DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4345

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This document has been recorded as

Exploration Project

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

Routing Slip Cys USGS, BM

To:	400	Date	6/19/56
To:	Oper Com	Date	6-28-56
To:	J.E. Johnson	Date	6-29-56
To:	C.D.M	Date	6-29-56
To:	Oper Com	Date	9-12-56
To:	Mr Johnson	Date	9-12-56
To:	M & R	Date	9-13-56
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

SEP 1 1956

Humboldt Metals
33 West Third Street
Winnemucca, Nevada

Re: Docket No. DMEA-4345, Mercury
Hot Group claims
Pershing County, Nevada

Gentlemen:

Your application for aid for an exploration project and other data available to us in Washington concerning the above-referenced property have been reviewed.

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

Careful study of our information, although noting sporadic mercury mineralization on the Hot Group claims, indicates to us that the probability of disclosing minable mercury ore reserves is not sufficiently promising to justify Government participation. Under these circumstances, we regret to advise you that your application is denied.

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
J. W. Pennington, USBM
FT, Region 2

ADMcMahon/ls 9/11/56

400

September 11, 1956

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $38,090.00
Docket No. DMEA-4345, Mercury
Humboldt Metals
Hot Group claims
Pershing County, Nevada

Denial of the subject application is recommended by this Division based on the following information:

(1) The applicant, Humboldt Metals, 33 West Third Street, Winnemucca, Nevada, requested exploration assistance in the amount of $38,090.00 for a 2-phase project consisting of stripping and trenching, to be followed with adits which would explore the deposit at a depth of 55 feet.

(2) The applicant controls, by a lease, 10 unpatented mining claims known as the Hot Group, recorded in the office of the County Recorder, Pershing County (Lovelock, Nevada), in Book 17, pages 351 to 355. The claims are located in sec. 25, T. 27 N., R. 38 E., M. D. B. & M., Pershing County, Nevada

(3) The proposed program is to strip the main vein for 200 feet with a bulldozer and cross-trench the extended strike north and south of this zone at six promising points in Stage I. If Stage I uncovers sufficient mercury mineralization, Stage II is designed to explore the vein at a depth of 55 feet with a 250-foot adit crosscut and 200 feet of drifting.

(4) The property is undeveloped, has had little prospecting, no exploration, and no production. Cinnabar occurs sporadically in a barite vein 1 to 3 feet wide and is traceable for about 200 feet on the surface although not continuously because of overburden. Selected and specimen samples assayed 8.4, 13.6, 19.4, and 1.6 pounds of mercury per ton.

The ore reserves of the Hot Group claims are in the barite vein which is not uniformly mineralized. It is inferred that the vein may contain 2000 tons of 8 lb./ton ore to a depth of 50 feet, and 4000 tons of 8 lb./ton ore to a depth of 100 feet, but probably not more than half the vein contains cinnabar that may be of ore grade and wide enough to mine.

(5) The Field Team concludes that the vein where exposed is insufficient in length, width, and grade to be minable or to present a suitable target, and recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

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

cc: Docket
Code 400
Oper. Committee
Adm. Read. File

ADMcMahon/ls
9/11/56

RECEIVED
SEP - 5 1956

IN REPLY REFER TO:

402

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

August 31, 1956

Re: DMEA 4345
Humboldt Metals
Hot Group claims
Pershing County, Nevada
$32,400 - Mercury

Memorandum

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

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

Subject: Review of Field Team report

The applicant, a partnership, requested assistance in exploring a newly discovered cinnabar-bearing barite vein, a 2-foot sample of which, the application said assayed 1.88% mercury.

The examiners found little work had been done, but a barite vein 1-3 feet wide and traceable for 200 feet is partially exposed. Where opened in a trench the vein is 12 inches wide and a spot 12"x12" is mineralized. A selected sample of the material assayed 8.4 pounds per ton of mercury. Other samples showed 19.4 pounds (float) and 13.8 pounds per ton, the latter from the vein where 6 inches wide 10 feet from the trench.

The examiners estimate the inferred reserves at 40 tons per vertical feet of 8 pound rock.

The examiners consider the vein does not warrant DMEA participation because of the short length, small width, and low-grade of the vein, and with the Field Team recommend denial of the application.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

NENelson:jah
8/31/56
cc: Director's reading 4212
Branch reading 4212
DMEA (3)
Docket file
J. W. Pennington 3623

400

RECEIVED

AUG 3 1 1956

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

Date August 31, 1956

DMEA Docket No. 4345
DMEA Contract No. Mercury
Commodity Humboldt Metals
Name of applicant Hot Group Claims
Name of property Pershing County, Nevada
Location of property $26,830.00
Estimated cost of project

Memorandum

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

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document: 8/23/56. 2. Date received by reviewer: 8/30/56.

3. Prior reports on this property known to reviewer: Yes ☐, No ☒.

4. Prior reports on nearby properties known to reviewer: Yes ☐, No ☒.

5. Information available on past production: Yes ☐, No ☒.

6. Other pertinent factors known to reviewer: Yes ☐, No ☒.

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location ☐
   b. Ownership ☐
   c. Evidence of mineralization ☐
   d. Geology ☐
   e. Proposed exploration method ☐
   f. Alternate exploration method ☐
   g. Costs ☐
   h. ☐

9. Action advised:
   a. Obtain information from applicant ☐
   b. Refer to Field Team ☐
   c. Denial ☐
   d. Agree with Field Team ☒
   e. Disagree with Field Team ☐
   f. Suggest alternate plan ☐
   g. Request another examination ☐
   h. Approval ☐
   i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

None

400

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

1605 Evans Avenue
Reno, Nevada

Aug. 23, 1956

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Wash., D. C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4345 (Mercury)
Humboldt Metals
Hot Group Claims
Pershing, County, Nevada
(Your letter June 29, 1956)

Enclosed are four copies of a report on subject property by G. G. Gentry, Bureau of Mines, and R. G. Reeves, Geological Survey, recommending denial of DMEA exploration aid.

Roscoe Smith and I concur in the recommendation.

S. Ricker

Encl.

Mr Martin:
Please see note inside folder —
AG

see note on note
WSM 8/28/56

RECEIVED
AUG 27 1956

Reviewed by
DMEA OPERATING COMMITTEE

(date)

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 4345 (Mercury)
Humboldt Metals
Hot group claims
Pershing County, Nevada

RECEIVED
AUG 27 1956

by

G. G. Gentry
U. S. Bureau of Mines

R. G. Reeves
U. S. Geological Survey

August 20, 1956

Reviewed by
DMEA OPERATING COMMITTEE

_____
(date)

Humboldt Metals, 33 West 3rd Street, Winnemucca, Nevada, a partnership of Ray R. Whiting, Jr., Milton P. Roumm, Albert M. Franco, Charles S. Fine, and Richard G. Campbell, applied to the Defense Minerals Exploration Administration, DMEA-4345, for assistance to explore the Hot group of 10 unpatented mining claims. The claims are in sec. 25, T. 27 N., R. 38 E., M.D.B.&M., on the southwest flank of the Tobin range, Pershing County, Nevada, 65 miles by road south of Winnemucca. They are owned by Rene and Fern Amat of Winnemucca, and leased to Humboldt Metals. An examination was made July 10, 1956 by G. G. Gentry, Bureau of Mines, and R. G. Reeves, Geological Survey, accompanied by Mr. Whiting.

The property is undeveloped, had little prospecting, no exploration, and no production. Prospecting consists of a shallow bulldozer cut 75 feet from the south end of the vein, in which there is a pit about 2 feet wide, 2 feet long, and 16 inches deep.

The prospect is in dolomite of the Natches Pass formation of Middle Triassic age; the dolomite is conformably overlain by shale. The sedimentary rocks strike northeasterly and dip 55° SE.

Cinnabar occurs sporadically in a barite vein 1- to 3-feet wide that cuts the dolomite. The vein trends N 20° E, is nearly vertical, and is traceable for about 200 feet on the surface, although not continuously because of overburden. Near the north end there appears to be two parallel veins, although an offset by faulting

or a sharp bend might be responsible. The northern two-thirds of the vein is indicated mainly by float, about half of which contains small amounts of cinnabar. The extreme southern end of the vein, which is well exposed, contains no cinnabar.

A mineralized zone 12 inches wide by 12 inches long is exposed in the pit. A selected sample of the highest grade material assayed 8.4 lbs. mercury per ton. A specimen sample from a 40-pound boulder from the pit contained 19.4 lbs. mercury per ton. A 6 inch sample across the vein 10 feet north of the pit assayed 13.8 lbs. mercury per ton. A sample of overburden near the bottom of a gulch approximately one-half mile south of the pit assayed 1.6 lbs. mercury per ton.

The ore reserves at the Hot group prospect are in the barite vein. The vein is probably lenticular, and not uniformly mineralized, and probably not more than half the vein contains cinnabar that may be of ore grade and wide enough to exploit. The vein is inferred to contain about 2,000 tons of 8 lb./ton ore to a depth of 50 feet, and 4,000 tons of 8 lb./ton ore to a depth of 100 feet. The inferred reserves are based on an inadequate knowledge of the surface extent of the vein outcrop, which is mostly concealed by soil.

The applicant proposed to explore the property by surface stripping and trenching in Phase I; and if successful, to further

explore in Phase II by adits which would cut the deposit at 55 feet. The total cost of the proposed project is $26,830.

Exploration by DMEA is not warranted, as the cinnabar vein where exposed is insufficient in length, width, and grade to be minable or to present a suitable exploration target. It is recommended that DMEA assistance be denied.

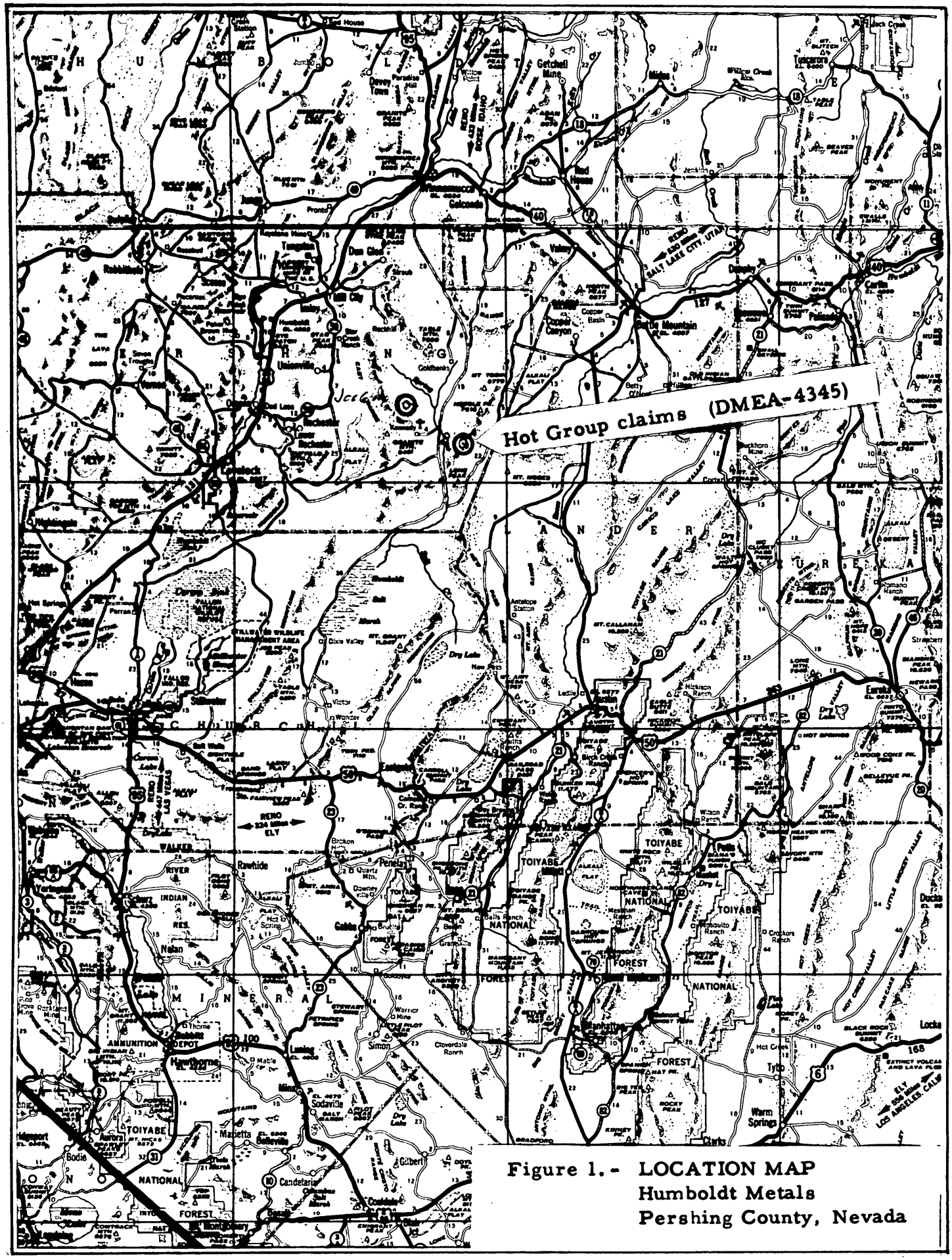
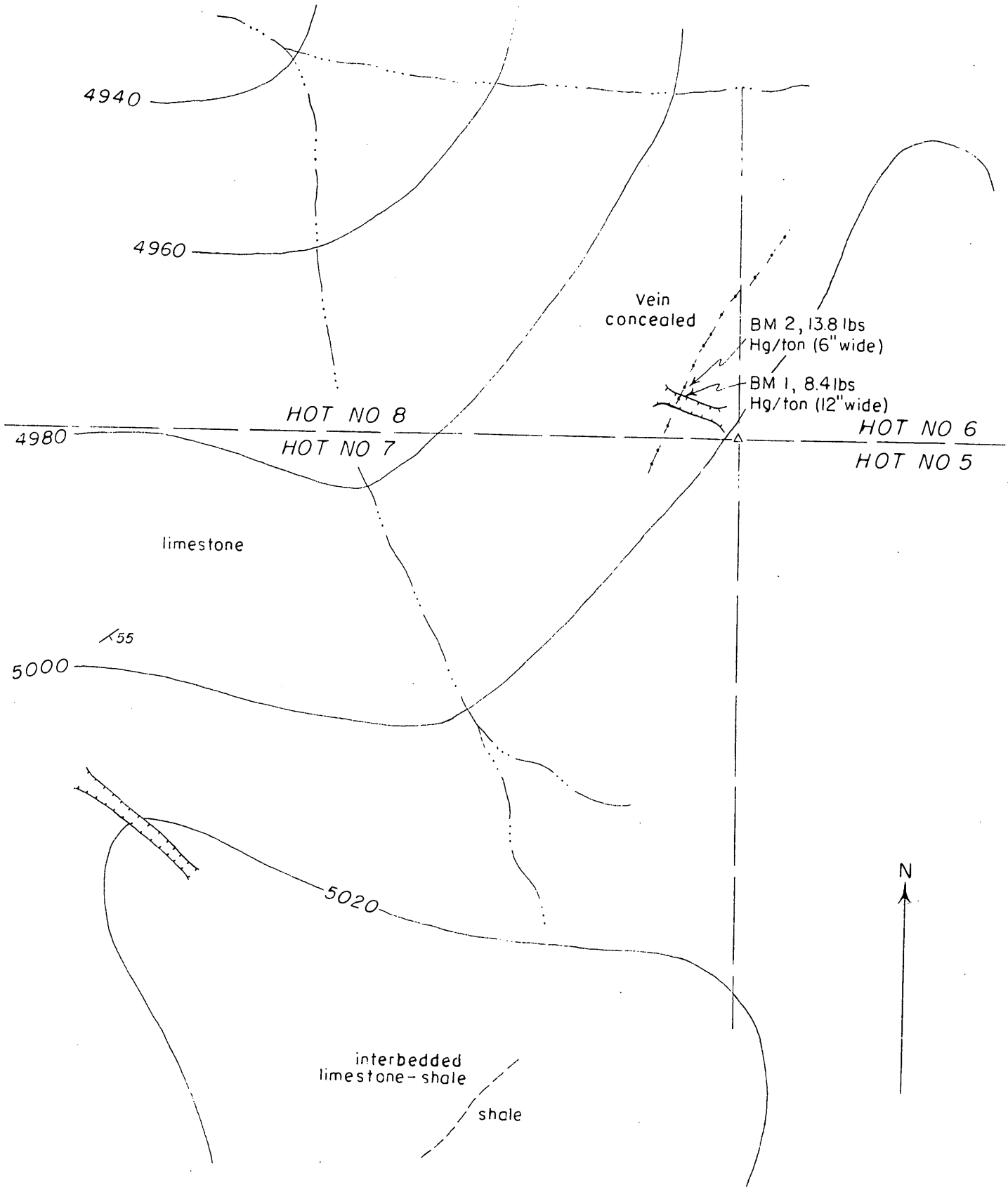


Figure 1.- LOCATION MAP
Humboldt Metals
Pershing County, Nevada

RECEIVED
AUG 27 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4345
(MERCURY)



HOT GROUP PROSPECT, PERSHING COUNTY, NEVADA

100 0 100 200 Feet

Figure 2

RECEIVED
AUG 27 1956

8/3/56

Re: Docket No. DMEA 4345 - Hg. and DMEA 4346-Hg.
Humboldt Metals

Miss Heckman, Senator Bible's Office, Ext. 976, phoned to say she had a letter from Humboldt Metals wanting a reply as to whether their application was to be approved or denied.

Our records show the case went out to the FT early in July for a field exam, but I told Miss Heckman we had no information yet as to whether the examining engineers from Reno had seen the property. After that their report must be typed, maps made, assays made, etc., so that there was some delay in our receiving the recommendations. However, when our end-of-the-month report from Region 2 was received, it would no doubt indicate whether the field examiners had actually seen the property, and we would call and let her know; or if in the meantime the report of the examining engineers came in, we could let her know also.

L. S.

JUL 2 - 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Re: Docket No. DMEA 4346 - Mercury
Joe Group Claims
Pershing County, Nevada

Gentlemen:

The above docketed application for exploration assistance for mercury ores has been reviewed by the Washington office 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 an examination of the property.

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

Sincerely yours,

G. O. Mittendorf

Administrator

AlMcMahon/foc
6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. James Pennington, USBM
Thor H. Kiilsgaard, USGS

400

JUL 2 - 1956

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

Re: Docket No. DMEA 436 - Mercury
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

Dear Mr. Richer:

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

Copies of memoranda dated June 21 and June 26, 1956, by N. E. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures

ADMcMahon/fcc 6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. J. W. Pennington, USBM
T. H. Kiilsgaard, USGS

400

JUN 27 1956

Copy retained 400

June 26, 1956

Memorandum

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

From: Commodity Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4346 (mercury), Humboldt Metals, Joe Group Claims, Pershing County, Nevada, $64,470.00

Exploration of the Joe Group of Claims is proposed in two phases at an estimated total cost of $64,470.00. In phase 1, three zones will be investigated by surface stripping at an estimated cost of $7,070.00. Phase 2 will be conducted upon the results obtained in surface exploration and will consist of a 60 foot shaft and 975 feet of drifting and crosscutting at an estimated cost of $57,400.00.

Old workings - pits, open cuts, and tunnels should provide information on the mineralization although very little was supplied with the application.

The surface stripping of phase 1 may be warranted but phase 2 seems to be development.

Referral of the application to the Field Team is recommended.

J. W. Pennington

J. W. Pennington

Attachment

IN REPLY REFER TO:

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

RECEIVED
JUN 22 1956

June 21, 1956

Re: DMEA 4346
Humboldt Metals
Coos or Joe property
Pershing Co., Nev.
$57,400 - Mercury

Copy retained 400

Memorandum

To: [illegible]. [illegible]. Martin, Defense Minerals Exploration Administration

From: [illegible]. [illegible]. Nelson, U. S. Geological Survey

Subject: Review of application.

In this request the applicant asks aid in a 2-phase exploration project involving as First Phase work bulldozin and underground work at an estimated cost of [illegible]7,070. If successful the property would be equipped and further work done at an estimated cost of $50,330.

This is the second of two applications of Humboldt Metals. The Coos property or Joe claims is an old time prospect on which trenching, open pitting and tunneling have been done. Three zones are indicated. No. 1 is a breccia zone in limestone and sandstone from which a selected sample was taken which assayed 1.0% mercury.

Zone 2 is a fault zone in limestone and No. 3 is called a clay zone. Both show cinnabar but no indicative samples are reported. A sample of float assayed 14.35% mercury.

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

N. E. Nelson

N. E. Nelson

NENelson:btr
C 6/21/56

cc: J. [illegible]. Pennington, 3623
Director's reading file (4212)
Branch reading file
DMEA (3)
Chron. file
Docket file

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

RECEIVED
JUN 18 1956

1605 Evans Avenue
Reno, Nevada

June 14, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Mercury)
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

4346

Attached are three sets of MF-103, Application for Aid forms relative to above subject. The fourth set has been retained in our files.

S. Ricker

Attach.

SRicker:gh
cc: R. M. Smith
File

400

Docket
McMahon
Martin
Lamb
Kilgoard
Selfridge

SEP 18 1956

Humboldt Metals
53 West Third Street
Winnemucca, Nevada

Re: Docket No. DMEA-4345, Mercury
Hot Group claims
Pershing County, Nevada

Gentlemen:

Your application for aid for an exploration project and other data available to us in Washington concerning the above-referenced property have been reviewed.

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

Careful study of our information, although noting sporadic mercury mineralization on the Hot Group claims, indicates to us that the probability of disclosing minable mercury ore reserves is not sufficiently promising to justify Government participation. Under these circumstances, we regret to advise you that your application is denied.

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
J. W. Pennington, USBM
FT, Region 2

ADMcMahon/ls 9/11/56

RG. hi

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

September 11, 1956

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $38,090.00
Docket No. DMEA-4345, Mercury
Humboldt Metals
Hot Group claims
Pershing County, Nevada

Denial of the subject application is recommended by this Division based on the following information:

(1) The applicant, Humboldt Metals, 33 West Third Street, Winnemucca, Nevada, requested exploration assistance in the amount of $38,090.00 for a 2-phase project consisting of stripping and trenching, to be followed with adits which would explore the deposit at a depth of 55 feet.

(2) The applicant controls, by a lease, 10 unpatented mining claims known as the Hot Group, recorded in the office of the County Recorder, Pershing County (Lovelock, Nevada), in Book 17, pages 351 to 355. The claims are located in sec. 25, T. 27 N., R. 38 E., M. D. B. & M., Pershing County, Nevada.

(3) The proposed program is to strip the main vein for 200 feet with a bulldozer and cross-trench the extended strike north and south of this zone at six promising points in Stage I. If Stage I uncovers sufficient mercury mineralization, Stage II is designed to explore the vein at a depth of 55 feet with a 250-foot adit crosscut and 200 feet of drifting.

(4) The property is undeveloped, has had little prospecting, no exploration, and no production. Cinnabar occurs sporadically in a barite vein 1 to 3 feet wide and is traceable for about 200 feet on the surface although not continuously because of overburden. Selected and specimen samples assayed 8.4, 13.6, 19.4, and 1.6 pounds of mercury per ton.

The ore reserves of the Hot Group claims are in the barite vein which is not uniformly mineralized. It is inferred that the vein may contain 2000 tons of 8 lb./ton ore to a depth of 50 feet, and 4000 tons of 8 lb./ton ore to a depth of 100 feet, but probably not more than half the vein contains cinnabar that may be of ore grade and wide enough to mine.

(5) The Field Team concludes that the vein where exposed is insufficient in length, width, and grade to be minable or to present a suitable target, and recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

W S Martin

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

Docket
McMahon
Martin

September 11, 1956

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of request for exploration assistance in the amount of $38,090.00
Docket No. DMEA-4345, Mercury
Humboldt Metals
Hot Group claims
Pershing County, Nevada

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(3) The proposed program is to strip the main vein for 200 feet with a bulldozer and cross-trench the extended strike north and south of this zone at six promising points in Stage I. If Stage I uncovers sufficient mercury mineralization, Stage II is designed to explore the vein at a depth of 55 feet with a 250-foot adit crosscut and 200 feet of drifting.

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(5) The Field Team concludes that the vein where exposed is insufficient in length, width, and grade to be minable or to present a suitable target, and recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

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

cc: Docket
Code 400
Oper. Committee
Adm. Read. File

ADMcMahon/ls
9/11/56

Docket

IN REPLY REFER TO:

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

RECEIVED
SEP - 5 1956

August 31, 1956

Re: DMEA 4345
Humboldt Metals
Hot Group claims
Pershing County, Nevada
~~$32,460~~ - Mercury
P. 38.090

WSM

Copy retained 400

Memorandum

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

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

Subject: Review of Field Team report

The applicant, a partnership, requested assistance in exploring a newly discovered cinnabar-bearing barite vein, a 2-foot sample of which, the application said assayed 1.88% mercury.

The examiners found little work had been done, but a barite vein 1-3 feet wide and traceable for 200 feet is partially exposed. Where opened in a trench the vein is 12 inches wide and a spot 12"x12" is mineralized. A selected sample of the material assayed 8.4 pounds per ton of mercury. Other samples showed 19.4 pounds (float) and 13.8 pounds per ton, the latter from the vein where 6 inches wide 10 feet from the trench.

The examiners estimate the inferred reserves at 40 tons per vertical foot of 8 pound rock.

The examiners consider the vein does not warrant DMEA participation because of the short length, small width, and low-grade of the vein, and with the Field Team recommend denial of the application.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

Docket

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

RECEIVED
AUG 31 1956

Date August 31, 1956 WSM

DMEA Docket No. 4345
DMEA Contract No.
Commodity Mercury
Name of applicant Humboldt Metals
Name of property Hot Group Claims
Location of property Pershing County, Nevada
Estimated cost of project $26,830.00

Memorandum

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

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document: 8/23/56. 2. Date received by reviewer: 8/30/56.

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 needing special consideration:
   a. Location [ ]
   b. Ownership [ ]
   c. Evidence of mineralization [ ]
   d. Geology [ ]
   e. Proposed exploration method [ ]
   f. Alternate exploration method [ ]
   g. Costs [ ]
   h. _____ [ ]

9. Action advised:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [ ]
   c. Denial [x]
   d. Agree with Field Team [x]
   e. Disagree with Field Team [ ]
   f. Suggest alternate plan [ ]
   g. Request another examination [ ]
   h. Approval [ ]
   i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

None

DMEA

Docket

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

1605 Evans Avenue
Reno, Nevada

Aug. 23, 1956

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Wash., D.C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4345 (Mercury)
Humboldt Metals
Hot Group Claims
Pershing, County, Nevada
(Your letter June 29, 1956)

WSM

Enclosed are four copies of a report on subject property by G. G. Gentry, Bureau of Mines, and R. G. Reeves, Geological Survey, recommending denial of DMEA exploration aid.

Roscoe Smith and I concur in the recommendation.

S. Ricker

Encl.

RECEIVED
AUG 27 1956

Reviewed by
DMEA OPERATING COMMITTEE
8-31-56
(date)

BUREAU OF MINES
WASHINGTON, D. C.
AUG 27 9 00 AM '56

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 4345 (Mercury)
Humboldt Metals
Hot group claims
Pershing County, Nevada

Reviewed by
DMEA OPERATING COMMITTEE
8-31-56
(date)

by

G. G. Gentry
U. S. Bureau of Mines

R. G. Reeves
U. S. Geological Survey

August 20, 1956

RECEIVED
AUG 27 1956

Humboldt Metals, 33 West 3rd Street, Winnemucca, Nevada, a partnership of Ray R. Whiting, Jr., Milton P. Roumm, Albert M. Franco, Charles S. Fine, and Richard G. Campbell, applied to the Defense Minerals Exploration Administration, DMEA-4345, for assistance to explore the Hot group of 10 unpatented mining claims. The claims are in sec. 25, T. 27 N., R. 38 E., M.D.B.&M., on the southwest flank of the Tobin range, Pershing County, Nevada, 65 miles by road south of Winnemucca. They are owned by Rene and Fern Amat of Winnemucca, and leased to Humboldt Metals. An examination was made July 10, 1956 by G. G. Gentry, Bureau of Mines, and R. G. Reeves, Geological Survey, accompanied by Mr. Whiting.

The property is undeveloped, had little prospecting, no exploration, and no production. Prospecting consists of a shallow bulldozer cut 75 feet from the south end of the vein, in which there is a pit about 2 feet wide, 2 feet long, and 16 inches deep.

The prospect is in dolomite of the Natchez Pass formation of Middle Triassic age; the dolomite is conformably overlain by shale. The sedimentary rocks strike northeasterly and dip 55° SE.

Cinnabar occurs sporadically in a barite vein 1- to 3-feet wide that cuts the dolomite. The vein trends N 20° E, is nearly vertical, and is traceable for about 200 feet on the surface, although not continuously because of overburden. Near the north end there appears to be two parallel veins, although an offset by faulting

or a sharp bend might be responsible. The northern two-thirds of the vein is indicated mainly by float, about half of which contains small amounts of cinnabar. The extreme southern end of the vein, which is well exposed, contains no cinnabar.

A mineralized zone 12 inches wide by 12 inches long is exposed in the pit. A selected sample of the highest grade material assayed 8.4 lbs. mercury per ton. A specimen sample from a 40-pound boulder from the pit contained 19.4 lbs. mercury per ton. A 6 inch sample across the vein 10 feet north of the pit assayed 13.8 lbs. mercury per ton. A sample of overburden near the bottom of a gulch approximately one-half mile south of the pit assayed 1.6 lbs. mercury per ton.

The ore reserves at the Hot group prospect are in the barite vein. The vein is probably lenticular, and not uniformly mineralized, and probably not more than half the vein contains cinnabar that may be of ore grade and wide enough to exploit. The vein is inferred to contain about 2,000 tons of 8 lb./ton ore to a depth of 50 feet, and 4,000 tons of 8 lb./ton ore to a depth of 100 feet. The inferred reserves are based on an inadequate knowledge of the surface extent of the vein outcrop, which is mostly concealed by soil.

The applicant proposed to explore the property by surface stripping and trenching in Phase I; and if successful, to further

explore in Phase II by adits which would cut the deposit at 55 feet. The total cost of the proposed project is $26,830.

Exploration by DMEA is not warranted, as the cinnabar vein where exposed is insufficient in length, width, and grade to be minable or to present a suitable exploration target. It is recommended that DMEA assistance be denied.

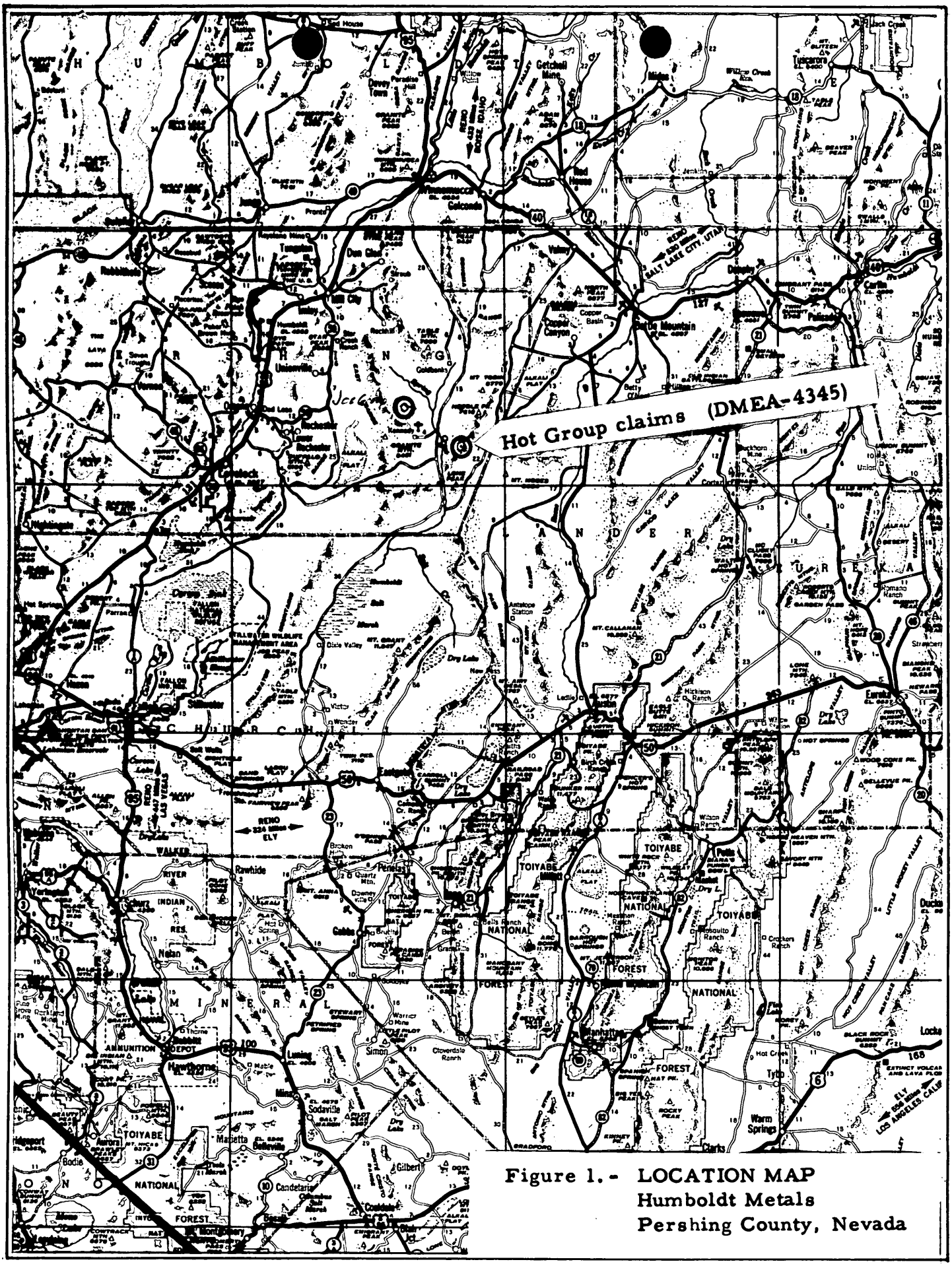
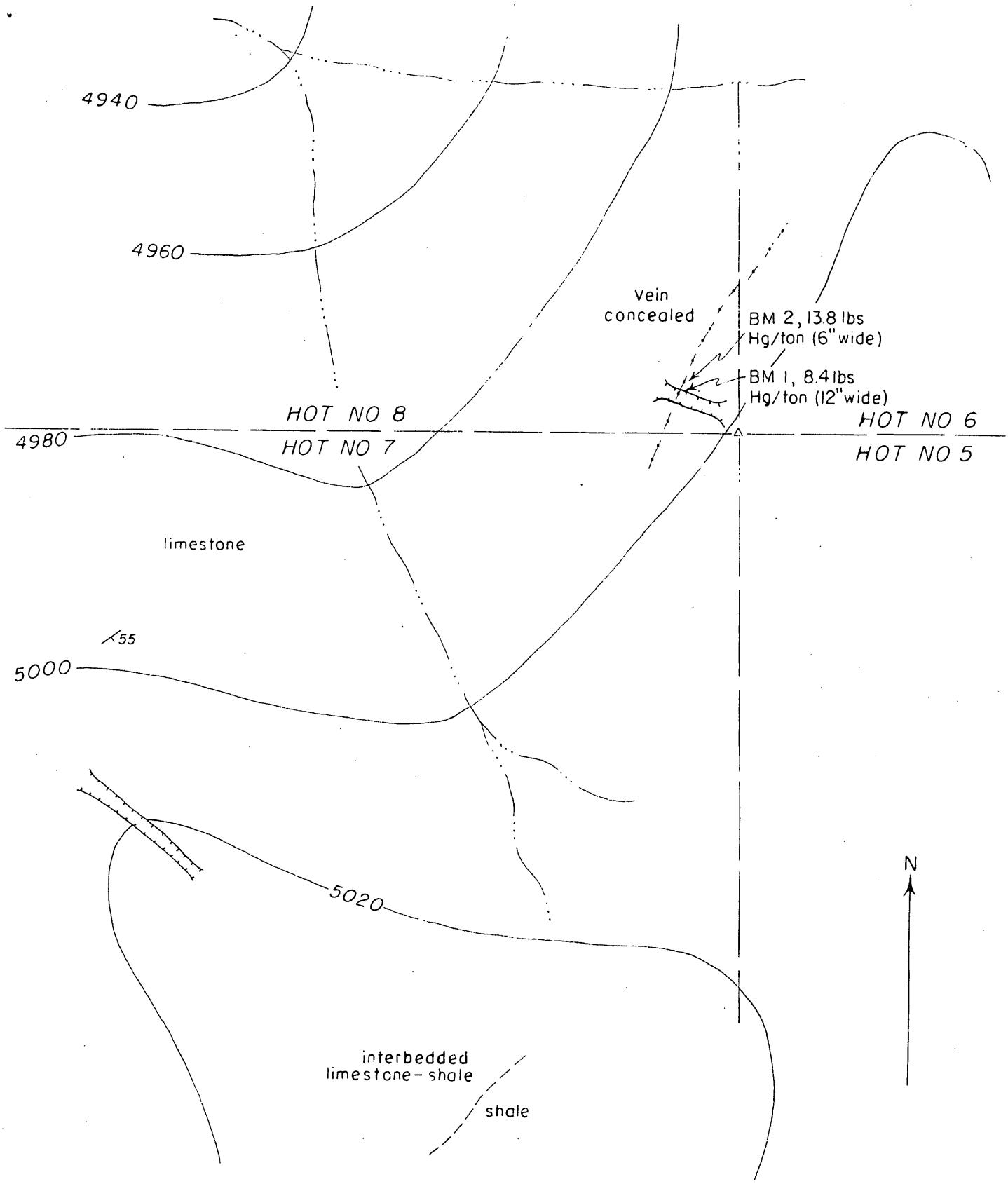


Figure 1.- LOCATION MAP
Humboldt Metals
Pershing County, Nevada

RECEIVED
AUG 27 1956

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4345
(MERCURY)



HOT GROUP PROSPECT, PERSHING COUNTY, NEVADA

100 0 100 200 Feet

Figure 2

8/3/56

Re: Docket No. DMEA 4345 - Hg. and DMEA 4346-Hg.
Humboldt Metals

Miss Heckman, Senator Bible's Office, Ext. 976, phoned to say she had a letter from Humboldt Metals wanting a reply as to whether their application was to be approved or denied.

Our records show the case went out to the FT early in July for a field exam, but I told Miss Heckman we had no information yet as to whether the examining engineers from Reno had seen the property. After that their report must be typed, maps made, assays made, etc., so that there was some delay in our receiving the recommendations. However, when our end-of-the-month report from Region 2 was received, it would no doubt indicate whether the field examiners had actually seen the property, and we would call and let her know; or if in the meantime the report of the examining engineers came in, we could let her know also.

Phoned Miss H— Aug. 28, told her L. S. the report was here, that the recommendation was confidential, that we would take action as soon as we heard from the commodity specialists and would let her know after the final decision was made here.

RECEIVED
AUG 27 1956

DOCKET
SURNAME
McMahon
400 Negotiator
Selfridge
Kjelmson

JUN 29 1956

Mr. Spangler Rickey, Executive Officer
DMEA Field Team, Region II
1695 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 4345 - Mercury
Humboldt Metals
Hot Group Claims
Pershing County, Nevada

Dear Mr. Rickey:

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

Copies of memoranda dated June 21 and June 26, 1956, by H. K. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCB)

APPROVED:

P. F. Yopes (GCB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCB)
Member, Geological Survey

AEMcMahon/fee 6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. Pennington, USBM
Kiilsgaard, USGS

Enclosure

RCS

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

400

DOCKET
SURNAME
McMahon
Martin
Kiilsgaard
Yates
Selfridge
Kjelman

JUN 29 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Re: Docket No. DMEA 4345 - Mercury
Hot Group Claims
Pershing County, Nevada

Gentlemen:

The above docketed application for exploration assistance for mercury ores has been reviewed by the Washington office 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 an examination of the property.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

ADMCMAHON/foc
6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. J. W. Pennington, USBM
T. H. Kiilsgaard, USGS

R.S.H.

Docket

RECEIVED
JUN 27 1956

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

June 26, 1956

Copy retained 400

Memorandum

WSM

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

From: Commodity Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4345 (mercury), Humboldt Metals, Hot Group Claims, Pershing County, Nevada, $38,090.00

Exploration of the property is proposed in two parts at an estimated total cost of $38,090.00. Part 1 consists of surface trenching at an estimated cost of $5,630.00 and Part 2 of drifting and crosscutting at an estimated cost of $32,460.00.

Undoubtedly mercury mineralization is present although few data are given. Examination of the property seems warranted.

Although the initial phase of the program, surface stripping, is exploration, the second phase appears to be development and should be changed to conform with exploration procedures.

Referral of the application to the Field Team is recommended.

J. W. Pennington

Attachment

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

Docket

IN REPLY REFER TO:

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

RECEIVED JUN 21 1956

June 21, 1956

Re: DMEA 4345
Humboldt Metals
Hot Group
Pershing Co., Nev.
$32,460.00 - Mercury

Copy retained 400

WSM

Memorandum

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

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

Subject: Review of application

This application requests assistance in exploring a cinnabar-bearing barite vein by stripping and tunnelling. If the above First Phase work is successful, buildings, equipment, etc., totalling $26,830 would be provided as the Second Phase of the project.

The showing to be explored is said to be newly discovered and as yet slightly prospected. A sample taken across 2 feet assayed 1.88% mercury.

This is one of two applications of the Humboldt Metals. The second is numbered 4346.

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

N. E. Nelson

N. E. Nelson

June 19, 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Subject: DMEA 4345
Re: Exploration Assistance
Hot Group Claims

Gentlemen

The receipt of your application dated June 11, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4345 and referred to the Iron & Ferro-Alloy 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

60932

June 19, 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
- 4345 Humboldt Metals

Robert E. Adams
Chief, Operation's Control
and Statistics Division

D M E A

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

RECEIVED
JUN 18 1956

1605 Evans Avenue
Reno, Nevada

June 14, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Mercury)
Humboldt Metals
Hot Group Claims
Pershing 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.

S. Ricker

Attach.

BUREAU OF MINES
WASHINGTON, D. C.
JUN 18 12 50 PM '56

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada
June 11, 1956

RECEIVED
JUN 18 1956

D. M. E. A.
Field Executive Officer
Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Dear Sir:

I would like at this time to express our feeling as to the second phase of our two applications.

Both Mr. Johnston, and myself, are aware of the duplication, and maybe the excessive cost involved in carrying out the completion of the second phase of the exploration contract. However, not knowing whether one of the other contracts, or both will go into the second phase, we felt it necessary to make both complete programs within themselves.

It is our intention to do the job as ecomomically to both the United States government and ourselves, and would appreciate the opportunity to be able to submit a revised cost sheet after determinating the results of the first phase of the program.

Sincerely yours,

Ray R Whiting Jr.

Ray R. Whiting, Jr.

RRW:CS

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN 18 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. 4345
Metal or Mineral Mercury
Date Received JUN 19 1956
Estimated Cost $5,630
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: Humboldt Metals
33 West 3rd St.
Winnemucca, Nevada

(*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

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

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

(*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

(*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 .....

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[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 June 11, 1956

Humboldt Metals
(Applicant)

By Ray R. Nutting Jr.

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

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

I NAME OF APPLICANT

RECEIVED
JUN 18 1956

a. Humboldt Metals
33 West 3rd St.
Winnemucca, Nevada

b. Partnership, organized under laws of the State of Nevada

c. Partnership

d. Ray R. Whiting, Jr.
6226- 22nd N.E.
Seattle, Washington

Milton P. Roumm
1920 Calhoun
Seattle, Washington

Albert M. Franco
1711 Smith Tower Bldg.
Seattle, Washington

Charles S. Fine, M.D.
340 Stimson Bldg.
Seattle, Washington

Richard G. Campbell
33 West 3rd St.
Winnemucca, Nevada

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.,
Winnemucca, Nevada

3. Applicants Property Rights

a. The Hot group of ten (10)unpatented claims is located at the Southwest end of the Tobin Range on the east side of Pleasant Valley, Pershing County, Nevada. The claims are in Township 27 North, Range 38 East. The part of the township in which the claims are located is unsurveyed, but by scaling the sections on a Bureau of Land Management map the claims would be in Section 25. A radio Beacon (No. 45) on a steel tower is located in the central part of the claims. From this beacon the old Miller ranch headquarters bears N. 37° W., at a distance of about 3 miles.

b. Hot group of claims.

c. Lessee

d. Lease attached

e. Lease

f. The Hot group of claims is filed in the Pershing County courthouse, Lovelock, Nevada. See claim map of Figure 11.

Hot No. 1 - Book 17, p. 351	Hot No. 6 - Book 17, P.353
Hot No. 2 - Book 17, P. 351	Hot No. 7 - Book 17, P.353
Hot No. 3 - Book 17, P. 352	Hot No. 8 - Book 17, P.354
Hot No. 4 - Book 17, P. 352	Hot No. 9 - Book 17, P.354
Hot No. 5 - Book 17, P. 353	Hot No.10 - Book 17, P.355

Humboldt Metals
Ray[illegible] Whiting, Jr.
33 [illegible]st 3rd St.
Winnemucca, Nevada

4. Physical description

a. The Hot group of claims is a recent discovery on which no mining or development has been done except for location pits. Most of the claims can be inspected by driving up creek beds and along ridges with a 4-wheel drive vehicle.

b. There has been no production from this property. Mineral showings are not adequate for estimation of ore reserves.

c. The country rock on the claims is a massive, bluish-gray dolomite and locally some thin-bedded gray limestone and dolomite. These rocks belong to the Natchez Pass formation of Middle Triassic age. Along the north and east boundaries of the claim group there are rhyolite flows and tuffs of Tertiary age.

Mercury mineralization, as observed to date, is confined to northerly striking barite veins in dolomite. The main barite vein in which mercury has been found strikes N. 30° E. near the common side line of Hot claims Nos. 6 and 8, close to the south end lines (see figure 1). Pits have exposed the vein to a width of 3 feet. Cinnabar and stibnite fill fractures in a massive barite and cinnabar occurs as blebs and veinlets up to a quarter inch thick. Cinnabar showings can be found in place along the barite vein for a strike length of about 50 feet. A grab sample, made from small piles of selected cinnabar ore around the pits in the area described above, assayed 1.88 percent mercury. This sample is only suggestive of the local strength of mineralization and does not represent a certain width or tonnage. Exposures are inadequate for a regular sampling program. The barite vein can be traced by isolated outcrops for about 100 feet north and south of the cinnabar area. On the downhill side of the projected southern extension of the above barite vein for over a half mile on the Hot claims heavy pannings of cinnabar can be made which include cinnabar chunks up to three-eights inch in long dimension.

Other barite veins west of the above-described vein show traces of cinnabar, but no other outcrops worthy of development have been discovered to date.

The Hot group of claims is situated on what might be considered the southern extension of the Mt. Tobin quicksilver district. The main producing part of this district is about 10 miles to the northeast and the recently discovered Low mine is about 6 miles to the northeast. The surface showings of cinnabar in the barite vein on the Hot group appear adequate for initiation of an exploration program.

d. The Hot claims are 65 miles by road south of Winnemucca, Nevada, and approximately the same distance by road east of Lovelock, Nevada. The road to Winnemucca is the best for year round access since no mountain passes are involved. The graded Pleasant Valley road is taken 57 miles south from Winnemucca to a turnoff to the old Miller ranch (now Paris ranch). This turnoff is

Humboldt Metals
Ray[illegible]. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

followed 3 miles east to a half mile south of the Miller ranch and then a road is taken 2 miles south. From this point a 4-wheel drive vehicle can be driven the remaining 2 miles up creek beds to the claims.

The closest shipping point is either 65 miles to the Southern Pacific railroad at Lovelock, or 65 miles to the Southern Pacific or Western Pacific railroads at Winnemucca. Winnemucca or Lovelock can be considered supply and residence points. Major mining equipment would have to be procured at Reno, Nevada, a distance of 160 miles from the property.

e. Manpower is available at Winnemucca, Lovelock, or Reno, Nevada. Materials, supplies, and equipment can be procured at Winnemucca, Lovelock, or Reno. A large spring is located about a mile south of the central part of the claims. A Sierra Pacific Power Company power line crosses about 5 miles south of the property.

Humboldt Metals
Ra[illegible]R. Whiting, Jr.
33[illegible]est 3rd St.,
Winnemucca, Nevada

5. THE Exploration Project

a. Cinnabar and any related mercury minerals such as metacinnabar or native mercury which might occur in the vein.

b. FIRST PHASE
Surface stripping of the main barite-cinnabar vein with a bulldozer is recommended. This involves complete stripping of a 200 foot known zone as shown on Figure 1. In addition 6 cuts are planned normal to the extended strike of this zone north and south in covered areas of strong cinnabar pannings. Should the vein be found in any of these 6 cuts, it will be stripped along the strike as far as it can be followed within the allotted time of the contract.

A rented compressor and jackhammer will be used in conjunction with the bulldozer stripping. As the bulldozer uncovers areas of interest two men with the compressor, jackhammer, and pick and shovel will move in and clean off the vein and drill it. After a large area along the vein has been drilled and blasted, the bulldozer will clean it off again. This drilling will only extend down to 5 or 10 feet below the surface bedrock for sampling and evaluation purposes.

Two miles of road have to be built from the road 3 miles south of the Miller ranch to the project. This road can be built in about two days. About one mile is across a sagebrush flat and the other mile extends up a canyon across the claims to the barite-cinnabar vein. The last mile can be kept in valley fill and soft formations and no drilling will be necessary.

SECOND PHASE
If the first phase successfully uncovers a reasonable show of cinnabar mineralization and approval is given, it is planned to drive a tunnel under the outcrop as shown on figure 1. A 200 foot crosscut tunnel will cut the vein under about 55 feet of backs. The assumption, from lack of evidence at the surface, is that the vein is essentially vertical or dipping steeply east. However, an additional 50 feet is added in case the vein dips moderately east with the bedding in the dolomite. An additional 200 feet is planned to explore along the strike of the vein from the crosscut (see figure 1). A total of 450 feet of tunnel work is planned. Surface work in the first phase may indicate some changes in the location of the underground work but probably will not change the elevation or footages involved.

c. FIRST PHASE - The work will start within 15 days of signing contract and will be completed within two months of signing contract.

SECOND PHASE - This work will commence as soon as the second phase is approved and will be completed within 9 months from the date of signing of the original contract.

Humboldt Metals,
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

(The Exploration Project continued)

d. Mr. Ray R. Whiting, Jr., will supervise the operations. Experience: Three (3) years in the Primeville, Oregon Mercury district, working under the direction of Mr. R. R. Whiting, Sr. Three (3) years at Horse Heaven Mine, Ashwood, Oregon. Driving original mine tunnels in discovery of ore. Construction mill facilities, and production of ore. 1952 supervision of DMEA loan on Indian Creek Mercury Mine, Yakima, Washington. Docket 2297

W. F. Johnston, Consulting Mining Geologist, 3200 West Plumb Lane, Reno, Nevada, will serve as consultant on the project. Education: B.S., Mining Geology, University of Arizona; Ph. D., Geology, University of Utah. Experience: Ten (10) years with the New Jersey Zinc Company, in Western United States, as underground mining engineer, exploration project engineer, and senior field geologist. An additional four (4) years has been spent in part time teaching and consulting on the Colorado Plateau and in Nevada. Registered Professional Engineer, License No. 1031, State of Nevada

Humboldt Metals
R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

6. Estimate of Cost - FIRST PHASE

a. Independent contracts		
D-9 Caterpiller or equivalent		
$18/hours, 15 (8 hour days)	$2160	
Moving on and off job	300	
		$2460.
b. Labor, supervision, and consultants		
one miner, $16/day (est. 30 days)	480	
one laborer $12/day (est.30 days)	360	
Supervisor (est. 45 days)	750	
Consultant (one visit)	200	
		$1790
c. Operating materials and supplies		
Small tools - picks, shovels, etc.	50	
Jackhammer bits and steel	50	
Explosives (powder, caps and fuse)	100	
Fuel for compressor (gasoline, oil & grease)	100	
		$300
d. Operating equipment		
Small air compressor & jackhammer rental		$300
e. Rehabilitation and repairs - none		
f. New buildings, improvements, installations - none		
g. Miscellaneous		
Maintenance of equipment	100	
Assaying	100	
Accounting and office supplies	50	
Compensation insurance & payroll taxes	230	
Transportation-equipment & supplies	100	
		$580
h. Contingencies		$200
Grand total		$5630

Humboldt Metals
R. Whiting, Jr.
West 3rd St.
Winnemucca, Nevada

6. Estimate of Costs - SECOND PHASE

A. Independent contracts - none

b. Labor, supervisor, and consultants

Supervisor ($500/month for 7 months)	$3500	
Consultant (3 trips	600	
Miner ($16/day for 28 weeks) 5 day week)	2240	
Muckers, 2 men ($14/day each, 28 weeks) (one mucker will drive water truck, tend compressor & assist underground)	3920	
		$10260

c. Operating materials and supplies

Track (12# - 1000' plus fittings, used)	400	
Pipe - 2" air line, used, 450' plus fittings	300	
Pipe - 1" water line, used 500' plus "	200	
Small tool fund - pipe, maintenance, and blacksmith tools	300	
Mucking sheets and underground pressure tank	100	
Carbide, lamps and parts	100	
Timber - ties and mine timber	300	
Fuel - gasoline, oil, grease, antifreeze for compressor & water truck	750	
First aid kit and stretcher	100	
Drill steel and bits	200	
Explosives - powder, caps and fuse	700	
		$3450

d. Operating equipment

125 cubic foot gasoline air compressor	4000	
Jackhammer	450	
Jackleg	250	
One mine car (used)	100	
Water truck (used 6X6 & 300 gallon tank)	400	
Storage tank (500 gallons)	300	
Pick-up truck	2200	
		$7700

e. Rehabilitation and repairs - None

f. New buildings, improvements, installations

Galvanized sheet building, 10 X 20', to be used as compressor house, change house & storeroom	1000	
House trailers (used)		
bunk house (big trailer	2000	
cook house (big trailer	2000	
office and quarters for supervisor (small trailer)	1000	
		$6000

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.,
Winnemucca, Nevada

(Estimated Costs Continued)

g. **Miscellaneous**

Estimated repairs and maintenance for compressor water truck and jackhammer.	500	
Cook subsidy ($100/month for 7 months)	700	
Accounting & supplies ($50/month	350	
Compensation insurance & payroll taxes	1200	
Transportation (supervisor) (7 cents/mile)	500	
Assaying and analyses	300	
Moving equipment and supplies on and off property	1000	
		$4550

h. Contingencies 500

Grand total..... $32,460

5 630

Total Phases I & II $38,090

Humboldt Metals,
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

7. A. Yes, 25% of the cost of production.

B. Money raised by the partners.

C O P Y

CRISMON & NICHOLS
Assayers & Chemists
229-231 South West Temple Street

RECEIVED
JUN 18 1956

REPORT OF ASSAY

Salt Lake City, Utah May 24, 1956

We have assayed your Three samples and find them to contain as follows:

Description	No.	Per-cent Mercury	
Joe	1	1.08	
Joe Group Float		14.35	
Hot Group 2 ft. being in place		1.88	

REMARKS: Copy mailed to Mr. Johnson

Charges $6.00

CRISMON & NICHOLS

SIGNED P. M. Crismon

MINING LEASE

FILED
JUN 18 1956

THIS LEASE, made and entered into this 21st day of May A. D. 1956, by and between Rene Amat and Fern Amat, his wife, of the County of Humboldt, State of Nevada, Lessors, and Ray Whiting Jr. of the same place, Lessee,

WITNESSETH:

In consideration of the sum of One Dollar ($1.00) and other valuable consideration paid by Lessee to Lessor, the receipt whereof is hereby acknowledged, and of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed by Lessee to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

1.
RIGHTS GRANTED TO LESSEE

Lessor does hereby demise, let and grant to Lessee the exclusive right and privilege to mine and dispose of all minerals metals, or rare earths (hereinafter referred to as "leased Deposits") in, upon or under the following described mining claims, hereinafter called "leased premises", situate lying and being in the [redacted] Mining District, County of Pershing, State of Nevada, to-wit:

NAME OF CLAIM	RECORDED Book	Page	No.
Hot No.1	17	351	44659
Hot No.2	17	351	44660
Hot No.3	17	352	44661
Hot No.4	17	352	44662
Hot No.5	17	352	44663
Hot No.6	17	353	44664
Hot No. 7	17	353	44665
Hot No.8	17	354	44666
Hot No.9	17	354	44667
Hot No.10	17	355	44668

All as is recorded in the Pershing County Recorders Office, Lovelock, Pershing County, Nevada.

together with the right to construct such works, buildings plants, structures and appliances as may be necessary or convenient for the mining operation and marketing of the leased deposits.

TO HAVE AND TO HOLD, the same unto the said Lessees from the date hereof, unless sooner terminated pursuant to the provisions hereof, until all quicksilver, and other metals or minerals which are recoverable from said land have been recovered.

11.
PROPER OPERATIONS REQUIRED

Lessee shall conduct all operations on the leased premises in the manner necessary to good, minerlike and economical mining so as to develop and take out leased deposits with due regard to the development of the leased deposits, the preservation of the workability of workings on the leased premises and to the special covenants herein provided.

111.
LESSORS RIGHT OF INSPECTION

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

Lessee shall allow Lessors and the agents of Lessor, from time to time, to enter upon and into Lessee's workings on said leased premises for the purpose of inspection at such reasonable times as shall not interfere with the regular operations of the leased premises. It is understood and agreed that Lessee shall assume no responsibility for the safety of Lessor or the agents of Lessor when and while upon the leased premises for such purpose.

IV.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor used or employed in connection with the development and operation of the mining claims and mining property hereby leased and shall keep said leased premises free of liens or encumbrances of any and every kind, except such as might result from State and County tax assessments not required to be paid by the Lessee or such as may result from the acts of others than the Lessee or those in privity with lessee, or such as may be created with the express written consent and agreement of the Lessor.

V.

PROTECTION AGAINST LIENS ARISING THROUGH LESSORS DEFAULT

In the event there are no liens or encumbrances against said leased premises, or in the event any liens or encumbrances shall hereafter accrue against the same by acts or neglect of Lessors, then Lessee may at Lessee's option pay and discharge same, and if Lessee elects so to do, then Lessors agree to repay Lessee upon demand all such sums so paid by Lessee, and if Lessors fail to make such repayment on demand of Lessee, then Lessee may at its option deduct such sums from rental and for royalties due Lessors from Lessee as hereinafter provided.

VI.

TERMINATION

This lease is made upon condition that Lessee shall perform all of the covenants and agreements herein set forth to be performed by Lessee and if, at any time, there shall be any default on the part of Lessee due to other than acts of God, strikes, walkouts, storms, floods, a public enemy or unusual casualty or cause entirely beyond the control of Lessee and if such default shall continue for a period of thirty (30) days after written notice thereof being given by Lessor, then and in such event, this Lease shall terminate and the leased premises shall revert to Lessors and Lessee shall deliver to Lessors the leased premises, and all money or royalties already paid by Lessee, shall be forfeited as agreed as liquidated damages and as such shall be retained by Lessors.

VII.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that Lessee may at any time surrender and terminate and/or any part of this lease upon giving to Lessors thirty (30) days notice in writing.

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

VIII.

REMOVAL OF EQUIPMENT

It is further understood and agreed that Lessee shall have subject to any extension of time granted by Lessors, a period of sixty (60) days after forfeiture, surrender or termination of the lease within which to remove all Lessees personal property, buildings, machinery, equipment and tools located within or upon the leased premises (other than the fixutres to become the property of the Lessors as above provided).

IX.

STATE AND FEDERAL ENACTMENTS - INDEMNIFICATION OF LESSOR

Lessee, in the operation and development of the leased premises shall be subject to all applicable Federal enactments, the laws of the State where leased premises are situate, and all Federal or State rules and regulations regarding Employers' Liability, Workmen's Compensation, Social Security and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessor from and against the payment of any and all damages, claims, costs and expenses due to the existance of such enactments and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and Lessee shall further indemnify and hold harmless Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injuries to or death of the employees of Lessee, or any other person whomsoever other than Lessor and those acting under Lessor, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner of the leased premises whether such claims are based upon a right conferred by common law or by statute.

X.

ROYALTIES

Lessee shall pay on all leased deposits of ore extracted and shipped or sold from the leased premises a royalty of 10% of the gross returns from the sale of all leased deposits, minerals or ores extracted hereunder from the leased premises, provided however, that the said Lessee agrees to pay unto the Lessors, 60 days from the day of the execution of this lease, a minimum monthly royalty payment of $200.00 per month. That in the event the said 10% royalty amounts to less than $200.00 per month, then the Lessee shall pay at least $200.00 each and every month of this lease. Royalty payments together with copies of settlement sheets, shall be mailed to Lessors at the address hereinafter provided, and shall be credited by said First National Bank, Winnemucca Branch to the account of Lessors, as joint tenants and not as tenants in common with full rights of survivorship.

XI.

ANNUAL ASSESSMENT LABOR

Lessee agrees to perform the annual assessment work which may be required under the Mining Laws of the United States as to any unpatented mining claims covered by this lease. Surrender of any one or more of the mining claims included in this lease by Lessee as to any mining claims or mining claim shall thereafter

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

relieve Lessee of the obligations to perform annual assessments labor as to any so surrendered mining claim EXCEPT THAT if any such surrender shall be effective less than thirty (30) days prior to the expiration of an assessment year, such surrender shall not affect Lessee's obligation as to the performance of annual labor for that assessment year. The Lessee further agrees to perform the required amount of location work on the above premises not later than July 1, 1956. Notice of the Completion of Filing of the work shall be given to the Lessor at there address hereinafter set out.

TAXES

Lessor shall pay all Federal, State and County taxes of any kind assessed against Lessor on account of the receipt of royalties by lessor hereinabove provided to be paid to Lessor by Lessee.

Lessor shall also pay all State and County Tax assessments upon said leased premises except as hereinafter otherwise provided.

Lessee shall pay all State and County tax assessments upon any and all structures and other improvements, machinery, equipment tools, supplies and personal property whatsoever placed upon the leased premises by Lessee.

Lessee shall pay such State and County taxes, if any as may be assessed against the leased premises because of additional valuation placed upon the leased premises by reason of the leased deposits therein or because of the production of the leased deposits therefrom.

It is expressly understood and agreed, however, that Lessee and Lessor shall pay their proportional share of Bullion Taxes which may be assessed against said property during the term of this Lease.

XIII.

MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon Lessee shall be in writing and shall be sufficiently given if deposited in the United States Mail, postage prepaid and registered and addressed as follows:

TO LESSEE: Ray Whiting Jr.
c/o Richard G. Campbell
Winnemucca, Nevada

or in such other manner and at such other address as Lessee may from time to time in writing designate by written notice to Lessor.

Any notice contemplated herein to be served upon Lessor, shall be in writing and shall be sufficiently given if deposited in the United States Mail, postage prepaid, and registered and addressed as follows:

TO LESSORS: Rene Amat and Vern Amat
c/o First National Bank
Winnemucca, Branch
Winnemucca, Nevada

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

or in such other manner and at such other address as Lessor may from time to time in writing designate.

Service of notice by mail shall be deemed effective and complete upon the date of posting and mailing in accordance therewith. Personal service of notice upon the designated addressee shall be deemed sufficient service of notice and no mailing of notice shall be necessary in the case of such personal service.

XIV.
FORFEITURE

Any failure of the Lessor to declare forfeiture for the violation of any particular covenant or agreement herein contained shall not affect the right of said Lessor to declare a forfeiture for any further violation of the same of any other covenant herein contained.

XV.
ASSIGNMENT

The provisions hereof shall inure to the benefit of and shall be binding upon the successors in interest, legal representatives and assigns of the parties hereto.

XVI.
WARRANTY

Lessors warrant that Lessors have not previously sold, assigned, burdened or encumbered the rights and interests hereby conveyed in and to the leased premises or any part thereof by any act or instrument of Lessor.

VII.
GOVERNMENT LOANS

The Lessors further agree to co-operate in signing a United States Government Loan and further to consent to a lein in lieu of the terms and conditions of said United States Government, upon the Cinibar deposits operation herein and above described as property under lease.

IN WITNESS WHEREOF, the Lessor and Lessee have hereunto set their hands the day and year in this instrument first above written.

Rene Amat

Fern Amat

Ray Whiting Jr.

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

STATE OF NEVADA)
) SS.
COUNTY OF HUMBOLDT)

On this 21st day of May A. D. 1956, personally appeared before me, a Notary Public in and for said County and State, Ray Whiting Jr., Rene Amat and Fern Amat, his wife, known to me to be the persons described in and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily, and for the uses and purposes described therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my Office in said County and State, the day and year in this certificate first above written.

Richard G. Campbell
Notary Public in and for said County and State

My Commission Expires:
Nov 29, 1958

Richard G. Campbell
Attorney at Law
Humboldt Star Bldg.
Winnemucca, Nevada

RECEIVED
JUN 18 1956

A S S I G N M E N T

THIS ASSIGNMENT, made and entered into this 21st day of May, A.D., 1956, by and between Ray R. Whiting, Jr. of the County of Humboldt, State of Nevada, hereinafter in this instrument referred to as the Party of the First Part, and HUMBOLDT METALS, a partnership organized under Laws of State of Nevada, comprised of RAY R. WHITING, JR., MILTON P. ROUMM, ALBERT M. FRANCO, CHARLES S. FINE, and RICHARD G. CAMPBELL, of the County of Humboldt, State of Nevada, hereinafter in this instrument referred to as the Parties of the Second Part.

W I T N E S S E T H:

That the Party of the First Part for and in consideration of the sum of Ten Dollars ($10.00) lawful money of the United States of America, and other valuable consideration him in hand paid by the Parties of the Second Part, the receipt whereof is acknowledged, does by these presents SELL, ASSIGN, AND TRANSFER to the Parties of the Second Part, all his right, title and interest in and to that certain described mining lease dated the 21st day of May, A.D. 1956, by and between Rene Amat and Fern Amat, his wife, of the County of Humboldt, State of Nevada, parties of the First Part, and Ray R. Whiting, Jr., party of the second part, concerning the HOT GROUP of Mining Claims.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

Ray R Whiting Jr.

Humboldt Metals

By: Ray R Whiting Jr.

Richard G. Campbell
Attorney-at-Law
Humboldt Star Bldg.
Winnemucca, Nevada

[illegible]

[illegible]

[illegible]

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[illegible]

RECEIVED
JUN 18 1956

A S S I G N M E N T

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IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

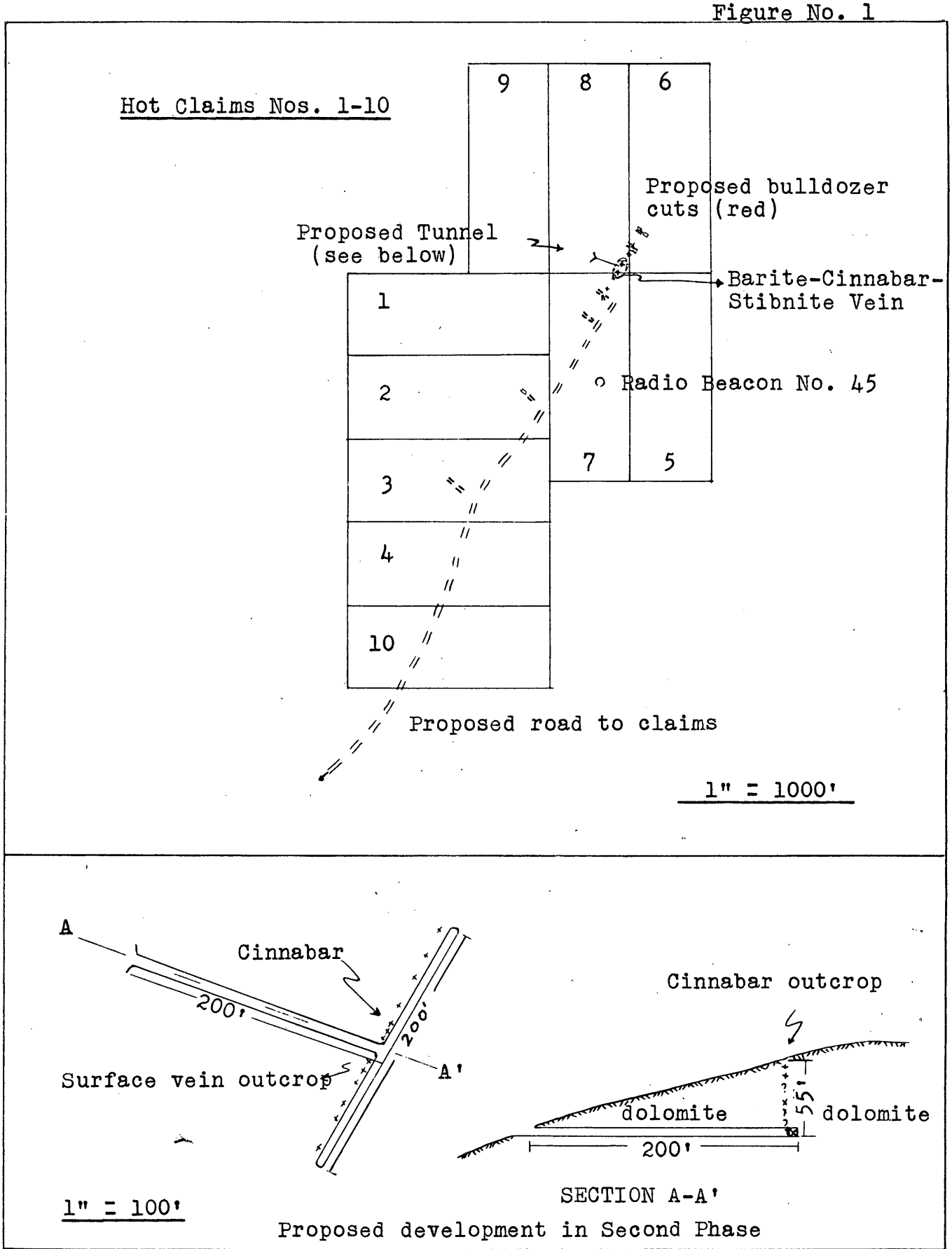
Ray R Whiting Jr.

Humboldt Metals

By: Ray R Whiting Jr.

rd G. Campbell
ney at Law
dt Star Bldg.
ucca, Nevada

Figure No. 1



SKETCH MAP OF HOT GROUP OF CLAIMS SHOWING PROPOSED DEVELOPMENT

Southern Extension, Mt Tobin Quicksilver District

Pershing County, Nevada

5/23/56

WPJ

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JUN 1 8 1956