HAROLD HUOVINEN
ATTORNEY AT LAW
EASTON BUILDING
OAKLAND 12, CALIFORNIA

JOSEPH T. WHITE, JR.

TELEPHONE
TEMPLEBAR 2-6500

November 18, 1957

Gentry R 11/20/57
G.G. 11/20/57

U. S. Department of the Interior
Defense Mineral Exploration Administration
1605 Evans Avenue
Reno, Nevada

Attention of Mr. S. Ricker
Executive Officer

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 25

DATE	INITIALS	CC
11/27	WSM	400

Dear Mr. Ricker: Re: Docket No. DMEA-4301
Climax Tungsten Company
Climax Mine, Nye County, Nev.

This letter serves as a request for a five year extension of time in connection with Climax Tungsten Company-DMEA contract and sets forth the reason for such request and why it should be granted.

As you know, Climax Tungsten properties are subject to a co-use agreement with AEC, a copy of which I believe is in your possession. AEC has exercised its automatic extension clause, giving it rights and privileges under the co-use agreement for the next five years. At the conclusion of this period, the properties will be free of any agreement with the Government.

When the co-use agreement was negotiated, it was considered feasible and economically practical to permit mining operations during the period the area was not in actual testing use. At the time of negotiation, only short periods of exclusion were contemplated, and it was understood that in the event 45 days in any one year were required by AEC, they would compensate Climax Tungsten for the costs actually incurred as a result of their exclusive use.

Actual costs were thought to include only actual payroll costs directly attributable to mining and milling operations; payroll taxes and industrial insurance together with subsistence of employees; accruing rental on the mill reduction equipment and camp housing at the Groom Mine; and standby charges to the trucking company for hauling. The co-use agreement was so written.

On the 1st day of May, 1957, Mr. Tamney and Mr. Wright met with Mr. W. W. Allaire, Director of Nevada Operations for AEC, to discuss the inequities that had arisen under the contract. They were given to understand at that meeting that something could and would be worked out so that Climax Tungsten could continue with their program of developing the mining property. On July 1, 1957 a letter was written to Mr. A[illegible] a copy of which is enclosed. No action was taken on this letter u[illegible]

we received notice that AEC exercised its option to renew for the remaining five years. We immediately wrote to Mr. Allaire protesting this action, pointing out that without such requested relief, Climax Tungsten is faced with permanent closing of mining operations until the co-use agreement expires. On October 22, 1957 we received a reply to our letter of July 1st, indicating that renewal action was taken with due consideration to our letter and was based upon the legal position that to have not done so would have been an improper release of contractural rights belonging to the Government. Quoting in part from that letter, "...from a legal standpoint, there does not appear to have been any situation presented in your letter which was not within the contemplation of the parties as expressed in the agreement, it appears to us, after considerable study of the matter, that any proposal or claim which you are likely to submit which will result in more liberal or additional allowances in terms of compensation will have to be denied by us...."

Our last letter to AEC was answered in such a manner as to leave no doubt that AEC will not negotiate nor will they alter their position of denying any relief to Climax Tungsten.

We have made every reasonable attempt to make co-use work in the face of changed circumstances, and have been met coldly and indifferently, with the exception of the initial conference. AEC's present interpretation of the contract makes it economically impossible for Climax to continue operations, and until such a time as they reconsider their position or the co-use agreement expires, Climax Tungsten must close down. To continue operations, Climax Tungsten is faced with bearing the total loss involved in removing and replacing housing and buildings before and after each test series; rental expense on equipment; inability to retain skilled employees and the cost of recruiting suitable following tests; the cost of dismantling and hauling equipment in and out; and the general expense involved in reorganizing the operation each time anew. The principals of Climax Tungsten estimate that the uncompensated costs of sharing this property for the year 1957 approximates the sum of $10,000.00. In the face of this and the fact that we can expect the same type of negative attitude on the part of AEC in the future, and the fact that the area will be used even to a greater extent in the future, Climax Tungsten cannot financially or otherwise withstand the burden without aid. AEC has taken a position in interpreting the co-use agreement which amounts to a virtual confiscation of the property.

The owners of Climax Tungsten look upon the DMEA contract as a valuable right, a right which gives them the opportunity to explore and further develop the mining properties. If at all possible, they desire to keep this method of financing developmental work open. The co-use agreement expires on the 29th day of October, 1962. At that time AEC must either abandon this area for testing, offer a realistic co-use agreement making mining operations and developmental work feasible.

or exercise their power of eminent domain.

Upon settlement of our difficulties with AEC, we expect and will continue performance under the DMEA agreement, and we ask that you give us an opportunity to do so by extending our time under said agreement.

Very truly yours

Joseph T. White, Jr.
for Climax Tungsten Company

JTW:ew
Enc. 1

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 25 1957

DATE	INITIALS	CODE
11/27	WSM	400

C
O
P
Y

July 1, 1957

William W. Allaire,
Assistant Director for Nevada Operations,
U. S Atomic Energy Commission,
Mercury, Nevada.

Dear Sir: Re: Co-Use Agreement on Tract M-48
Climax Tungsten Company

At your request, the following is set forth as a basis for including within our claim both past and present expenses in connection with the shut-down operations on Tract M-48.

From a general examination of the Agreement for Co-Use, it appears that only temporary short periods of exclusion were contemplated. The very heart of the Agreement is effective co-use by both parties. Under the past, present, and expected use of this tract for an extended period of time, this is no longer economically possible, at least under a restricted interpretation of the Co-Use Agreement.

Economic operation of the Climax Tungsten was completely frustrated because of the extended testing period in 1955. Climax Tungsten is again faced with the possibility of a long lay off and has been informed that they might expect an even greater testing use program for the area in the future.

All concerned have agreed to the necessity of removing certain facilities and equipment during the present tests - this certainly was not contemplated when drawing up the Agreement - and this carries with it the necessity of dismantling and reorganizing anew the mining operations not only as to this series of tests, but as to those contemplated in the future. Because of the uncertainty and length of the tests, additional burdens have been placed upon the mining operations regarding their personnel. Even though they can be assured of "stand-by" time under the Agreement, many have left to find more secure work because of the indefinite lengthy lay-off periods.

We should agree that the Co-Use Agreement will first be interpreted by the purpose and intent of the parties entering into it, among those being to reimburse Climax Tungsten Company for losses suffered by exclusion. While it is true that a basis for claim is specified at the end of the Agreement, this was done at the instance and request of Goldfield Consolidated to protect their specific contemplated use of the Groom Mill and such was the intent of the parties at the time of signing the agreement.

As further support for our claim and request for redrafting, consideration must be given to the change of circumstances

Operations of the Groom Mill have been discontinued because of a total destruction by fire. Also there has been substantial changes in the Atomic Energy Commission's program, as indicated above.

The lease provides (paragraph F) for relief by way of claim in the event of permanent closing of mining operations. The only practical application of this provision is that the present use of the area by the Government has caused a permanent closing, permitting Climax Tungsten Company to seek this relief.

As soon as the cost of moving in and out, the expense in connection with reorganizing working crews and other items of expense have been ascertained, figures will be submitted to the Commission in the form of a claim. We would appreciate any suggestions you have as to what should be included therein to facilitate approval of such a claim by the Commission.

In addition, we feel it imperative that the Co-Use Agreement be rewritten to reflect the present circumstances and the true intent of the parties. This can in all probability be accomplished during negotiations for renewal of the Co-Use Agreement.

Very truly yours,

Joseph T. White, Jr.
for Climax Tungsten Company

JTW/alh

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 27 1957

DATE	INITIALS	CODE
6-27	C	220
6/28	RC	400

June 25, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028
(Your letter, June 3, 1957)

Enclosed are the Government's, Division, and Audit copies of Amendment No. 1 to the subject contract, executed by the Operator. The remaining copies have been distributed in the usual manner.

S. Ricker

S. Ricker

Encls.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1605 Evans Avenue
Reno, Nevada

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 12 1957

DATE	INITIALS	CODE
6/12	C	220
6/12	[illegible]	800
6/13	WSay	400
June 10	1957	

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine, Nye County, Nevada
Contract No. Idm-E-1028

Gentlemen:

Enclosed are the original and five copies of a proposed Amendment No. 1 to the above-referenced contract, signed by the Administrator for the Government.

If the amendment meets with your approval, all six copies should be signed by your firm. The copy marked "Operator's Copy" should be retained by you, and the original and other four copies should be returned to this office.

If any part of the amendment does not meet with your approval, the original and all copies should be returned with your suggested changes.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

Enclosures
SRicker:am
cc Oper. Comm., DMEA, Wash., D.C.
Finance Office, Region II
GeoMavor
RMSmith
File
Chron

DM[redacted]7
(12-56)

400 OFFICIAL FILE COPY

Date	Surname	Code
	Chapman	400
	Martin	400
6/3	Talbot	800
6/3	GCS	130
6/4	Rattenbury	100
6/4	C	225

400

JUN - 3 1957

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

Re: Docket No. DMEA-4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Dear Mr. Ricker:

Enclosed are the original and five copies of a proposed Amendment No. 1 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the conditions and terms of this proposed amendment are satisfactory to you and the Operator, all six copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

APPROVED:

Frank D. Lamb (2/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (2/B)
Member, Geological Survey

TICHAPMAN:esf 5/31/57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
Messrs: R. W. Holliday, USBM
T. H. Kiilsgaard, USGS
FT, REG. II

Enclosures

6/3/57 attached for

8623

Art. 1(a) should read "not later than close of November 30, 1957, to allow one month leeway from anticipated end of I & E tests."

" End of 9/ mos. would be End of Jan. 1958.

Talbot

Miscellaneous (continued)

DMEA-3475
Idm-E760
Uranium
Region III

AMURANIUM CORPORATION, MOAB, UTAH. Happy Day, et al., Claims, San Juan County, Utah.

Letter to the Operator denying request for an amendment to increase unit cost for drilling.

DMEA-3565
Idm-E778
Uranium
Region III

GOLDEN CYCLE CORPORATION, COLORADO SPRINGS, COLORADO. Harrison-Burnett and Small-Lee Groups of Claims, Montrose and San Miguel Counties, Colorado.

Letter to the Field with reference to its memorandum of August 24, 1955, relating to drill hole location changes made by the Operator. The Field was asked to advise the Operator that the request for an amendment is denied.

DMEA-3928
Uranium
Region III

PACIFIC URANIUM MINES COMPANY, LOS ANGELES, CALIFORNIA. Green River Claims, Emery County, Utah.

Letter to the Field acknowledging receipt of its memorandum of August 25, 1955, with enclosures, relating to the application. Copies of a memorandum dated August 10, 1955, by John E. Crawford, USBM, and of a memorandum dated August 22, 1955, by W. P. Williams, USGS, relating to the application were sent to the Field. The Field was advised of additional data to be required from Applicant in the event a project is recommended.

Letter to the Applicant advising the Field Team will schedule an examination of the property in the near future if it has not already done so.

DMEA-3933
Uranium
Region III

GEORGE R. SIMPSON, FARMINGTON, NEW MEXICO. Simpson No. 1 Plot, Apache County, Arizona.

Letter to the Field relating to its memorandum of August 24, 1955, with enclosures. The Field was advised of requirements in the event a project is recommended. Copies of memorandums dated August 10 and August 23, 1955, by John E. Crawford, USBM, and of a memorandum dated August 24, 1955, by N. E. Nelson, USGS, relating to the application were sent to the Field.

Letter to the Applicant advising the Field Team will schedule an examination of the property in the near future if it has not already done so.

DMEA-3949
Uranium
Region III

URANIUM DISCOVERY AND DEVELOPMENT COMPANY, WALLACE, IDAHO. Gracie and King Claims, San Juan County, Utah.

Letter to the Field enclosing copies of a memorandum dated August 22, 1955, by John E. Crawford, USBM, and of

The cost of labor, supplies and equipment for winzing is estimated as follows and are based on a six day week and over a period of 2 months for loo feet:

		Cost per foot
Working Superintendant, 2 months.	$1,200.00	
2 miners at $25.00/day	2,600.00	
1 Hoistman at $20.00/day	1,040.00	
Trucker and handy man, $18.42/day	957.82	
Ins. compensation, etc. 12.5 percent	724.73	
Total labor for winze sinking	6,522.55	$65.22
Materials and supplies		22.50
Equipment rental		2.80
Hauling water and supplies		1.68
EstimatedTotal Cost pre Foot		$92.20

Under the above set-up the personnel cost is about 70 percent.

If the work could be carried on for two shifts, there would be a considerable decrease.

TDC

Denials (continued)

DMEA-3672
Uranium
Region III

UNCOMPAHGRE URANIUM, INC., GRAND JUNCTION, COLORADO. Guy Stealey Claims, Rio Blanco County, Colorado.
Letter to the Applicant denying the application.

DMEA-3718
Lead
Region III

ROBERT BAER, JR., ALFRED BAER, AND HARRY E. KAUFFMAN, RICO, COLORADO. Luckey Strike, et al., Claims, Dolores County, Colorado.
Letter to the Applicant denying the application.
Copies of a memorandum dated August 26, 1955, by N. E. Nelson, USGS, and of a memorandum dated August 31, 1955, by O. M. Bishop, USBM, relating to the application were sent to the Field.

DMEA-3836
Tungsten
Region II

CAL ALTA OIL AND MINING CO., INC., GUERNEVILLE, CALIFORNIA. Cal Alta (White Blowout) Mine, Washoe County, Nevada.
Letter to the Applicant denying the application.

DMEA-3944
Lead
Region I
(N.W.District)

KAESS MINING COMPANY, MOUNT VERNON, WASHINGTON. Johannesburg (Johnsburg) Mine, Skagit County, Washington.
Letter to the Applicant denying the application.
The Applicant was advised that copy of Lease Agreement with William Soren on the Lookout property will be returned by the Field Team if it has not already done so.
Letter to the Field asking it to return Lease Agreement to Applicant as requested in letter of August 15, 1955, from the Applicant to Mr. Fryklund. Copies of a memorandum dated August 22, 1955, by N. E. Nelson, USGS, and of a memorandum dated September 1, 1955, by O. M. Bishop, USBM, relating to the application were sent to the Field.

Miscellaneous

DMEA-1199
Idm-E126
Beryl and Mica
Region III

LEWIS W. COLLINGWOOD, CUSTER, SOUTH DAKOTA. No. 9 Lode, Custer County, South Dakota.
Letter to the Field with reference to its memorandum of September 1, 1955, relating to collecting royalty due from the Operator.

DMEA-2482
Idm-E409
Lead and Zinc
Region II

RAYMOND-COMBINED MINES COMPANY, SALT LAKE CITY, UTAH. Castleton Plant, Lincoln County, Nevada.
Letter to the Field with reference to Interim Report dated August 24, 1955, by Glenn G. Gentry. The Field was asked to advise its recommendations regarding an amendment providing a recess and extending completion time of the contract.

File as is

MEMORANDUM

To: Mr. F. E. Johnson, Deputy Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Proportinate cost of labor an equipment, supplies and incidentals.
Docket No. DMEA-4301, Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028

Reference is made to note of Mr. F. Johnson, Deputy Administrator, suggesting a review of the relative costs of labor and equipment, supplies and incidentals.

The property is 106 miles from Las Vegas, the nearest rail point and the main source of supplies and equipment. The nearest mail point and telephone is 64 miles distant.

The cost of labor for drifting is estimated as follows: and are based on a six day week and 112 feet per month.

	Cost per month	Cost per foot
Working Superintendant	$600.00	
2 miners at $21.67/day. 26 days	1,126.84	
Trucker and handy man	478.92	
Ins. compensation, etc. 12.5%	275.72	
Total for 112 feet	2,481.48	$22.16
Operating materials and supplies		10.73
Equipment rental		1.37
Transportation		.23
Miscellaneous		.91
Cost of drifting per foot		$35.40

Rounded to $35.00 per foot.

Under the above set-up the personnel cost is about 60 percent.

If the work could be carried out for two shifts there would be a considerable decrease.

File as is

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5-15	Chapman	400
5-15	Martin	400
		140
		140
		220

May 15, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of Amendment No.1
Climax Tungsten Company
Docket No. DMEA 4301
Climax mine
Nye County, Nevada
Contract No. Idm-E1028

Attached is a draft of a proposed Amendment No. 1 to the above contract for your use in preparing in final form.

W. S. Martin

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

Attachment

TLChapman:foc
5/15/57
cc to: Docket
400

8623

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA 4301

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Climax Tungsten Company, that Exploration Project Contract No. Ids-E1028 (Docket No. DMEA 4301) dated October 30, 1956, is amended as follows:

1. In Article 3 of the contract form, the time for completion of work is extended from 15 months to 21 months or until September 30, 1958.

2. (a) Work under the contract shall be suspended during the period beginning May 8, 1957, and ending not later than October 30, 1957.

(b) The Government shall not contribute to any costs incurred by the Operator during the period of suspension, or to any costs of rehabilitation or repair which, in the Government's opinion, would not of occurred if there had been no suspension of the work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

3. It is the essence of this contract that the work be resumed before the termination of the period fixed for suspension, and completed before the termination of the period here fixed for completion; and if the work is not so resumed and completed in the manner required by the contract, the following provisions shall thereupon become effective:

(a) The contract and all obligations of the parties hereunder, except

as otherwise herein provided, shall be and hereby is terminated as follows:

(i) Effective April 30, 1957, if the work has not been resumed on or before October 30, 1957.

(ii) Effective September 30, 1958, if the work is resumed on or before October 30, 1957, but is not completed on or before September 30, 1958

(b) The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

(c) The Operator shall promptly perform all winding up and settlement actions provided for in the contract, including the rendering of final report and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided for in this amendment.

4. The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer, shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount, for the same period, and subject to the same conditions as if a certification of discovery or development had been made, such certification being waived.

This amendment shall not be construed to increase the estimated total cost of the project. The aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

CLIMAX TUNGSTEN COMPANY
By_____

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1605 Evans Avenue
Reno, Nevada
May 7, 1957

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungstan)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E 1028

The enclosed two copies of Mr. Tamney's letter will bring you up to date on the operation of subject contract.

S. Ricker

Encls.

OFFICIAL FILE COPY
DMEA
RECEIVED 1957

DATE		CODE
5/9	C	220
5/10	WSM	400

BUREAU OF MINES
WASHINGTON, D. C.

MAY 9 9 28 AM '57

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 9 1957

DATE	INITIALS	CODE
5/10	WSM	400

Climax Tungsten Co.
Box 91 Tempiute, Nev.

Mr. Glen Gentry
Bureau of Mines
1605 Evans Avenue
Reno Nevada.

Dear Mr. Gentry:

We are scheduled to cease operations at the Climax Mine on May 8, 1957 for the duration of the ABC test period. We are now drifting at the bottom of mine and we are trying for 80 feet by such time.

I would appreciate it if you would send us some more MW-104 and MW-104A so that I can get them filled out and drop them off at your office when I come to Reno.

Very truly yours

Ted W. Stamey

SR 5/6/57

Gentry

DMEA

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

RECEIVED DEC 5 1956 D.M.E.A.

1605 Evans Avenue
Reno, Nevada

December 3, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 - Tungsten
The Climax Tungsten Company
Climax Mine
Nye County, Nevada
Contract No. Idm-E1028
(Your letter October 30, 1956)

Enclosed are the Government, Division, and Docket copies of subject contract which have been executed by the Operator.

Please refer to Item 4 under Stage I: "From points approved by the Government, raise a total of 200 feet. The raise shall be between 50 and 100 feet in height, dependent upon the mineralization."

There is no allottment for this item in the fixed unit costs under Stage I. In order to conserve time, we sent the contract to the Operator with the understanding that upon approval of our engineers we would eventually make an amendment whereby we would substitute monies set up under other items of the contract for raising.

S. Ricker

Encl.

Docket

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

RECEIVED NOV 9 1956

1605 Evans Avenue
Reno, Nevada

November 7, 1956

The Climax Tungsten Company
1229 Lathan Square Building
Oakland 12, California

WSM

Re: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Gentlemen:

Enclosed are the original and five copies of a proposed contract for an exploration program at the above-referenced property, signed by the Administrator, for the Government, together with Annex 1 (1 page), Exhibit A (3 pages) and 8 maps.

If the terms and conditions of this contract are satisfactory to you, all six copies should be signed by your firm. The copy marked "Operator's Copy" should be retained by you, and the original and the other four copies should be returned to this office.

If any part of this contract does not meet with your approval, the original and all copies should be returned with your suggested changes.

You will note that both the Climax No. 2 and Climax No. 4 claims have been added to the contract. When the contract is signed please add the Book and Page numbers of the Climax No. 4 to Annex 1. The starting date has been left blank and should be filled in at the time the contract is signed.

Very truly yours,

Roscoe M. Smith
Actg. Executive Officer
DMEA Field Team, Region II

Encl.

RMSmith:gh
cc: Opr. Com., DMEA, Wash., D.C.
Finance Off., Reg. II
Geo. Mavor

R. M. Smith
File

DOCKET
SURNAME
Chapman
Martin
Chappelear
Selfridge
Yopes
Mittendorf

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

400

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

OCT 30 1956

Re: Docket No. DMEA 4301 - Tungsten
The Climax Tungsten Company
Climax Mine
Rye County, Nevada

Dear Mr. Richer:

Enclosed are the original and five copies of a proposed contract for an exploration program at the above-referenced property, signed by the Administrator, for the Government, together with Annex 1 (1 page), Exhibit A (3 pages) and 8 maps. Two extra copies of Exhibit A and the Annex and maps are enclosed for the use of the Field Team.

If the terms and conditions of the proposed contract are satisfactory to you and the operator, all six copies should be signed by the operator and the usual distribution made.

If any part of this proposed contract does not have either your approval or that of the operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

We have added both the Climax No. 2 and Climax No. 4 claims to the proposed contract, but, from the Field Team's comments on adding Climax No. 2, we conclude indirectly that there is small likelihood that Climax No. 5, Cabin, the eight claims of the Guard group, or the three millsite claims would benefit from the proposed work.

Under Article 1, the starting date has been left blanks and is to be filled in when the contract is signed by the operator. At the same time the Book and Page numbers of Climax No. 4 should be added in Annex 1.

Sincerely yours,

George C. Selfridge (857)
Chairman, Operating Committee

Approved:

P. F. Yopes (857)
Member, Bureau of Mines

Thor H. Killgaard (857)
Member, Geological Survey

Enclosures

cc to: Oper. Comm.
FT. REG. II
R. W. Holliday, USBM
T. H. Killgaard, USGS

TLCHAPMAN:fec 10/24/56
cc to: Docket
Code 400
Admr. Read. File

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

OCT 19 1956

Memorandum

To: The Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4301 (Tungsten)
The Climax Tungsten Company
Climax Mine
Nye County, Nevada

Pursuant to your memorandum dated October 12, 1956, we have prepared the attached Contract in satisfactory legal form for execution, subject to the attachment of the eight maps referred to in ~~Annex I~~ Exhibit "A" and insertion of recording data in Annex I for the Climax No. 4 claim.

Robert F. Dwyer

RCRubin/wog
October 19, 1956
Copy to: Solicitor's Docket (2)
DMEA Docket
~~GGSelfridge~~
WSMartin (2)
RFDwyer
RCRubin
Chron.

400

DOCKET
SURNAME
Chapman
Martin

October 12, 1956

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of contract
Docket No. DMEA 430R - Tungsten
The Climax Tungsten Company
Climax Mine
Nye County, Nevada

Attached is a draft of a proposed contract for the captioned project for your use in preparing the contract in final form.

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

Attachment

TLChapman/foc
10/12/56
cc to: Docket
Code 400

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA 4301

EXHIBIT "A"

Description of the Work

Attached hereto are the following maps:

Figure 1 - Location Map

Figure 2 - Claim Map (claims outlined in blue)

Figure 3 - Climax Tungsten Mine, Nye County, Nevada (showing workings and contours).

Figure 4 - Carlisle Adit, showing proposed Stage I (showing drifts, crosscut and winze and diamond drill holes)

Figure 5 - Goldfield Adit, Climax Tungsten Mine (showing proposed Diamond drilling, drifting and crosscutting).

Figure 6 - Climax Tungsten Mine, Section A-A' through McCarthy Raise.

Figure 7 - Climax Tungsten Mine, Section B-B'.

Figure 8 - Climax Tungsten Mine, Section C-C'.

The project shall be divided in two stages. Stage II will be dependent on the results of Stage I except that any part thereof which is approved in advance by the Government may be performed prior to completion of Stage I.

All drifts and crosscuts shall be timbered as necessary, and shall not be less than 4½ feet by 6½ feet in the clear.

Mineralized zones shall be sampled at 5 foot intervals and assayed for tungsten trioxide (WO_3).

STAGE I

1. Rehabilitate the Carlisle Adit, installing track (20 pound rail), 2 inch air line, 1 inch water line and 10 inch vent-tube.

2. As indicated on Figure 4 drift southerly 300 feet and from point near end of drift crosscut westerly approximately 250 feet to intersect other tactite zones.

3. Approximately from point indicated on Figure 4 sink an inclined winze easterly 100 feet 6 feet by 9 feet in the clear on the tactite zone. From bottom of winze drift northerly and southerly a total of 100 feet, the distances north and south to be dependent on the mineralization.

4. Raising for a total of 200 feet. The raises to be 50 to 100 feet in height dependent on the mineralization. The points for raising shall have the approval of the Government.

5. Long holes shall be drilled for a total of 500 feet, the maximum length for a hole to be 50 feet. Location of holes shall have the approval of the Government.

6. Diamond drill 2 holes approximately from point indicated on Figure 4. One to be S 70 degrees W. direction, dipping minus 60 degrees and 200 feet long. One to be N. 70 degrees E. dipping plus 60 degrees and 200 feet long. The holes to be AX size and to be cemented, redrilled, reamed and cased as necessary.

STAGE II

7. Rehabilitate the Goldfield adit, approximately 900 feet, installing track (20 pound rail), 2 inch air line, 1 inch water line and 10 inch vent-tube.

8. Drifting and crosscutting as indicated on Figure 5. One crosscut (marked drift on map) 150 feet easterly and one crosscut 150 feet westerly from a point approximately 170 feet from portal of adit.

Crosscut north easterly from end of present crosscut 200 feet. Total crosscutting or drifting 500 feet. To be timbered as necessary.

9. Diamond drill approximately 1,100 feet as indicated on Figures 5 and 7. The holes to be AX size, and to be cemented, re-drilled, reamed and cased as necessary.

Estimated Cost of the Project
Fixed Unit Costs
Stage I

Rehabilitate Carlisle adit, 300 feet at $3.50/ft.	$ 1,050.00	
Drift and crosscut 550 feet on the Carlisle adit level at $35.00 per foot to include timbering	19,250.00	
Winzing 100 feet at $92.20/ft.	9,220.00	
Drifting from bottom of winze, 100 feet at $37.00/ft.	3,700.00	
Long hole drilling 500 feet at $2.00/ft.	1,000.00	
Diamond drilling 400 feet at $7.00/ft.	2,800.00	
Assaying 90 samples for WO_3 at $5.00 each	450.00	
Estimated cost of Stage I		$37,470.00

Stage II

Rehabilitate Goldfield adit, 900 feet at $3.50/ft.	$ 3,150.00	
Drifting and crosscutting 500 feet in the Goldfield adit level at $35.00/ft to include timbering	17,500.00	

Diamond drilling 1,100 ft. at $7.00/ft.	7,700.00	
Assaying 100 samples for WO_3 at $5.00 each	500.00	
Estimated cost of Stage II		$28,850.00
Total estimated cost of project		$66,320.00
Government participation, 75 percent		$49,740.00

EXPLORATION PROJECT CONTRACT
CLIMAX TUNGSTEN COMPANY
DOCKET NO. DMEA 4301

ANNEX I

The land referred to in Article 2 of the contract form consists of four unpatented lode mining claims (figure 2) owned by the Operator and recorded as follows:

NAME	BOOK NO.	PAGE NO.
Climax	94	94
Climax No. 1	94	95
Climax No. 2	94	95
Climax No. 3	94	96
Climax No. 4	-	-

The claims are located in Nye County, Nevada

This property is within the area set aside by the Atomic Energy Commission for tests of nuclear devices, but a co-use agreement has been signed which permits the owners to operate the property except during periods of testing the aforesaid devices, which occur over a period of 1½ to 3 months every two years.

DMEA
Docket

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

RECEIVED
SEP 24 1956

1605 Evans Avenue
Reno, Nevada

September 20, 1956

Memorandum

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

WBM

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada
(Your letter, September 3, 1956)

Supplementary to my letter of September 18, 1956, I am enclosing four copies of a memorandum dated September 18, 1956, on the same subject which, in principal, agrees with my letter.

S. Ricker

Encls.

9/25/56
Copy sent to BM
" " " GS.

BUREAU OF MINES
WASHINGTON, D. C.
SEP 24 12 54 PM '56

RECEIVED
SEP 24 1956

Mineral Deposits Branch

September 18, 1956

Memorandum

To: DMEA Field Team, Region II

From: Robert G. Reeves, geologist

Subject: DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax mine
Nye County, Nevada

This is in answer to questions raised in the September 3 letter of George C. Selfridge and the August 27 memorandum of W. P. Williams, U. S. Geological Survey. Item No. 4 of Mr. Selfridge's letter raises the partly geologic question of the "feasibility of completing the diamond drilling while other work on Stage I is being done." Mr. Williams questions the extent of Stage I drifting, crosscutting, and raising.

The location of diamond drill holes on the map shows only the approximate location, direction, and inclination to explore the ore bodies. In order to derive the maximum benefit from the drilling, the precise location, direction, and inclination should be selected based on the results of Stage I exploration from the Carlisle adit. The work in the Carlisle adit below the outcrop, while indicating the presence of ore bodies, also indicates that the bodies are offset, discontinuous, and irregular. Considerable

crosscutting and drifting will be necessary to find the ore and work out the structural setting before diamond drilling can be most effective. For these reasons, it is recommended that the Stage I exploration be largely done before starting the diamond drilling.

DMEA Docket

RECEIVED

SEP 20 1956

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

1605 Evans Avenue
Reno, Nevada

September 18, 1956

Memorandum

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

WJOY

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Following is our reply to comments in items set forth in your letter of September 3, 1956.

1. Only a small amount of rehabilitation work will be required and will be at the Operator's expense.

Mine track, pipe lines, and ventilation pipe will be required in both the Carlisle and Goldfield adits and the quantity and expense of these items are estimated on pages 18 and 22 of the examination report.

2. Standard drift sets 6" x 8" posts and caps -- 2" x 12" lagging. Estimated number of sets required: 7. The ground stands well and very little lumber should be required. Some old timber on hand can be utilized if necessary.

3. For winzes, standard sets at five foot centers will be used -- 6"x8" posts and caps -- lagging 2"x 12" as required.

4. We believe that additional equipment would be required to carry on with both stages concurrently. Equipment

Copy retained 400

BUREAU OF MINES
WASHINGTON, D. C.

SEP 20 9 10 AM '56

would involve air compression capacity, air and water lines, water storage capacity, and additional water supply. Data acquired in Stage I should be of value in detailing the work under Stage II.

5. The estimated length of long holes will probably vary from 40 feet to 50 feet.

The proposed program was thoroughly discussed with Roscoe Smith and the Operator before submitting the report and the consensus is that the work should be laid out as suggested in the report. We shall be pleased, however, to have your further comments.

S. Ricker

DOCKET
SURNAME

400
Chapman
Martin
Selfridge
H. Johnson

SEP - 3 1956

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

Re: Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Dear Mr. Ricker:

Reference is made to your memorandum of August 17, 1956, with copies of a report on subject property by G. G. Gentry, Bureau of Mines and R. G. Reeves, Geological Survey.

The following items in the report require clarification:

1. No mention is made of the condition of the old workings, or whether any rehabilitation will be required, or if track and pipe lines must be installed in these workings.

2. If it will be necessary to timber any part of the drifts and crosscuts, please estimate the size of timber necessary and how much lagging will be needed.

3. Specify type of timbering that will be required in inclined winze.

4. Discuss feasibility of completing the diamond drilling while other work of Stage 1 is being done.

5. Please also advise us what length is proposed for the long holes

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

APPROVED:

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

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

TLChapman/fec 8/30/56

cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
R. W. Holliday, USBM, T.H.Kiilsgaard, GS

R.G.R.

P. S. Enclosed for your information are 2 copies of memorandum of August 27, 1956, by W. P. Williams, Geological Survey. Please let us have your comments.

Docket

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

August 30, 1956

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

Subject: Review of Examination Report
Docket No. DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Copy retained 400

Subject report recommends an exploration project costing $76,400 and including 700 feet of drift, 450 feet of crosscut, 200 feet of raise, 100 feet of winze, 500 feet of long hole drilling, and 1,500 feet of diamond drilling.

From the sample analyses and tonnage of the inferred ore there seems little doubt that the project is justified.

If both stages are to be carried out simultaneously I would see no point in separating them into Stage I and Stage II unless this should be more convenient from a bookkeeping standpoint.

The work proposed appears to be adequate, however, so far as continuity of mineralization will permit it would seem reasonable to give priority to work from the lower level. For example the drill holes 2, 3, 4 and 5, proposed as Stage II might give information of value in laying out the drift and crosscut proposed as Stage I. Also raising would normally be more economical than driving of a winze.

I concur in recommending the project.

R W Holliday
R. W. Holliday

We are enclosing two copies of memorandum by R. W. Holliday, Bureau of Mines with reference to the subject application.

Docket

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

1605 Evans Avenue
Reno, Nevada

Aug. 17, 1956

WSM

Memorandum

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

From: Executive Officer, DMEA, Field Team, Region II

Subject: Docket No. DMEA-4301 (Tungsten)
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Reference is made to your letter of July 12, 1956 relative to above subject docket.

Attached are four copies of a report on subject property by G. G. Gentry, U. S. Bureau of Mines, and R. G. Reeves, U. S. Geological Survey, in which an exploration project is recommended at a total cost of $76,400.00.

Roscoe Smith and I concur in the recommendation.

S. Ricker

Attach.

RECEIVED
AUG 20 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-24-56
(date)

IN REPLY REFER TO:

Docket

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

Copy retained 400

August 27, 1956

RECEIVED
AUG 28 1956

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

WSM

Subject: Review of field examination report, DMEA 4301 (tungsten), Climax Tungsten Company, Climax Mine, Nye County, Nevada.

The field examiners report that geologic conditions on the property are favorable and that further exploration would have a good chance of discovering new tungsten ore reserves in addition to known reserves existing on the property. An extensive project consisting of drifting, crosscutting, winzing, raising, and diamond drilling is recommended for DMEA approval. Estimated total cost of the project is $76,400.

While the proposed project would undoubtedly do an excellent job of developing the Climax mine, it seems questionable that all the driving of the underground openings is necessary to establish discovery. The facts that the ground is amenable and that core drilling is practicable are established by the field team's recommendation for diamond drilling in proposed Stage III of the project.

If the field team's recommended project is adopted there seems little point in dividing the work into stages because not enough of the element of contingency seems to be present between proposed Stages I and II.

I believe consideration should be given to a proposed project consisting for the most part, if not entirely, of core drilling. Drill holes could be collared either on surface or in existing underground openings. Holes from surface need be no longer than 200 feet, and the holes could be pointed so as to crosscut the geologic structure. A core drilling project would establish the ore potentialities of the property at a fraction of the cost of the underground work.

The examiners' estimated cost of $9.60 a foot for diamond drilling seems high. The $9.60 figure is composed of $5.00 per foot for drilling (which seems reasonable) and an unexplained $4.60 for "extra costs."

Copy retained 400

I agree with the field team's recommendation for DMEA participation in exploration on the property but believe that a modified, reduced project should be approved.

W. P. Williams

W. P. Williams

APPENDIX II

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION II

RARE AND PRECIOUS METALS
EXPERIMENT STATION

[illegible] EVANS AVENUE
RENO, NEVADA

August 2, 1956

Memorandum

To: Mr. G. G. Gentry, DMEA, Reno, Nevada

From: Supervising Mining Engineer, Region II

Subject: Sample analysis

DMEA-4301
Climax Tungsten Co.
Nye County, Nevada

The sample contained 0.60 percent WO_3, as scheelite in a garnetiferous gangue. Apparently coarse grains of scheelite were seen with the ultra-violet lamp, but close examination showed most of this scheelite contaminated with very fine-grained inclusions, and much scheelite was fine-grained and locked with gangue minerals.

A portion of the sample was crushed to minus 10-mesh and hydraulically classified into three sand portions and slimes. Each portion was separately concentrated on the laboratory Wilfley table. The rough concentrates were combined and separated into several screened portions for cleaning on the high intensity magnetic separator. The plus 20-mesh rough concentrates contained very little free scheelite and were removed for regrinding and re-tabling. The primary magnetic separator concentrates were low-grade, as much of the scheelite was contaminated with minute inclusions of gangue. Conversely, much scheelite was rejected in the magnetic tailings, being locked with grains of garnet.

The primary concentrates contained 32.44 percent WO_3, and 0.1[illegible] percent Mo, representing 25.9 percent recovery of tungsten.

After analyses of the primary table products were completed, it was found that the coarse sand tailings and middlings contained about 40 percent of the total tungsten in the original ore. These two products were combined with the plus 20-mesh primary concentrates and stage-ground to minus

35-mesh, for hydraulic classification and retreatment on the shaking table. This secondary table feed contained 0.50 percent WO_3, representing 47 percent of the original tungsten in the ore, in 56 percent of the total weight.

The secondary tabling operation yielded concentrates containing 39.15 percent WO_3 and 0.10 percent Mo, representing an additional recovery of 26.3 percent of the tungsten in the original ore. The combined concentrates contained 38.51 percent WO_3 and 0.14 percent Mo, representing 52.2 percent recovery of tungsten.

Detailed data of the gravity concentration are shown in the following tabulation:

Gravity Concentration of Climax Tungsten Ore

Product	Weight, percent	WO_3, percent	Distribution of WO_3, percent
Primary Concentrates	0.475	32.44	25.9
Secondary "	.400	39.15	26.3
Combined "	.875	35.51	52.2
Magnetic tailings	10.912	1.03	19.0
Medium sand tailings	15.248	.22	5.5
Fine sand tailings	47.905	.11	8.7
Slimes	25.060	.35	14.6
Composite	100.000	.60	100.0

Flotation tests were made on ore ground to minus 100-mesh. Rougher concentrates were made which contained 15.0 percent WO_3, representing 95 percent recovery of tungsten. In another test similar concentrates were cleaned in one stage to 24 percent WO_3, with net recovery of 85 percent. Apparently, fairly high-grade concentrates could be produced by repeated cleaning, but with less recovery. The reagents used in the flotation tests were, in pounds per ton of ore: sodium carbonate, 6.0; quebracho, 0.10; sulfonate A-18, 0.75, fatty acid 708, 0.15; with sodium silicate, 2.0; and A-18, 0.25, in the cleaner stage.

Apparently, the contaminated and fine locked-grain scheelite in this ore makes it unsuitable for gravity concentration. Neither high-grade concentrates or satisfactory recovery were obtained. Flotation of ore ground to minus 100-mesh produced high recovery, but cleaning to improve the grade of flotation concentrates would considerably reduce the recovery.

A. C. Johnson

cc: S. Ricker

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA 4301 (Tungsten)
Climax Tungsten Company
Climax mine
Nye County, Nevada

RECEIVED
AUG 23 1956

by

G. G. Gentry
U. S. Bureau of Mines

R. G. Reeves
U. S. Geological Survey

On-Site Exam

August 15, 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-24-56
(date)

CONTENTS

	Page
Introduction	1
Conclusions and Recommendations	1
Location, Accessibility, and Local Facilities	2
History and Production	4
Property and Ownership	5
Development	5
Geology	6
Ore Deposits	8
Sampling	9
Ore Reserves	11
Proposed Exploration	13
Appendix I	
Appendix II	

ILLUSTRATIONS

Figure	1	Location map
	2	Claim map
	3	Geologic map
	4	Map of Carlisle adit
	5	Map of Goldfield adit
	6	Cross section A-A'
	7	Cross section B-B'
	8	Cross section C-C'

INTRODUCTION

The Climax Tungsten Company, 1229 Latham Square Building, Oakland, California, applied May 10, 1956 for Government assistance under the Defense Minerals Exploration Administration, docket DMEA-4301, to explore for tungsten ore at the Climax tungsten mine, also known as the Tamney tungsten property and the Oak Springs mine, Nye County, Nevada.

Outcrops of high grade ore bodies not explored by the underground workings induces the applicant to further explore for their downward continuation.

A field examination requested by the Operating Committee was made by Glenn G. Gentry, U. S. Bureau of Mines, and R. M. Smith and R. G. Reeves, U. S. Geological Survey, on June 21-23, 1956, accompanied by Mr. T. M. Tamney representing the applicant.

All but the last few feet of the mine workings had been mapped in detail, and it was necessary only to check and complete the mapping. The property had been sampled extensively by competent geologists and engineers; and only 21 additional samples were taken, which confirmed the previous sampling. The underground workings and the surface exposures were also examined by ultraviolet light.

CONCLUSIONS AND RECOMMENDATIONS

The mine contains several partially explored bodies of scheelite-bearing tactite. The proposed exploration by crosscutting, drifting,

raising, and diamond drilling was discussed with the applicant's representative, and some changes were considered advisable.

The revised program is well suited to explore the favorable tactite bodies. Some of the project sites are inaccessible, and limited facilities for accomplishing the work are presently available. However, the applicant will supply and install necessary facilities in the event an exploration contract is approved.

The proposed revised exploration will require 14 months to complete at an estimated cost of $76,400.00, of which the Government's share would be $57,300.00.

Sufficient ore reserves are inferred to justify the proposed work, based on favorable geologic conditions, detailed sampling, and the grade of past ore shipments.

It is recommended that the Government enter into an exploration project contract with the applicant. To facilitate administration of the contract it is also recommended that all work be based on unit costs rather than actual costs.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Climax mine is in an unsurveyed part of Nye County, Nevada, in the Oak Springs mining district, 106 miles northwest of Las Vegas, Nevada. The property lies within the Nevada proving ground of the Atomic Energy Commission.

The mine is reached by traveling northwest from Las Vegas 58.9 miles via U. S. Highway 95, thence northerly 39.0 miles via

a paved all-weather road constructed by the A.E.C., 3.4 miles in the same direction via a graded and graveled road, westerly 0.5 mile on an unimproved road, and finally northwesterly 4.2 miles on the unimproved mine access road. The trip requires approximately three hours driving time. The road across the proving ground is maintained by the A. E. C. It would be necessary for the applicant or operator to maintain the mine access road.

The usual desert climate prevails and the annual precipitation is moderate. Occasional snow storms might close the mine access road for short periods during the winter months.

Experienced mine labor, materials, and supplies may be obtained from Las Vegas, Caliente, and Pioche, Nevada. Only a limited quantity of water is available in the vicinity of the mine; water for milling will have to be pumped from wells several miles away.

No electric power is presently available. However, electric power is furnished to the A.E.C. from the Hoover Dam hydroelectric plant and the power lines terminate about 6 miles west of the mine. On June 23, 1956 this transmission line was taken over by the Southern Nevada Power Company which suggests that electric power might become available for mining and milling operations.

Telephone service is available at Indian Springs, 64.4 miles southeasterly from the mine. This small village would also be the nearest point for mail services.

Telegraph, truck, and railroad services may be obtained either in Las Vegas or Caliente.

HISTORY AND PRODUCTION

The district has been known since 1905 when several prospects were developed, principally for gold, silver, and turquoise. Some copper was shipped in 1917. Scheelite was discovered by V. A. Tamney in 1937, and about $6,000 worth of tungsten concentrates were produced with a dry concentrator during 1940. In addition, the applicant reports the production of 1,000 tons of 0.54 percent WO_3 ore from the Gould stope in the Carlisle adit.

Previous operators of the mine include the Goldfield Consolidated Mines Company in 1938 and 1940, the U. S. Vanadium Corporation in 1939, and the Pacific Bridge Company in 1941.

During the year 1941 or 1942 the area was closed by Government order establishing the Tonopah Bombing and Gunnery Range. Since this closure it has been impossible to obtain permission for the operation of the property until December 1, 1952 when a co-use agreement (Appendix I) with the A.E.C. was signed. This agreement, for a period of 5 years, expires December 1, 1957 and may be renewed for five years.

PROPERTY AND OWNERSHIP

The Climax Tungsten Company, a partnership of Theodore M. Tamney, Willard A. Kinney, and Allen J. Wright, 1229 Latham Square Building, Oakland 12, California, claims ownership of the following unpatented mining claims (fig. 2):

Climax lode claim -	recorded	in	Book	94,	Page	94
Climax No. 1 claim -	"	"	"	94,	"	95
Climax No. 2 claim -	"	"	"	94,	"	95
Climax No. 3 claim -	"	"	"	94,	"	96

These mining claims are recorded in the Nye County Recorder's Office, Tonopah, Nevada, and all except Climax No. 2 are included in the exploration proposal. As the Goldfield adit portal and part of the adit is on Climax No. 2 claim and will be used and perhaps benefitted by the exploration it is recommended this claim be included within the contract area.

The co-use agreement with the A.E.C. allows the operation of this mine, subject to security restrictions. The only interruption of operations is during the actual detonation of the nuclear devices which occurs once every two years for a period of six weeks to three months, depending upon the weather and type of tests.

DEVELOPMENT

The mine has been developed principally by the Carlisle and Goldfield adits (fig. 3). The Goldfield adit is approximately 246 feet below the Carlisle adit.

The Goldfield adit has a total of 882 feet of drifting and crosscutting and the Carlisle adit has 625 feet of drifting and crosscutting, one raise to a height of 91 feet above the level and one small stope 38 feet long on the adit level extending for a slope distance of 69 feet.

Other development not related to the claims included in the application consists of 500 feet of drifting in the Granite Tunnel and 200 feet of drifting in the Broad Ledge Tunnel.

GEOLOGY

Several engineering and geologic studies have been made and reports written by Witt[1/], Emigh[2/], Wyant[3/], and Wright[4/].

1/ Witt, H. N., Geology of the Tamney tungsten property: Private report for the Goldfield Consolidated Mining Co. (Copy in the files of the Climax Tungsten Company.)

2/ Emigh, G. D., The Oak Springs tungsten property: Private report for the U. S. Vanadium Corp. (Copy in files of the Climax Tungsten Company.)

3/ Wyant, D. G., The Oak Springs tungsten property: War Minerals Investigation Report (in the files of the U. S. Geol. Survey).

4/ Wright, L. A., Tamney tungsten property: Private report for the Climax Tungsten Company.

The sections on geology and ore deposits are taken largely from these reports, modified and supplemented as a result of the field examination.

The Climax mine area is an inlier of sedimentary rocks of Pennsylvanian (?) age, cut by a granite stock, in Tertiary volcanic rocks (fig. 3).

The sedimentary rocks consist of a lower marble, a lower cherty limestone, an upper marble, and an upper cherty limestone. The possibility exists that the two marble - cherty limestone units are the same, repeated by thrust faulting.

In the northern part of the mine area the sedimentary rocks strike northerly and dip 30° to 40° E. In the southern part of the area the beds strike easterly to northeasterly and dip from 30° to 60° N. Near the portal of the Goldfield adit, the cherty limestone is contorted, and all structures destroyed. Direction of movement appears to be from NE to SW, and is suggestive of thrusting.

The sedimentary rocks are cut by two easterly-trending near-vertical cross faults, and several northerly-trending strike faults that dip 30° to 50° E, and are in part bedding plane faults. These strike faults are probably thrust faults, although lack of suitable marker beds prevents confirmation of this.

A granite stock about three-quarters of a mile long and a half a mile wide cuts the sedimentary rocks, and sills and dikes of the granite cut the sedimentary rocks. The dominant effect of the

granite on the pure limestone was recrystallization to marble. Some silicification has taken place on the contact. Impure limestone beds were converted to tactite consisting mainly of garnet, epidote, plagioclase, feldspar, and magnetite, and in part scheelite-bearing.

ORE DEPOSITS

The ore occurs in tactite beds interbedded with marbelized limestone. Several parallel beds have been converted to tactite. In the northern part of the mine area the tactite bodies strike north to northwest and dip 30° to 50° E, and are 1 to 50 feet wide. In the southern part of the area the tactite bodies strike easterly and northeasterly and dip 30° to 50° N, and are from 10 to 200 feet wide. The ore is concentrated in layers mostly along the hanging walls. The main Coxcomb ledge ore body is 300 feet long, 2 to 4 feet wide, and averages 3 feet wide. The South Coxcomb East, South Coxcomb Middle, and South Coxcomb West ore bodies are 150 feet long, 2 to 4 feet wide, and average 3 feet wide. The South Ledge ore body is 300 feet long, is 3 to 5 feet wide, and averages 4 feet wide.

The Coxcomb ledge has been explored to a depth of 120 feet down the dip by the Carlisle adit, and is inferred to continue 100 feet or more below that level. The South ledge has been cut at 90 feet down the dip by the Goldfield adit.

The ore mineral is scheelite in a gangue of dark brown to black garnet, calcite, epidote, feldspars, and quartz. Scheelite is uniformly distributed throughout most of the ore layers in the northern part of the mine area, and less uniformly in the ore layers in the southern part of the area.

The tactite is cut by cross faults of small displacement, generally 2 to 10 feet, that were evidently premineral and provided channels that allowed the concentration of scheelite (fig. 3).

SAMPLING

Sixteen samples of the mineralized tactite were taken from the Carlisle adit level and three samples were taken from the raise above that level (fig. 4). Two samples were taken from the Goldfield adit (fig. 5). The walls and backs of the workings were also examined by ultraviolet light. The walls were covered with a film of dust and oil which prevented a thorough and detailed inspection, and water was not available to wash the walls.

Carlisle Adit

BM Sample No.	Width, feet	Description	Location	% WO_3
1981	3.2	Mineralized tactite.	South side of crosscut, 151 ft. from portal.	0.01
1982	4.7	Tactite at bottom of old raise.	26 ft. NE of 1981.	0.44
1983	2.2	Tactite at bottom of old stope.	Hanging wall on drift level, 38 ft. south of 1982.	1.35

BM Sample No.	Width, feet	Description	Location	% WO_3
1984	4.0	Tactite at south end of old stope in hanging wall.	South wall of east drift, 23 ft. south of 1983.	0.66
1985	6.3	Tactite on east wall of the drift at bottom of old stope.	71 ft. south of 1983. Ore shoot from 1981-1984, 1,000 tons shipped from this area.	0.27
1986	3.1	Tactite on south wall of east-west crosscut.	24 ft. west of 1984.	0.26
1987	2.0	Softer, altered tactite.	9 ft. west of 1986.	1.02
1988	4.0	Tactite across back of drift.	15 ft. north of center line of old stope.	0.60
1989	1.6	Tactite on east wall of drift and on east-west fracture.	31 ft. south of 1988.	0.76
1990	5.0	Tactite on west wall of drift.	60 ft. south of 1989.	0.44
1991	3.0	Tactite on west wall of drift.	12 ft. north of 1990.	0.66
1992	grab	Broken ore in old stope.	30 ft. west of 1986.	0.24
1993	2.3	Tactite on east wall of drift.	46 ft. north of main crosscut.	1.45
1994	2.9	Tactite on east wall of north drift.	13 ft. northwest of 1993.	1.08
1995	3.0	Tactite across back and at end of north drift.	45 ft. west of 1994.	<0.01

BM Sample No.	Width, feet	Description	Location	% WO_3
1996	1.3	Tactite and limestone in west crosscut off north drift.	13 ft. from main drift.	<0.01
1997	0.8	Soft, brown altered tactite under hanging wall of raise.	South side of raise.	1.40
1998	3.0	Tactite.	South side of raise.	0.94
1999	2.0	Hard tactite. Sample of vein to back of raise.	North wall of raise.	0.01
Goldfield Adit				
2000	4.8	Tactite exposure.	East wall of crosscut.	0.48
2001	6.6	Tactite exposure.	West wall of crosscut opposite No. 2000.	0.08

Scheelite-bearing tactite exposed on the surface above the adits was inspected by ultraviolet lamp. This formation had been extensively sampled by former mine operators.

ORE RESERVES

Ore reserves are contained in the Coxcomb ledge and the South ledge areas (fig. 3). Indicated ore is considered to extend 10 feet from ore exposures. Based on a length of 300 feet and a width of 3 feet, Coxcomb ledge at the surface contains 900 tons of indicated ore. Based on 3 layers that aggregate 300 feet long, and average 4 feet wide, and considering that one-fourth of the material is ore, the Coxcomb ledge above and below the Carlisle adit

contains 600 tons of indicated ore. The grade of the ore is 0.75 percent WO_3. No other areas contain indicated ore.

The Coxcomb ledge between the Carlisle adit level and the surface contains 18,000 tons of inferred ore, distributed as follows: 6,750 tons of 0.75 percent WO_3 ore in the main Coxcomb ledge, 4,500 tons of 0.65 percent WO_3 ore in the South Coxcomb East ledge, and 4,500 tons of 0.5 percent WO_3 ore in South Coxcomb West ledge, and 2,250 tons of ore in the South Coxcomb Middle ledge.

The area between the Goldfield and Carlisle adits levels contains 18,750 tons of inferred ore, distributed as follows: 15,000 tons of 0.75 percent ore in the Coxcomb ledge and 3,750 tons of 0.75 percent ore in the South ledge.

The width and grade figures used in calculating ore reserves were obtained from an assay map by G. Donald Emigh, U. S. Vanadium Corp. engineer, a copy of which is in our files. Samples from the Carlisle adit taken during the DMEA examination confirmed his figures.

Ore Reserves Table

Level	Area	Tons Indicated	Tons Inferred	Tons Total	% WO_3
Carlisle adit to surface.	Main Coxcomb ledge.	1,500	6,750	8,250	0.75
	South Coxcomb East	--	4,500	4,500	0.65

Level	Area	Tons Indicated	Tons Inferred	Tons Total	% WO_3
	South Coxcomb West	--	4,500	4,500	0.50
	South Coxcomb Middle	--	2,250	2,250	0.7
Sub-Totals:		1,500	18,000	19,500	0.67 (weighted average)
Goldfield adit to Carlisle adit.	Main Coxcomb	--	15,000	15,000	0.75
	South ledge	--	3,750	3,750	0.75
Sub-Totals:		--	18,750	18,750	0.75 (weighted average)
Totals:		1,500	36,750	38,250	0.71 (weighted average)

PROPOSED EXPLORATION

A modified two-stage program, costing $76,400, and agreeable to the applicant, is recommended. Stage I consists of 300 feet of drifting, 250 feet of crosscutting, 500 feet of long-hole drilling, 200 feet of raising, and 100 feet of winzing from the Carlisle level. The 300 feet of drifting would be done along an ore zone exposed in the crosscut (fig. 4), east of and parallel to the ore zone selected by the applicant. The ore zone recommended by the examiners is wider and higher grade than the one selected by the applicant. Parallel ore zones would be explored for by long-hole drilling. Raises, totalling 200 feet, would be driven at favorable locations. Winzes not to exceed 100 feet would be sunk at favorable locations.

Stage II exploration consists of 1100 feet of diamond drilling, 200 feet of crosscutting, and 300 feet of drifting, from the Goldfield adit, and 400 feet of diamond drilling from the Carlisle adit.

From the Goldfield adit five diamond drill holes totalling 1100 feet (fig. 7) are laid out. The 200-foot crosscut will be driven to intersect the downward extension of the Coxcomb ledge body, but only if indicated by the results of diamond drilling. Any excess footage not needed for the crosscut will be used for drifting along the ore body. The 300 feet of drifting will be done, 150 feet easterly and 150 feet westerly, on the South ledge body (fig. 5) on the Goldfield level.

From the Carlisle adit, 400 feet of diamond drilling is proposed for 2 diamond drill holes at favorable locations, one +60° and one -60° hole, to explore for parallel ore zones beyond the reach of long-hole drilling.

The operator has requested that Stages I and II exploration be permitted concurrently, in order to allow more efficient operation. It is recommended that only that portion of Stage II work which is approved in advance by the Government should be performed prior to completion of Stage I. Any portion of Stage II work, and locations of work sites, should be subject to the prior approval of the Government.

Detailed estimated time and costs

Carlisle Adit

		Period
Stage I:	Drifting, 400 ft., size 5 ft. by 7 ft. in clear of timber.	2 mos.
	Crosscutting, 250 ft., size 5 ft. by 7 ft. in clear of timber.	2 mos.
	Raising, 200 ft., size 5 ft. by 7 ft. in clear of timber.	1-1/2 mos.
	Winzing, 100 ft., size 6 ft. by 9 ft. in clear of timber.	1-1/2 mos.
	Long-hole drilling (2-1/2 inch-2-1/4 inch bits) to be conducted along with the above exploration operations.	

Goldfield Adit

Stage II:	Drifting, 300 ft., size 5 ft. by 7 ft. in clear of timber.	2 mos.
	Crosscutting, 200 ft., size 5 ft. by 7 ft. in clear of timber.	2 mos.
	Diamond drilling, 1500 ft., size AX	3 mos.
		1 4 mos.

Allow 30 days to assemble equipment and crew.

Allow 30 days for unforeseen delays and/or breakdowns.

Resume

Drifting	700 feet
Crosscutting	450 feet
Raising	200 feet
Winzing	100 feet
Long-hole drilling	500 feet
Diamond drilling	1,500 feet

Carlisle Adit (fig. 4)

Stage I:

Item 1.	From south crosscut drift southerly 300 ft. @ $38/ft.	$11,400.00
	Long-hole drilling, 500 ft. @ $2/ft.	1,000.00
Item 2.	From near south end of the drift in Item 1, crosscut easterly 250 ft. @ $38/ft.	9,500.00
Item 3.	Raising in favorable locations above drift in Item 1, 200 ft. @ $38/ft.	7,600.00
Item 4.	Winzing from south crosscut, 100 ft. @ $97/ft.	9,700.00
Item 5.	Drifting from bottom of winze, 100 ft. @ $38/ft.	3,800.00
Total, Stage I:		$43,000.00
Government participation at 75%		$32,250.00

Goldfield Adit (fig. 5)

Stage II:

Item 1.	Drift on tactite exposed at 165 ft. north of portal.	
	150 ft. easterly @ $38/ft.	$ 5,700.00
	150 ft. westerly @ $38/ft.	5,700.00
Item 2.	1,100 ft. of diamond drilling @ $9.60/ft. ($5.00-drilling, $4.60-extra costs)	10,560.00

Item 3.	Starting at terminal of main east crosscut, continue crosscut 200 ft. easterly @ $38/ft.	$ 7,600.00
Item 4.	400 ft. diamond drilling from Carlisle adit @ $9.60/ft.	3,840.00
Total, Stage II:		$33,400.00
Government participation at 75%		$22,170.00
Total, Stages I and II:		$76,400.00
Government participation, Stages I and II, at 75 percent:		$57,300.00

Supervision and Labor

Based on a six-day week:	Cost per month
1 working Eng.-Supt. @ $600/mo.	$600.00
2 miners @ $21.67/day, ea.	1,126.84
1 truck driver, general helper @ $18.42/day.	478.92
Insurance, taxes, etc. @ 12.5%	275.72
Total:	$2,481.48
Cost per foot:	20.68

Operating Materials and Supplies

Gasoline 1,250 gals. @ $0.35	$437.50
Diesel fuel 1,600 gals. @ $0.25	400.00
Lube oil 25 gals. @ $1.80	45.00
Compressor oil 25 gals. @ $2.50	62.50
Dynamite 6,750 lbs. @ $0.25	1,687.50
Blasting caps 2,500 @ $0.03	75.00

Blasting fuse		
15,000 ft. @ $0.0125	$187.50	
Drill steel		
25 pcs. @ $10.00	250.00	
Carbide bits		
40 ~~50~~ @ $24.50	~~1,225.00~~	720.00
Carbide		
500 ~~300~~ lbs. @ $0.17	51.00	85.00
Water hose		
2 3/4", 50 ft. @ $0.50	25.00	50.00
Air hose		
2 1", 50 ft. @ $1.00	50.00	100.00
Air pipe		
2", ~~300~~ 550 ft. @ $0.60 Resale value 60%	180.00	165.00
Water pipe		
1", ~~300~~ 550 ft. @ $0.35 50%	105.00	96.00
Ventube		
10" diam., ~~600~~ 550 ft. @ $1.25 35%	750.00	447.
Mine rail, 16 ~~20~~ lb., with ties, bolts, spikes, splice bars, ~~600~~ 550 ft. 35% Resale value	400.00	476
Lumber, timber, wedges	100.00	250
Repair parts	150.00	
Msc. small tools	50.00	
Oil for rock drills, 5 gals. @ $0.70	3.50	
Total, Operating Materials and Supplies: 550	~~$6,234.50~~	5,737.50
Total cost per foot:		$ ~~13.85~~ 10.43

Rental allowance

Air compressor, one	$5,000.00
Mucking machine, one	3,000.00
Mine cars, two	300.00
Jackleg and drill, one	500.00
Stope hammer, one	500.00
Ventilation blower, one	500.00
Air receiver, one	50.00
Water pump, one	50.00

Slusher and scraper, one	$1,000.00		
Total rental allowance:	$10,900.00 9,900.00		
Cost per month: $10,900.00 / 60 = $181.67 165.00			
$181.67 per mo., 4 mos. = $726.68 165.00 5 mo. 825.00			
Cost per foot:		$	1.62 1.50

Transportation

Pick-up truck			
1,500 miles @ $0.07	$105.00		
Cost per foot:		$	0.23

Miscellaneous

Accounting @ $75.00/mo. ? 5 mo.	$300.00 250.00		
Sampling, 50 samples to be analyzed for WO_3 @ $5.00/ea.	250.00		
Delays, breakdowns, unforeseen expenses	100.00 550.00		
Cost per foot: 550	650.00	$	1.62 91

Total cost per foot, Stage I:		$	38.00

Stage II: - Winzing (Item 5).

1 Supt. @ $600/ mo., 2 mos.	$1,200.00		
2 Miners @ $25/day, ea., 2 mos.	2,600.00		
1 Hoistman @ $20/day ?	1,040.00		
1 Truck driver, general helper @ $18.42/day, 2 mos.	957.82 884.16		
Sub-Total:	$5,724.16		
Insurance, taxes, etc.	715.52		
Total:	$6,439.68 6,522.55		
Cost per foot:		$	64.40 65.22

		Cost per foot
Supervision and Labor	$ 6,439.68	$64.40 65.22
Materials and Supplies	2,688.90	26.89 22.50
Equipment rental	280.08	2.80 2.80
Hauling water and supplies 2400 miles @ $0.07	168.00	1.68 1.68 92.20
Sample analyses, 20 @ $5.00 ea.	100.00	~~1.00~~
		$96.77

Operating Materials and Supplies

Gasoline 300 gals. @ $0.35	$ 105.00		
Diesel fuel 624 gals. @ $0.25	156.00		
Lube oil 10 gals. @ $1.80	18.00		
Compressor oil 5 gals. @ $2.50	12.50		
Dynamite 2,000 lbs. @ $0.25	500.00		
Blasting fuse 6,000 ft. @ $0.0125	75.00		
Drill steel 10 pcs. @ $10.00	100.00		
Carbide bits 25 @ ~~$24.50~~ 18.00	612.50	450.00	-162.50
Carbide 100 lbs. @ $0.17	17.00		30.00
Air pipe 2", 100 ft. @ $0.60	60.00	30.00	2[illegible].00
Water pipe 1", 100 ft. @ $0.35	35.00	17.50	[illegible].00
Ventube 10", 100 ft. @ $1.25	125.00	81.25	[illegible]
Mine rail, ~~20~~ 16 lb., with ties, bolts, spikes, splice bars, ~~200~~ ft. 1066.00 at $250.00	35.00 ~~250.00~~	133.00 86.50	[illegible]
Oil for rock drills 2 gals. @ $0.70	1.40		
Repair parts	75.00	50.00	
Blasting caps 1,000 @ $0.03	30.00		

Msc. small tools	$ 50.00	
Nails		
30 and 40D, 100 lbs.	13.00	
Lumber,		
3500 ft. BM., @ $125/M	437.50	
Wedges		
400 @ $4.00/C	16.00	
Total, Operating Materials and Supplies:	~~$2,688.90~~ 2,246.65	
Cost per foot:		~~$26.89~~ 22.30

Winzing: 100 ft. inclined 42°, 2-compartment winze, size 6 ft. by 9 ft. in clear of timber.

Equipment required:

Air compressor, one	$5,000.00
Tugger hoist, air, and cable, one	1,000.00
Mine cars, two	300.00
Jack hammers and hoses, two	1,000.00
Ventilation blower, one	500.00
Air receiver, one	50.00
Water pump, one	50.00
Mine skip, one	500.00
Sheave wheel, one	25.00
Total:	$8,425.00

Cost per month: $\frac{\$8,425.00}{60} = \$140.04$

$140.04 per mo., 2 mos. = $280.08

Cost per foot: $ 2.80

Goldfield Adit

Stage II: (Item 1) - Time required: 2 months

Diamond drilling, 1100 ft., size AX, including reaming and/or cementing

Cost per foot: $ 5.00

Additional costs

Rental of equipment	
Air compressor, one	$5,000.00
Water pump, one	50.00

Tugger hoist, one	$ 100.00	
Truck for water haul, one	3,000.00	
Total:	$8,150.00	

Cost per month: $\frac{\$8,150.00}{60}$ = $135.83

$135.83 per mo., 2 mos. = $271.66

Cost per foot: $ 0.27

Labor

Two-weeks' time salvaging air and water lines from Carlisle adit, transferring to Goldfield adit and installation:

Eng.-Supt., one, @ $600/mo.	$ 300.00	
Miners, two, @ $21.67/day, ea.	520.08	
Truck driver, one, @ $18.42/day	221.04	
Sub-Total:	$1,041.12	
Insurance, taxes, @ 12.5%	130.14	
Total:	$1,171.26	
Cost per foot:		$ 1.17

Hauling water, 3200 miles @ $0.14	$ 448.00	
Cost per foot:		$ 0.45

Supervision and Labor (2 mos.)

Eng-Supt., one @ $600/mo.	$1,200.00 ½	
Truck driver, one @ $18.42/day	884.16 ½	
Sub-Total:	$2,084.16	
Insurance, taxes, @ 12.5%	260.52 ½	
Total:	$2,344.68 1,172.34	
Cost per foot:		$ 2.34

Core boxes (cardboard) 50 @ $0.50 ea.	$ 25.00	
Cost per foot:		$ 0.023

Sample analyses, to be analyzed for WO_3, 50 @ $5.00/ea.	~~$ 250.00~~	
Cost per foot:		~~$ 0.23~~

Transfer drill rig from road to Goldfield adit by means of a tugger hoist	$ 100.00	
Cost per foot:		$ 0.10
Total cost per foot:		$ 4.59
		(rounded to $4.60)

Resume

Diamond drilling	$5.00 per foot
Additional costs	4.60 per foot
Total:	$9.60 per foot

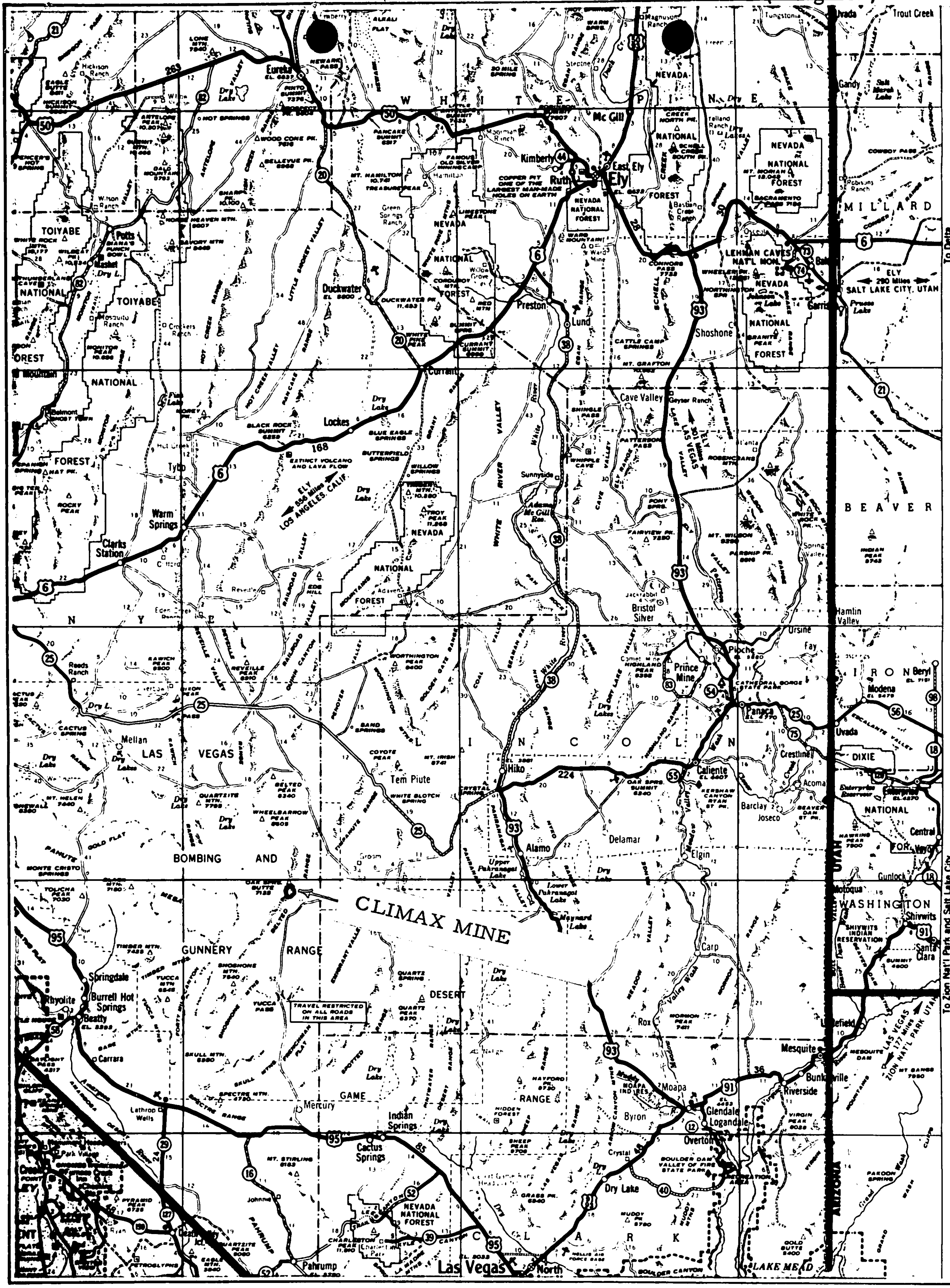
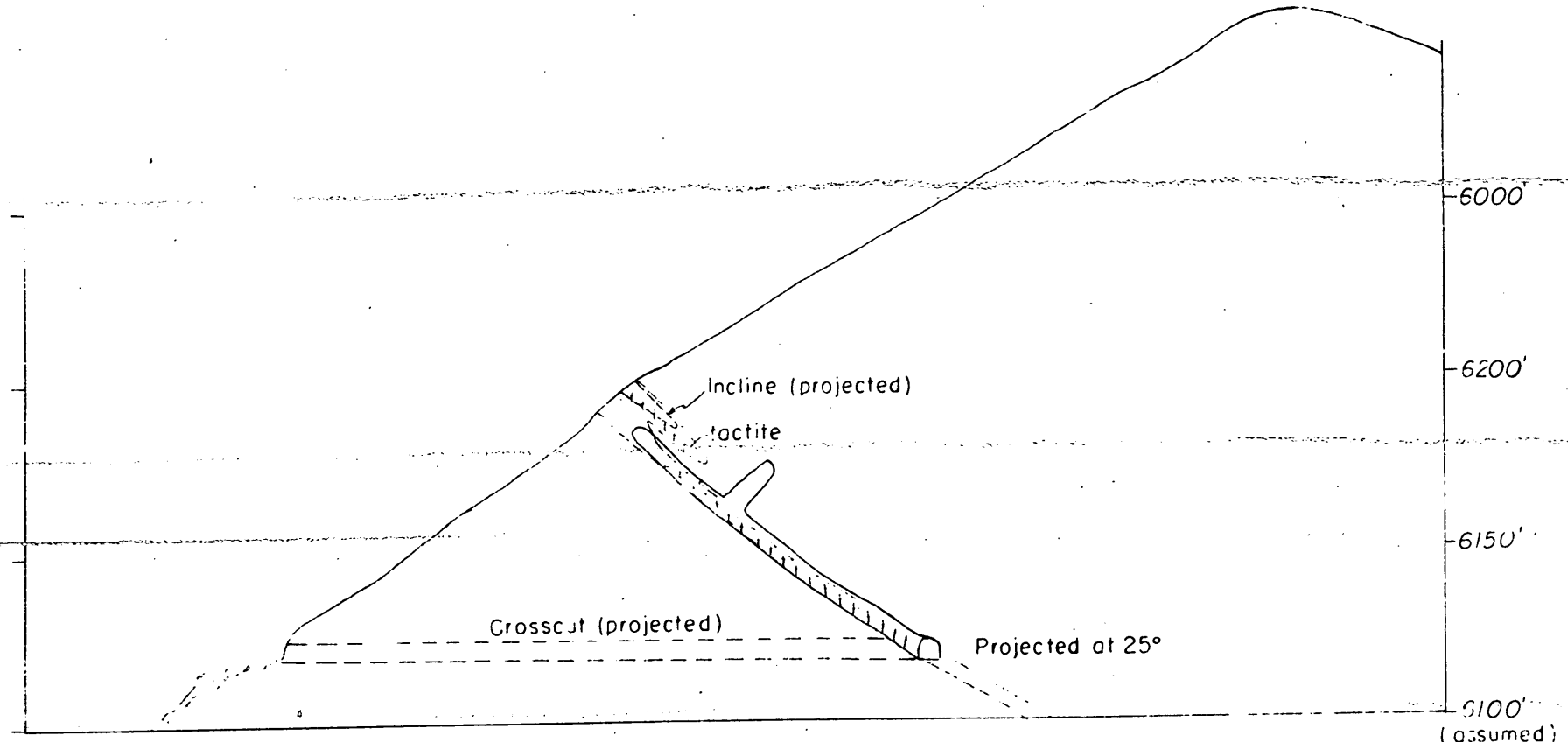


Figure I LOCATION MAP NEVADA

RECEIVED
AUG 30 1996

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4301
(TUNGSTEN)

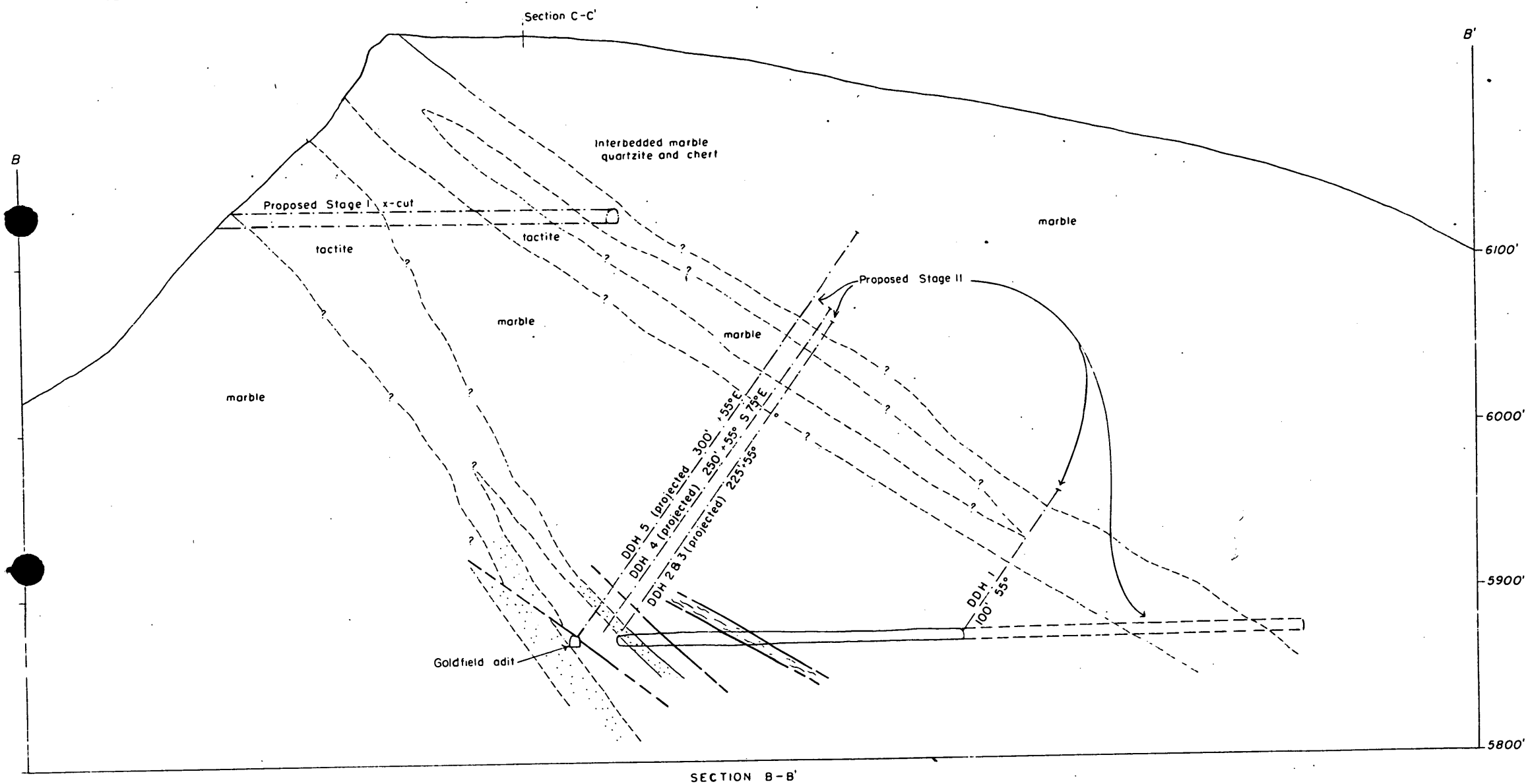


SECTION A-A' THROUGH McCARTHY RAISE

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

Figure 6

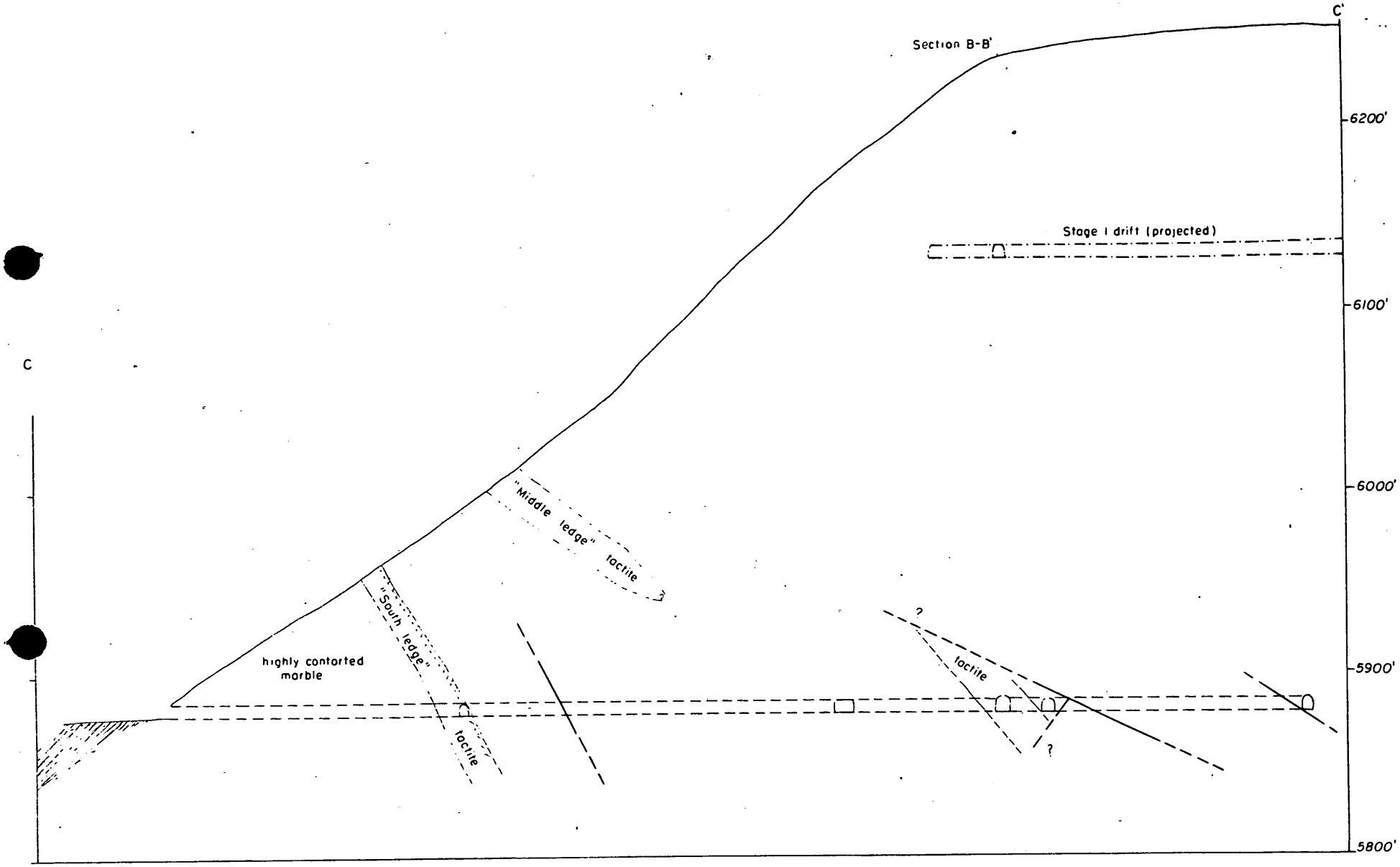


SECTION B-B'

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

Figure 7



SECTION C–C', CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

Figure 8

400

Docket
McMahon
Chapman
Selfridge
Robinson
Mittendorf

JUL 12 1956

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

Re: Docket No. DMEA-4301, Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Dear Mr. Ricker:

Reference is made to the statements appearing in the subject application and Lawrence B. Wright's accompanying engineering and geological report (September 1953) regarding a co-use agreement between the applicant and the Atomic Energy Commission which permits operation of the above-cited mine within the limits of the bomb testing area. The Albuquerque, New Mexico, office of A.E.C. has confirmed that a license to operate a mine and a mill within the restricted area was granted to the applicant and that it is still in force.

In the event the field examiners submit a favorable report on the property and the Field Team recommends Government participation in an exploration contract, please request four photostat copies of said license or co-use agreement from the applicant as it is considered a necessary part of the application.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

cc: Docket
Code 400
Adm. Read. File
Oper. Committee
T. Kiilsgaard, USGS
R. W. Holliday, USBM
FT, Region 2

ADMcMahon/ls
7/10/56

R.C.S.

400

Docket
Holt
Martin
Johnson

JUN 15 1956

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

Re: Docket No. DMEA 4301 - Tungsten
Climax Tungsten Company
Climax Mine
Nye County, Nevada

Dear Mr. Ricker:

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

Copies of memoranda dated May 23 and June 11, 1956, by Ned E. Nelson, Geological Survey, and R. W. Holliday, Bureau of Mines, respectively, relating to the project, are enclosed.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee (SHB)

Enclosures

APPROVED:

/s/ Robert W. Geehan

Member, Bureau of Mines (SHB)

Thor H. Kiilsgaard

Member, Geological Survey (SHB)

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
R. W. Holliday, USBM
Thor Kiilsgaard, USGS
FT, Region 2

SPHolt/ls
6/13/56

R.G.R.

Docket
Holt
Martin
Kilsgaard
Graham
F Johnson

JUN 15 1956

The Climax Tungsten Company
1229 Latham Square Building
Oakland 12, California

Re: Docket No. DMEA-4301 - Tungsten
Climax Mine
Nye County, Nevada

Gentlemen:

The above-docketed application for exploration assistance for tungsten ores has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and referred to Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada, for a field examination of the property.

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

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
FT, Region 2
T. Kiilsgaard, USGS
R. W. Holliday, USBM

SPHolt/ls
6/13/56

N.C.L.

Docket

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

June 11, 1956

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

Subject: Application
Docket No. DMEA 4301
Climax Mine, Nye County, Nevada
Climax Tungsten Company
1229 Latham Square Building
Oakland, California
$89,257,00-Tungsten

Subject application proposes DMEA assistance on a property which has reportedly produced 1000 tons of .54% WO_3 ore.

The applicants report does not clearly indicate that work proposed would be exploratory in nature.

Referral to the Field Team is recommended.

R W Holliday
R. W. Holliday

RECEIVED
JUN 13 1956

Docket

IN REPLY REFER TO:

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

RECEIVED

May 23, 1956

WSM

Copy retained 400

Re: DMEA 4301
The Climax Tungsten Co.
Climax Mine
Nye County, Nevada
$89,257.00 - Tungsten

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring by drifting, crosscutting, raising and drilling a tactite zone from which approximately 540 units of WO_3 have been produced. Reserves are estimated to be 6,290 tons of 0.84% material from which might be recovered about 4,000 units of WO_3.

The report of the geologist justifies the expenditure shown on page 10 leading to the recovery of the 4,000 units of WO_3, but his appraisal of the possibilities, page 11, does not qualify the property for the large advance requested of DMEA.

Referral to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

Copy retained 400

May 22, 1956

The Climax Tungsten Co.
1229 Latham Square Building,
Oakland 12, California

Subject: DMEA-4301
Re: Exploration Assistance
The Climax Mine

Gentlemen

The receipt of your application dated May 10, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4301 and referred to the Iron & Ferro-Alloys 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

May 22, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region II.

DMEA - 4301 The Climax Tungsten Company

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

RECEIVED
MAY 21 1956

1605 Evans Avenue
Reno, Nevada

May 17, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Tungsten)
Climax Tungsten Company
Tamney Tungsten Property
Nye County, Nevada

Attached are three sets of MF-103, Application for Aid forms relative to above subject. The fourth set has been retained in our files. From our past experience with this property it may have considerable merit, but the proposed costs will have to be cut down.

Attach.

S. Ricker

BUREAU OF MINES
WASHINGTON, D. C.

MAY 21 9 46 AM '56

The Climax Tungsten Co. Dn El. 4301

A Partnership of Theodore H. Spinney, Charles W. Kinney & Ralph J. Wright 1229 Latham Square Bldg. Oakland 12, Calif.

4 Unpatented Lode Mining Claims as follows

	Ob.	Page
Climax	94	94
" No. 1	94	95
" No. 2	94	95
" No. 3	94	96

Inyo Co. Rec.

Co. use agreement with A.E.C. allows operator credit during period of determination of Ore Reserves

Proposed Exploration. 2 Stages

Stage 1.

300 ft of drifting, 250 ft. X-cutting & 500 ft of long hole drilling (ck to self. cost) 200 feet of raising. & 100 ft of winding diagonal 100 drifting from winze 200 diamond drilling

Rehabilitate Carlisle & Robt. Contract 30 feet of hose, air line, water, line and test tank.

Stage 1. Adit level.
Rehabilitation Carlisle Adit

600' ft 20# rail 2 ton with switches, office hours, bolts at $250 lb (less resale value 35%) 325.00

Ties 150 at 50 lb each 75.00

300' - 2" pipe 60 lb ft (Resale value 50%) 90.00

300' - 1" pipe 30 lb ft (Resale value 50%) 45.00

300' - 10" Ventilation, Resale value 40% at 1.25 ft 225.00

Installation 5 days. Supt. & 2 men. $3.33 ft. 290.00

1050.00

550 ft. drifting & timbering 5 month. 130 shifts.

Working Supt. $600 mo. 3,000.00

2 miners at $21.67 shift (260 shifts) 5,635.00

Punch drill & operation 130 shifts at 18.42 2,395.00

Ins. Taxes. 12.5% 1,330.00

Standard timbering. 12,410.00

550 ft = 22.50 ft.

Oh. Mat. & Supplies

Gasoline 1000 gal at $0.35 350.00

Diesel Fuel 2000 gal. @ 25 cb. 500.00

Lube Oil 30 gal. @ 1.80 54.00

Comp. Oil 30 gal @ 2.50 75.00

Powder 6,600# at 25 a 1,650.00

Caps 2,500 at 2½ cb 62.50

Fuse 18,000 ft @ 0.0125 225.00

Drill Steel 1 bit 28 ft at $10 280.00

Carbide Bits 55 at 18.00 ea 990.00

4,186.50

Pipe [illegible] 4,186.50

Carbide. 300# @ 0.17 51.00

Water hose 5/8" 50 ft. at. 50 a. 25.00

Air hose 1" 50 ft @ 1.00 50.00

Air fitt 2" 550 ft at. 60 ch. hose 50 ft. 165.00

Water fitt 1" " " at 30 " 5 ft 82.50

Ventilation 10" 550' at 1.25 hose 40' 412.50

Mine Rail 20# with splice, bolts fastenings

1100 ft. 3.70 lb. at. 250 lb. 35%. 600.00

Painter, mech. etc 150.00

Tools, tools 50.00

Drill oil. 4.00

5,776.50

22.50

550' 10.50 ft

Rental 1.60 ft

Boiler

Pressure 375.00

Mine 125.00

500.00

Per ft. .10

34.74

Drifting 35.00 ft,

Upraise. 92.25 "

Raising 35.00 "

Diamond Drilling AX Holes 1100 5.00 ft. 5,500

Lowering & drilling, reaming hole 300' @ 2.00 600

Eng. Salt. 600

Steel drills etc. Water 442

Cut bits 300 ch 300# 250

Pro. Chg. 100

Cut. 7.00 ft. 130

7,847

66320 1658 66070 165175
35 3 35 3
4974000 4955250 495525

Gold and Adit. 900 ft. rehabilitation.
900 ft. at 3.50 $3,150.00

Stage 1.

1. Rehab. Carbide Gen. 300 at 3.50 $1,050
2. 550 ft. dia. Hard rock
drilling at 35.00 ft 19,250
3. Hange. 100 ft at 92.20 ft 9,220
4. Diamond ~~[illegible]~~ from bottom
100' at 37.00 ft 3,700
550' long hole drilling at $2.00 ft. 1,000
Diamond drilling 400 @ 7.00 2,800
5. 90 samples @ 5.00 450

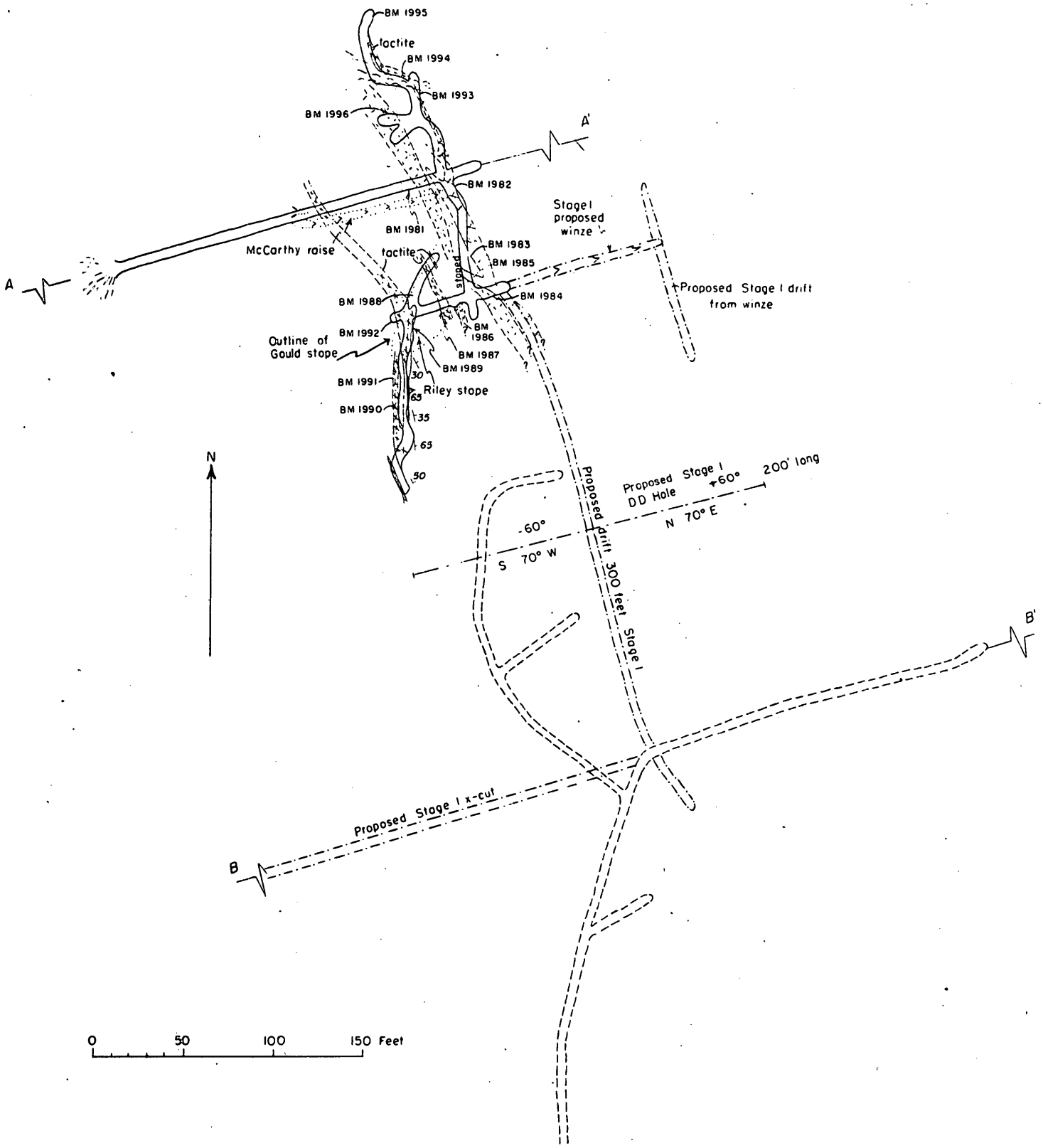
37470

Stage 2 900' @ 3.50

Rehab. Gold and Adit 3,150.00
Drilling and Mapping 500' at 35.00 17,500.00
Diamond Drilling 1100 ft at 7.00 7,700.00
100 samples at 3.00 300.00
28,550.00 28,850
66320

Grand. Stage 75%. $49,740.00

550
35
2750
1650
19250



CARLISLE ADIT, SHOWING PROPOSED STAGE I DRIFT AND RAISE
CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 4

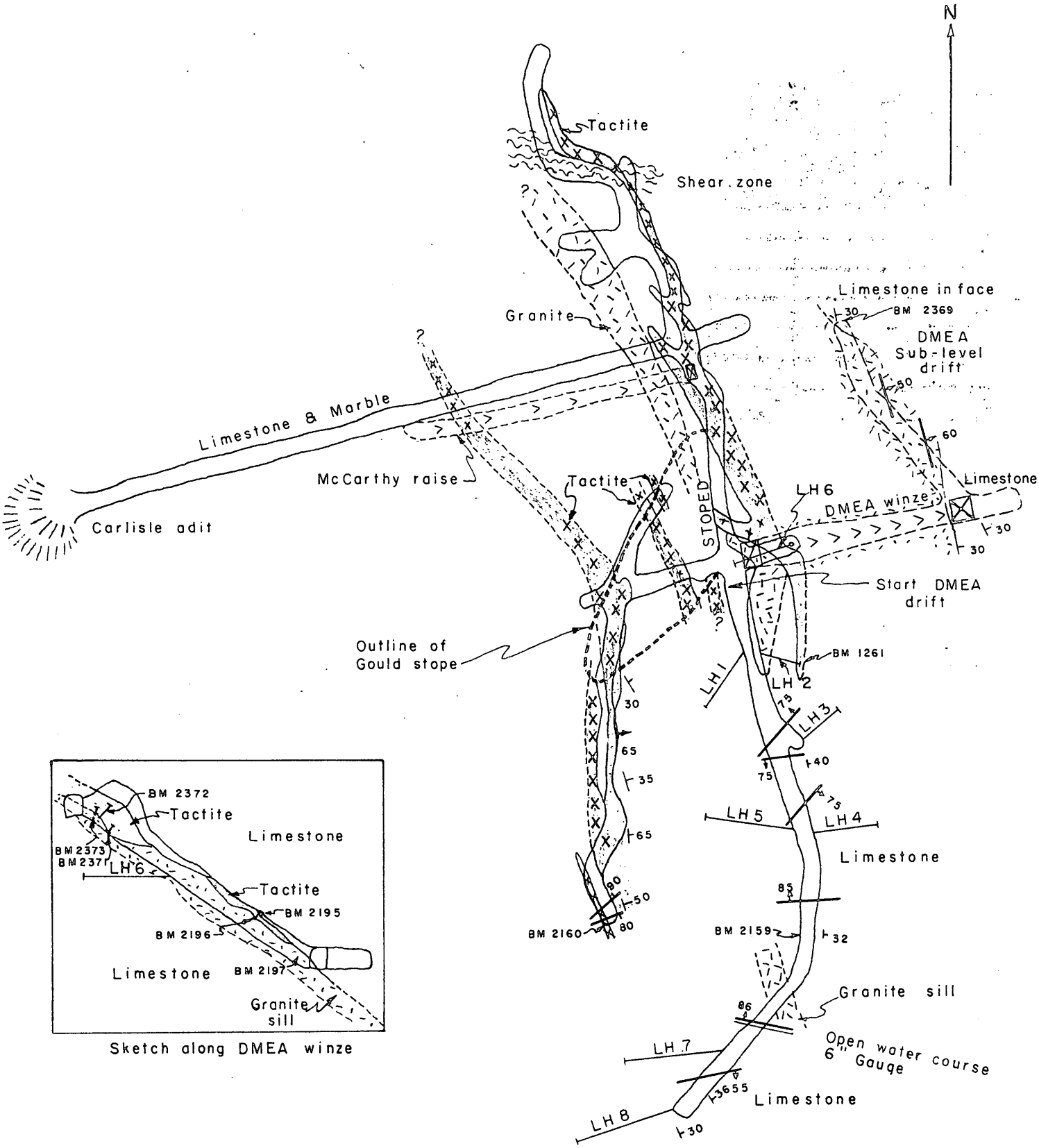


Figure 3 - Geologic sketch map of Carlisle adit, Climax mine, Nye County, Nevada

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 5 1958

DATE	INITIALS	CODE

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-4301
Idm-E1028
(Tungsten)

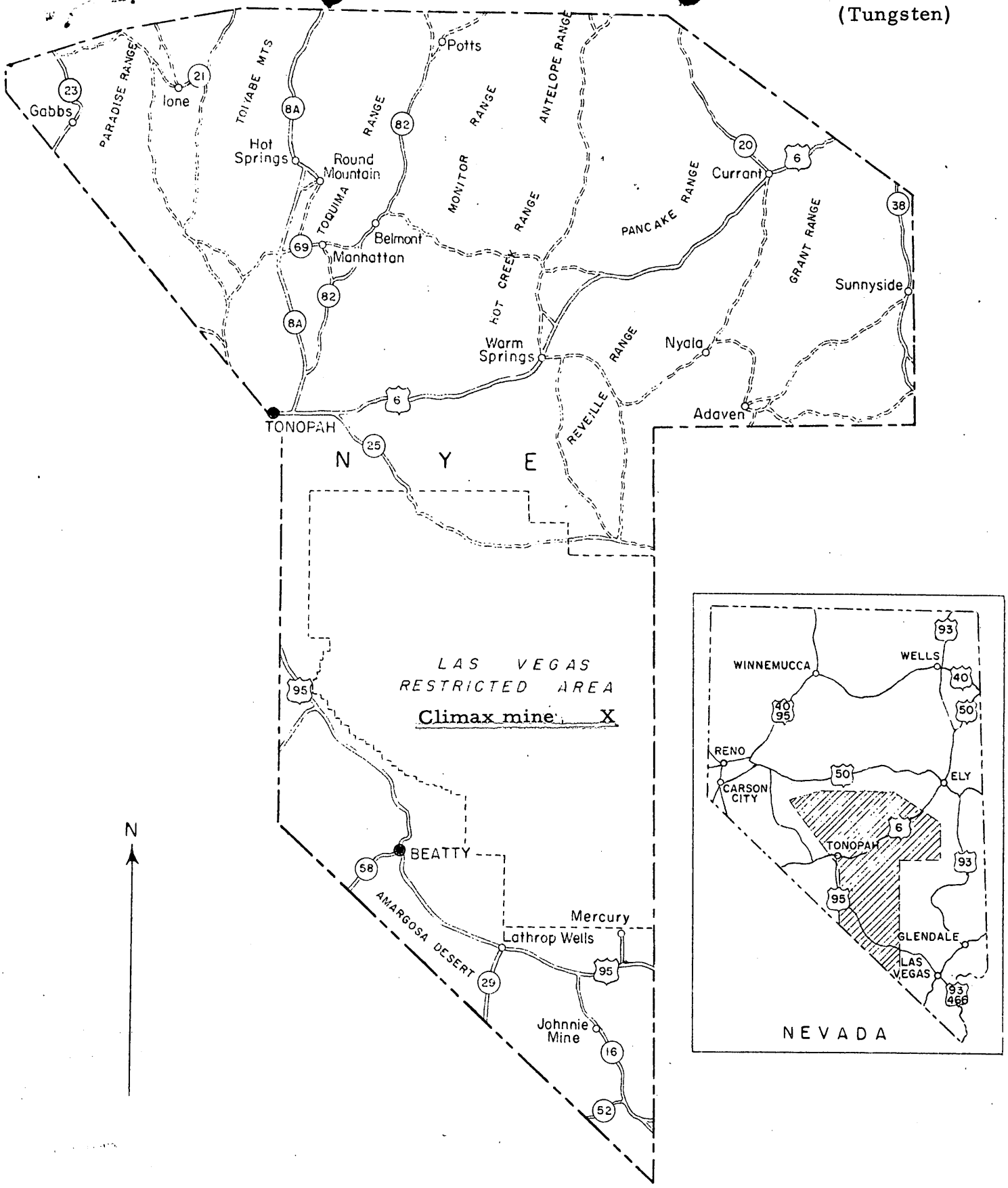


Figure 1. INDEX MAP OF NYE COUNTY, NEVADA

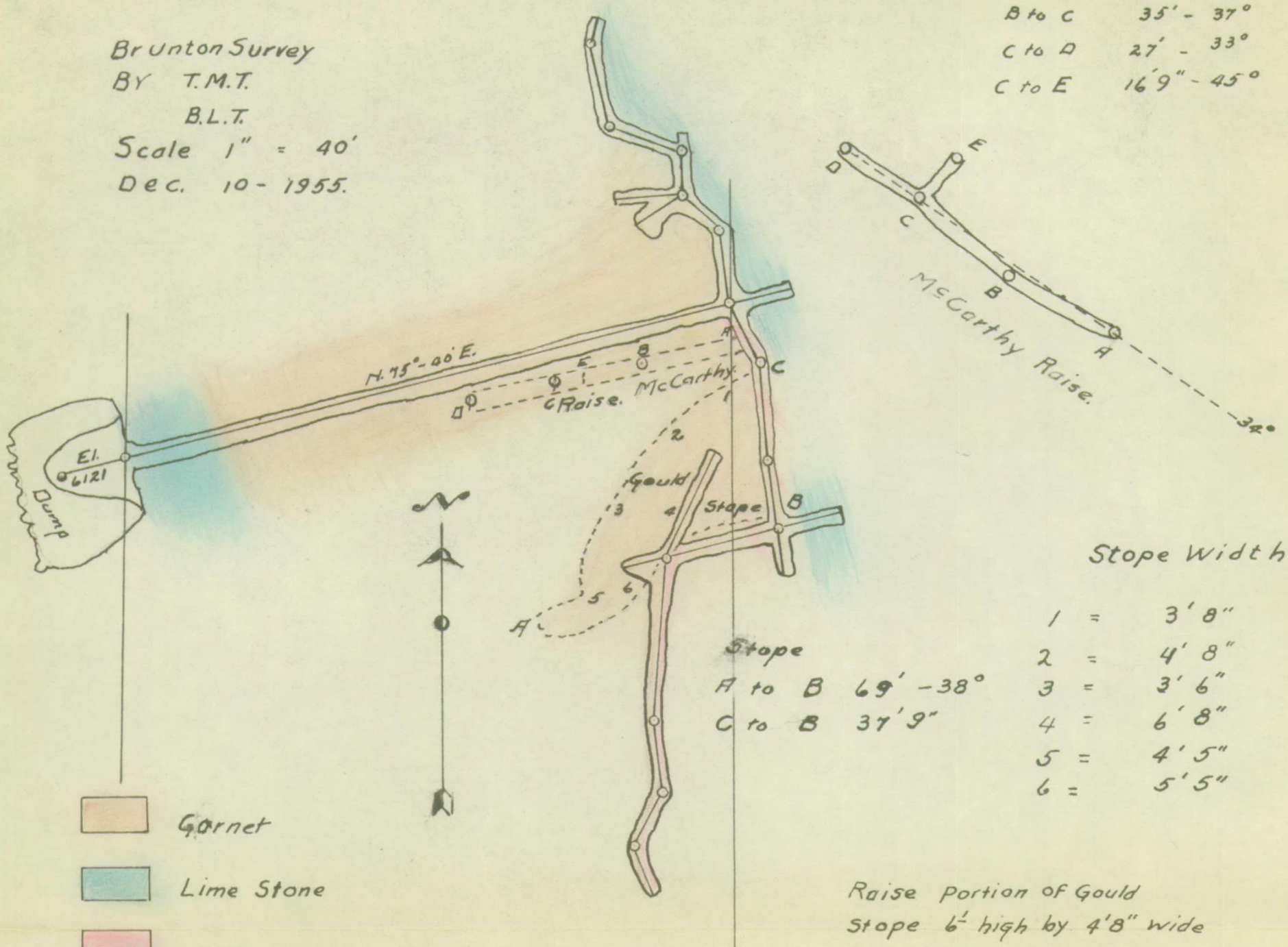
0 25 50 75 Miles

Plan.

Brunton Survey
BY T.M.T.
B.L.T.
Scale 1" = 40'
Dec. 10 - 1955.

Raise

A to B	37' - 27°
B to C	35' - 37°
C to D	27' - 33°
C to E	16'9" - 45°



Stope

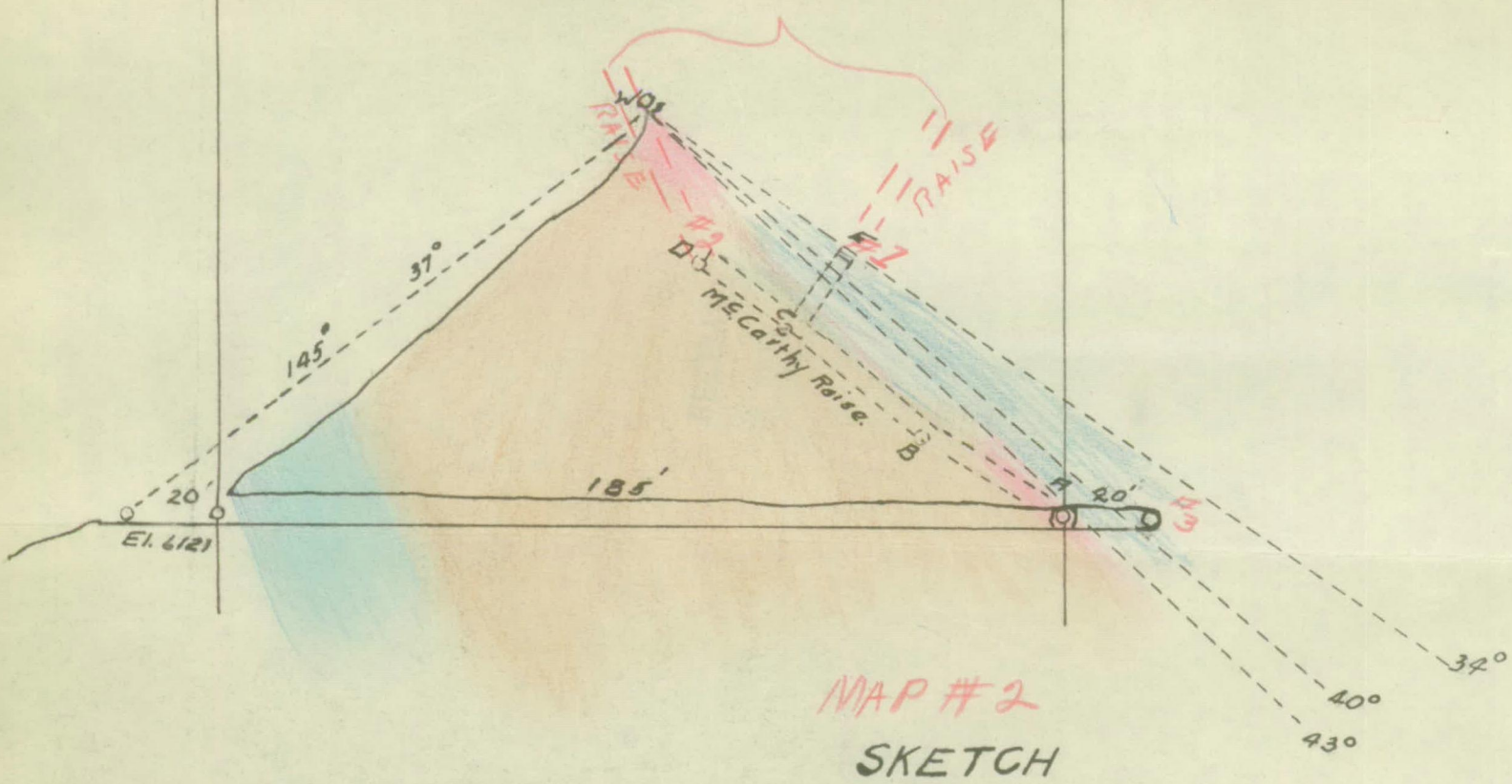
A to B	69' - 38°
C to B	37'9"

Stope Width

1 =	3'8"
2 =	4'8"
3 =	3'6"
4 =	6'8"
5 =	4'5"
6 =	5'5"

Raise portion of Gould Stope 6' high by 4'8" wide at point A.

Section. 1ST STAGE



MAP #2

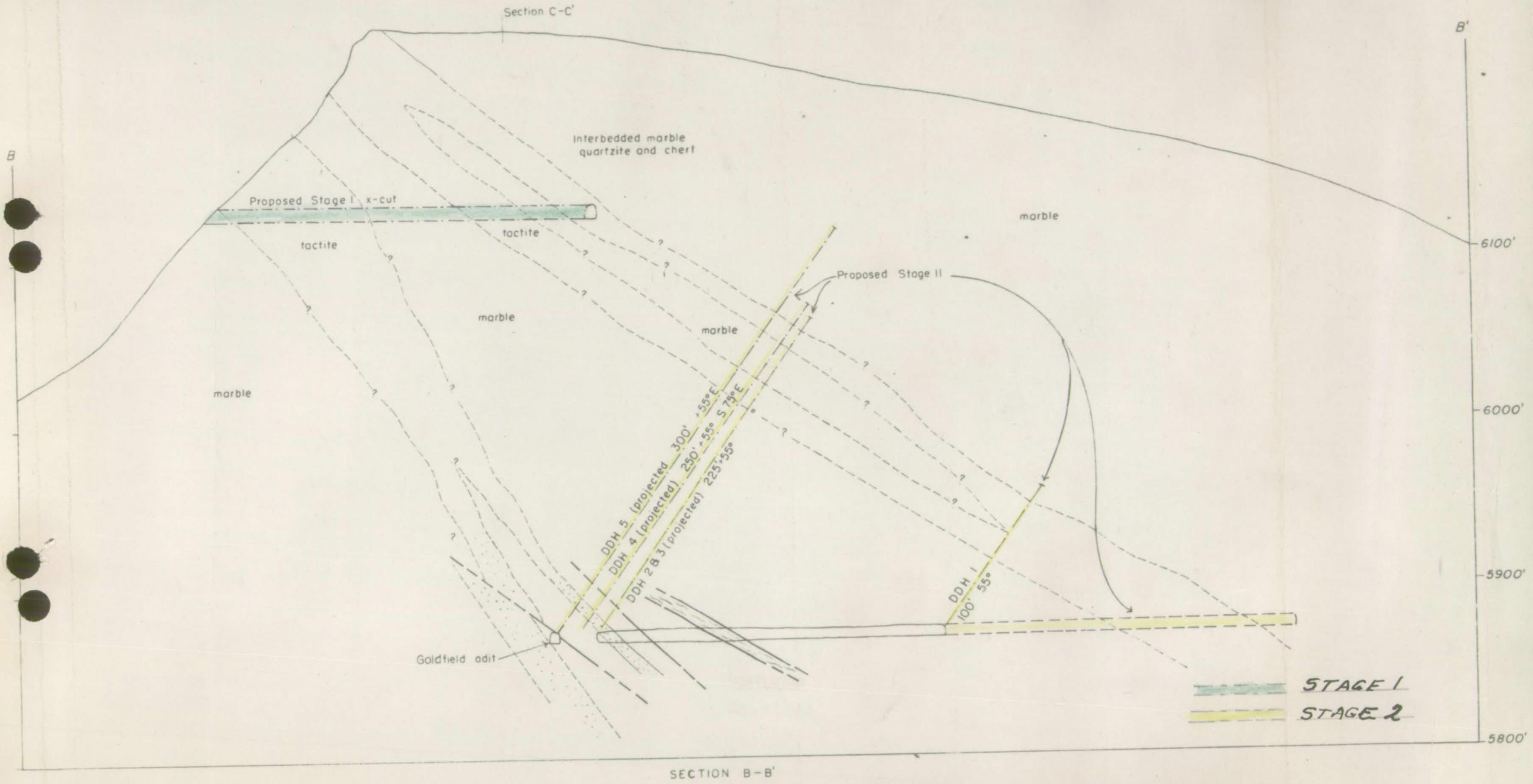
SKETCH
of the
CARLISLE WORKINGS
on the
CLIMAX TUNGSTEN MINE
NYE COUNTY - NEVADA.

Lawrence Wright
9/53 report

RECEIVED
MAY 2 1 1956

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 43
(TUNGSTEN

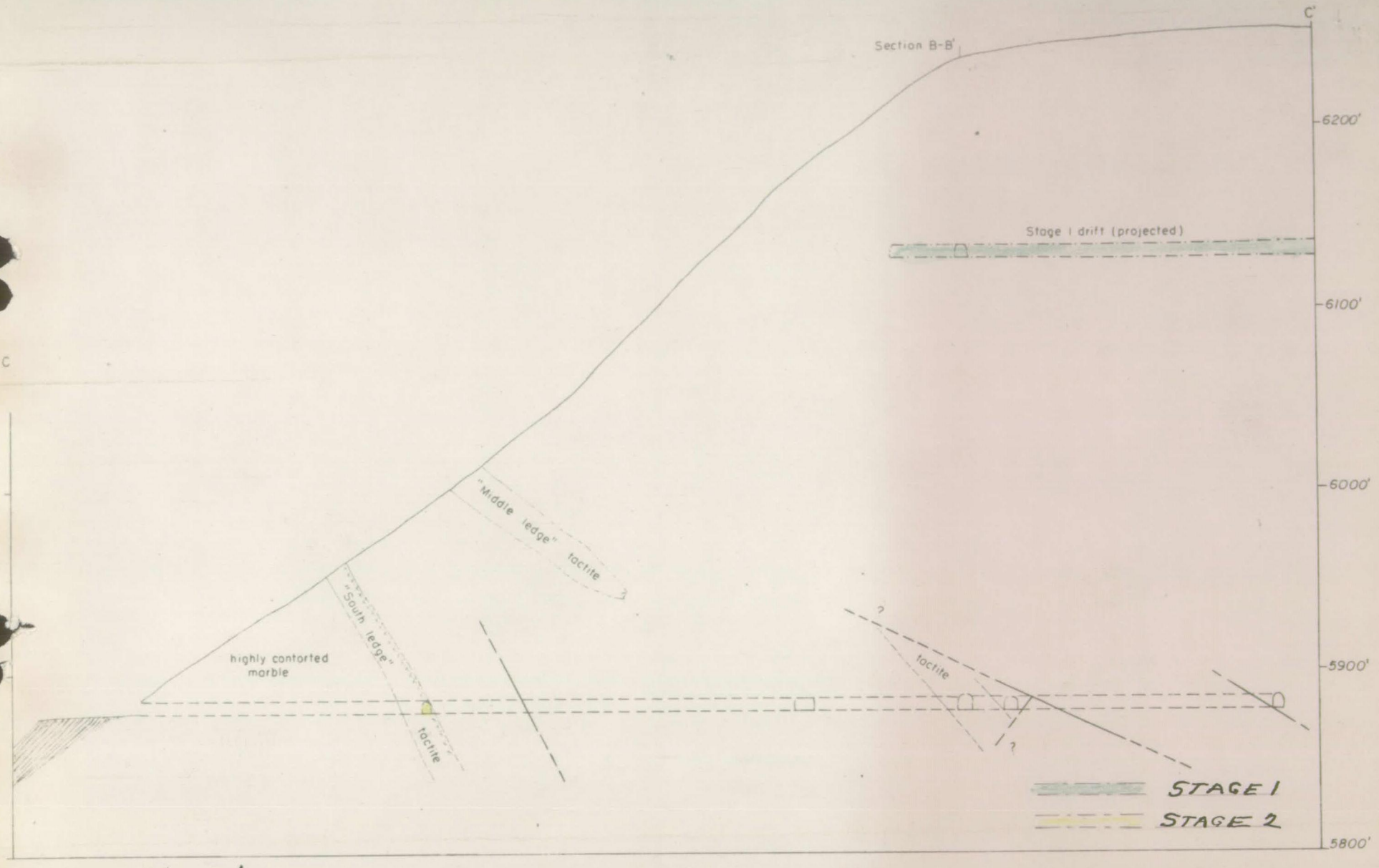


CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

Figure 7

RECEIVED
DEC 5 1956
D.M.E.A.



SECTION C–C', CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

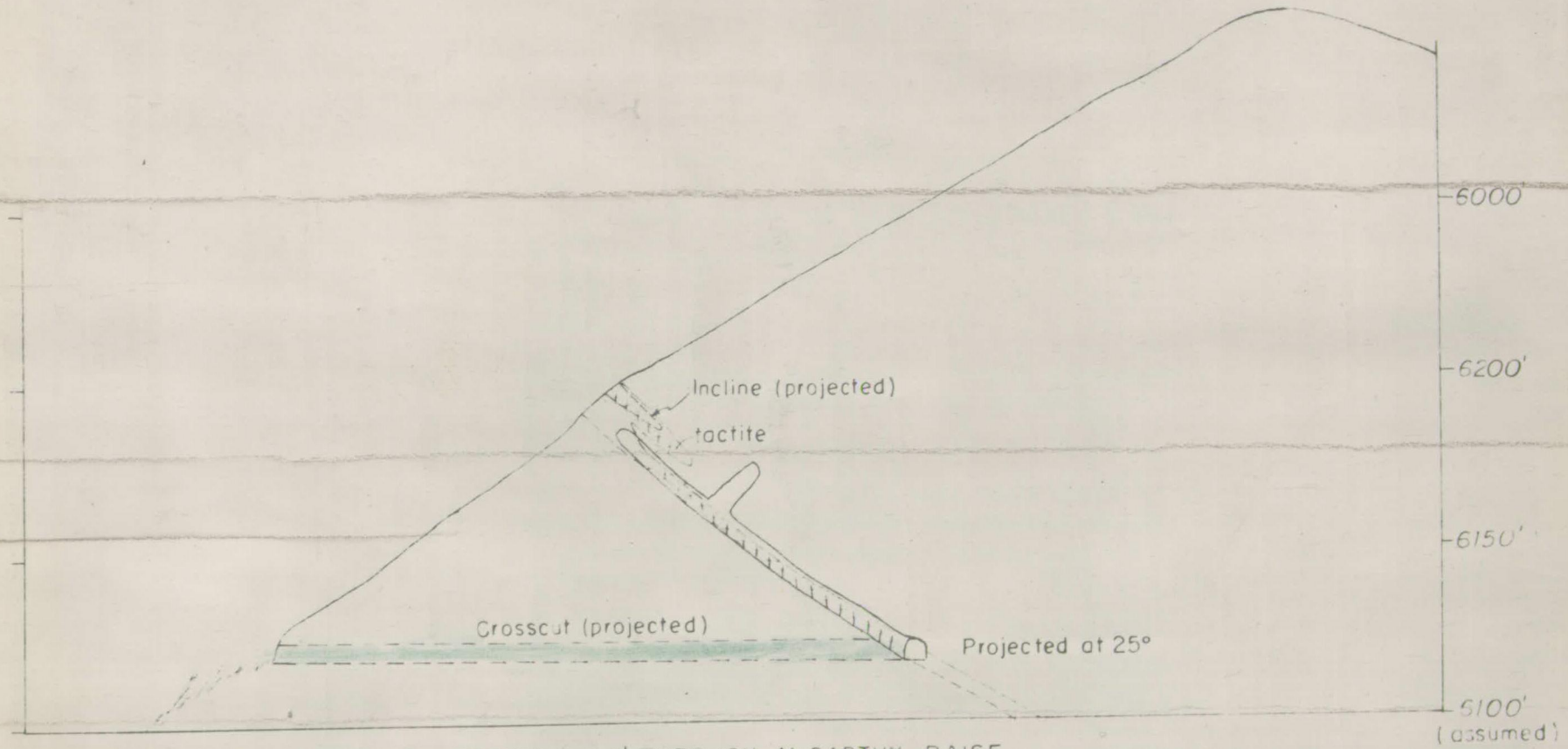
0 50 100 150 Feet

Figure 8

RECEIVED
DEC 5 1956
D.M.E.A.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4301
(TUNGSTEN)



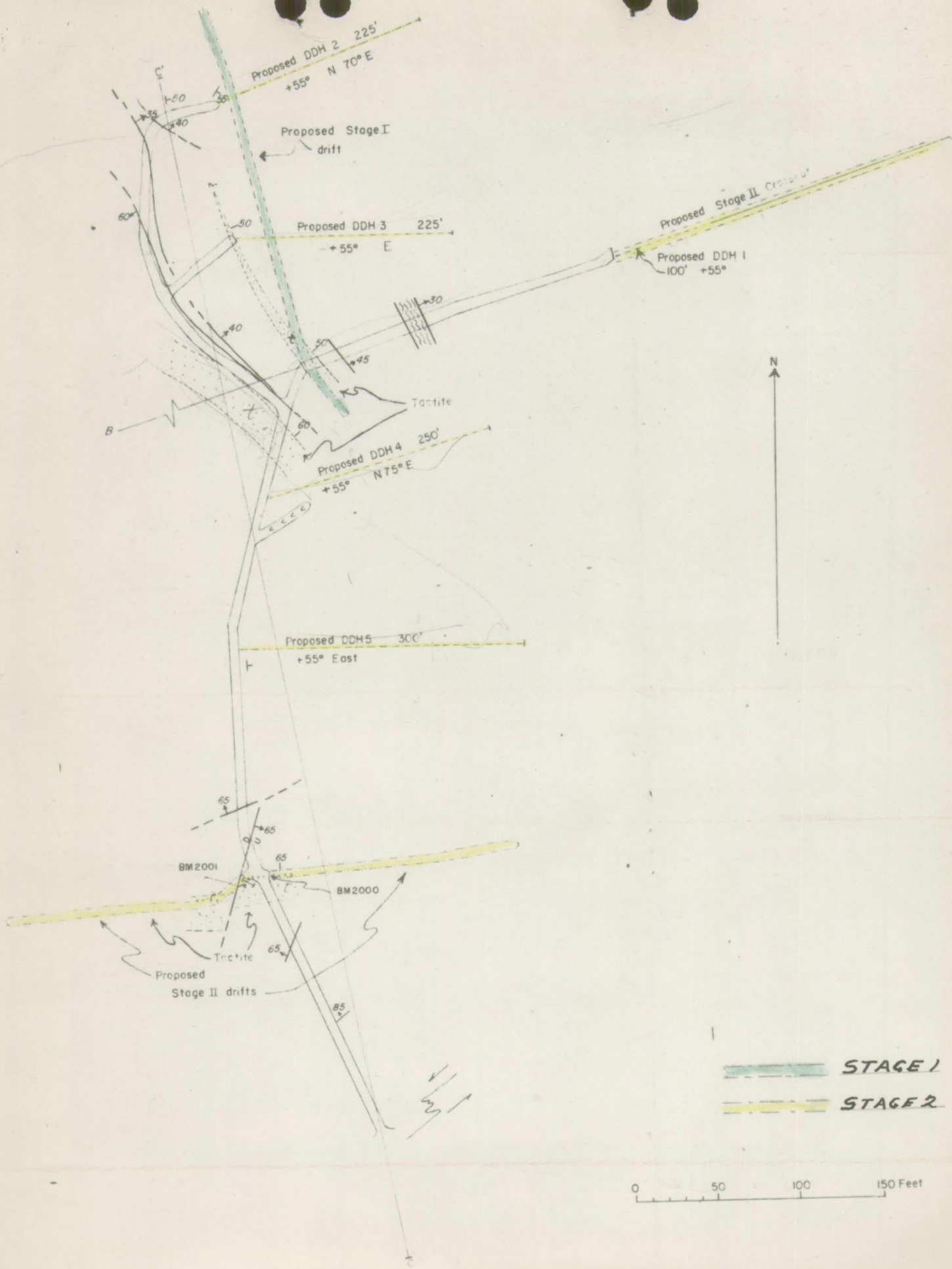
SECTION A-A' THROUGH McCARTHY RAISE

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

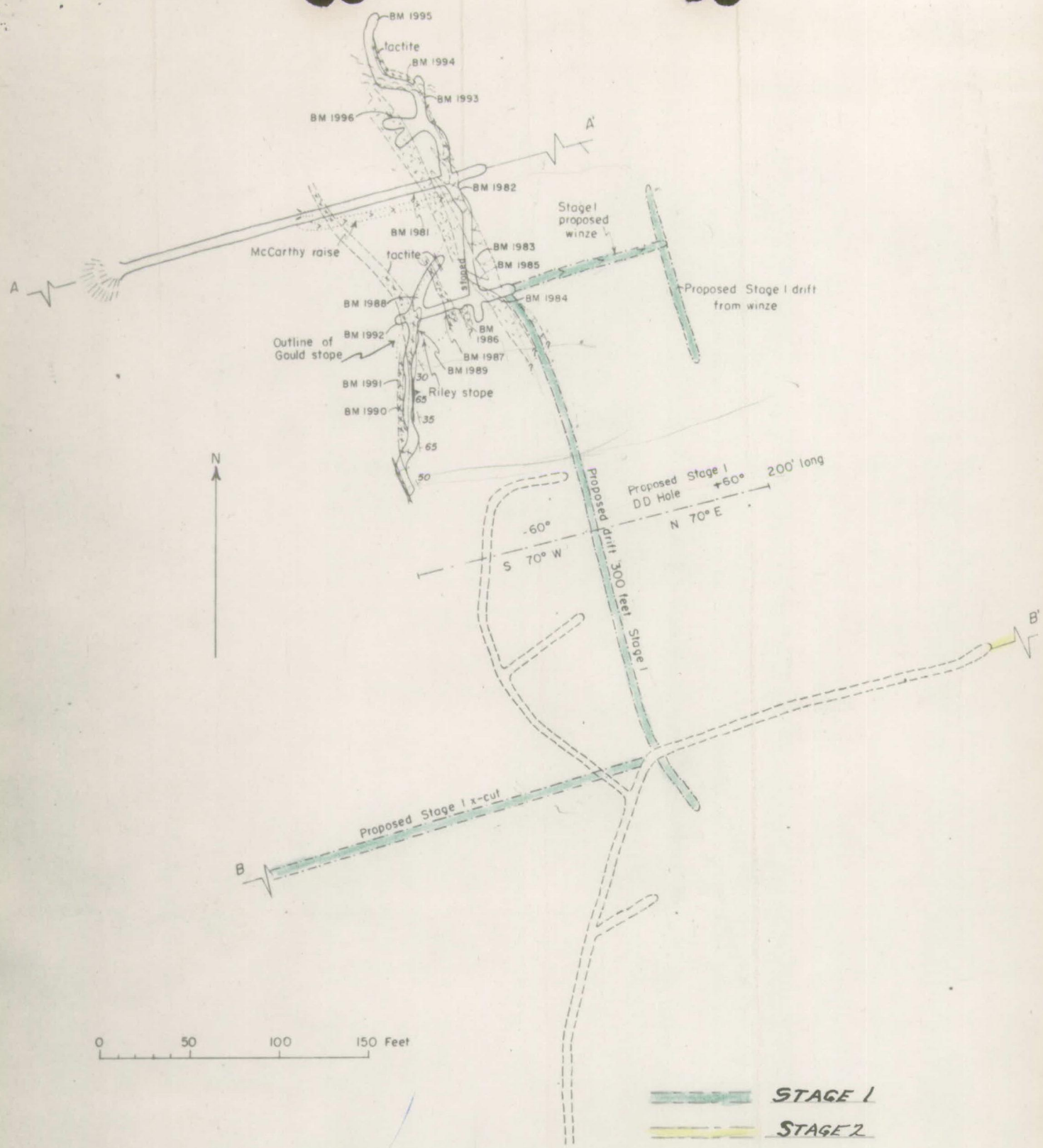
Figure 6

RECEIVED
DEC 6 1956
U.M.E.A.



GOLDFIELD ADIT, CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

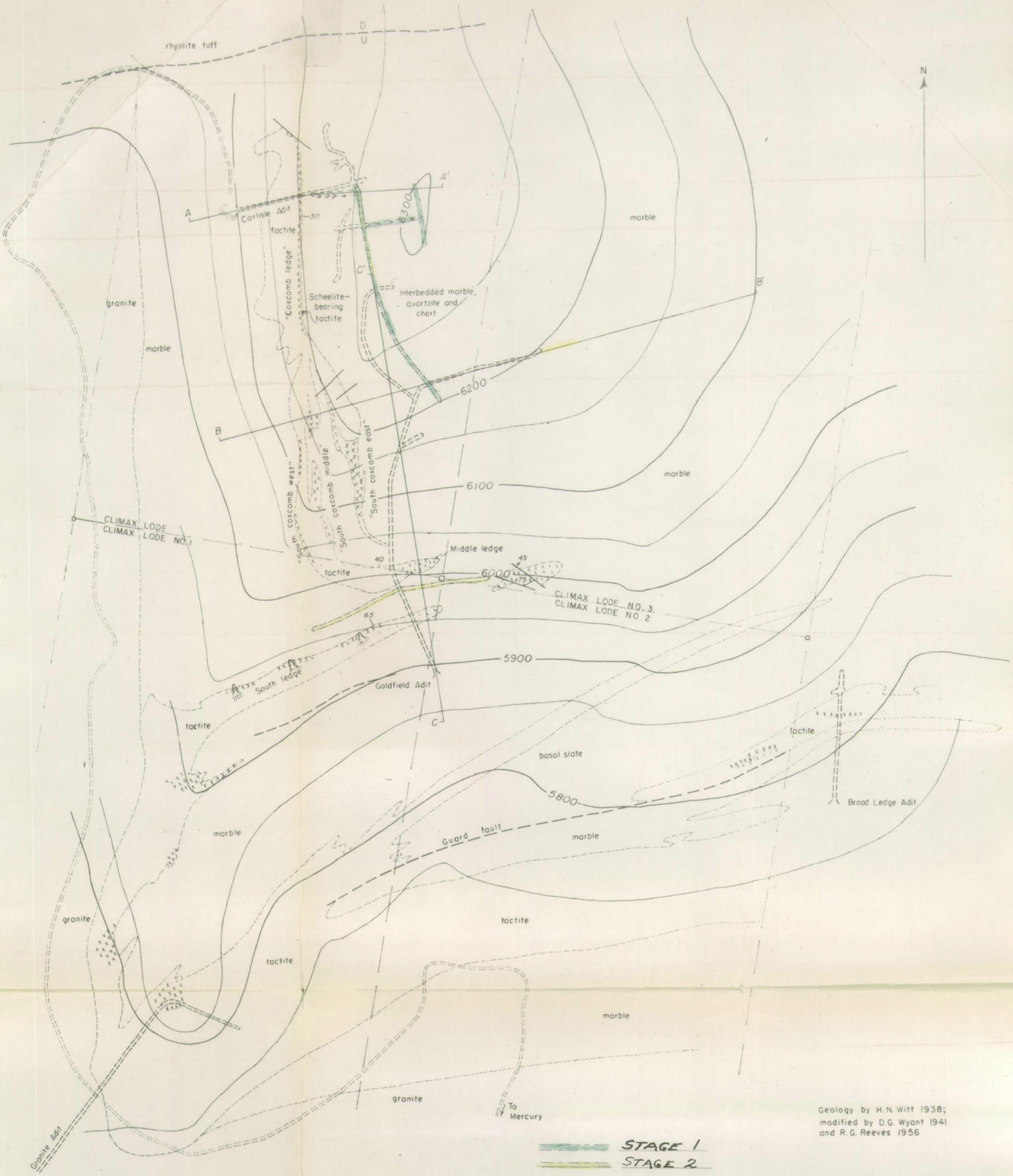
Figure 5



CARLISLE ADIT, SHOWING PROPOSED STAGE I DRIFT AND RAISE
CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 4

RECEIVED
DEC 5 1956
D.M.E.A.



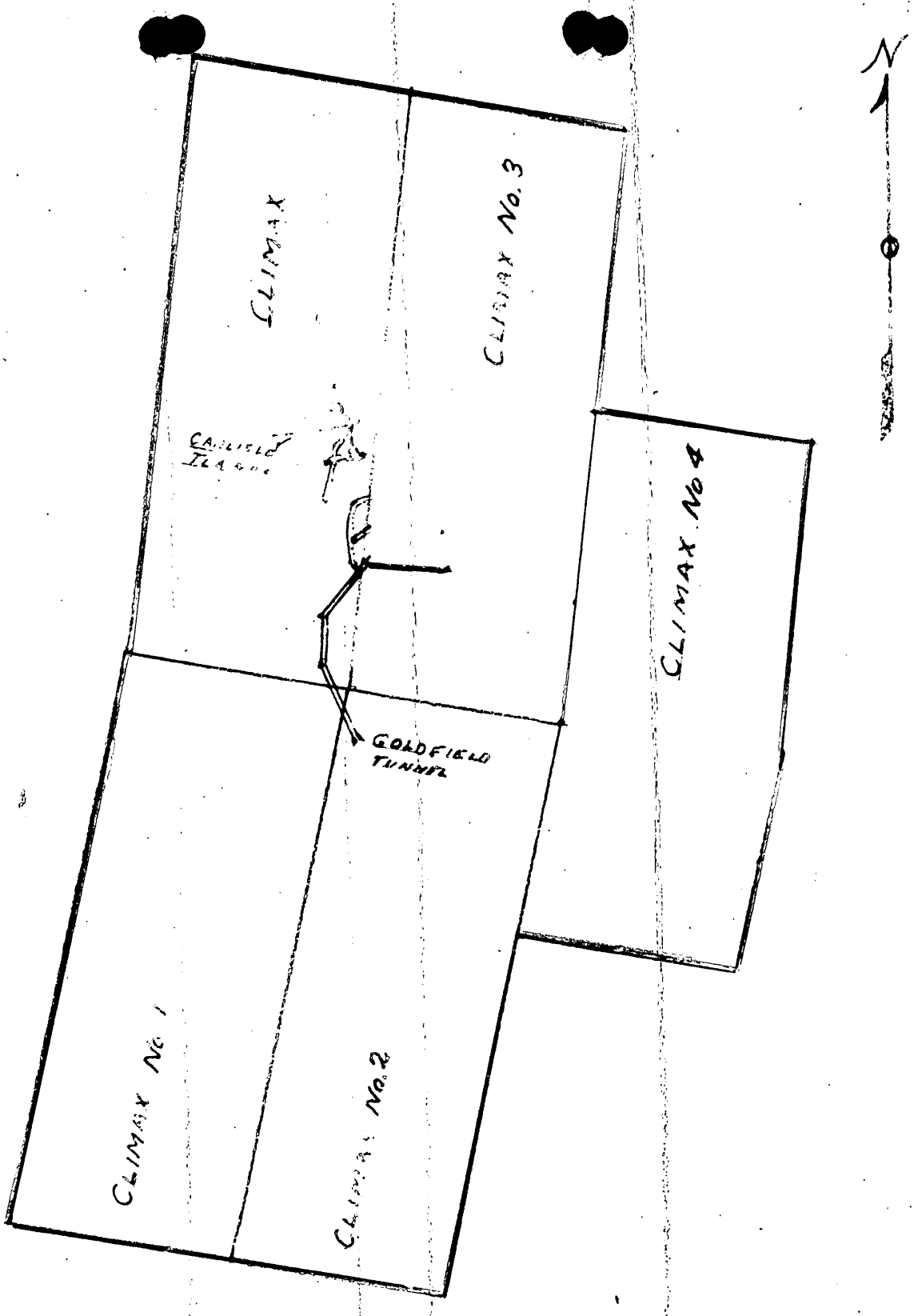
Geology by H. N. Witt 1938;
modified by D.G. Wyant 1941
and R.G. Reeves 1956

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 100 200 300 Feet

Figure 3

RECEIVED
DEC 5 1956
D.M.E.A.



CLAIM MAP.
CLIMAX TUNGSTEN CO.
TANNEY TUNGSTEN MINE
NYE COUNTY, NEVADA.
SCALE 1" = 400' DMEA 4301

FIGURE 2.

DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. DIVISION
SPOKANE 2, WASH.

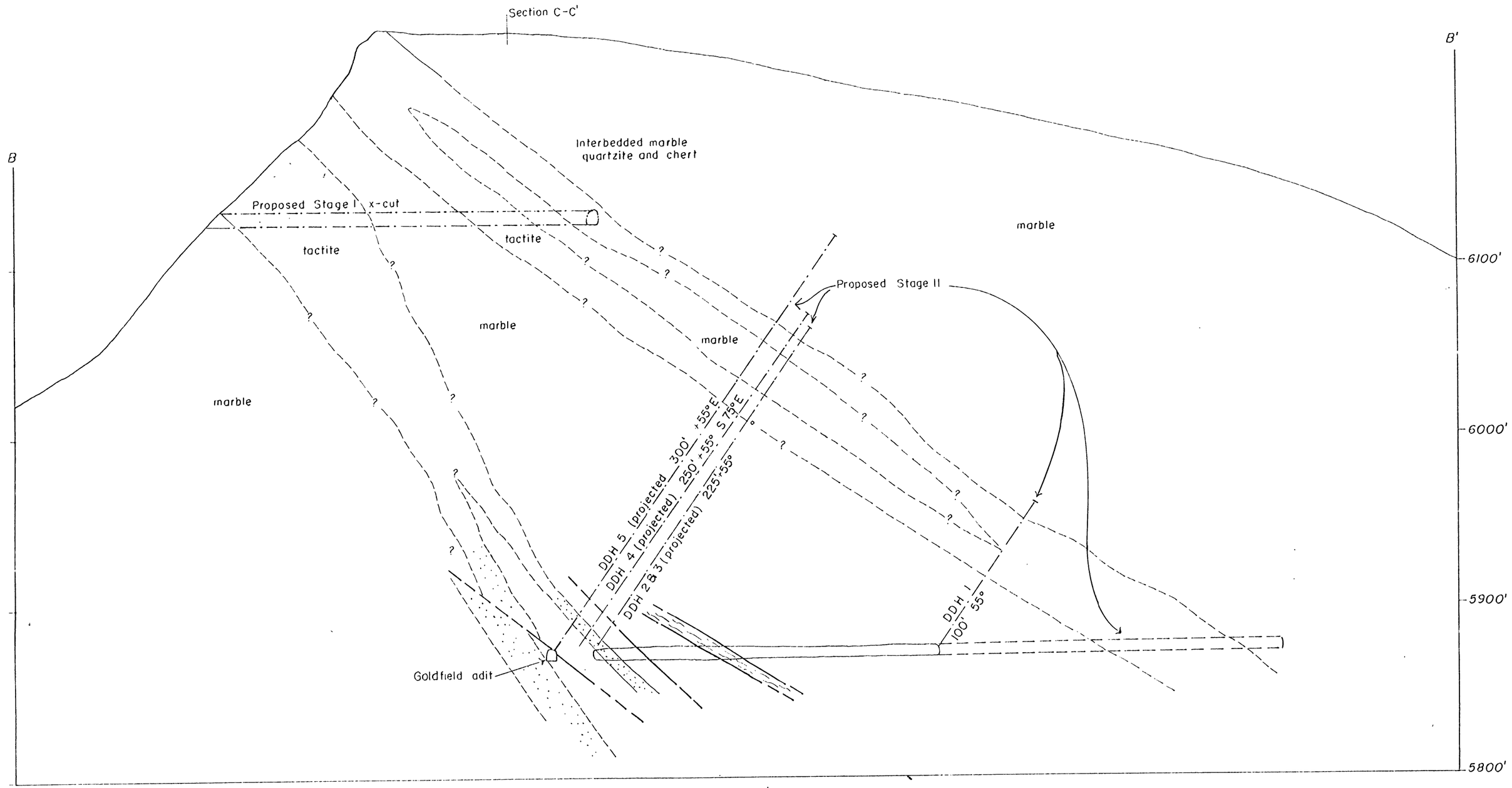
SPOKANE, WASH.
DC 28 6 PM
1955

LIBERTY
1965

Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D.C.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4301
(TUNGSTEN)

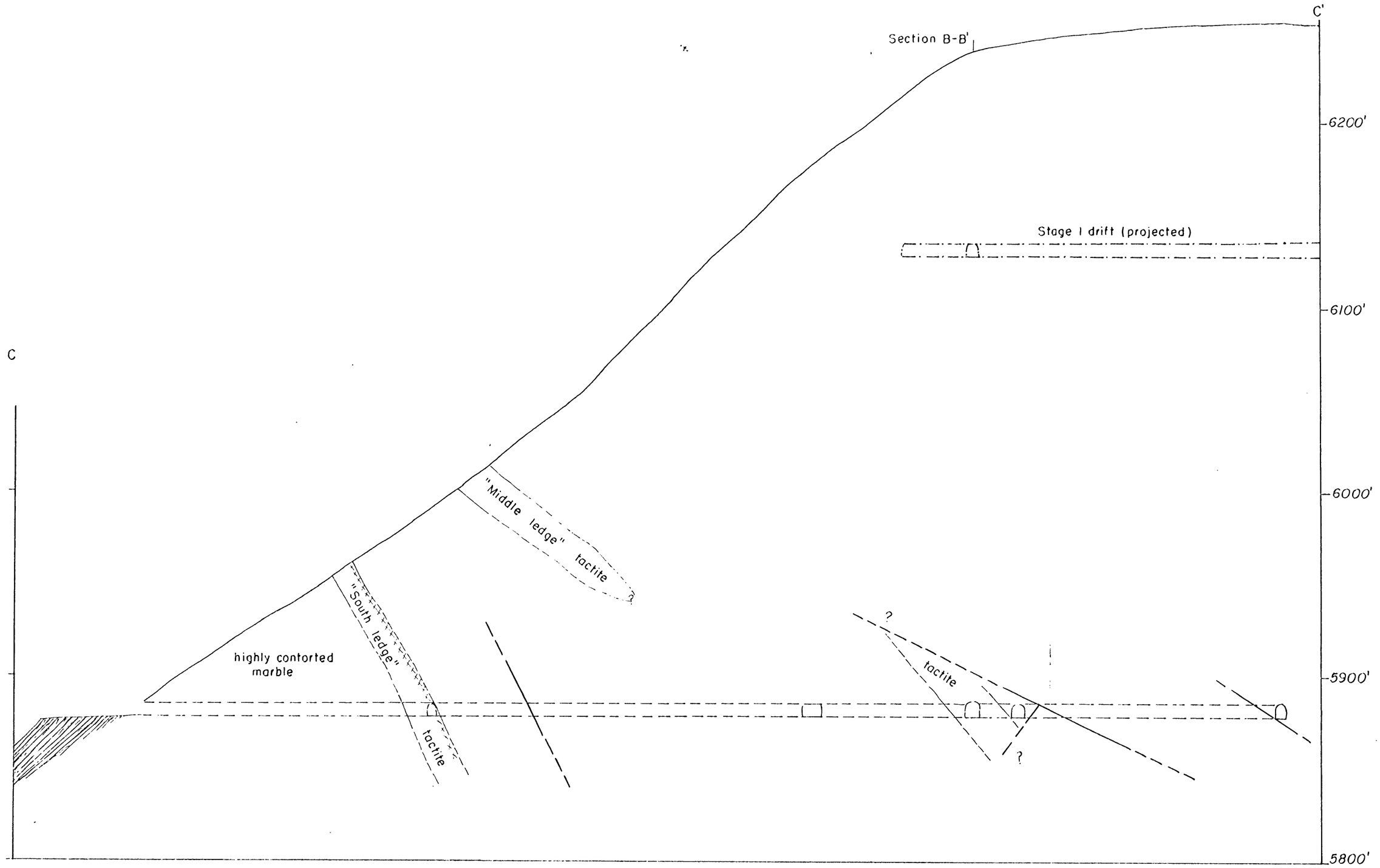


SECTION B-B'

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 50 100 150 Feet

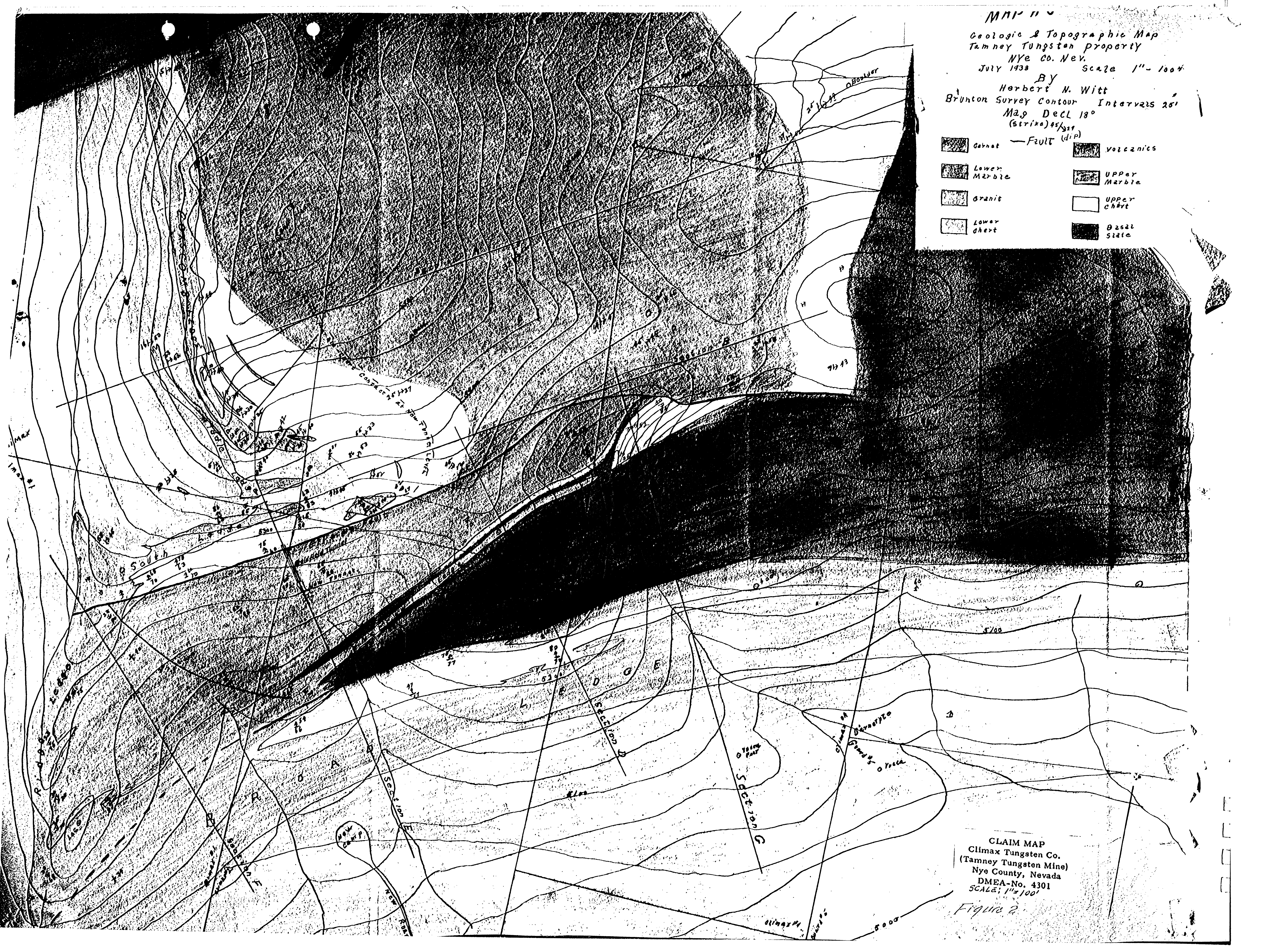
Figure 7



SECTION C–C', CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

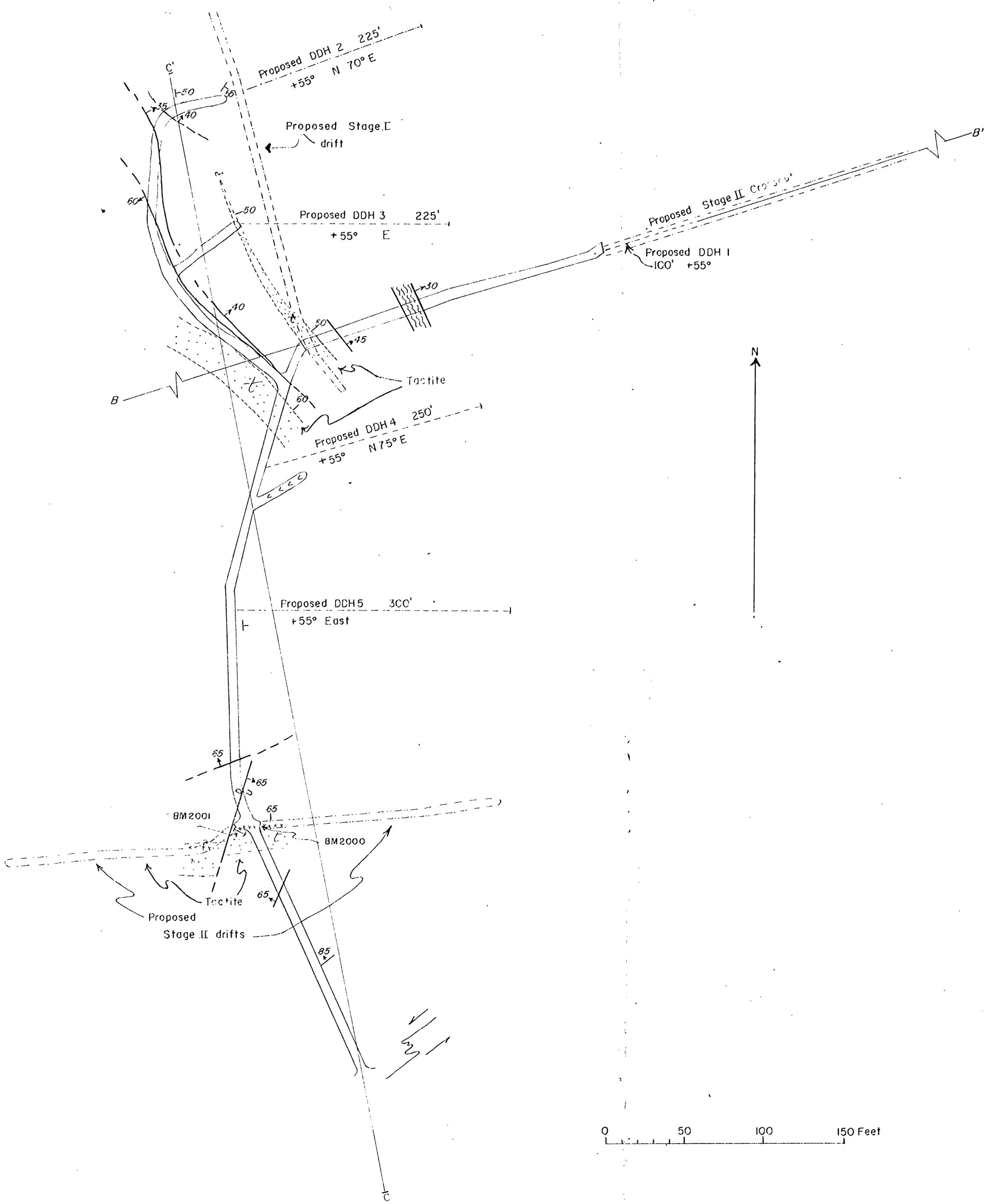
0 50 100 150 Feet

Figure 8



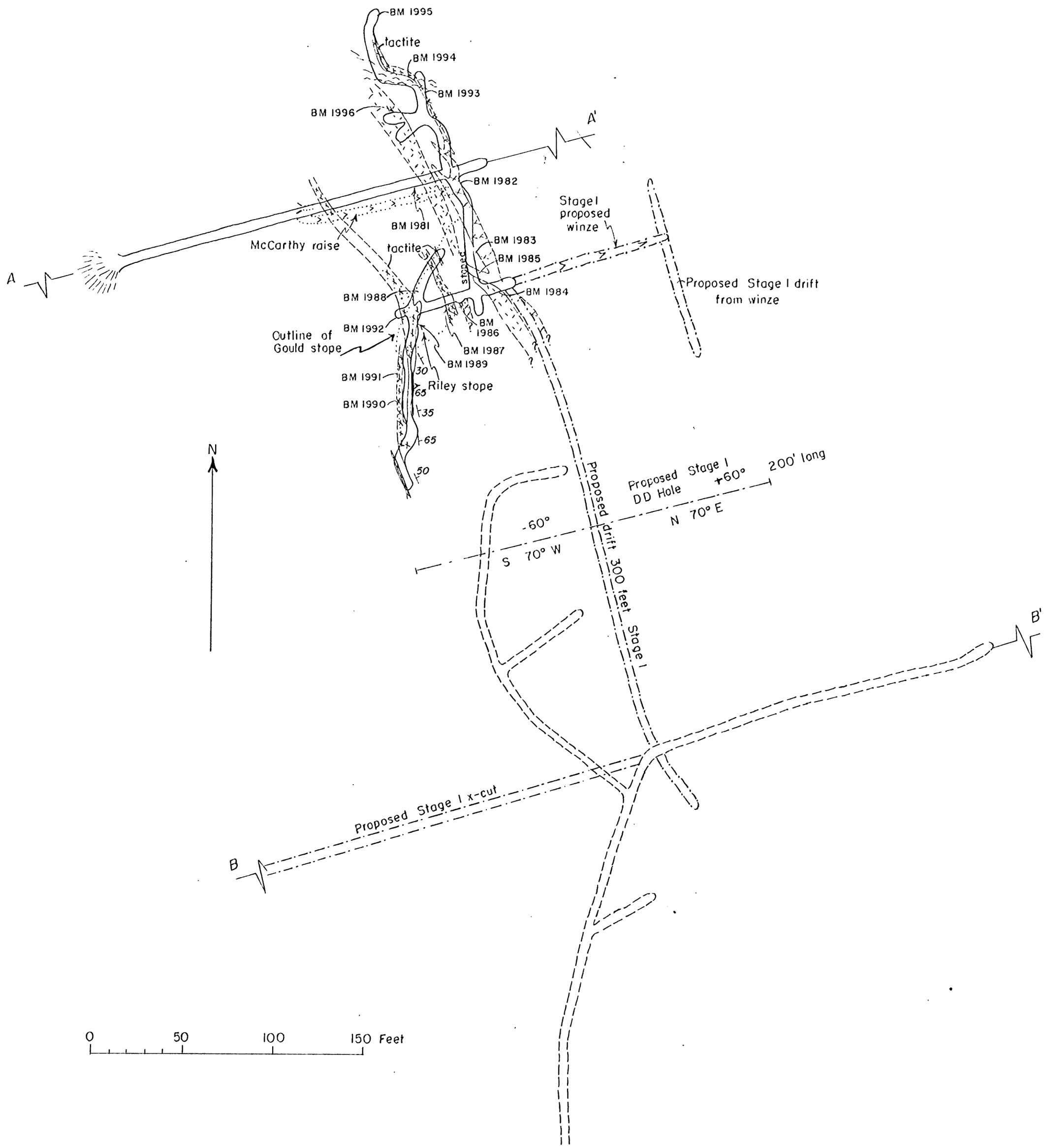
Geologic & Topographic Map
Tamney Tungsten property
Nye Co. Nev.
July 1938 Scale 1" - 100'
By
Herbert N. Witt
Brunton Survey Contour Intervals 25'
Mag Decl 18°
(strike) (dip)
Fault
Garnet
Lower Marble
Granit
Lower Chert
Volcanics
Upper Marble
Upper Chert
Basal Slate
Section B
Section D
Section E
Section F
Section G
South Ledge
Middle Ledge
Ledge
Road
New Camp
New Road
Boulder
Yucca
5100
5000
CLAIM MAP
Climax Tungsten Co.
(Tamney Tungsten Mine)
Nye County, Nevada
DMEA-No. 4301
SCALE; 1"=100'

Figure 2



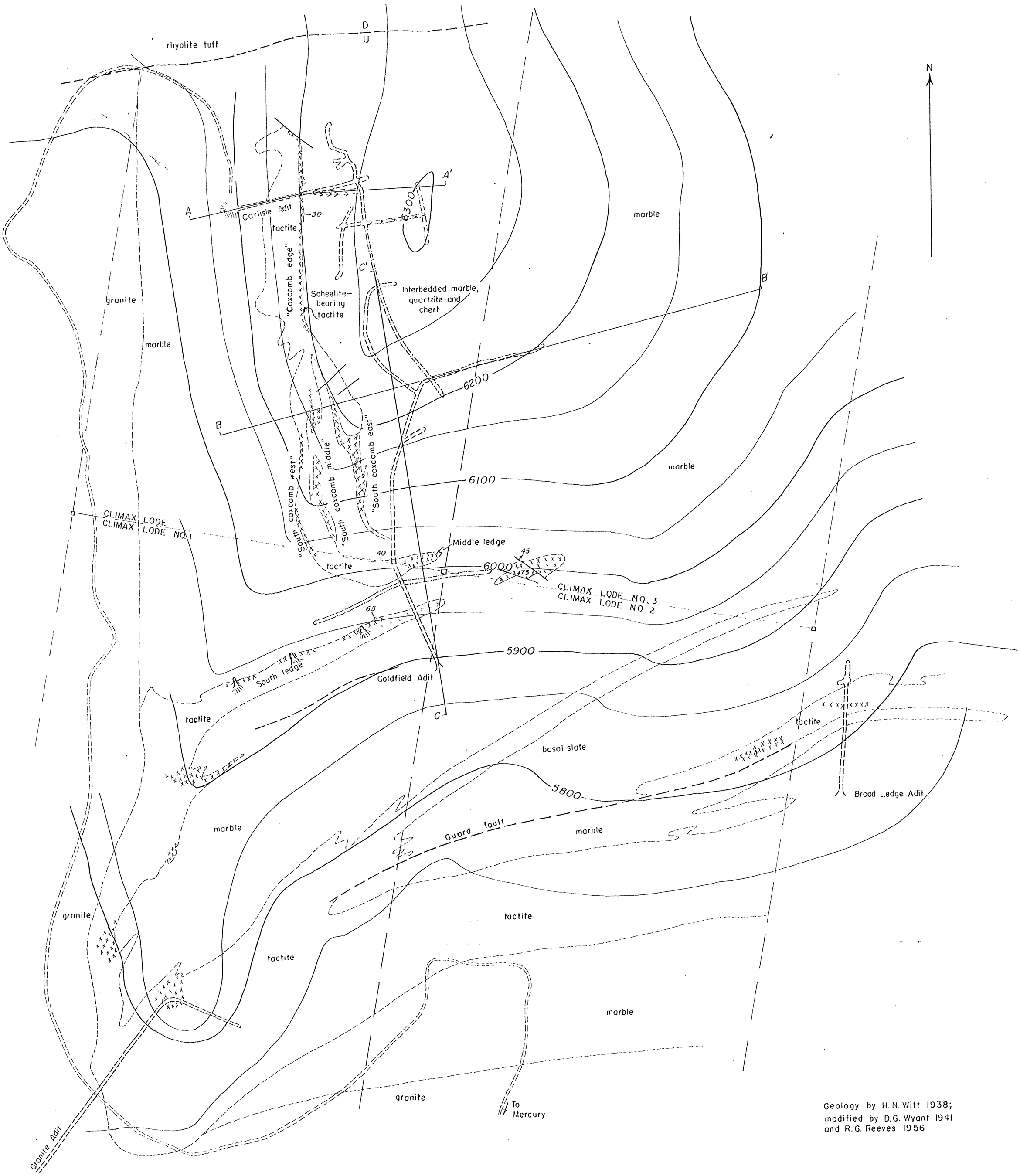
GOLDFIELD ADIT, CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 5



CARLISLE ADIT, SHOWING PROPOSED STAGE I DRIFT AND RAISE
CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 4



Geology by H. N. Witt 1938;
modified by D.G. Wyant 1941
and R.G. Reeves 1956

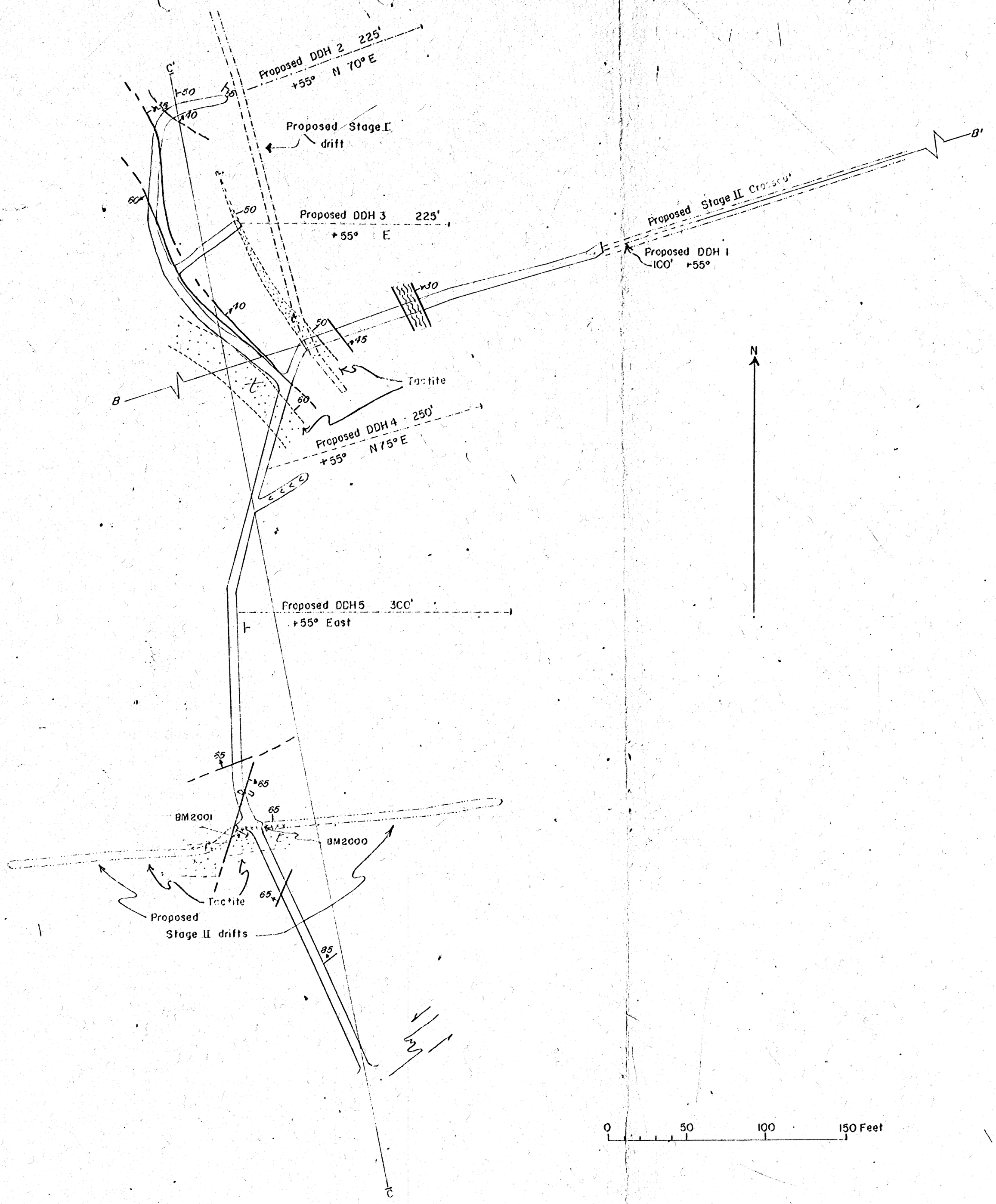
CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 100 200 300 Feet

Figure 3

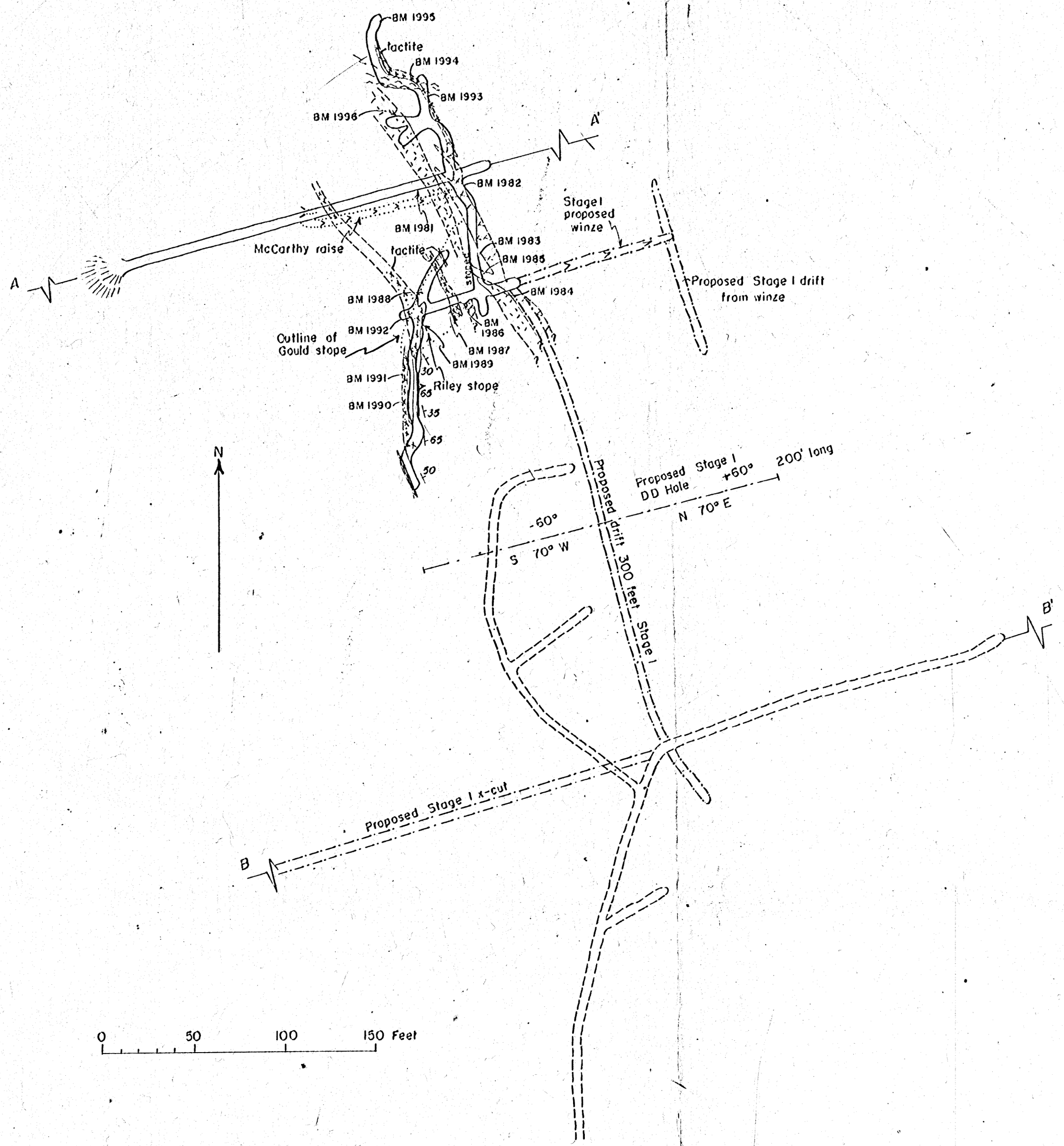
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4301
(TUNGSTEN)



GOLDFIELD ADIT, CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 5

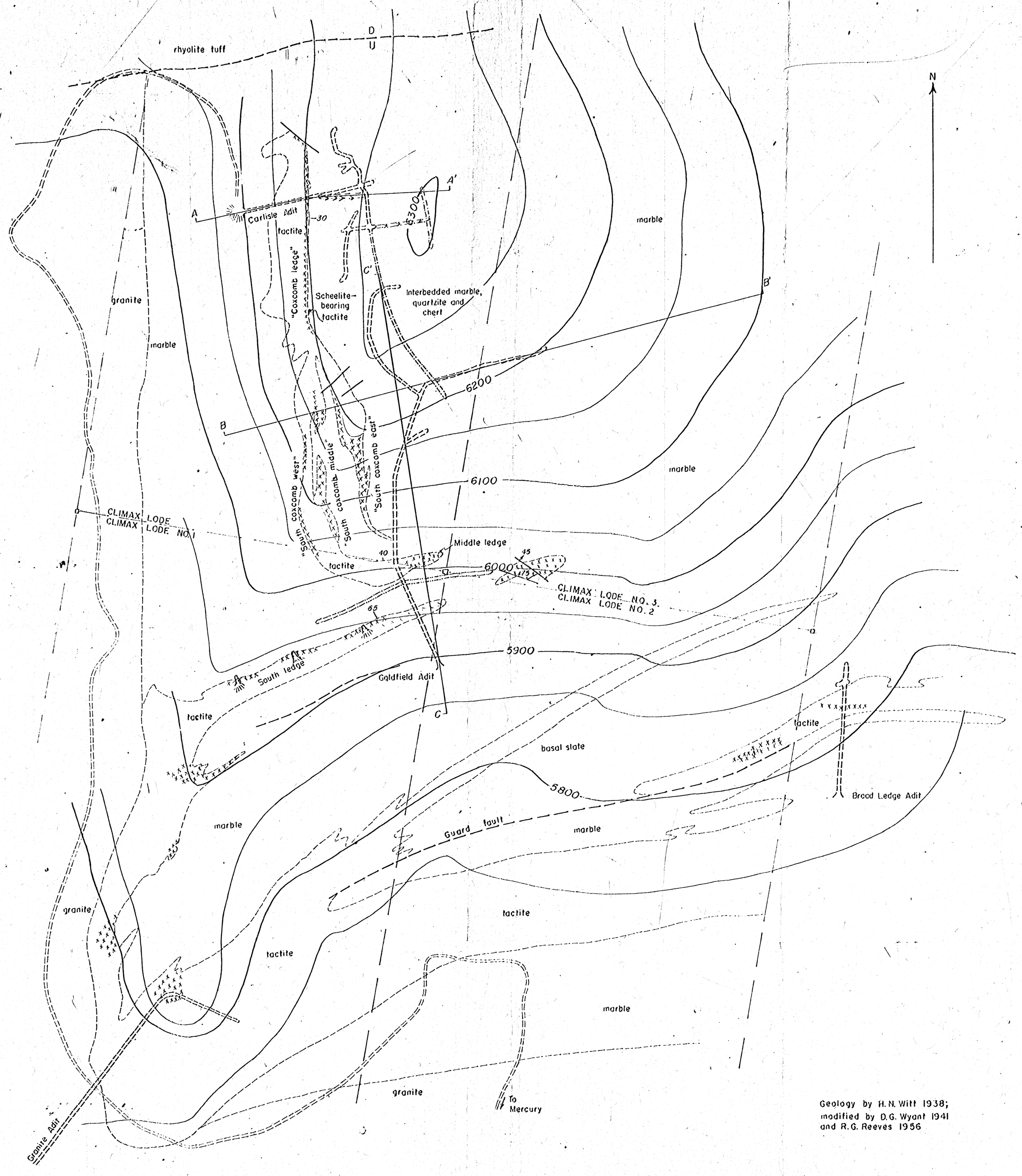


CARLISLE ADIT, SHOWING PROPOSED STAGE I DRIFT AND RAISE
CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

Figure 4

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4301
(TUNGSTEN)



Geology by H. N. Witt 1938;
modified by D.G. Wyant 1941
and R.G. Reeves 1956

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 100 200 300 Feet

Figure 3

MAP #3

MAP #3

Map of Outcrops

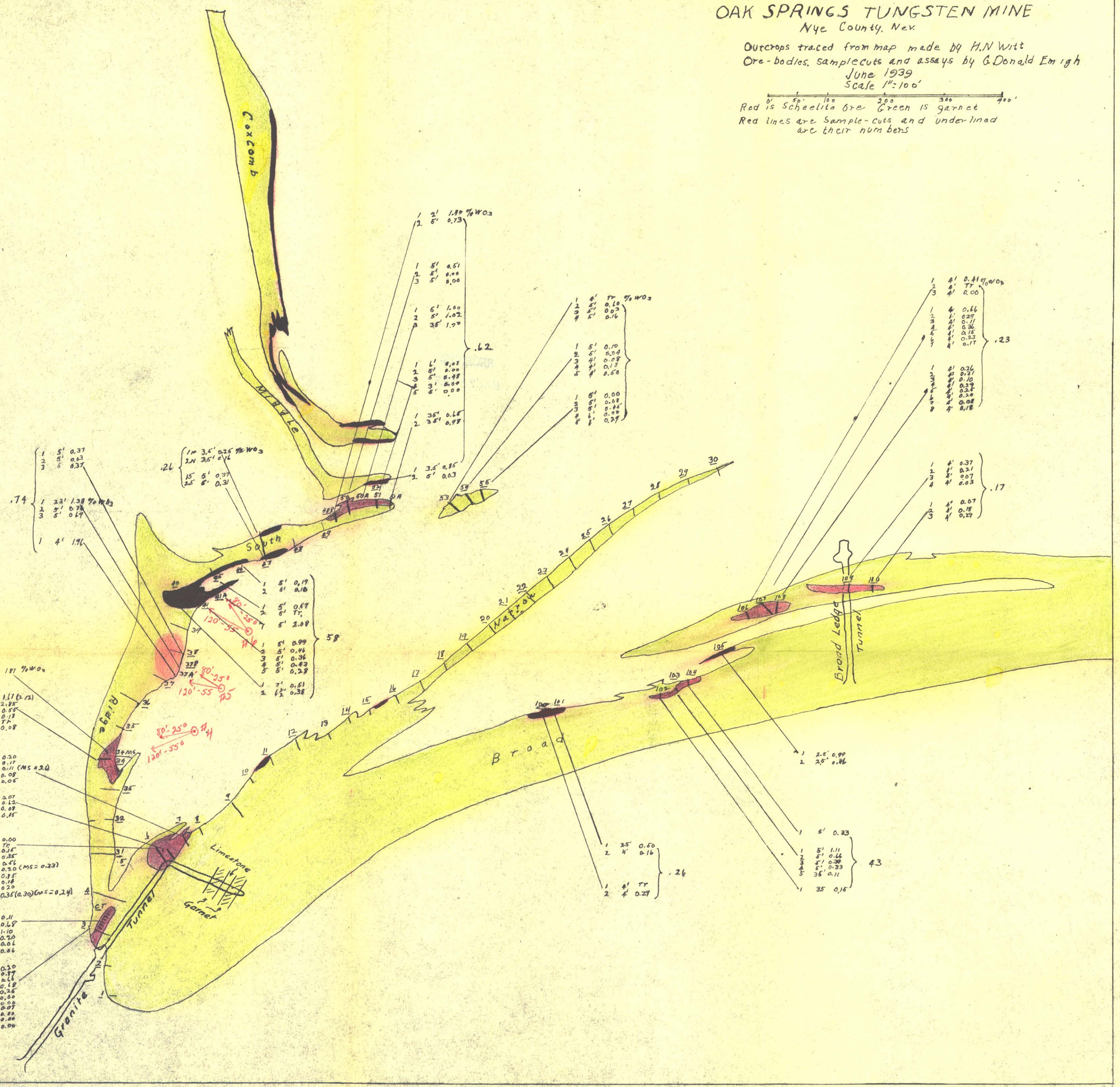
OAK SPRINGS TUNGSTEN MINE

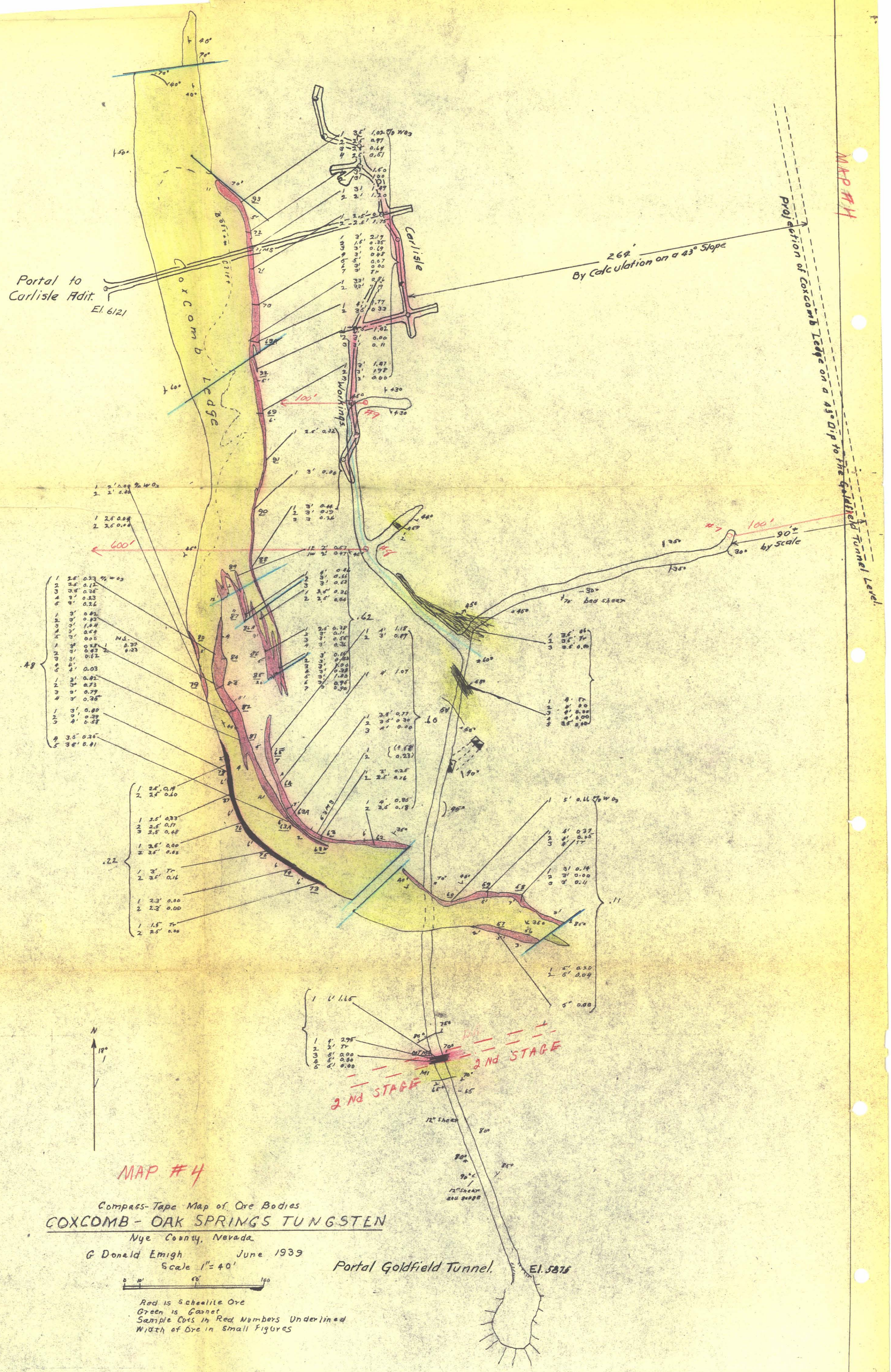
Nye County, Nev.

Outcrops traced from map made by H.N Witt
Ore-bodies, samplecuts and assays by G. Donald Emigh
June 1939
Scale 1" = 100'

0' 50' 100 200 300 400'

Red is Scheelite Ore Green is garnet
Red lines are Sample-cuts and under-lined are their numbers





Compass-Tape Map of Ore Bodies

COXCOMB - OAK SPRINGS TUNGSTEN

Nye County, Nevada

G Donald Emigh June 1939

Scale 1" = 40'

Red is Scheelite Ore
Green is Garnet
Sample Cuts in Red Numbers Underlined
Width of Ore in Small Figures

CLIMAX TUNGSTEN MINE, NYE COUNTY, NEVADA

0 100 200 300 Feet

Figure 2