7. Are subordination agreements necessary?_____

a) MF-201?_____

b) MF-202?_____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower_____

b) Equipment and supplies_____
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)*_____

d) Water (question 13)*_____

e) Power (question 13)*_____

Is a field check needed on any of these points?_____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)*_____

_____

Is a field check needed on this point?_____

10. Exhibit A. (question 21 and 22)*

a) Is the project adequately described?_____

If not, are there sufficient data given so that you can describe the project?_____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work?_____

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5?_____

If not, what part of it is?_____

_____

_____

_____

400

May 29, 1953

MEMORANDUM

2912

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of application by [illegible], [illegible]
Docket No. DMEA 2912 - Tungsten and Cobalt
Jesse F. Yales, Granite Placer Mining Company
Teddy group of claims
Millard County, Utah

The applicant requested exploration assistance in the amount of [illegible],200.00 to [illegible] an average depth of 35 feet to explore 8 placer claims.

The area in the vicinity of the placer deposits is underlain by [illegible] which have been intruded by the Notch Peak quartz-monzonite stock. The tungsten and cobalt placer deposits are [illegible] from erosion of the quartz monzonite.

The ore minerals found in the gravel [illegible] consist of scheelite and possibly some unidentified cobalt minerals. Four samples of the gravel taken on Adj. No. 2 claim [illegible] were analyzed for WO_3 and Co. Results of analyses merely show the presence of tungsten in the placer deposit.

The examiner, engineer and geologist of the field team, Region IV, believe the content of tungsten and cobalt in the gravels is too low to warrant further consideration at this time. They, therefore, recommend that the loan request be denied.

We concur in the denial.

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

JHopkins/ls
5/29/53

Copy to: Docket
Adm. Read. File
Operating Committee
Code 400

400 FILE COPY
SURNAME:

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

Hopkins
Rutledge
Martin

n.s. in R. v R.

May 29, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of application by Field Team, Region IV
Docket No. DMEA 2912 - Tungsten and Cobalt
Jesse F. Hales, Granite Placer Mining Company
Eddy group of claims
Millard County, Utah

The applicant requested exploration assistance in the amount of $7,200.00 to sink 16 shafts an average depth of 30 feet to explore 8 placer claims.

The area in the vicinity of the placer deposits is underlain largely by Cambrian limestone and quartzite that have been intruded by the Notch Peak quartz-monzonite stock. The tungsten and cobalt placer deposits have resulted from erosion of the quartz monzonite.

The ore minerals found in the gravel deposit consist of scheelite and possibly some unidentified cobalt minerals. Four samples of the gravel taken on Eddy No. 3 claim by the Field Team were analyzed for WO_3 and Co. Results of analyses merely show the presence of tungsten in the placer deposit.

The examining engineer and geologist of the Field Team, Region IV, believe the content of tungsten and cobalt in the gravels is too low to warrant further consideration at this time. They, therefore, recommend that the loan request be denied.

We concur in the denial.

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

JHopkins/ls
5/29/53
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

May 29, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of application by Field Team, Region IV
Docket No. DMEA 2912 - Tungsten and Cobalt
Jesse F. Hales, Granite Placer Mining Company
Eddy group of claims
Millard County, Utah

The applicant requested exploration assistance in the amount of $7,200.00 to sink 16 shafts an average depth of 30 feet to explore 8 placer claims.

The area in the vicinity of the placer deposits is underlain largely by Cambrian limestone and quartzite that have been intruded by the Notch Peak quartz-monzonite stock. The tungsten and cobalt placer deposits have resulted from erosion of the quartz monzonite.

The ore minerals found in the gravel deposit consist of scheelite and possibly some unidentified cobalt minerals. Four samples of the gravel taken on Eddy No. 3 claim by the Field Team were analyzed for WO_3 and Co. Results of analyses merely show the presence of tungsten in the placer deposit.

The examining engineer and geologist of the Field Team, Region IV, believe the content of tungsten and cobalt in the gravels is too low to warrant further consideration at this time. They, therefore, recommend that the loan request be denied.

We concur in the denial.

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

400 file

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

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2912 (Tungsten and Cobalt), Jesse F. Hales, Granite Placer Mining Company, Millard County, Utah.

Enclosed are the original and three copies of the final report on the subject docket, the original and one copy of Form 3b, and a copy of the letter of denial to the applicant.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

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

C O P Y

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Mr. Jesse F. Hales
56 Lemon Place
Salt Lake City 4, Utah

Re: Docket DMEA-2912

Dear Mr. Hales:

Reference is made to your application for Government aid on the Eddy Group.

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

A careful study of your property and data available to this agency reveals that the probability of disclosing significant reserves of tungsten and cobalt by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

/s/ W. H. KING
W. H. King
Field Team, Region IV

/s/ A. H. KOSCHMANN
A. H. Koschmann
Field Team, Region IV

cc: Administrator, DMEA
SRWilson
Ralph Roberts
AHKoschmann
Subject
Chron.

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2912 (Tungsten and Cobalt), Jesse F. Hales, Granite Placer Mining Company, Millard County, Utah.

Enclosed are nine copies of a joint engineering and geologic report on the subject property.

The applicant requested $7,200.00 to sink sixteen shafts an average depth of 30 feet to explore eight placer claims.

The field examiners found that the tungsten and cobalt content of the gravel was extremely low and does not warrant consideration at this time.

We concur in the recommendation of the field examiners that the application be denied.

W. H. King

W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

5-22-53
(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

May 8, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2912, Jesse F. Hales, Granite Placer Mining Co., Millard County, Utah

Enclosed are the original and eight copies of a joint engineering and geologic report covering examination of the subject property by M. M. Howes, Bureau of Mines, and D. C. Laub, Geological Survey. Also included are the required copies of a Summary, Conclusions and Recommendations section, three copies each of forms 6-803 and 6-993, and the original brochure.

Placer deposits containing small quantities of scheelite and an unidentified cobalt mineral or minerals occur in a narrow canyon over a linear length of 9,500 feet. The applicant has proposed sinking 16 shafts, two on each of eight claims, to determine the thickness of gravel and the content of tungsten and cobalt.

No reserves of commercial gravel may be estimated. The examining engineer and geologist believe the tungsten and cobalt content of the gravel is too low to warrant further consideration at this time. It is recommended that the loan request be denied. I concur with this recommendation.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 5

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By M. H. Howes and D. C. Laub

Jesse F. Hales, representing the Granite Placer Mining Co., has applied for a loan of $7,200 to conduct exploration on tungsten-cobalt placer deposits, Millard County, Utah. The property was examined by DMEA personnel during March 1953 for appraisal of the exploratory proposals.

The area in the vicinity of the placer deposits is underlain largely by Cambrian limestone and quartzite that have been intruded by the Notch Peak quartz-monzonite stock. The tungsten and cobalt placer deposits have resulted from erosion of the quartz monzonite.

The applicant has proposed exploration of the placer deposits by sinking 16 shafts, two on each of eight claims, at a total estimated cost of $7,200. The examining engineer and geologist believe the cost estimate to be too low.

No reserves of commercial placer gravels are estimated, as the tungsten-cobalt content is considered to be too low. Recommendation is made that the loan request be denied.

Reviewed by
DMEA OPERATING COMMITTEE

5-22-53
(date)

JESSE F. HALES
GRANITE PLACER MINING CO.
MILLARD COUNTY, UTAH
DMEA-2912
Tungsten-Cobalt

Engineering and Geologic Report

By M. H. Howes
Mining engineer
Bureau of Mines

and

D. C. Laub
Geologist
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

5-22-53
(date)

JESSE F. HAIES
GRANITE PLACER MINING CO.
MILLARD COUNTY, UTAH

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ILLUSTRATIONS

Fig. 1 Location map, Granite Placer Mining Co., Millard County, Utah

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

INTRODUCTION

During February 1953, Mr. Jesse F. Hales, under DMEA docket 2912, made application for a Government loan of $7,200 to explore for placer tungsten and cobalt by sinking a series of shallow shafts on the Eddy group of claims, Granite Placer Mining Co., Millard County, Utah.

Examination of the property was made March 24, 1953, by D. C. Laub, Geological Survey, and M. H. Howes, Bureau of Mines, to determine the feasibility of the proposed exploratory program.

LOCATION, TOPOGRAPHY AND CLIMATE

The Eddy claims are located in the upper end of Water Canyon, high on the east slope of the House Range, about 1 mile northeast of Notch Peak. The claims are situated in Sections 2, 3, 11, and 12 of unsurveyed T. 19 S., R. 14 W., S.L.B. & M., approximately 58 miles west of Delta, Utah, a railhead on the main line of the Union Pacific Railroad. The property is reached by following paved U. S. Highway 6, 42 miles west from Delta, thence 5 miles north and 10 miles west over fair dirt road to New Klondike mine, and thence about 1 mile northwest by trail.

The climate is semi-arid. Days are hot and nights are cool during the summer months. Rainfall is light. In winter, snowfall is generally light and temperatures are moderately low.

HISTORY AND PRODUCTION

There is no known production from the property. It is believed the placer claims were located primarily as a result of discovery of scattered and erratic occurrences of placer gold in the sand and gravel of the canyons cutting the Notch Peak quartz monzonite intrusive. Scheelite has been found at various places in the sand and gravel.

OWNERSHIP AND EXTENT

The Eddy group consists of eight unpatented placer claims, each 600 feet wide by 1,500 feet long, located contiguously, end to end, along the bottom of Water Canyon. The claims are named Eddy No. 1 through Eddy No. 8.

Mr. Jesse F. Hales, 56 Lemon Place, Salt Lake City, Utah, owns 70 percent of the capital stock of the company. He reports that there are no liens or encumbrances against the property.

GEOLOGY

The area in the vicinity of the Eddy claims is underlain largely by Cambrian limestone and quartzite that has been intruded by a quartz monzonite stock, locally known as the Notch Peak intrusive. Water Canyon, in which the claims have been located, cuts deeply into the Notch Peak intrusive near the bottom of the canyon, along frantures and joints, leaving huge boulders as much as 40 feet in diameter. Practically no alluvium or gravel is present in the boulder area and the canyon is only a few feet wide.

Water Canyon widens to about 100 feet at the east end of Eddy Claim No. 3, and continues approximately 50 feet in width for the remaining extent of the claims, a distance of about 9,500 feet. The slope-wash in the area is approximately 5 feet deep and the applicant reports that the underlying gravel is 30 feet deep. The examining geologist and engineer believe that an estimate of 30 feet of gravel is excessive, and that a maximum thickness of 15 feet is more reasonable.

ORE DEPOSITS

The tungsten and cobalt minerals are found in gravel that has been derived by stream action of the Notch Peak quartz monzonite. The ore minerals consist of scheelite and possibly some unidentified cobalt minerals. No cobalt minerals were seen by the examining team, and it may be assumed that the cobalt content of the gravel is insignificant.

Four samples of the gravel were taken on the Eddy No. 3 claim, the only claim accessible at the time of the examination. The samples are not completely representative of the deposit, for proper sampling will require a more detailed method; thus the four samples taken merely show the presence of tungsten in the placer deposit. The results of the samples are shown in the following table:

Sample No.	Percent WO_3	Percent Co
1	<.01	<.01
2	<.01	<.01
3	.09	<.01
4	<.01	<.01

ORE RESERVES

The eight claims in the Eddy group cover an area 12,000 feet long and 600 feet wide. The Eddy Nos. 1 and 2 claims, in the lower part of Water Canyon, contain insignificant amounts of gravel. Eddy Nos. 3, 4, 5, 6, 7 and 8 are estimated to contain 264,000 yards of gravel over an extent of 9,000 feet. The content of tungsten and cobalt in the gravels is considered to be too low to estimate reserves.

PRESENT STATUS, EXPLORATION AND DEVELOPMENT

With the exception of a few pits excavated in the bottom of the wash, no exploration or development work has been done on the property.

PROPOSED EXPLORATION

The applicant proposes to explore the tungsten-bearing gravel by sinking 16 shafts, two on each claim, to determine the content of WO_3 and depth of gravel. The shafts are proposed 4 feet by 6 feet by 30 feet in depth, or until bedrock is reached. The work totals 480 feet of shafts, estimated by the applicant to cost $7,200.

The examining geologist and engineer believe the applicant's proposal is not geologically sound. The probable costs for such shaft

work undoubtedly will be far in excess of the applicant's estimate, and the desired results will not be obtained. If the gravel is only 15 feet thick, a series of test pits should prove more effective and be less expensive. It is believed the gravels are too low in grade to warrant exploratory work at this time.

CONCLUSIONS AND RECOMMENDATIONS

The Granite Placer Mining Co., Millard County, Utah, has applied to the Defense Minerals Exploration Administration for a loan of $7,200 to determine the amount and grade of scheelite and cobalt-bearing gravels on the Eddy group of claims. The applicant proposes sinking 16 30-foot shafts. The claims are in an area completely surrounded by a quartz monzonite stock from which the scheelite and cobalt were derived. There are no measured or indicated reserves at the property. Samples taken show only a trace of tungsten and cobalt.

The examining engineer and geologist believe the content of tungsten and cobalt in the gravels is too low to warrant further consideration at this time. It is therefore recommended that the loan request be denied.

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

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

MAY 18 1953

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Field Team, Region IV

Subject: Final Report, DMEA Docket 2912 (Tungsten and Cobalt), Jesse F. Hales, Granite Placer Mining Company, Millard County, Utah.

Enclosed are the original and three copies of the final report on the subject docket, the original and one copy of Form 3b, and a copy of the letter of denial to the applicant.

W. H. King
W. H. King

A. H. Koschmann
A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

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

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Mr. Jesse F. Hales
56 Lemon Place
Salt Lake City 4, Utah

Re: Docket DMEA-2912

Dear Mr. Hales:

Reference is made to your application for Government aid on the Eddy Group.

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

A careful study of your property and data available to this agency reveals that the probability of disclosing significant reserves of tungsten and cobalt by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

Very truly yours,

W. H. King
W. H. King
Field Team, Region IV

A. H. Koschmann
A. H. Koschmann
Field Team, Region IV

cc: Administrator, DMEA
SRWilson
Ralph Roberts
AHKoschmann
Subject
Chron.

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

Memorandum

To: Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, DMEA Docket 2912 (Tungsten and Cobalt), Jesse F. Hales, Granite Placer Mining Company, Millard County, Utah.

Enclosed are nine copies of a joint engineering and geologic report on the subject property.

The applicant requested $7,200.00 to sink sixteen shafts an average depth of 30 feet to explore eight placer claims.

The field examiners found that the tungsten and cobalt content of the gravel was extremely low and does not warrant consideration at this time.

We concur in the recommendation of the field examiners that the application be denied.

W. H. King

W. H. King

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE

5-22-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

May 8, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2912, Jesse F. Hales, Granite Placer Mining Co., Millard County, Utah

Enclosed are the original and eight copies of a joint engineering and geologic report covering examination of the subject property by M. H. Howes, Bureau of Mines, and D. C. Laub, Geological Survey. Also included are the required copies of a Summary, Conclusions and Recommendations section, three copies each of forms 6-803 and 6-993, and the original brochure.

Placer deposits containing small quantities of scheelite and an unidentified cobalt mineral or minerals occur in a narrow canyon over a linear length of 9,500 feet. The applicant has proposed sinking 16 shafts, two on each of eight claims, to determine the thickness of gravel and the content of tungsten and cobalt.

No reserves of commercial gravel may be estimated. The examining engineer and geologist believe the tungsten and cobalt content of the gravel is too low to warrant further consideration at this time. It is recommended that the loan request be denied. I concur with this recommendation.

Stephen R. Wilson
Stephen R. Wilson

Enclosures 5

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By M. H. Howes and D. C. Laub

Jesse F. Hales, representing the Granite Placer Mining Co., has applied for a loan of $7,200 to conduct exploration on tungsten-cobalt placer deposits, Millard County, Utah. The property was examined by DMEA personnel during March 1953 for appraisal of the exploratory proposals.

The area in the vicinity of the placer deposits is underlain largely by Cambrian limestone and quartzite that have been intruded by the Notch Peak quartz-monzonite stock. The tungsten and cobalt placer deposits have resulted from erosion of the quartz monzonite.

The applicant has proposed exploration of the placer deposits by sinking 16 shafts, two on each of eight claims, at a total estimated cost of $7,200. The examining engineer and geologist believe the cost estimate to be too low.

No reserves of commercial placer gravels are estimated, as the tungsten-cobalt content is considered to be too low. Recommendation is made that the loan request be denied.

Reviewed by
DMEA OPERATING COMMITTEE

5-22-53
(date)

JESSE F. HAIES
GRANITE PLACER MINING CO.
MILLARD COUNTY, UTAH
DMEA-2912
Tungsten-Cobalt

Engineering and Geologic Report

By M. H. Howes
Mining engineer
Bureau of Mines

and

D. C. Laub
Geologist
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

JESSE F. HALES
GRANITE PLACER MINING CO.
MILLARD COUNTY, UTAH

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ILLUSTRATIONS

Fig. 1 Location map, Granite Placer Mining Co., Millard County, Utah

INTRODUCTION

During February 1953, Mr. Jesse F. Hales, under DMEA docket 2912, made application for a Government loan of $7,200 to explore for placer tungsten and cobalt by sinking a series of shallow shafts on the Eddy group of claims, Granite Placer Mining Co., Millard County, Utah.

Examination of the property was made March 24, 1953, by D. C. Laub, Geological Survey, and M. H. Howes, Bureau of Mines, to determine the feasibility of the proposed exploratory program.

LOCATION, TOPOGRAPHY AND CLIMATE

The Eddy claims are located in the upper end of Water Canyon, high on the east slope of the House Range, about 1 mile northeast of Notch Peak. The claims are situated in Sections 2, 3, 11, and 12 of unsurveyed T. 19 S., R. 14 W., S.L.B. & M., approximately 58 miles west of Delta, Utah, a railhead on the main line of the Union Pacific Railroad. The property is reached by following paved U. S. Highway 6, 42 miles west from Delta, thence 5 miles north and 10 miles west over fair dirt road to New Klondike mine, and thence about 1 mile northwest by trail.

The climate is semi-arid. Days are hot and nights are cool during the summer months. Rainfall is light. In winter, snowfall is generally light and temperatures are moderately low.

HISTORY AND PRODUCTION

There is no known production from the property. It is believed the placer claims were located primarily as a result of discovery of scattered and erratic occurrences of placer gold in the sand and gravel of the canyons cutting the Notch Peak quartz monzonite intrusive. Scheelite has been found at various places in the sand and gravel.

OWNERSHIP AND EXTENT

The Eddy group consists of eight unpatented placer claims, each 600 feet wide by 1,500 feet long, located contiguously, end to end, along the bottom of Water Canyon. The claims are named Eddy No. 1 through Eddy No. 8.

Mr. Jesse F. Hales, 56 Lemon Place, Salt Lake City, Utah, owns 70 percent of the capital stock of the company. He reports that there are no liens or encumbrances against the property.

GEOLOGY

The area in the vicinity of the Eddy claims is underlain largely by Cambrian limestone and quartzite that has been intruded by a quartz monzonite stock, locally known as the Notch Peak intrusive. Water Canyon, in which the claims have been located, cuts deeply into the Notch Peak intrusive near the bottom of the canyon, along fractures and joints, leaving huge boulders as much as 40 feet in diameter. Practically no alluvium or gravel is present in the boulder area and the canyon is only a few feet wide.

Water Canyon widens to about 100 feet at the east end of Eddy Claim No. 3, and continues approximately 50 feet in width for the remaining extent of the claims, a distance of about 9,500 feet. The slope-wash in the area is approximately 5 feet deep and the applicant reports that the underlying gravel is 30 feet deep. The examining geologist and engineer believe that an estimate of 30 feet of gravel is excessive, and that a maximum thickness of 15 feet is more reasonable.

ORE DEPOSITS

The tungsten and cobalt minerals are found in gravel that has been derived by stream action of the Notch Peak quartz monzonite. The ore minerals consist of scheelite and possibly some unidentified cobalt minerals. No cobalt minerals were seen by the examining team, and it may be assumed that the cobalt content of the gravel is insignificant.

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Sample No.	Percent WO_3	Percent Co
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3	.09	<.01
4	<.01	<.01

ORE RESERVES

The eight claims in the Eddy group cover an area 12,000 feet long and 600 feet wide. The Eddy Nos. 1 and 2 claims, in the lower part of Water Canyon, contain insignificant amounts of gravel. Eddy Nos. 3, 4, 5, 6, 7 and 8 are estimated to contain 264,000 yards of gravel over an extent of 9,000 feet. The content of tungsten and cobalt in the gravels is considered to be too low to estimate reserves.

PRESENT STATUS, EXPLORATION AND DEVELOPMENT

With the exception of a few pits excavated in the bottom of the wash, no exploration or development work has been done on the property.

PROPOSED EXPLORATION

The applicant proposes to explore the tungsten-bearing gravel by sinking 16 shafts, two on each claim, to determine the content of WO_3 and depth of gravel. The shafts are proposed 4 feet by 6 feet by 30 feet in depth, or until bedrock is reached. The work totals 480 feet of shafts, estimated by the applicant to cost $7,200.

The examining geologist and engineer believe the applicant's proposal is not geologically sound. The probable costs for such shaft

work undoubtedly will be far in excess of the applicant's estimate, and the desired results will not be obtained. If the gravel is only 15 feet thick, a series of test pits should prove more effective and be less expensive. It is believed the gravels are too low in grade to warrant exploratory work at this time.

CONCLUSIONS AND RECOMMENDATIONS

The Granite Placer Mining Co., Millard County, Utah, has applied to the Defense Minerals Exploration Administration for a loan of $7,200 to determine the amount and grade of scheelite and cobalt-bearing gravels on the Eddy group of claims. The applicant proposes sinking 16 30-foot shafts. The claims are in an area completely surrounded by a quartz monzonite stock from which the scheelite and cobalt were derived. There are no measured or indicated reserves at the property. Samples taken show only a trace of tungsten and cobalt.

The examining engineer and geologist believe the content of tungsten and cobalt in the gravels is too low to warrant further consideration at this time. It is therefore recommended that the loan request be denied.

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

224 New Customhouse
Denver 2, Colorado

February 27, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 2 1953

Memorandum

To: Administrator, Defense Minerals Exploration Administration
Attention: 200

From: Executive Officer, Field Team, Region IV

Subject: Docketing for Exploration Assistance

Enclosed herewith in duplicate is DMA Form 3a and Form MF-103 in duplicate and supporting data pertaining to the following application for Government assistance in exploration work:

Jesse F. Hales
56 Lemon Place
Salt Lake City 4, Utah

UM 6A 2912

W. H. King
W. H. King

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
MAR 2 1953

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 2912
Metal or Mineral
Date Received 3-2-53
Estimated Cost
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: Jesse F Hales, 56 Lemon Place
Salt Lake City 4, Utah

(*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 Eddy Group, consisting of 8 contiguous claims in Millard County, Utah 12000 ft in length 600 ft in width.

(*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 Controlling owner 70% of capital stock.

(*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. assay sheets of samples taken by me.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. Within 1 mile of good road.

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

16—66551-1

Stream of water runs thru claims.

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

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

(*c*) The work will start within 60 days and be completed within 6 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. Principally hand tools possibly pump jack hammer

(*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. cook shack

(*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? Cash

Bunk house

[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 Feb. 3rd 1953, 195__

Jesse F. Hales
(Applicant)

By

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

Salt Lake City, Utah, 2-24-53

U.S. Dept. of Interior:

I am making this application for aid to explore 8 placer claims in Millard County, Utah. I would like to sink a series of shafts, 2 on each claim to ascertain the depth of the gravel and also the mineral content, whether or not it will average the same values down to bed rock which I estimate to average about 30 ft. deep.

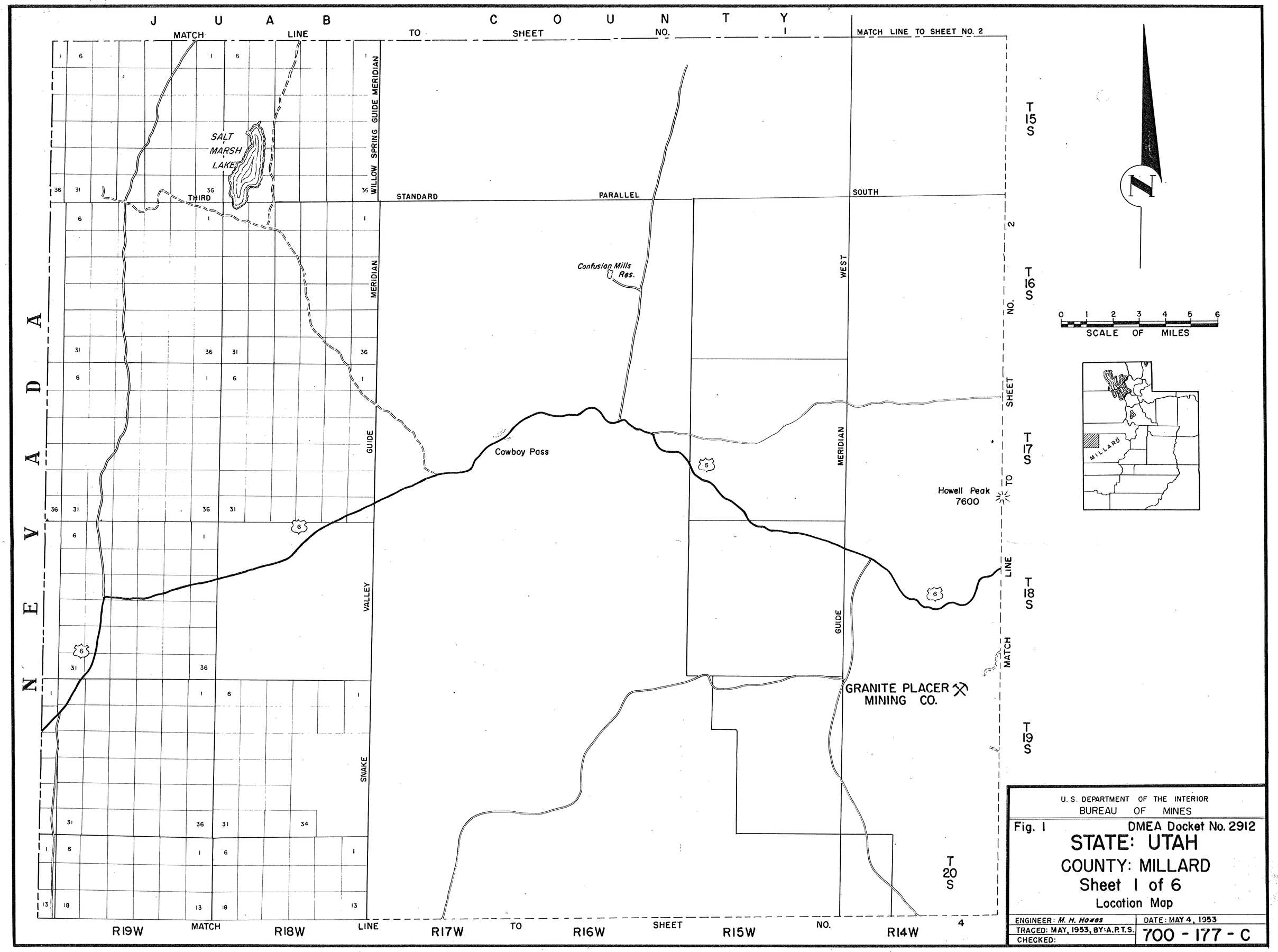
In handling this kind of ground it has been my experience that it will cost $15.00 per ft. to sink a shaft 4'x6' and timber it. Assuming we sink 16 shafts with an average depth of 30 ft., or 480 ft. altogether, the cost will be about $7200.00. I consider this to be conservative.

Very truly yours,

/s/ Jesse F. Hales

56 Lemon Place

Salt Lake City 4, Utah

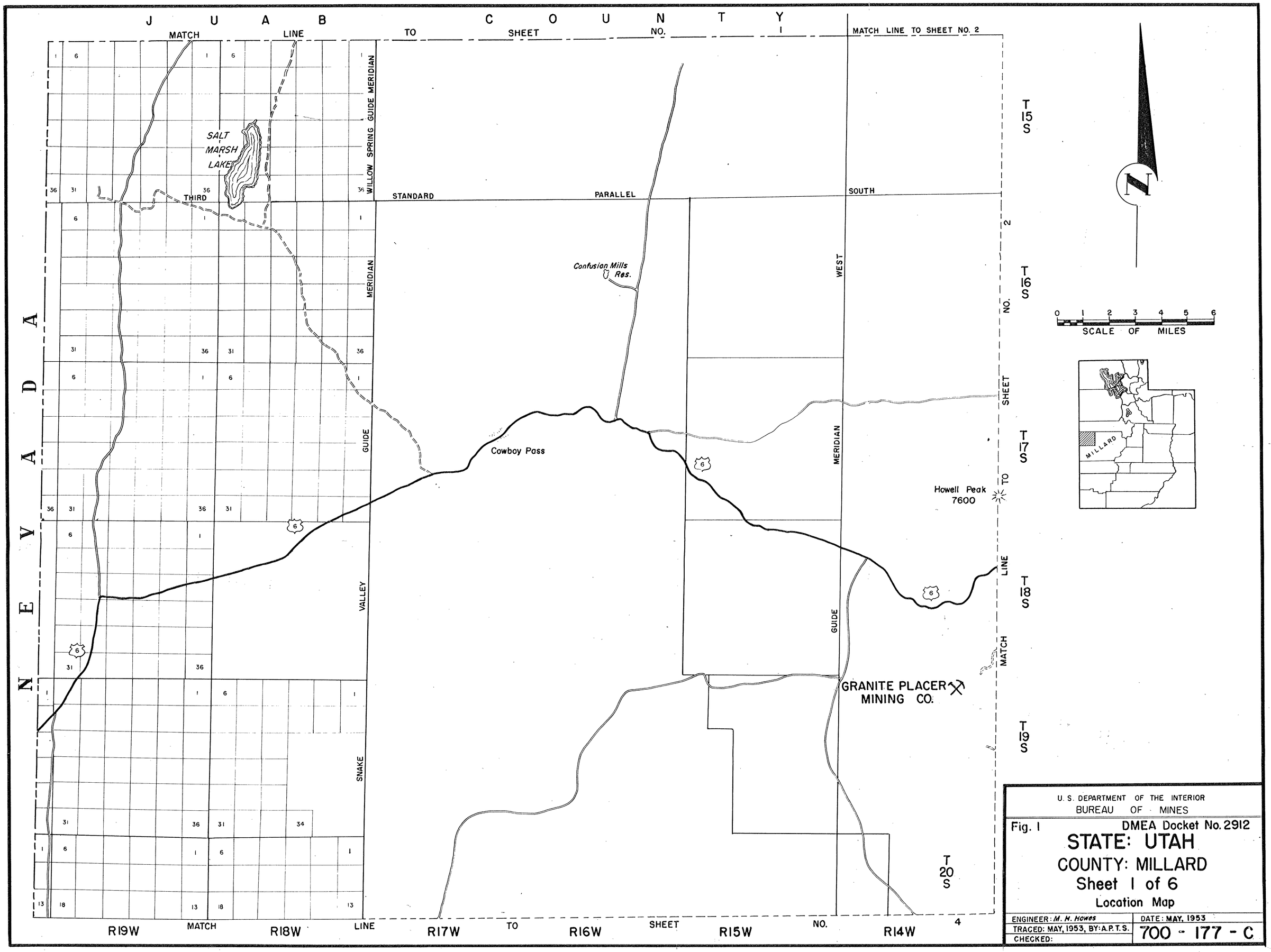


U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 DMEA Docket No. 2912

STATE: UTAH
COUNTY: MILLARD
Sheet 1 of 6
Location Map

ENGINEER: *M. H. Howes*	DATE: MAY 4, 1953
TRACED: MAY, 1953, BY: A.P.T.S.	700 - 177 - C
CHECKED:	



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