JUN 16 1959

Memorandum

To: Executive Officer, OMM Field Team, Region I

From: Chairman, Operating Committee, OMM

Subject: Docket No. OMM-4018 - Beach sands
Various Pacific Beach properties
David E. Baker, Sr., and
Paul R. Smith
Grays Harbor and Pacific Counties,
Washington

Referring to your letter of March 4, 1959, regarding the cited property, in which you stated the assay results of samples taken are not expected to be available for at least two months. If these assay results are now available, we would appreciate receiving a copy of them as we would like to have this information in the docket.

George C. Selfridge

Approved:

Frank D. Lamb

Director, Bureau of Mines

Harold Kirkham

Director, Geological Survey

JWAltgeld 6/15/59
Copy to: Dir. R. Fila
Operating Committee
Mr. Stamper, USBM
Mr. H. Kirkham, USGS

600

APR 2 1959

Mr. David C. Baker, Sr.
c/o Postmaster
Ocean City, Washington

Re: Docket No. OMS-6318 - Beach sands
Various Pacific Beach properties
David C. Baker, Sr., and Paul E. Pettit
Grays Harbor and Pacific Counties,
Washington

Dear Mr. Baker:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject properties have been reviewed.

Under the Office of Minerals Exploration program titanium in the form of ilmenite and zirconium are not eligible for exploration assistance. Only rutile and leucoxene of the titanium minerals are eligible for this assistance.

A careful study of all of the information available to us concerning your properties does not indicate that the geologic probability of making a significant discovery of minerals eligible for financial assistance is sufficiently promising to justify Government participation in the proposed exploration.

We regret to advise that under these circumstances your request for Federal assistance in financing your proposed exploration is denied.

This will also acknowledge Mr. Paul E. Pettit's letter of March 24, 1959, to Mr. Elias S. Baker, Chief, Division of Operations General and Statistics.

Sincerely yours,

Frank E. Johnson
Acting Director

LOBotkin:gal 3/24/59
Revised
FEJohnson/WHBaitridge/gad/ear 4/2/59
Copy to: DEP. R. Fila
Region I
Operating Committee
Mr. Billingsley, USGS
Mr. Stamper, BLM
Mr. Rook
Mr. Baitridge

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

Date March 30, 1959

OME
DMEA Docket No. 6018
DMEA Contract No.
Commodity Titanium
Name of applicant David C. Baker, Sr.
Name of property Gray's Harbor & Pacific Counties
Location of property Washington
Estimated cost of project $148,915

Memorandum

To: L. G. Houk, Office of Minerals Exploration

From: John W. Stamper, Commodity Specialist, Branch of Light Metals

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

1. Date of subject document: Feb. 20, 1959 2. Date received by reviewer: March 1959

3. Prior reports on this property known to reviewer: Yes [X] No [ ]

4. Prior reports on nearby properties known to reviewer: Yes [X] No [ ]

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: 3. A summary report on ilmenite deposits, Gray's Harbor County, Washington, by E. A. Magill, June 1, 1956, Official Files.
4. Bureau of Mines R. I. 4011, Columbia River Magnetic Sands, Clatsop County, Ore., and Pacific County, Wash., Hammond & McGown Deposits, 1947.

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 [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)
Copy to: FILES
T. Kiilsgaard, Room 5224
F. D. Lamb, Room 3608
Division of Minerals
Branch of Light Metals
J. W. Stamper

John W. Stamper

John W. Stamper

JWStamper:npf

March 20, 1959
Re: OME 6018
David C. Baker
Pacific Beaches Minerals
Exploration & Develop. Co.
Grays Harbor & Pacific Cos., Wash.
Appl. Est. $148,915
Titanium, Zirconium, Yttrium

Memorandum

To: L. G. Houk, Office of Minerals Exploration

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

Subject: Review of application

The applicant requests assistance in drilling 60 widely-spaced, 3-inch test holes, 30 feet deep to determine the heavy mineral content of 3 extensive beach sand deposits. Two of the deposits are near the mouth of the Columbia River and the third is in Grays Harbor near the mouth of the Chehalis River.

The applicant estimates the cost of the work to be $148,915.00, rounded to $150,000.00. As only 1,800 feet of drilling is proposed in this application, the cost per foot would be $82.73. Such a figure suggests padding or a big mistake in figuring.

According to the application, a 205-pound sample processed by the U. S. Bureau of Mines in 1958 yielded 130.08 pounds of heavy minerals which assayed 58% Fe and 12.7% TiO_2. The point of origin of the sample is not given.

A small part of one of the deposits was intensively drilled by the U. S. Bureau of Mines in 1944. Forty-eight holes were drilled in a 20-acre section of the McGowan deposit near Chinook Point on the north shore of the Columbia River, across the river from Astoria, Oregon. A 10.8 acre section tested by 25 of the 48 holes carries a defin~~ite~~pay streak ranging in thickness from 1.5 to 8 feet. The overburden is from 0 to 3 feet deep, as reported in RI 4011.

The heavy mineral consists essentially of magnetite and ilmenite and samples from the holes ranged in iron content from 21.12% to 42.49% and in titanium as TiO_2, from 3.04% to 14.01%. Garnet and zircon are also present.

At the Hammond tract on the south shore of the Columbia River about 80% of the 20-acre tract was tested by 100 holes, drilled, for the most part, on 80-foot centers. About 3.3 acres of the 20-Acre showed a distinct 1 to 6-foot heavy mineral pay streak under lower grade overburden 0 to 29.5 feet thick. The iron content of the pay streak ranged from 16.74 to 32.14% and the TiO_2 content from 5.07 to 10.42%.

Random drilling, 25 holes, averaging 3.4 feet deep, was done in the Chinook, Baker Bay and Sand Island areas, Pacific County, Washington. These areas are west and northwest of the McGowan tract tested by the U. S. Bureau of Mines. No magnetite-bearing sand deposits were located by this shallow drilling.

The Field Team recommends, "In the face of the Bureau of Mines drilling, it appears improbable that the beach sands in either area contain significant amounts of minerals that would qualify for Government aid in exploration and we therefore recommend that the application be denied without referral to the field".

I concur with that recommendation.

N. E. Nelson

cc: OME (3)
J. W. Stamper, 3415
Director's reading
Branch reading
Chron. file
Docket file
NENelson/mm
G-MD-3-20-59

6818

So. 157 Howard Street
Spokane 4, Washington

March 4, 1959

RECEIVED MAR 9 1959

Mr. George C. Selfridge, Chairman
Operating Committee, OME
Department of the Interior
Washington 25, D. C.

Re: New application (Zirconium,titanium,yttrium)
David C. Baker, Sr., Pres.
Pacific Beaches Minerals Exploration and Development Co.
Grays Harbor & Pacific Counties, Wash.

Dear Mr. Selfridge:

Enclosed is a new application consisting of three copies each of OME Form 40, application information, and letter dated February 20, 1959 from the applicant; and one copy each of three maps.

During June 1958 the Bureau of Mines drilled 16 holes from 24 to 44 feet deep in the Grays Harbor area. The assay results of samples taken are not expected to be available for at least two months. However, preliminary concentration of the samples indicates that the heavy fraction contains primarily titaniferous magnetite, magnetite, and small amounts of chromite, garnet and zircon.

A Summary Report on Ilmenite Deposits, Grays Harbor County, Washington, by E. A. Magill, dated June 1, 1956, is in the Washington files, as is Bureau of Mines RI 4011, Columbia River Magnetic Sands, Clatsop County, Oregon and Pacific County, Washington, Hammond and McGowan Deposits, February 1947, by James V. Kelly.

In the face of the Bureau of Mines drilling it appears improbable that the beach sands in either area contain significant amounts of minerals that would qualify for Government aid in exploration and we therefore recommend that the application be denied without referral to the field.

By Field Team Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures
cc: USBM (2)

MME Form 40
Dec. 1958

Budget Bureau No. 42–R1368
Approval expires Dec. 31, 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

MAR 9 1959 O.M.E.

NAME OF APPLICANT (*Full legal name and mailing address as they should appear on contract if one is executed.*)

Mr. David C. Baker Sr.
c/o Postmaster,
Ocean City, Washington.

RECEIVED
FEB 25 1959
U. S. G. S.
SPOKANE, WASH.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6018

DATE RECEIVED: 3-9-59

REGION: I

DIVISION CODE: 600

BUSINESS ORGANIZATION (*Check one*)

- INDIVIDUAL
- CORPORATION
- PARTNERSHIP X
- OTHER (*Specify*)

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Paul H. Petit,	Box 332, Suquamish, Wash.	Vice Pres

STATE IN WHICH FIRM IS ORGANIZED: Wash.

Rettile?

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Zirconium, Titanium, Yttrium.

ESTIMATED COST OF PROJECT: $ 150,000.00

PROPERTY NAME: Grays Harbor & Pacific Counties

LOCATION COUNTY: Grays Harbor & Pacific Counties

LOCATION STATE: Wash.

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

Febuary 20th 1959.
DATED

David C Baker Sr
BY (*Signature*)

President & Gen Mgr
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the exploration [redacted] cost.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work givin individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 48740

"PACIFIC PACIFIC"
MINERALS EXPLORATION & DEVELOPMENT CO.

David E. Baker Sr.
Pres. & Gen. Mgr.

Paul H. Potit Sr.
Vice Pres. and
Equipment Mgr.

February 20, 1959.

U.S. Dept. of the Interior
Office of minerals exploration
South 197 Howard St.
Spokane, Wash.

Dear Mr. Weissenborn: (Application Information)

Financial Eligibility:

1. We are unable to furnish true copies of correspondence with Harbor Banking Firms because after holding a directors meeting the Presidents of these banks have stated that they have no venture capital available and therefore will not accept any loan applications for considerations. The only money available for loan in these banks is money for F.H.A. and C.I. Housing facilities.

(b) We have no Parent Company.

(c) By the use of our equipment and our time and effort expended in exploring the many thousands of acres involved., and in the use of our experience and know how.

2.
(a) Own by lease, ns of n.e.¼ of Sec. 36 T. 16 R. 12w and the S.½ of N.E.¼ of Sec. 36 T. 18 R. 12W.

We have an option interest in Twenty Thousand Acres more or less, connecting to the above mentioned property in the Grays Harbor Area - We have an additional interest in the amount of Two Hundred and fifty thousand acres in Pacific County, known as Bakers Bay and Clatsop Spit and Sand Island, through our interest as a Chinook Indian and treaty with The United States Government, by decision handed down by the U.S.Court of Claim Docket # 234 and decided as of April 16, 1958.

3.
(a) We have reason to believe through samples found in 1953 by the U.S. Bureau of Mines that there are large deposits of minerals in the areas mentioned that are in great demand and great benefit to both the U. S. Government and to Industry. Enclosed you will find the engineers maps of the areas involved. No mining work presently being done on these properties. We are expecting production in these areas in the near future.

(b) We did not have an interest at that time in the area where the U.S. Bureau of Mines did their work, but we do now.

(c) None available at this time, we are endeavoring to do this in our proposed exploration work, and are inviting the Steel Industries to participate in the development of these areas by the expenditure of establishing mills and refineries. We have reason to believe that this will be accomplished by the nature of the analysis as set forth by the following organization. U.S. Steel Corp. San Francisco, Cal. The Pittsburg Laboratory Pittsburg, Penn. U.S. Bureau of Mines Morrisonn Station Mt College Park, Md. U.S. Bureau of Mines Albany, Ore.

(d) Report of 1 Patch: 7/12/195[illegible] as made by the U.S. Bureau of Mines.

200lb Bals -- 190.03 lbs concentrate -- 67.1 % Mills

Fe -- 93[illegible] -- [illegible]10 02 8.2[illegible] [illegible] 203 - [illegible] 21.02 12.7

Pig Iron Analysis Test # 2.

Fe 90.5% -- C -- 4.77% -- Si -0.86% --Mn -0.56% --S - 0.01%

P - .25% -- Ti -2.46 %
1. Pig Iron -- 2. Steel --3. Titanium & (metal pigments)
4. Zircon & (Molding Sand) 5. Monazite Concetrate -- 6. Gold Silver Platinum metals - 7. expanded Silica - 8. Garnet - 9. Stau--rolite - 10. Chromite & other precious metals in inexhaustibel supply.....
U.S. Bureau of Mines Experimental Station, College Park Md.

Magnetite - 80% Analysis -- Ilmenite 15% --Hypersth, Hornblend, Garnet and feldspar, Epidote present. Zircon - 15% Monazite -03 % Zircon, Thorium, Monazite, present makes it Radio Active.

Titaniferous Magnetite black Sands from Columbia River made by Dr. Noon of Maryland. Also tests at Koppers plant by Dr. Noon on 2 tons of the Black Sands.

Pittsburg Laboratory, # 5576 Charles J Rinse District Mngr.

Si 02 11.96% FO 48.00% Ti o2 12.% P. o.13% S none Gold 0.01% Silver 0.02% Pt. none.

U.S. Steel Corp. Columbia Geneva Div. San Fransisco, Calif.
From C.C. Rooney Supt. Chemical Laboratory
Si 02 -- # 3.16% -Fe - 61.4 % S -.016% P -.156% Mn - .36%
Mm - .08% -Ni - .03 Cu .02% Pb .01% Ti .32%

4
(A) Accessibility from Highway 9C at Grass Creek, Wash. about ten miles north of Hoquiam, Wash. as shown in map Grays Harbor County and by boat at that point. Can be met by Mr. Gerald E. Hogan Esq. 103 Emerson Apts Hoquiam, Wash. and on the additional land adjacent to Mr. Hogans, can be met by Mr. Willis Bunkers 622 Simpson Ave. Hoquiam, Wash.
(B) Shipping point will be Port Dock Hoquiam, Wash.

5
(A) We intend to sink sixty holes for core samples, 3" holes to a depth of thirty feet, this land is not near any mines as it is tidewater lands, locations of these proposed holes are shown on the enclosed maps as circled x's
(B) May have to build approximatly one half mile of access road through Sand dunes to the bay shore, a simple operation and a low cost one.
(C) If an OME contract is executed, work will begin immediatly. Anticipated daily work average approximately one and one half holes per day or twenty six working days for the 60 holes

6
(A) I have been associated with mining and minerals for the past ten years, having owned a Copper mine at Chewelah, Wash. Here we mined Copper, Gold, Molly, Iron and some Tungsten. I later owned an interest in The Old Baldy Copper Mines in Arizona I have also been associated in an unofficial capacity in all of tests that have been run on the black sands here on the beaches and have been associated also unofficially with the drilling of the oil wells at Copalis Beach and Ocean City Wash.

My Supervisors will be Taylor and Co. from Hoquiam, Wash. Who will have the contract to do the drilling of the holes.

7.
(A) An estimate of costs will amount to approximately $ 250.00 per day. or approximately $ 25,000.00 for a period of three months. Taking into consideration access road, electricity, and some building.

Cost for Independent Contractor: (only one in this area, for this)
(A) Taylor Bros. Drilling Contract, approximatly $ 9,200.00
Drilling (1 foot per hour) $ 15.00 per hr.

(B) 1.	Supervisor	$ 25.00 per day
2.	Engineering & Geo. Services,	$ 90.00 " "
3.	Attorneys	$ 5.00 per hr. (if any)
4.	Supervisor	$ 25.00 per day
5.	assist super.	$ 25.00 " "
6.	Driller	$ 15.00 per hr. = 120
7.	assist. driller	$ 15.00 per hr. = 120
8.	Dozer operator	$ 20.00 per day
9.	2 helpers	$ 16.00 perday
10.	1 Bookeeper	$250.00 per mo.

The above people will be hired for the life of this contract or approximately six months, and these services are available in this area and at this time.

(C) 1. oil and/or gasoline $ 10.00 per day
2. no equipment costing less than $ 50.00
3.

(D) 1. pipe and sockets plus spares $230.00 total
2. one truck, one donkey engine, and one dozer to be provided by applicant
3. one scow and one boat to be rented at $ 40.00 per day
4. one skiff included in above item.

used equipment, fair condition, approximately $ retail value

one 1952 dump truck Approx.	$ 1500.00
one donkey engine " "	$ 150.00
one dozer " "	$ 1500.00

(E) no rehabilitation
(F)

Temporary Bldg. to be erected over 80 ft scow	$ 1500.00
Small elec. crane approximately....	$ 2500.00
Elec. hoist " " "	$ 350.00
Heavy copper covered tables,	$ 2500.00
Flotation tank copper plated	$ 200.00
Electrical wireing up to 250 voltage	$ 3000.00
sockets and fixtures, conduits & boxes	$ 1000.00
Electrician (4 days)	$ 100.00
Carpenter (4)days)	$ 100.00

Cost for moving equipment to Bakers Bay and Clatsop Spit from Grays Harbor at the completion of the drilling there will amount to approximately one thousand dollars.

Total salary for six mo. per.	$ 92,580.00
Total for equipment rental & materiel and for cost of temp. bldg.	$ 37,085.00
Ten per cent of Salaries for inc. tax	$ 9,250.00
workmans compensation approx.	$ 4,000.00
liability insurance & payroll taxes approx.	$ 5,000.00
Repairs and maintenance of equipment	$ 1,000.00
Total	$ 148,915.00

Signed: David C. Baker (Sgd)
Paul H. Pettit Sr.

[illegible] Dear [illegible]

[illegible] regarding the forms [illegible] you so promptly. [illegible] our operation is so much different that most it [illegible] little bit harder to fill in these forms properly and in [illegible] required by your office.

[illegible] for many months now of the tremendous wealth in [illegible] of the Pacific Ocean, a wealth that will be [illegible] to the [illegible] and [illegible] alike. [illegible] to be looking [illegible] of [illegible] looking [illegible] that [illegible] such [illegible] [illegible] than we have [illegible] to.

[illegible] specific [illegible] to [illegible] with [illegible] [illegible] conditions [illegible]

[illegible] the forms and the [illegible] of the [illegible] circle [illegible] the [illegible] in the [illegible], as you can see [illegible] very different [illegible] of [illegible] and [illegible] of [illegible] difficult to fill [illegible] forms and still try to give [illegible] figure of [illegible] operation to [illegible] [illegible] to [illegible]

RECEIVED MAR 9 1959