DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3274

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Exploration Assistance

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

1 cy to USBM, USGS, & Reg.

Routing Slip

To:	400	Date	3/11/54
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IN REPLY REFER TO:

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

402

3274

June 22, 1954

Memorandum

Re: IMEA-3274
Buckhorn Claims
Plumas County, Calif.
$3,500
Manganese

To: Mr. W. S. Martin, IMEA

From: E. L. Newcomb, USGS

Subject: Concurrence with field team recommendation for denial.

The applicant requests assistance to explore an area containing sparse amounts of manganese mineralization. Proposed work involves bulldozing and drilling at the most favorable showings.

The field team recommends the application be denied.

Manganese mineralization occurs as small, thin lenses along narrow fractures in phyllite and quartzite. The nature of the deposits indicates that a significant discovery cannot reasonably be expected by the proposed work.

This property does not merit assistance under the IMEA program. I concur with the field team's conclusions and recommend the application be denied.

E. L. Newcomb
Geologist

Copy retained

400

JUN 1 9 1954

Mr. Ray LaFountain
4001 44th Street
Sacramento, California

Re: Docket No. DMEA 3274 - Manganese
Buckhorn group mining claims
Plumas County, California

Dear Mr. LaFountain:

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 all our information, although noting the occurrence of manganese mineralization on your property, indicates to us that the possibility of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Exploration Program and for bringing the referenced property to our attention.

Sincerely yours,

G. O. Mittendorf

Administrator

cc: Docket
Adm. Read. File
Code 400
Oper. Comm.
Field Team, Region 3
L. Pavlides, USGS
G. DeHuff, USBM

JHopkins/ls
6/11/54

June 15, 1954

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of application for exploration assistance in the amount of $3,500.00
Docket No. DMEA 3274 - Manganese
Ray LaFountain
Buckhorn Group Mining Claims
Plumas County, California

The denial of the subject application by this Division is based on the following information:

(1) The applicant requested exploration assistance in the sum of $3,500.00 to explore for manganese on the Buckhorn Group mining claims, Plumas County, California.

(2) The Buckhorn claims are underlain by a phyllite unit of the Calaveras formation of Carboniferous age. Phyllite contains beds of sandstone and quartzite. The rocks are cut by fractures that are occupied mainly by quartz veins. Pyrolusite and psilomelane occur in fractures in quartzite that have a maximum thickness of 4 inches.

(3) The workings on the property consist of an open cut on each of the 3 claims. Ore minerals occur in each of these cuts.

(4) The best showing on the property is in the Main cut on Buckhorn No. 1 claim, where 2 parallel lenses of manganese ore occupy 2 fractures in quartzite. One lens is about 1 inch in thickness and the other 4 inches. Each lens is about 7 feet long.

(5) The ore in the lens is pyrolusite and psilomelane estimated to contain about 55 percent manganese.

(6) A few hundred pounds of measured and indicated ore might be obtained from the main cut. There are no inferred reserves on the property.

(7) No primary ore minerals were observed on the property, and the source of the secondary minerals is not known.

(8) Much of the work proposed by the applicant had been done at the time of the examination and was very disappointing.

(9) No additional work is now contemplated by the applicant.

(10) Because the results were disappointing and no further work is contemplated by the applicant, the examining engineer and geologist recommend that the request for a loan be denied.

(11) The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the denial.

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

Copy to: Docket
Code 400
Operating Committee
Adm. Reading File
Mr. Hopkins

JHopkins/ls
6/15/54

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN - 7 1954

480

420 Custom House
555 Battery Street
San Francisco 11, Calif.

June 3, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3274 - Manganese
Ray LaFountain, et al.
Buckhorn Group Mining Claims
Plumas County, California

Reference is made to your letter dated March 29, 1954, requesting a review and field examination of the subject property.

The property has now been examined and attached are four copies of a report entitled "DMEA-3274, Buckhorn Group Mining Claims, Plumas County, California, Manganese," by Roscoe M. Smith, Geologist, U. S. Geological Survey, and Russell R. Trengove, Mining Engineer, U. S. Bureau of Mines, dated June 1, 1954.

The examining geologist and engineer are in agreement that a Government loan on this property is not warranted, and based on their reported findings, I concur in their recommendations.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno

Reviewed by
DMEA OPERATING COMMITTEE
6-11-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-3274, Buckhorn Group Mining Claims

Plumas County, California

Manganese

Roscoe M. Smith, Geologist
U. S. Geological Survey

Russell R. Trengove, Mining Engineer
U. S. Bureau of Mines

June 1, 1954

Reviewed by
DMEA OPERATING COMMITTEE
6-11-54
(date)

EXAMINATION REPORT

Docket No.: IPMEA-3274 (Manganese)

Name and address of applicant: Ray LaFountain
4001 - 44th St.,
Sacramento, California

Name and location of property: Buckhorn Group Mining Claims
Plumas County, California

SUMMARY CONCLUSION AND RECOMMENDATIONS

An engineer of the Bureau of Mines and a geologist of the U. S. Geological Survey made a joint examination of the Buckhorn Group Mining Claims in May, 1954. The property is situated about four miles north of Paxton, California. The purpose of the examination was to determine if the geological conditions and the grade of mineralization were favorable to justify approval of an application for a Government loan. The total estimated cost of the proposed exploration is $3,500.00.

The application was dated March 9, 1954. Since that time, the applicant obtained financial assistance of Mr. Lester Wampler and two silent partners, all of Berkeley. Several days previous to the joint examination they engaged the services of a D-7 bulldozer and miners. Stripping of the overburden by the bulldozer destroyed all evidence of outcrops. Twenty-eight holes were drilled at what they considered was the most promising location to discover manganese. The examining engineer and the geologist waited until these holes were blasted. After the blast, the broken material was removed by the bulldozer.

In this Main cut two parallel lenses of manganese ore occupy fractures which strike N. 20° E. and dip 45 degrees east. One lense is about 1 inch in maximum thickness, and the other, about 2 feet lower, is 4 inches in maximum thickness. Each lense is about 7 feet long. The lenses occur in quartzite and consists of psilomelane and pyrolusite estimated to contain about 55 percent Mn. A few hundred pounds of measured and indicated ore might be obtained from this cut. There are no inferred reserves on the property.

Because the results of their exploration was disappointing, no additional work is contemplated by the applicant or recommended by the examining engineer and geologist. The request for a Government loan should be denied.

INTRODUCTION

An application for a Government loan under section 202 of the Defense Production Act of 1950 was made by Ray LaFountain, et al. buyers of the Buckhorn Group Mining Claims on March 9, 1954. An engineer of the Bureau of Mines and a geologist of the U. S. Geological Survey made a joint examination of the property in May, 1954. They were accompanied by one of the owners, Floyd Hill, and Lester Wampler, who were doing some exploratory work on the claims.

PROPERTY AND OWNERSHIP

Property holdings comprise three lode claims. They are in section 13, township 25 north, range 8 east M.D.B. & M., Plumas County, California (fig.1).

The owners are George O. Schultz, Hilder P. Hawkenson and Floyd B. Hill. A partnership of Ray LaFountain, Bernard Claggett and Ralph

Patterson, all of Sacramento, California have a lease and option on the property.

The lessees obtained financial assistance of Mr. Lester Wampler and two silent partners, all of Berkeley, California. They were exploring the property at the time of the examination and if their work disclosed manganese in appreciable quantities, they would have an interest in the lease and option.

HISTORY AND PRODUCTION

One of the owners, Floyd B. Hill, stated that the three claims were staked in March, 1951. The present owners did the location work only. No exploration work was done until May, 1954. There has been no production.

LOCATION AND PHYSICAL FEATURES

The Buckhorn Group of mining claims (fig.1) can be reached by traveling west on the Feather River Highway 24, now U. S. 40 alternate, 1.6 miles from its junction with State Highway 89, then turning right and following a dirt road with grades from 10 to 20 percent, a distance of 3.9 miles to the property which is at an altitude of 4,600 feet.

There is a P.G. & E. Co. power line about three-fourths of a mile from the property. Water is available the year around from a spring, about 1,000 feet distant. The property is heavily timbered with sugar pine, yellow pine, cedar, live oak, dogwood and manzanita. The nearest ramp on the Western Pacific Railroad is at Virgilia, 6 miles distant. Another ramp is at Crescent Mills, 8 miles distant.

THE MINE WORKINGS

Except for the construction of short access roads necessitating four-wheel drive vehicles, the only work done on the property was the

bulldozing of two trenches.

GEOLOGY

The Buckhorn claims are underlain by a phyllite unit of the Calaveras formation of Carboniferous age. Phyllite contains beds of sandstone and quartzite (metachert ?). The rocks are cut by fractures in all attitudes; quartz veins 1 to 18 inches in width occupy some of the fractures.

Pyrolusite and psilomelane, the only ore minerals that were seen, occur in fractures and appear to be confined to the quartzite members in the formation.

Ore minerals occur in 3 localities on the Buckhorn claims: (1) on Buckhorn No. 1 claim at the Main cut, which is stated to be the best showing on the property, (2) on Buckhorn No. 2 claim in a cut about 100 feet northwest of the Main cut, and (3) on Buckhorn No. 3 claim, about 2500 feet due north of the Main cut.

In the Main cut two parallel lenses of manganese ore occupy fractures which strike N. 20° E. and dip 45° east. One lens is about 1 inch in maximum thickness, and the other, about 2 feet lower, is 4 inches in maximum thickness. Each lens is about 7 feet long. The lenses occur in quartzite and consist of psilomelane and pyrolusite estimated to contain about 55 percent Mn. In this locality the schistosity of the phyllite strikes N. 20° and dips 55° west.

At the cut on Buckhorn No. 2 claim seams of manganese oxide as much as 1 inch wide occupy fractures in phyllite over an area 3 feet wide and 15 feet long. The direction of dip could not be observed.

On Buckhorn No. 3 claim, a good showing is reported by the owner to occur along the bank of an old logging road. The bank has long since caved and the showing is obscured by soil. Few thin seams of manganese stain occur in fractures near the caved area. Here phyllite and interbedded sandstone strikes N. 80° W. and dips 25° south.

No primary ore minerals were observed on the property, and the source of the secondary minerals is not known.

In the application the paragraphs on geology which were signed by the applicant were evidently written by someone else about some other manganese property.

ORE RESERVES

A few hundred pounds of measured and indicated ore might be obtained from the main cut; there are no inferred reserves on the property.

PROPOSED EXPLORATION

In his application the applicant proposed to work with a bulldozer and two men with a jackhammer for about 10 days in the area of the best showing. At the time of the examination much of this work had been done. The applicant expected to reveal a large tonnage of good mill rock that would average 20 to 30 percent Mn, but as the results of this exploration were disappointing, no additional exploration is contemplated by the applicant or recommended by the examining engineer and geologist.

RECOMMENDATIONS AND CONCLUSIONS

Because the results of this exploration were disappointing, no additional exploration is contemplated by the applicant or recommended by the examining engineer and geologist. The request for a Government loan should be denied.

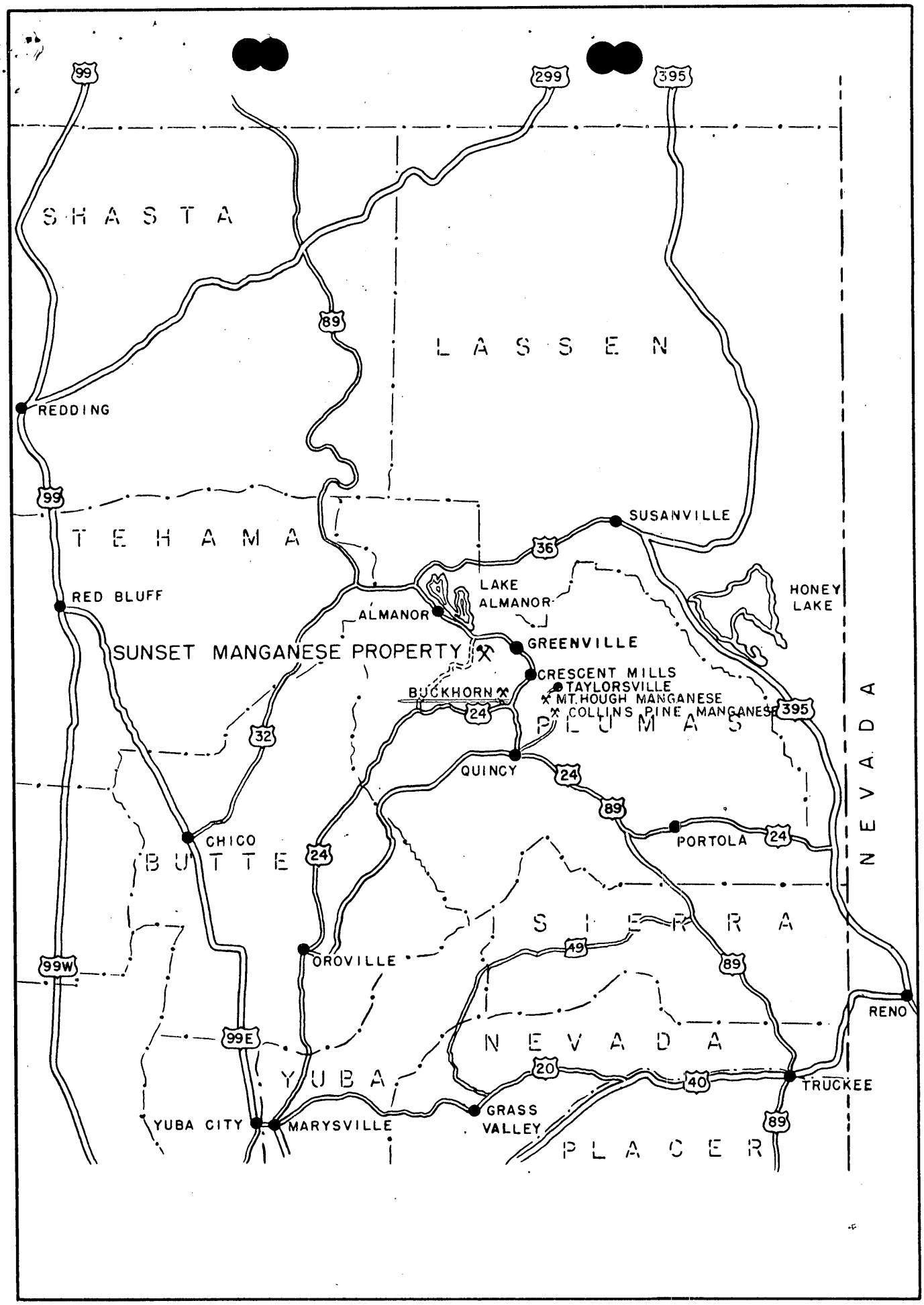


Figure 1.- Location map.

400

MAR 29 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 3274 Manganese
Ray LaFountain, et al.
Buckhorn Group Mining Claims
Plumas County, California

Dear Mr. Miller:

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

A memorandum dated March 15, 1954, by Mr. Louis Pavlides, U. S. Geological Survey, is enclosed for your information.

Please note Mr. Pavlides' comments regarding the applicant's sketches being inadequate and the omission of a cost item in the proposal for obtaining and analysing samples. We suggest that you request the applicant to supply the missing information and a revised cost estimate direct to your office.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

Copy to: DOCKET
FT, REG. III
CODE 400
OPER. COMM.
ADM. READ. FILE
LOUIS PAVLIDES, USGS
GILBERT DE HUFF, USBM

APPROVED:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

JHopkins/ls
3/18/54

P. S. -- In the event a contract is recommended, you should advise the applicant to assign lease to the partnership.

MAR 2 9 1954

Mr. Ray LaFountain, e
4001 - 44th Street
Sacramento, California

Re: Docket No. DMEA 3274 - Manganese
Buckhorn Group Mining Claims
Plumas County, California

Dear Mr. LaFountain:

Your application for assistance in exploring a manganese occurrence on the Buckhorn Group Mining Claims has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Room 1012, Flood Building, 870 Market Street, San Francisco 2, California, for further consideration and a field examination.

At the time a field examination is made of the property, any assistance that you can render the examining engineers will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Docket
Field Team, Reg. 3
Code 400
Adm. Read. File
Louis Pavlides, USGS
Gilbert DeHuff, USBM

JHopkins/ls
3/17/54

IN REPLY REFER TO:

400

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

March 15, 1954

Memorandum

To: Mr. W. S. Martin, OMA

From: Louis Ravlides, USGS

Subject: [illegible]-3274, Manganese, Buckhorn Group Mining Claims, T. 25 N., R. 8 E., sec. 13, Plumas County, California

The partnership of Messrs. Ray LaMountain, Bernard Claggett, and Ralph Patterson of Sacramento, California, has proposed to explore the subject property by trenching at an estimated cost of $3,500. The applicant's proposal is contained in paragraph 3, Exhibit B of the docket which proposes 4 deep cuts, 50 to 100 feet long be made on the property. Presumable these will be spaced along the strike of the manganiferous formation although no reference is made in the application as to their spacing. In the second paragraph of Exhibit B the applicant describes 2 outcrops of manganiferous rocks 30 feet apart as being each 15 and 20 feet wide and containing 15 to 25 per cent manganese and 18 to 25 per cent manganese respectively.

There is no information in the Survey files on this property. From the applicant's description it appears to be similar to the other manganese deposits in Plumas County, namely, the manganese is associated with jasper lenses enclosed by and conformable with schist and phyllite. According to the applicant, pyrolusite is abundant in the deposit, occurring as veins, pockets, segregations, as well as being disseminated in the jasper. No mention is made of any manganese silicates which usually are also present in deposits of this type.

The lack of any file information on this deposit makes it difficult to appraise its merits as an exploration target. The inadequate sketches furnished as exhibits with the application do not furnish any useful information in this respect, especially as to the order of magnitude of any reserves contained in the deposit. However, the modest loan requested will not need any large production to be repaid. No provision has been made by the applicant, however, for the obtaining and analyzing of samples. A modest sampling job incorporated into the program need not add substantially to the cost of the entire project.

[illegible]

Recommendations

1. Suggest to the applicant that sampling be included in the proposed exploration program and indicate a new cost estimate will be required for the revised program.

2. Request a more detailed map showing the exact location of the proposed trenches as well as the location of the analyses mentioned in Exhibit B.

3. If the revised program is acceptable to the applicant, a Field Team examination should be made to appraise the geologic features of the deposit and the merits of the contemplated exploration program.

Louis Pavlides
Geologist

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1954

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. 3274
Metal or Mineral Manganese
Date Received
Estimated Cost $3,500
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:

Partnership Ray LaFountain, 4001 - 44th St., Sacramento, Calif.
Bernard Claggett, 3821 San Ysidro Way, Sacramento, Calif.
Ralph Patterson, 67 Taylor Way, Sacramento, Calif.

(*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 Known as the "Buckhorn Group" Situated in Section 13, Township 25, North Range, 8 East M.D.M. Notice on the location of which was recorded March 5, 1951, in Volume 25 of Quartz, page 200, Plumas County, California Records.

(*b*) State any mine name by which the property is known. No Mine name.

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

(*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[redacted] the mineral or minerals for which you [redacted] explore Manganese

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

(*c*) The work will start ~~within 30 days~~ May 15th, 54 and be completed within 1 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 9, 1954, 195__

(Applicant)

By Ray La Fountain

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

DEPARTMENT OF THE INTERIOR
Bureau Mines Mineral Administration
RECEIVED
NOV 11 1954

MINING LEASE AND OPTION

THIS AGREEMENT made and entered into this 20 day of October, 1953, by and between GEORGE O. SCHULTZ, HILDER P. HAWKENSON and FLOYD B. HILL, hereinafter called OWNERS, and RAY LA FOUNTAIN, hereinafter called BUYER.

W I T N E S S E T H:

That for and in consideration of the sum of Ten Dollars ($10.00), the receipt whereof is hereby acknowledged, and in consideration of the covenants and conditions herein contained, and the payment of the rentals and royalties herein reserved, Owners do hereby grant to Buyer an Option on the terms and conditions herein set forth to receive a Mining Lease coupled with an Option to Purchase as herein contained upon that certain mining property situate in the County of Plumas, State of California, more particularly described as follows:

> That certain group of mines and mining claims known as the "Buckhorn Group", situate in Section Thirteen (13), Township Twenty-Five (25) North, Range Eight (8) East, M.D.M., the Notice of Location of which was recorded March 5, 1951, in Volume 25 of Quarts, at Page 200, Plumas County Records.

Buyer is given the right and option to enter in upon said mines and mining claims and the whole thereof, and to possess the same, subject to the limitations hereinafter expressed, for and during the term of one (1) year from and after the date of this Agreement for the purpose of testing and prospecting said lands at his own discretion and at his own proper charge and expense.

Not later than the expiration of eleven (11) months from date hereof, Buyer shall notify Owners in writing as to whether he shall and will assume operation of said property under lease or whether he intends to and will at the expiration of said one (1) year period, above set forth, abandon said premises and all rights thereunder; and in the event of abandonment, Buyer shall have the right to remove any and all machinery, equipment and supplies placed by him upon said premises save except as to timber in place underground and fences and other barriers erected to protect livestock, which said removal of equipment shall be effective within ninety (90) days from and after the expiration of said one (1) year period.

The said premises are unfenced, and livestock may wander in or upon the said premises; and Buyer shall construct and maintain in good order stock-tight fences or other barriers around all tailings dumps containing poisonous or detrimental chemicals, and all open pits or shafts he may excavate on said premises so as to prevent livestock from entering the same.

During the term of this Option, Buyer shall pay or cause to be paid the Owners a royalty of Ten (10%) Per Cent of the value of all minerals or metals of every kind and character obtained and sold from said premises, which royalty shall be calculated upon Mint Memorandums or Smelter Receipts, and during said period all work of every kind and character shall be done at the sole cost and expense of Buyer; and Buyer shall save Owners harmless from all liability from damages or other claims arising out of or in connection with the use and occupancy by Buyer on said premises.

Owners shall have the right to post and to record due and legal Notices of Non-Responsibility.

Time is and shall be of the essence of this Option.

In the event Buyer shall notify Owners that he desires to enter into a Lease of said premises, together with an Option to Purchase the same, the provisions following shall become operative and binding upon all parties hereto as a Lease coupled with an Option to Purchase the lands and premises hereinabove described:

1. Buyer shall have the exclusive right of use and occupancy of all of the premises above described, together with the appurtenances. Buyer shall construct and maintain in good order stock-tight fences or other barriers around all tailings dumps containing poisonous or detrimental substances or chemicals, and all open pits or shafts excavated on said premises by Buyer, so as to prevent livestock from entering the same. Owners shall have the right, during all working hours, to visit and examine the premises and all workings thereon, which right of visitation shall be exercised without liability to Buyer.

2. During the term of said Lease and Option, Buyer shall do and perform a minimum of One-Hundred (100) shifts per calendar month in actual mining work thereon, a shift being defined as the labor of one man working eight (8) consecutive hours; provided, however, that in lieu of such work and labor,

Buyer shall pay or cause to be paid to Owners on the last day of each calendar month the sum of Three-Hundred Dollars ($300.00).

3. Buyer shall and will, within twelve (12) months from and after the effective date of this Lease and Option, construct on said premises and place in actual operation a mill complete and capable of crushing, reducing and treating a minimum of fifty (50) tons of ore during each twenty-four (24) hour period, and shall maintain and operate the same as continuously as good milling practice will permit; and out of all recoveries of all minerals and metals from such milling operations, and from the sale of ores or concentrates from said premises, Buyer shall pay or cause to be paid to Owners a royalty of Ten (10%) Per Cent of the value of all such recoveries and sales, calculated upon Mint Memorandums and Smelter Receipts, and to that end Buyer shall furnish or cause to be furnished to Owners duplicate Mint Memorandums and duplicate Smelter Receipts, which payment of royalties shall be made not later than ten (10) days from and after receipt by Buyer of payments from such Mint or Smelter shipments.

4. Buyer shall keep full and complete records of all sales and shipments of ores, metals, concentrates and minerals, which records shall be open to the inspection of Owners during all reasonable business hours. All payments of every kind and character made Owners hereunder and under the foregoing Option shall be applied to and shall be credited upon the purchase price of said premises hereinafter expressed.

5. The purchase price of said lands and premises is and shall be the sum of Three Hundred Thousand Dollars ($300,000.00).

6. All work of every kind and character performed upon or in connection with said premises by or at the instance of Buyer shall be at the sole cost and expense of Buyer, and Buyer shall not allow or permit any lien of any kind or character to become fixed against said premises, and to that end Buyer shall and will pay all taxes of every kind and character, levied or assessed against said premises and any improvements thereon.

6. Buyer shall and will carry full Workmen's Compensation Insurance coverage on all persons employed by Buyer in and about said premises or in connection therewith, and shall pay when due all deductions, advances and

dues due and payable under Old Age Security, Unemployment Insurance, Income Taxes, and including all other items collectible by law by the employer on all employees.

7. Owners shall have the right to post and to keep posted on said premises and to record Notice of Non-Responsibility.

8. All mining operations on said premises shall be done in a good and miner-like manner, and all operations shall be conducted with strict compliance with all governmental laws, rules and regulations applicable to the operations of Buyer, and all operations shall be carried on with due regard to the safety and preservation of said premises as a working mine.

9. Notwithstanding any of the provisions in this Lease and Option, it is understood that the mining property herein involved is unpatented and is within a National Forest, and to that end all annual labor necessary to be done on said premises shall be done by or at the expense of Buyer, and Affidavit of the Performance of Annual Labor shall be recorded on or before the first day of June of each Year. Necessary timber for the use of Buyer in the Mining Operations on said premises may be cut on said premises and used thereon, but no timber shall be cut or removed from said premises for sale or for use elsewhere.

10. Buyer shall be excused from the performance of every condition and covenant herein contained, except the payment of monthly and royalty payments, and the performance of annual labor, when such performance is prevented by strikes, prohibition of operations by statute or by any governmental decree or regulation, Acts of God, inability to obtain materials in the open market, and other causes beyond the control of Buyer.

11. In the event of any claimed violation of any of the terms and conditions of this Agreement, Owners shall give Buyer written notice specifying such claimed defaults and if the same are not cured prior to the expiration of thirty (30) days from the receipt of such written notice, all rights of Buyer hereunder shall cease and be at an end and Owners shall have the right with or without process of law to re-enter and repossess the said premises and the whole thereof as in their first estate. All monies theretofore paid by Buyer shall be retained by Owners as agreed rental for the use and occupation

of said premises. The foregoing prerequisite to giving notice before declaring a default and re-entering shall be limited to no more than two such notices in any one year during the life of this lease.

12. Coincident with the execution of this lease, Buyer has executed his Quitclaim Deed to said premises and shall lodge the same with an escrow holder agreed upon between the parties with instructions to deliver the same to Owners in the event of forfeiture or abandonment of said premises by Buyer; and in the event of assignment of this lease by Buyer by operation of law or otherwise, such assignee shall within ten (10) days from and after such transfer, execute and deliver a similar Quitclaim Deed to escrow - otherwise this lease shall be at an end.

13. On full payment being made, Owners shall and will execute and deliver to Buyer, Quitclaim Deed conveying said premises free and clear of all encumbrances save those done or suffered by Buyer, subject to the paramount title of the United States.

14. This Lease and Option supersedes all prior oral and written agreements between the parties.

15. Time is and shall be of the essence of this Agreement.

16. This Agreement is executed in duplicate and either shall be considered an original for all purposes herein contained, and all of it's conditions and covenants shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

17. In the event Buyer or any successor in interest or any assigns of Buyer shall, prior to full payment being made for said premises, file a petition in bankruptcy, or a petition for debtor's relief under any Bankruptcy Act, or execute an Assignment for benefit of creditors, all right, title and interest of Buyer and his successors in this Option and Lease shall immediately terminate; and in the event an involuntary petition of such character is filed against such party or parties prior to full payment hereunder being made, then all interest herein shall likewise terminate and be at an end upon the adjudication that such parties against whom such petition is filed is a bankrupt.

18. The respective addresses of the parties for service of notices and all communications of every character hereunder until changed by written notice shall be as follows:

For Owners: _____

For Buyer: _____

19. This agreement shall not be construed as creating any guarantee by Buyer to purchase said premises at all events, and Buyer shall have the right, at any time, providing all payments then due shall have been paid, to abandon the premises and this agreement without further liability to Owners save as to prior, unfulfilled conditions, and immediately vacate said premises. In event of abandonment all monies paid Owners shall be retained by them as agreed rentals for the premises.

20. In the event of forfeiture or abandonment by Buyer, Buyer shall have the right for and during the period of ninety (90) days from and after such forfeiture or abandonment to remove all improvements placed thereon, except as to timbers underground and fences or other barriers around tailings dumps, open pits and shafts.

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

S/ George O. Schultz

S/ Hilder P. Hawkenson

S/ Floyd B. Hill

Owners.

Ray La Fountain Ray La Fountain

Buyer.

4001 - 44th ST.
SACRAMENTO, CALIF.

EXHIBIT A

BUCKHORN MANGANESE GROUP OF CLAIMS
Plumas County, Calif.

RECEIVED
1954

INTRODUCTION

The two claims comprising the Buckhorn Group are located in Section 13 about eight miles from Keddy, which is a shipping point, three miles of it over a dirt road with an average grade of about six percent and five miles of highway. The area is a heavily forested upland part of the Plumas National Forest. The elevations is about 4500 feet above sea level. The topography is gently rolling over most of the property, but falls steeply to the Northwest.

GENERAL GEOLOGY

The basement rock in the area is a light brown, sometimes purplish, micaceous shale. Silicification of the shale is not uniform nor is the shale fissile where silicification is at an advanced stage. Where observed, the shale strikes roughly NNE and dips 40-75 degrees West. This shale is similar to that assigned to the lower part of the Calaveras Group of Carboniferous age. The other rocks in the area are quite probably also part of this group.

A softer, less homogeneous shale which is exposed may be a gradation phase between the overlying manganiferous hematite-jasper-tuff members and the siliceous shale basement. This shale has small nodules of pyrolusite sparingly distributed near the top of the bed and thin stringers of a yellow iron oxide, probably limonite.

The manganeferous hematite-jasper outcrop alignment across the property is nearly coincident with the inconspicuous backbone of the northwesterly trending ridge on which the property lies. The large amount of float from this member found on the gradual southwest slope of the area indicates its continuity.

Soft dark purplish tuff and tuffaceous shales of irregular attitude are found both below and above the hematite-jasper member. The tuff is interbedded with platy shale which is similar to the basement shale and appears to underly the not very extensive hematite-jasper. Thin quartz and pyrolusite veinlets which cut the rocks at right angles to the bedding are truncated, possibly due to slumping.

Displacement and/or unconformity between the basement shale and the manganeferous members is suggested by:

The minor drags and bedding slippages in the upper shales and ~~thxmxnganifxrxxx~~ tuffs and the considerable fracturing of the hematite-jasper;

The variations of the dip and strikes in the upper members, the dips being generally less than the basement shale. Differential compaction, shrinking of the hematite-jasper member during solidification and late slumping may explain most of this apparent movement.

ORE DEPOSITS

Manganese showings in the form of pyrolusite are fairly widespread over the property and manganiferous float material is not uncommon. The main ore zone of the property is associated with irregular beds of red hematite and jasper with contiguous tuffs and tuffaceous shales aligned northwesterly across the property. In the hematite-jasper, manganese occurs in uneven beds and discordant 'veins' and pockets and as intimate segregations

and disseminations in the rock. In the tuffs and shales high-grade nodules and concretions, usually coated with limonite, characterize the ore. No manganese is found in the basement shale.

ORIGIN OF THE ORE DEPOSITS

From the intimate relationship between the tuff, the hematite and jasper and the manganese, it can be inferred that the mineralizing sequence here was more or less continuous and dated in geologic time by the deposition of the tuff. The deposition basin in which the tuff was deposited may have been rising and, therefore, more limited as the tuff contains very little fine shale material above the first few feet but does contain shale fragments, possibly erosional.

With a shallow, more limited basin and a fine tuff bed, the usual explanation for the orgin of chemical deposits of silica, manganese and iron might apply here. Acidic waters, laden with colloidal silica and iron and/or sulphate solutions or iron and manganese will, under proper reducing conditions, precipitate the silica and oxides of iron and manganese. The large amount of silica here present may have been introduced by more solvent alkaline solutions.

Should alkaline waters with high silica content have been present with the introduction of sulphate solutions of iron and manganese the schedule of precipitation for the iron, silica and manganese might be:

1. The alkaline solutions precipitate the MnO_2 quite rapidly at first.
2. With decreasing alkalinity, colloidal silica and iron oxide will be precipitated.
3. The tuffs, being fine and porous, would tend to give up silica with alkaline solution and provide alkalies from the feldspars for the precipitation of the MnO_2 in acid soluctions, hence tend to be a balancing factor. (The tuff, not definitely identified, is probably thyolite.)

Though not necessary to thesequence, the silica bearing alkaline solution idea would have intensified the precipitation processes. This, along with temperature variations and other factors, could have been responsible for the three different eypes of manganese deposits which occur.

The thin beds of nearly pure pyrolusite represent periods of increasing alkalinity; hence, rapid precipitation. The pods and irregular disseminations in the hematite-jasper members were formed under conditions more favorable for the colloidal precipitations; e.g.,lowering of the temperature. The third type-the concretions or nodules, were formed after complete precipitation was achieved by the then shallow circulating waters of the depositinoal basin; and now, by the coolwe descending waters.

Enrichment processes on all three types of deposits are in force today. The moderately dipping manganiferous hematite-jasper member, strongly fractured and in proximity to the manganiferous tuff-shale beds, afford excellent opportunities for enrichment as the ground level is at least fifty feet in this area. This ground water level of from fifty to seventy-five feet makes it perfect for a large open pit operation.

Ray LaFountain
Ray LaFountain
4001-44th St.
SACRAMENTO, CALIF.

EXHIBIT B

4001 - 44th Street
Sacramento, Calif.
March 1, 1954

To Whom it May Concern:

This concerns that certain group of mining claims known as the "Buckhorn Group" situated in Section 13, Township 25, North Range, 8 East M.D.M., notice on the location of which was recorded March 5, 1951, in Volume 25, page 300, of Plumas County Records in the State of California. Property is located in the Feather River Canyon area, and is six miles from a rail loading, of which approximately four miles is a State highway. This is known as a fairly large-sized manganese property.

Last summer I made several trips to the claims and went over the ground thoroughly, checking it from the southwest end to the far northeast end, and found good manganese showings nearly the full length of the two claims. At about the middle of the southwest claim, right on the hill, there is one cropping of manganese about 15 feet wide which runs from 15 to 35 percent. Approximately 30 feet from there is another parallel cropping about 20 feet wide that runs from 18 to 35 percent, and another cropping 100 feet or so down the hill runs an even better percentage of manganese. About a dozen samples have been taken on the property, some taken on an average and some taken as picked samples. The picked samples of high-grade pyrolusite taken from the high-grade stringers ran as high as 60 per cent manganese. On the middle of the northeast claim there is a road that cuts through the vein, but the cut is not deep enough to expose it enough to tell much about it; but it does have some very good manganese showing. Further north is another road that cuts the vein that also shows up very good.

Our plan of opening up the claims would be to work with a bulldozer and two men with a jackhammer for about ten days. There should be four cuts made from 50 to 100 feet in length and as deep as possible. By cutting and blasting it is highly probable that a large tonnage of good mill rock could be opened up that would average 20 to 30 per cent. The largest main ore body will probably be at the crest of the hill and down the southwest slope. Dropping down the hill about 175 to 200 feet and making a cut across the hill should give about 200 feet of backs that can be mined open pit. It should not be difficult to mine from 100 to 300 tons a day, open pit, for milling. It is our plan to install a mill, 100 ton, if the ore proves out as we expect. In the event we are not satisfied with the exploration work as out lined above, we will then do some drilling, either churn drill or diamond drilling. But drilling is not included in our program as of now.

There is a good location on the property for a mill site, with plenty of room for tailings and lots of water. In fact, on both ends of the property there are big springs running, which is a good indication of large ore bodies. Manganese ore is now being mined in the vicinity of these two claims.

There is one additional thing I would like to point out regarding manganese ore in Plumas County. It differs from other manganese in other parts of the country in that it is located in the neighborhood of from 4000 to 7000 feet elevation, which seems to make a different and much better grade of manganese. This manganese is of the type that when it is crushed it does not go into powder, even if crushed to a 30 plus. It leaves little shart crystals, and therefore a product which is more easily milled because this courseness makes it easy to cruch and jig. Other ores in other parts of California, of the same quality, when crushed disintegrate into such fineness that it is difficult to make recovery. I have looked over numerous manganese properties during the past two years, and these claims look the best of the lot.

My experience is manganese has been limited, but I have been associated with the following mines over a period of more than thirty years at various times:

Argonaut Mining Co., Jackson, Calif. General Contractor
Walker Mines of California, General Contractor
Engeles Copper Mines, California, General Contractor
Crescent Mills, Calif., Supt. under Albert Burchs' supervision.
W. J. Loring & James Parks Mining interests, General Supt.
Eldorade Lime & Minerals (Calif. National Bank), Supt.

My associates in this venture are: Bernard Claggett, Accountant for the California Department of Finance, and Ralph Patterson a Sacramento businessman. I will supervise the exploration work.

We are now considered a partnership, but if the tests prove a good grade of ore in abundance, we will incorporate, install a mill and participate in the Government's Nationwide Carlot Manganese Program.

Ray L. Lafountain
Ray Lafountain
4001-44th ST.
SACRAMENTO, CALIF.

EXHIBIT C

BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

Estimate of Costs:

No work will be let to contractors with the possibly exception of the bulldozer operations, depending upon the best deal we can get. We have no equipment and no equipment will be rented. No new buildings or building repairs.

Bull-dozer and Operator 15 days at $100.00 per day	$1 500.00
One Miner and Helper 15 days at $30.00 per day	450.00
Campressor, 15 days at $15.00 per day	225.00
Fuel, Bits, Powder, Fuses and Caps	125.00
Engineers Report	500.00
Supervision (Myself)	250.00
Taxes and Insurance	150.00
Traveling Expenses	300.00
Total	$3500.00

My self and two partners, Mr. Claggett and Mr. Patterson are prepared to finance 25 per cent of the proposed cost or $875.00.

Ray LaFountain
Ray LaFountain
4001-44th ST.
SACRAMENTO, CALIF.

BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

EXHIBIT D

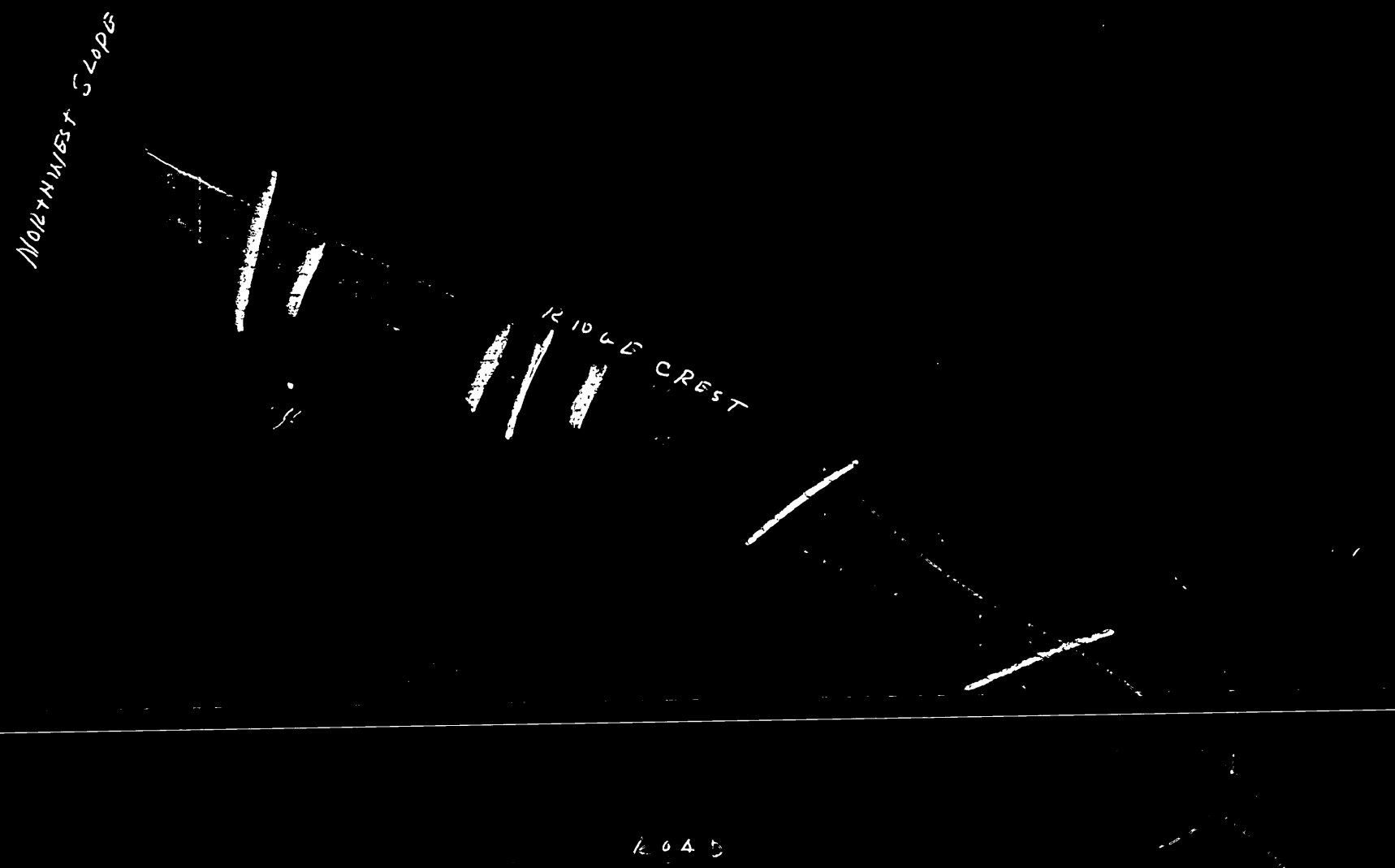
1 " equals 300'

OUTCROPPING
PROPOSED CUTS

ROAD TO TOP OF HILL.

Buckhorn Group of Claims
Plumas County, Calif.

EXHIBIT E



IN REPLY REFER TO:

Newcomb

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

J.A.R.

June 22, 1954

Memorandum

Re: DMEA-3274
Buckhorn Claims
Plumas County, Calif.
$3,500
Manganese

To: Mr. W. S. Martin, DMEA

From: E. L. Newcomb, USGS

Subject: Concurrence with field team recommendation for denial.

The applicant requests assistance to explore an area containing sparse amounts of manganese mineralization. Proposed work involves bulldozing and drilling at the most favorable showings.

The field team recommends the application be denied.

Manganese mineralization occurs as small, thin lenses along narrow fractures in phyllite and quartzite. The nature of the deposits indicates that a significant discovery cannot reasonably be expected by the proposed work.

This property does not merit assistance under the DMEA program. I concur with the field team's conclusions and recommend the application be denied.

E. L. Newcomb
E. L. Newcomb
Geologist

Letter prepared 6/14/54
Approved by OC of Grants 6/16/54
fs

DOCKET
Surname:
Hopkins
Martin
Carr
DeHuff
Hedges
Guild
Selfridge
Hoffman

400

JUN 10 1954

Mr. Ray LaFountain
4001 44th Street
Sacramento, California

Re: Docket No. DMEA 3274 - Manganese
Buckhorn group mining claims
Plumas County, California

Dear Mr. LaFountain:

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 all our information, although noting the occurrence of manganese mineralization on your property, indicates to us that the possibility of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Exploration Program and for bringing the referenced property to our attention.

Sincerely yours,

C. O. Mittendorf (for

Administrator

cc: Docket
Adm. Read. File
Code 400
Oper. Comm.
Field Team, Region 3
L. Pavlides, USGS
G. DeHuff, USBM

JHopkins/ls
6/11/54

R.C.G.

DOCKET
Surname:
Hopkins
Martin
Carr
Bethoff

June 15, 1954

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of application for exploration assistance in the amount of $3,500.00
Docket No. DMEA 3274 - Manganese
Ray LaFountain
Buckhorn Group Mining Claims
Plumas County, California

The denial of the subject application by this Division is based on the following information:

(1) The applicant requested exploration assistance in the sum of $3,500.00 to explore for manganese on the Buckhorn Group mining claims, Plumas County, California.

(2) The Buckhorn claims are underlain by a phyllite unit of the Calaveras formation of Carboniferous age. Phyllite contains beds of sandstone and quartzite. The rocks are cut by fractures that are occupied mainly by quartz veins. Pyrolusite and psilomelane occur in fractures in quartzite that have a maximum thickness of 4 inches.

(3) The workings on the property consist of an open cut on each of the 3 claims. Ore minerals occur in each of these cuts.

(4) The best showing on the property is in the Main cut on Buckhorn No. 1 claim, where 2 parallel lenses of manganese ore occupy 2 fractures in quartzite. One lens is about 1 inch in thickness and the other 4 inches. Each lens is about 7 feet long.

(5) The ore in the lens is pyrolusite and psilomelane estimated to contain about 55 percent manganese.

(6) A few hundred pounds of measured and indicated ore might be obtained from the main cut. There are no inferred reserves on the property.

R.C.H.

(7) No primary ore minerals were observed on the property, and the source of the secondary minerals is not known.

(8) Much of the work proposed by the applicant had been done at the time of the examination and was very disappointing.

(9) No additional work is now contemplated by the applicant.

(10) Because the results were disappointing and no further work is contemplated by the applicant, the examining engineer and geologist recommend that the request for a loan be denied.

(11) The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the denial.

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

Copy to: Docket
Code 400
Operating Committee
Adm. Reading File
Mr. Hopkins

JHopkins/ls
6/15/54

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

June 15, 1954

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of application for exploration assistance in the amount of $3,500.00
Docket No. DMEA 3274 - Manganese
Ray LaFountain
Buckhorn Group Mining Claims
Plumas County, California

The denial of the subject application by this Division is based on the following information:

(1) The applicant requested exploration assistance in the sum of $3,500.00 to explore for manganese on the Buckhorn Group mining claims, Plumas County, California.

(2) The Buckhorn claims are underlain by a phyllite unit of the Calaveras formation of Carboniferous age. Phyllite contains beds of sandstone and quartzite. The rocks are cut by fractures that are occupied mainly by quartz veins. Pyrolusite and psilomelane occur in fractures in quartzite that have a maximum thickness of 4 inches.

(3) The workings on the property consist of an open cut on each of the 3 claims. Ore minerals occur in each of these cuts.

(4) The best showing on the property is in the Main cut on Buckhorn No. 1 claim, where 2 parallel lenses of manganese ore occupy 2 fractures in quartzite. One lens is about 1 inch in thickness and the other 4 inches. Each lens is about 7 feet long.

(5) The ore in the lens is pyrolusite and psilomelane estimated to contain about 55 percent manganese.

(6) A few hundred pounds of measured and indicated ore might be obtained from the main cut. There are no inferred reserves on the property.

(7) No primary ore minerals were observed on the property, and the source of the secondary minerals is not known.

(8) Much of the work proposed by the applicant had been done at the time of the examination and was very disappointing.

(9) No additional work is now contemplated by the applicant.

(10) Because the results were disappointing and no further work is contemplated by the applicant, the examining engineer and geologist recommend that the request for a loan be denied.

(11) The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the denial.

W S Martin

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

Docket

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

420 Custom House
555 Battery Street
San Francisco 11, Calif.

June 3, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

WSM

Subject: Docket No. DMEA-3274 - Manganese
Ray LaFountain, et al.
Buckhorn Group Mining Claims
Plumas County, California

Reference is made to your letter dated March 29, 1954, requesting a review and field examination of the subject property.

The property has now been examined and attached are four copies of a report entitled "DMEA-3274, Buckhorn Group Mining Claims, Plumas County, California, Manganese," by Roscoe M. Smith, Geologist, U. S. Geological Survey, and Russell R. Trengove, Mining Engineer, U. S. Bureau of Mines, dated June 1, 1954.

The examining geologist and engineer are in agreement that a Government loan on this property is not warranted, and based on their reported findings, I concur in their recommendations.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno

Cleared
O C
6-11-54

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

6/15/54

DMEA-3274, Buckhorn Group Mining Claims

Plumas County, California

Manganese

Roscoe M. Smith, Geologist
U. S. Geological Survey

Russell R. Trengove, Mining Engineer
U. S. Bureau of Mines

June 1, 1954

Reviewed by
DMEA OPERATING COMMITTEE
6-11-54
(date)

EXAMINATION REPORT

JUN-7 1954

Docket No.: DMEA-3274 (Manganese)

Name and address of applicant: Ray LaFountain
4001 - 44th St.,
Sacramento, California

Name and location of property: Buckhorn Group Mining Claims
Plumas County, California

SUMMARY CONCLUSION AND RECOMMENDATIONS

An engineer of the Bureau of Mines and a geologist of the U. S. Geological Survey made a joint examination of the Buckhorn Group Mining Claims in May, 1954. The property is situated about four miles north of Paxton, California. The purpose of the examination was to determine if the geological conditions and the grade of mineralization were favorable to justify approval of an application for a Government loan. The total estimated cost of the proposed exploration is $3,500.00.

The application was dated March 9, 1954. Since that time, the applicant obtained financial assistance of Mr. Lester Wampler and two silent partners, all of Berkeley. Several days previous to the joint examination they engaged the services of a D-7 bulldozer and miners. Stripping of the overburden by the bulldozer destroyed all evidence of outcrops. Twenty-eight holes were drilled at what they considered was the most promising location to discover manganese. The examining engineer and the geologist waited until these holes were blasted. After the blast, the broken material was removed by the bulldozer.

In this Main cut two parallel lenses of manganese ore occupy fractures which strike N. 20° E. and dip 45 degrees east. One lense is about 1 inch in maximum thickness, and the other, about 2 feet lower, is 4 inches in maximum thickness. Each lense is about 7 feet long. The lenses occur in quartzite and consists of psilomelane and pyrolusite estimated to contain about 55 percent Mn. A few hundred pounds of measured and indicated ore might be obtained from this cut. There are no inferred reserves on the property.

Because the results of their exploration was disappointing, no additional work is contemplated by the applicant or recommended by the examining engineer and geologist. The request for a Government loan should be denied.

INTRODUCTION

An application for a Government loan under section 202 of the Defense Production Act of 1950 was made by Ray LaFountain, et al. buyers of the Buckhorn Group Mining Claims on March 9, 1954. An engineer of the Bureau of Mines and a geologist of the U. S. Geological Survey made a joint examination of the property in May, 1954. They were accompanied by one of the owners, Floyd Hill, and Lester Wampler, who were doing some exploratory work on the claims.

PROPERTY AND OWNERSHIP

Property holdings comprise three lode claims. They are in section 13, township 25 north, range 8 east M.D.B. & M., Plumas County, California (fig.1).

The owners are George O. Schultz, Hilder P. Hawkenson and Floyd B. Hill. A partnership of Ray LaFountain, Bernard Claggett and Ralph

Patterson, all of Sacramento, California have a lease and option on the property.

The lessees obtained financial assistance of Mr. Lester Wampler and two silent partners, all of Berkeley, California. They were exploring the property at the time of the examination and if their work disclosed manganese in appreciable quantities, they would have an interest in the lease and option.

HISTORY AND PRODUCTION

One of the owners, Floyd B. Hill, stated that the three claims were staked in March, 1951. The present owners did the location work only. No exploration work was done until May, 1954. There has been no production.

LOCATION AND PHYSICAL FEATURES

The Buckhorn Group of mining claims (fig.1) can be reached by traveling west on the Feather River Highway 24, now U. S. 40 alternate, 1.6 miles from its junction with State Highway 89, then turning right and following a dirt road with grades from 10 to 20 percent, a distance of 3.9 miles to the property which is at an altitude of 4,600 feet.

There is a P.G. & E. Co. power line about three-fourths of a mile from the property. Water is available the year around from a spring, about 1,000 feet distant. The property is heavily timbered with sugar pine, yellow pine, cedar, live oak, dogwood and manzanita. The nearest ramp on the Western Pacific Railroad is at Virgilia, 6 miles distant. Another ramp is at Crescent Mills, 8 miles distant.

THE MINE WORKINGS

Except for the construction of short access roads necessitating four-wheel drive vehicles, the only work done on the property was the

bulldozing of two trenches.

GEOLOGY

The Buckhorn claims are underlain by a phyllite unit of the Calaveras formation of Carboniferous age. Phyllite contains beds of sandstone and quartzite (metachert ?). The rocks are cut by fractures in all attitudes; quartz veins 1 to 18 inches in width occupy some of the fractures.

Pyrolusite and psilomelane, the only ore minerals that were seen, occur in fractures and appear to be confined to the quartzite members in the formation.

Ore minerals occur in 3 localities on the Buckhorn claims: (1) on Buckhorn No. 1 claim at the Main cut, which is stated to be the best showing on the property, (2) on Buckhorn No. 2 claim in a cut about 100 feet northwest of the Main cut, and (3) on Buckhorn No. 3 claim, about 2500 feet due north of the Main cut.

In the Main cut two parallel lenses of manganese ore occupy fractures which strike N. 20° E. and dip 45° east. One lens is about 1 inch in maximum thickness, and the other, about 2 feet lower, is 4 inches in maximum thickness. Each lens is about 7 feet long. The lenses occur in quartzite and consist of psilomelane and pyrolusite estimated to contain about 55 percent Mn. In this locality the schistosity of the phyllite strikes N. 20° and dips 55° west.

At the cut on Buckhorn No. 2 claim seams of manganese oxide as much as 1 inch wide occupy fractures in phyllite over an area 3 feet wide and 15 feet long. The direction of dip could not be observed.

On Buckhorn No. 3 claim, a good showing is reported by the owner to occur along the bank of an old logging road. The bank has long since caved and the showing is obscured by soil. Few thin seams of manganese stain occur in fractures near the caved area. Here phyllite and interbedded sandstone strikes N. 80° W. and dips 25° south.

No primary ore minerals were observed on the property, and the source of the secondary minerals is not known.

In the application the paragraphs on geology which were signed by the applicant were evidently written by someone else about some other manganese property.

ORE RESERVES

A few hundred pounds of measured and indicated ore might be obtained from the main cut; there are no inferred reserves on the property.

PROPOSED EXPLORATION

In his application the applicant proposed to work with a bulldozer and two men with a jackhammer for about 10 days in the area of the best showing. At the time of the examination much of this work had been done. The applicant expected to reveal a large tonnage of good mill rock that would average 20 to 30 percent Mn, but as the results of this exploration were disappointing, no additional exploration is contemplated by the applicant or recommended by the examining engineer and geologist.

RECOMMENDATIONS AND CONCLUSIONS

Because the results of this exploration were disappointing, no additional exploration is contemplated by the applicant or recommended by the examining engineer and geologist. The request for a Government loan should be denied.

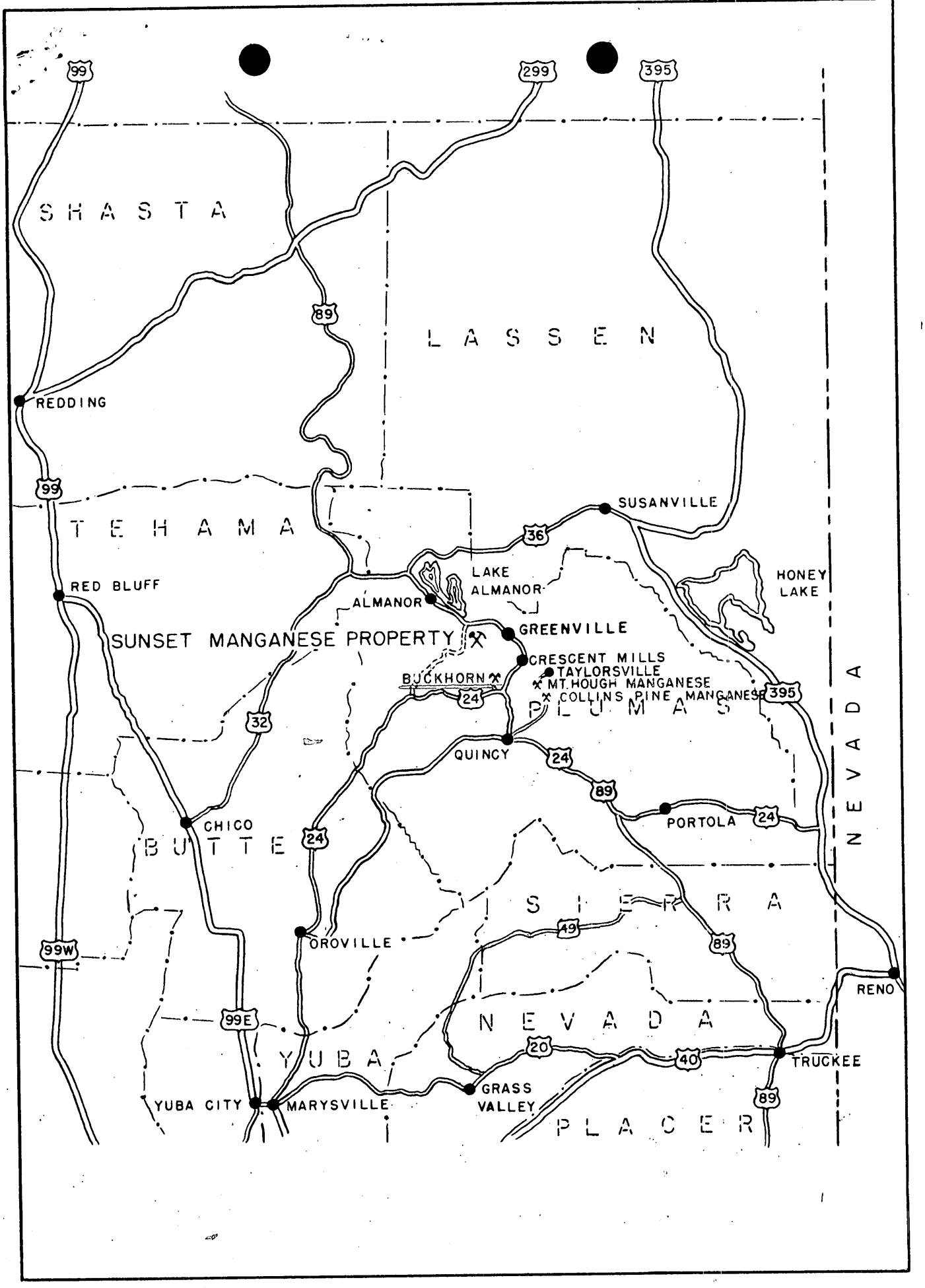


Figure 1.- Location map.

400

Hopkins
Martin
DeHoff
Thayer
Hodgson
Selfridge
Kylman

MAR 2 9 1954

Mr. Ray LaFountain,
4001 - 44th Street
Sacramento, California

Re: Docket No. DMEA 3274 - Manganese
Buckhorn Group Mining Claims
Plumas County, California

Dear Mr. LaFountain:

Your application for assistance in exploring a manganese occurrence on the Buckhorn Group Mining Claims has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Room 1012, Flood Building, 870 Market Street, San Francisco 2, California, for further consideration and a field examination.

At the time a field examination is made of the property, any assistance that you can render the examining engineers will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

cc: Docket
Field Team, Reg. 3
Code 400
Adm. Read. File
Louis Pavlides, USGS
Gilbert DeHuff, USBM

JHopkins/ls
3/17/54

Rec'd 3-29-54

MAR 20 1954

Hopkins
Martin
DeHuff
Selfridge
Jefferson

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA 3274 Manganese
Ray LaFountain, et al.
Buckhorn Group Mining Claims
Plumas County, California

Dear Mr. Miller:

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

A memorandum dated March 15, 1954, by Mr. Louis Pavlides, U. S. Geological Survey, is enclosed for your information.

Please note Mr. Pavlides' comments regarding the applicant's sketches being inadequate and the omission of a cost item in the proposal for obtaining and analyzing samples. We suggest that you request the applicant to supply the missing information and a revised cost estimate direct to your office.

Sincerely yours,

George C. Selfridge (JHB)

Chairman, Operating Committee

Enclosure

Copy to: DOCKET
FT, REG. III
CODE 400
OPER. COMM.
ADM. READ. FILE
LOUIS PAVLIDES, USGS
GILBERT DE HUFF, USBM

APPROVED:

J. H. Hedges (JHB)

Member, Bureau of Mines

JHopkins/ls
3/18/54

T. P. Thayer (JHB)

Member, Geological Survey

P. S. -- In the event a contract is recommended, you should advise the applicant to assign lease to the partnership.

R.C.H. 3-29-54

Docket

IN REPLY REFER TO:

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

March 15, 1954

Memorandum

WSM

To: Mr. W. S. Martin, DMEA

From: Louis Pavlides, USGS

Subject: DMEA-3274, Manganese, Buckhorn Group Mining Claims, T. 25 N., R. 8 E., sec. 13, Plumas County, California

The partnership of Messrs. Ray LaFountain, Bernard Claggett, and Ralph Patterson of Sacramento, California, has proposed to explore the subject property by trenching at an estimated cost of $3,500. The applicant's proposal is contained in paragraph 3, Exhibit B of the docket which proposes 4 deep cuts, 50 to 100 feet long be made on the property. Presumable these will be spaced along the strike of the manganiferous formation although no reference is made in the application as to their spacing. In the second paragraph of Exhibit B the applicant describes 2 outcrops of manganiferous rocks 30 feet apart as being each 15 and 20 feet wide and containing 15 to 25 per cent manganese and 18 to 25 per cent manganese respectively.

There is no information in the Survey files on this property. From the applicant's description it appears to be similar to the other manganese deposits in Plumas County, namely, the manganese is associated with jasper lenses enclosed by and conformable with schist and phyllite. According to the applicant, pyrolusite is abundant in the deposit, occurring as veins, pockets, segregations, as well as being disseminated in the jasper. No mention is made of any manganese silicates which usually are also present in deposits of this type.

The lack of any file information on this deposit makes it difficult to appraise its merits as an exploration target. The inadequate sketches furnished as exhibits with the application do not furnish any useful information in this respect, especially as to the order of magnitude of any reserves contained in the deposit. However, the modest loan requested will not need any large production to be repaid. No provision has been made by the applicant, however, for the obtaining and analyzing of samples. A modest sampling job incorporated into the program need not add substantially to the cost of the entire project.

Copy retained 40

Recommendations

1. Suggest to the applicant that sampling be included in the proposed exploration program and indicate a new cost estimate will be required for the revised program.

2. Request a more detailed map showing the exact location of the proposed trenches as well as the location of the analyses mentioned in Exhibit B.

3. If the revised program is acceptable to the applicant, a Field Team examination should be made to appraise the geologic features of the deposit and the merits of the contemplated exploration program.

Louis Pavlides

Louis Pavlides
Geologist

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

March 11, 1954
Subject: DMEA-3274
Re: Exploration Assistance

Mr. Ray LaFountain, et al.
4001 - 44th St.
Sacramento, California

Dear Sirs:

The receipt of your application dated March 9, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3274 and referred to the Iron and Ferro Alloys Division.

Kindly refer to DMEA-3274 in any future correspondence relating to your application.

Sincerely yours,

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

4001 - 44th Street
Sacramento, Calif.
March 9, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1954

Defense Minerals Exploration Admin.
U. S. Department of Interior
Washington 25, D. C.

Gentlemen:

Enclosed is application, and all necessary data pertaining thereto, for aid in the developing of our manganese property. It is believed that all information is contained in the five exhibits. None of the enclosed need be returned.

You will note that the mining lease and option is in my name, but Bernard Claggett and Ralph Patterson both of Sacramento, Calif. have entered into an agreement with me thus constituting a partnership.

It is our desire to have the property inspected by your representives as soon as possible.

Any additional information will be furnished immediately.

Yours very truly,

Ray LaFountain

Ray LaFountain

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1957

Not to be filled in by applicant

Docket No. 3274
Metal or Mineral Manganese
Date Received
Estimated Cost $3,500
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:

Partnership Ray LaFountain, 4001 - 44th St., Sacramento, Calif.
Bernard Claggett, 3821 San Ysidro Way, Sacramento, Calif.
Ralph Patterson, 67 Taylor Way, Sacramento, Calif.

(*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 Known as the "Buckhorn Group" Situated in Section 13, Township 25, North Range, 8 East M.D.M. Notice on the location of which was recorded March 5, 1951, in Volume 25 of Quartz, Page 200, Plumas County, Calif. Records.

(*b*) State any mine name by which the property is known. No Mine Name

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

(*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 Manganese

(*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 with May 15th, 54 and be completed within 1 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated March 9, 1954, 195__

(Applicant)

By Ray LaFountain

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 1 1954

MINING LEASE AND OPTION

THIS AGREEMENT made and entered into this 20 day of October, 1954 by and between GEORGE O. SCHULTZ, HILDER P. HAWKENSON and FLOYD B. HILL, hereinafter called OWNERS, and RAY LA FOUNTAIN, hereinafter called BUYER.

W I T N E S S E T H:

That for and in consideration of the sum of Ten Dollars ($10.00), the receipt whereof is hereby acknowledged, and in consideration of the covenants and conditions herein contained, and the payment of the rentals and royalties herein reserved, Owners do hereby grant to Buyer an Option on the terms and conditions herein set forth to receive a Mining Lease coupled with an Option to Purchase as herein contained upon that certain mining property situate in the County of Plumas, State of California, more particularly described as follows:

> That certain group of mines and mining claims known as the "Buckhorn Group", situate in Section Thirteen (13), Township Twenty-Five (25) North, Range Eight (8) East, M.D.M., the Notice of Location of which was recorded March 5, 1951, in Volume 25 of Quartz, at Page 200, Plumas County Records.

Buyer is given the right and option to enter in upon said mines and mining claims and the whole thereof, and to possess the same, subject to the limitations hereinafter expressed, for and during the term of one (1) year from and after the date of this Agreement for the purpose of testing and prospecting said lands at his own discretion and at his own proper charge and expense.

Not later than the expiration of eleven (11) months from date hereof, Buyer shall notify Owners in writing as to whether he shall and will assume operation of said property under lease or whether he intends to and will at the expiration of said one (1) year period, above set forth, abandon said premises and all rights thereunder; and in the event of abandonment, Buyer shall have the right to remove any and all machinery, equipment and supplies placed by him upon said premises save except as to timber in place underground and fences and other barriers erected to protect livestock, which said removal of equipment shall be effective within ninety (90) days from and after the expiration of said one (1) year period.

The said premises are unfenced, and livestock may wander in or upon the said premises; and Buyer shall construct and maintain in good order stock-tight fences or other barriers around all tailings dumps containing poisonous or detrimental chemicals, and all open pits or shafts he may excavate on said premises so as to prevent livestock from entering the same.

During the term of this Option, Buyer shall pay or cause to be paid the Owners a royalty of Ten (10%) Per Cent of the value of all minerals or metals of every kind and character obtained and sold from said premises, which royalty shall be calculated upon Mint Memorandums or Smelter Receipts, and during said period all work of every kind and character shall be done at the sole cost and expense of Buyer; and Buyer shall save Owners harmless from all liability from damages or other claims arising out of or in connection with the use and occupancy by Buyer on said premises.

Owners shall have the right to post and to record due and legal Notices of Non-Responsibility.

Time is and shall be of the essence of this Option.

In the event Buyer shall notify Owners that he desires to enter into a Lease of said premises, together with an Option to Purchase the same, the provisions following shall become operative and binding upon all parties hereto as a Lease coupled with an Option to Purchase the lands and premises hereinabove described:

1. Buyer shall have the exclusive right of use and occupancy of all of the premises above described, together with the appurtenances. Buyer shall construct and maintain in good order stock-tight fences or other barriers around all tailings dumps containing poisonous or detrimental substances or chemicals, and all open pits or shafts excavated on said premises by Buyer, so as to prevent livestock from entering the same. Owners shall have the right, during all working hours, to visit and examine the premises and all workings thereon, which right of visitation shall be exercised without liability to Buyer.

2. During the term of said Lease and Option, Buyer shall do and perform a minimum of One-Hundred (100) shifts per calendar month in actual mining work thereon, a shift being defined as the labor of one man working eight (8) consecutive hours; provided, however, that in lieu of such work and labor,

Buyer shall pay or cause to be paid to Owners on the last day of each calendar month the sum of Three-Hundred Dollars ($300.00).

3. Buyer shall and will, within twelve (12) months from and after the effective date of this Lease and Option, construct on said premises and place in actual operation a mill complete and capable of crushing, reducing and treating a minimum of fifty (50) tons of ore during each twenty-four (24) hour period, and shall maintain and operate the same as continuously as good milling practice will permit; and out of all recoveries of all minerals and metals from such milling operations, and from the sale of ores of concentrates from said premises, Buyer shall pay or cause to be paid to Owners a royalty of Ten (10%) Per Cent of the value of all such recoveries and sales, calculated upon Mint Memorandums and Smelter Receipts, and to that end Buyer shall furnish or cause to be furnished to Owners duplicate Mint Memorandums and duplicate Smelter Receipts, which payment of royalties shall be made not later than ten (10) days from and after receipt by Buyer of payments from such Mint or Smelter shipments.

4. Buyer shall keep full and complete records of all sales and shipments of ores, metals, concentrates and minerals, which records shall be open to the inspection of Owners during all reasonable business hours. All payments of every kind and character made Owners hereunder and under the foregoing Option shall be applied to and shall be credited upon the purchase price of said premises hereinafter expressed.

5. The purchase price of said lands and premises is and shall be the sum of Three Hundred Thousand Dollars ($300,000.00).

6. All work of every kind and character performed upon or in connection with said premises by or at the instance of Buyer shall be at the sole cost and expense of Buyer, and Buyer shall not allow or permit any lien of any kind or character to become fixed against said premises, and to that end Buyer shall and will pay all taxes of every kind and character, levied or assessed against said premises and any improvements thereon.

6. Buyer shall and will carry full Workmen's Compensation Insurance coverage on all persons employed by Buyer in and about said premises or in connection therewith, and shall pay when due all deductions, advances and

dues due and payable under Old Age Security, Unemployment Insurance, Income Taxes, and including all other items collectible by law by the employer on all employees.

7. Owners shall have the right to post and to keep posted on said premises and to record Notice of Non-Responsibility.

8. All mining operations on said premises shall be done in a good and miner-like manner, and all operations shall be conducted with strict compliance with all governmental laws, rules and regulations applicable to the operations of Buyer, and all operations shall be carried on with due regard to the safety and preservation of said premises as a working mine.

9. Notwithstanding any of the provisions in this Lease and Option, it is understood that the mining property herein involved is unpatented and is within a National Forest, and to that end all annual labor necessary to be done on said premises shall be done by or at the expense of Buyer, and Affidavit of the Performance of Annual Labor shall be recorded on or before the first day of June of each Year. Necessary timber for the use of Buyer in the Mining Operations on said premises may be cut on said premises and used thereon, but no timber shall be cut or removed from said premises for sale or for use elsewhere.

10. Buyer shall be excused from the performance of every condition and covenant herein contained, except the payment of monthly and royalty payments, and the performance of annual labor, when such performance is prevented by strikes, prohibition of operations by statute or by any governmental decree or regulation, Acts of God, inability to obtain materials in the open market, and other causes beyond the control of Buyer.

11. In the event of any claimed violation of any of the terms and conditions of this Agreement, Owners shall give Buyer written notice specifying such claimed defaults and if the same are not cured prior to the expiration of thirty (30) days from the receipt of such written notice, all rights of Buyer hereunder shall cease and be at an end and Owners shall have the right with or without process of law to re-enter and repossess the said premises and the whole thereof as in their first estate. All monies theretofore paid by Buyer shall be retained by Owners as agreed rental for the use and occupation

of said premises. The foregoing prerequisite to giving notice before declaring a default and re-entering shall be limited to no more than two such notices in any one year during the life of this lease.

12. Coincident with the execution of this lease, Buyer has executed his Quitclaim Deed to said premises and shall lodge the same with an escrow holder agreed upon between the parties with instructions to deliver the same to Owners in the event of forfeiture or abandonment of said premises by Buyer; and in the event of assignment of this lease by Buyer by operation of law or otherwise, such assignee shall within ten (10) days from and after such transfer, execute and deliver a similar Quitclaim Deed to escrow - otherwise this lease shall be at an end.

13. On full payment being made, Owners shall and will execute and deliver to Buyer, Quitclaim Deed conveying said premises free and clear of all encumbrances save those done or suffered by Buyer, subject to the paramount title of the United States.

14. This Lease and Option supersedes all prior oral and written agreements between the parties.

15. Time is and shall be of the essence of this Agreement.

16. This Agreement is executed in duplicate and either shall be considered an original for all purposes herein contained, and all of it's conditions and covenants shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

17. In the event Buyer or any successor in interest or any assigns of Buyer shall, prior to full payment being made for said premises, file a petition in bankruptcy, or a petition for debtor's relief under any Bankruptcy Act, or execute an Assignment for benefit of creditors, all right, title and interest of Buyer and his successors in this Option and Lease shall immediately terminate; and in the event an involuntary petition of such character is filed against such party or parties prior to full payment hereunder being made, then all interest herein shall likewise terminate and be at an end upon the adjudication that such parties against whom such petition is filed is a bankrupt.

18. The respective addresses of the parties for service of notices and all communications of every character hereunder until changed by written notice shall be as follows:

For Owners: _____

For Buyer: _____

19. This agreement shall not be construed as creating any guarantee by Buyer to purchase said premises at all events, and Buyer shall have the right, at any time, providing all payments then due shall have been paid, to abandon the premises and this agreement without further liability to Owners save as to prior, unfulfilled conditions, and immediately vacate said premises. In event of abandonment all monies paid Owners shall be retained by them as agreed rentals for the premises.

20. In the event of forfeiture or abandonment by Buyer, Buyer shall have the right for and during the period of ninety (90) days from and after such forfeiture or abandonment to remove all improvements placed thereon, except as to timbers underground and fences or other barriers around tailings dumps, open pits and shafts.

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

George O. Schultz /S

Hilder P. Hawkenson /S

Floyd B. Hill /S

Owners.

Ray La Fountain /S

Buyer.

4001-44th STREET
SACRAMENTO, CALIF

EXHIBIT A

BUCKHORN MANGANESE GROUP OF CLAIMS
Plumas County, Calif.

INTRODUCTION

The two claims comprising the Buckhorn Group are located in Section 13 about eight miles from Keddy, which is a shipping point, three miles of it over a dirt road with an average grade of about six percent and five miles of highway. The area is a heavily forested upland part of the Plumas National Forest. The elevations is about 4500 feet above sea level. The topography is gently rolling over most of the property, but falls steeply to the Northwest.

GENERAL GEOLOGY

The basement rock in the area is a light brown, sometimes purplish, micaceous shale. Silicification of the shale is not uniform nor is the shalefissile where silicification is at an advanced stage. Where observed, the shale strikes roughly NNE and dips 40-75 degrees West. This shale is similar to that assigned to the lower part of the Calaveras Group of Carboniferous age. The other rocks in the area are quite probably also part of this group.

A softer, less homogeneous shale which is exposed may be a gradation phase between the overlying manganiferous hematite-jasper-tuff members and the siliceous shale basement. This shale has small nodules of pyrolusite sparingly distributed near the top of the bed and thin stringers of a yellow iron oxide, probably limonite.

The manganeferous hematite-jasper outcrop alignment across the property is nearly coincident with the inconspicuous backbone of the northwesterly trending ridge on which the property lies. The large amount of float from this member found on the gradual southwest slope of the area indicates its continuity.

Soft dark purplish tuff and tuffaceous shales of irregular attitude are found both below and above the hematite-jasper member. The tuff is interbedded with platy shale which is similar to the basement shale and appears to underly the not very extensive hematite-jasper. Thin quartz and pyrolusite veinlets which cut the rocks at right angles to the bedding are truncated, possibly due to slumping.

Displacement and/or unconformity between the basement shale and the manganeferous members is suggested by:

The minor drags and bedding slippages in the upper shales and ~~the manganiferous~~ tuffs and the considerable fracturing of the hematite-jasper;

The variations of the dip and strikes in the upper members, the dips being generally less than the basement shale. Differential compaction, shrinking of the hematite-jasper mamber during solidification and late slumping may explain most of this apparent movement.

ORE DEPOSITS

Manganese showings in the form of pyrolusite are fairly widespread over the property and manganiferous float material is not uncommon. The main ore zone of the property is associated with irregular beds of red hematite and jasper with contiguous tuffs and tuffaceous shales aligned northwesterly across the property. In the hematite-jasper, manganese occurs in uneven beds and discordant 'veins' and pockets and as intimate segregations

and disseminations in the rock. In the tuffs and shales high-grade nodules and concretions, usually coated with limonite, characterize the ore. No manganese is found in the basement shale.

ORIGIN OF THE ORE DEPOSITS

From the intimate relationship between the tuff, the hematite and jasper and the manganese, it can be inferred that the mineralizing sequence here was more or less continuous and dated in geologic time by the deposition of the tuff. The deposition basin in which the tuff was deposited may have been rising and, therefore, more limited as the tuff contains very little fine shale material above the first few feet but does contain shale fragments, possibly erosional.

With a shallow, more limited basin and a fine tuff bed, the usual explanation for the orgin of chemical deposits of silica, manganese and iron might apply here. Acidic waters, laden with colloidal silica and iron and/or sulphate solutions or iron and manganese will, under proper reducing conditions, precipitate the silica and oxides of iron and manganese. The large amount of silica here present may have been introduced by more solvent alkaline solutions.

Should alkaline waters with high silica content have been present with the introduction of sulphate solutions of iron and manganese the schedule of precipitation for the iron, silica and manganese might be:

1. The alkaline solutions precipitate the MnO_2 quite rapidly at first.
2. With decreasing alkalinity, colloidal silica and iron oxide will be precipitated.
3. The tuffs, being fine and porous, would tend to give up silica with alkaline solution and provide alkalies from the feldspars for the precipitation of the MnO_2 in acid soluctions, hence tend to be a balancing factor. (The tuff, not definitely identified, is probably thyolite.)

Though not necessary to thesequence, the silica bearing alkaline solution idea would have intensified the precipitation processes. This, along with temperature variations and other factors, could have been responsible for the three different eypes of manganese deposits which occur.

The thin beds of nearly pure pyrolusite represent periods of increasing alkalinity; hence, rapid precipitation. The pods and irregular disseminations in the hematite-jasper members were formed under conditions more favorable for the colloidal precipitations; e.g.,lowering of the temperature. The third type-the concretions or nodules, were formed after complete precipitation was achieved by the then shallow circulating waters of the depositinoal basin; and now, by the coolwe descending waters.

Enrichment processes on all three types of deposits are in force today. The moderately dipping manganiferous hematite-jasper member, strongly fractured and in proximity to the manganiferous tuff-shale beds, afford excellent opportunities for enrichment as the ground level is at least fifty feet in this area. This ground water level of from fifty to seventy-five feet makes it perfect for a large open pit operation.

Ray Lafountain
Ray Lafountain
4001-44th ST.
SACRAMENTO, CALIF.

EXHIBIT B

4001 - 44th Street
Sacramento, Calif.
March 1, 1954

To Whom it May Concern:

This concerns that certain group of mining claims known as the "Buckhorn Group" situated in Section 13, Township 25, North Range, 8 East M.D.M., notice on the location of which was recorded March 5, 1951, in Volume 25, page 200, of Plumas County Records in the State of California. Property is located in the Feather River Canyon area, and is six miles from a rail loading, of which approximately four miles is a State highway. This is known as a fairly large-sized manganese property.

Last summer I made several trips to the claims and went over the ground thoroughly, checking it from the southwest end to the far northeast end, and found good manganese showings nearly the full length of the two claims. At about the middle of the southwest claim, right on the hill, there is one cropping of manganese about 15 feet wide which runs from 15 to 25 percent. Approximately 30 feet from there is another parallel cropping about 20 feet wide that runs from 18 to 25 percent, and another cropping 100 feet or so down the hill runs an even better percentage of manganese. About a dozen samples have been taken on the property, some taken on an average and some ta ken as picked samples. The picked samples of high-grade pyrolusite taken from the high-grade stringers ran as high as 60 per cent manganese. On the middle of the northeast claim there is a road that cuts through the vein, but the cut is not deep enough to expose it enough to tell much about it; but it does have some very good manganese showing. Further north is another road that cuts the vein that also shows up very good.

Our plan of opening up the claims would be to work with a bulldozer and two men with a jackhammer for about ten days. There should be four cuts made from 50 to 100 feet in length and as deep as possible. By cutting and blasting it is highly probable that a large tonnage of good mill rock could be opened up that would average 20 to 30 per cent. The largest main ore body will probably be at the crest of the hill and down the southwest slope. Dropping down the hill about 175 to 200 feet and making a cut across the hill should give about 200 feet of backs that can be mined open pit. It should not be difficult to mine from 100 to 200 tons a day, open pit, for milling. It is our plan to install a mill, 100 ton, if the ore proves out as we expect. In the event we are not satisfied with the exploration work as out lined above, we will then do some drilling, either churn drill or diamond drilling. But drilling is not included in our program as of now.

There is a good location on the property for a mill site, with plenty of room for tailings and lots of water. In fact, on both ends of the property there are big springs running, which is a good indication of large ore bodies. Manganese ore is now being mined in the vicinity of these two claims.

There is one additional thing I would like to point out regarding manganese ore in Plumas County. It differs from other manganese in other parts of the country in that it is located in the neighborhood of from 4000 to 7000 feet elevation, which seems to make a different and much better grade of manganese. This manganese is of the type that when it is crushed it does not go into powder, even if crushed to a 20 plus. It leaves little shart crystals, and therefore a product which is more easily milled because this courseness makes it easy to cruch and jig. Other ores in other parts of California, of the same quality, when crushed disintegrate into such fineness that it is difficult to make recovery. I have looked over numerous manganese properties during the past two years, and these claims look the best of the lot.

My experience is manganese has been limited, but I have been associated with the following mines over a period of more than thirty years at various times:

Argonaut Mining Co.,Jackson, Calif. General Contractor
Walker Mines of California, General Contractor
Engeles Copper Mines, California, General Contractor
Crescent Mills, Calif., Supt. under Albert Burchs' supervision.
W. J. Loring & James Parks Mining interests, General Supt.
Eldorade Lime & Minerals (Calif. National Bank), Supt.

My associates in this venture are; Bernard Claggett, Accountant for the California Department of Finance, and Ralph Patterson a Sacramento businessman. I will supervise the exploration work.

We are now considered a partnership, but if the tests prove a good grade of ore in abundance, we will incorporate, install a mill and participate in the Government's Nationwide Carlot Manganese Program.

Ray LeFountain

Ray LeFountain
4001-44TH ST.
SACRAMENTO, CALIF

EXHIBIT C

BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

Estimate of Costs:

No work will be let to contractors with the possibly exception of the bulldozer operations, depending upon the best deal we can get. We have no equipment and no equipment will be rented. No new buildings or building repairs.

Bull-dozer and Operator 15 days at $100.00 per day	$1 500.00
One Miner and Helper 15 days at $30.00 per day	450.00
Compressor, 15 days at $15.00 per day	225.00
Fuel, Bits, Powder, Fuses and Caps	125.00
Engineers Report	500.00
Supervision (Myself)	250.00
Taxes and Insurance	150.00
Traveling Expenses	300.00
Total	$3500.00

My self and two partners, Mr. Claggett and Mr. Patterson are prepared to finance 25 per cent of the proposed cost or $875.00.

Ray LaFountain
Ray LaFountain
4001-44TH ST.
SACRAMENTO, CALIF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
S. 157 HOWARD ST.
Spokane 4, Wash.

OFFICIAL BUSINESS

MR 3 1954

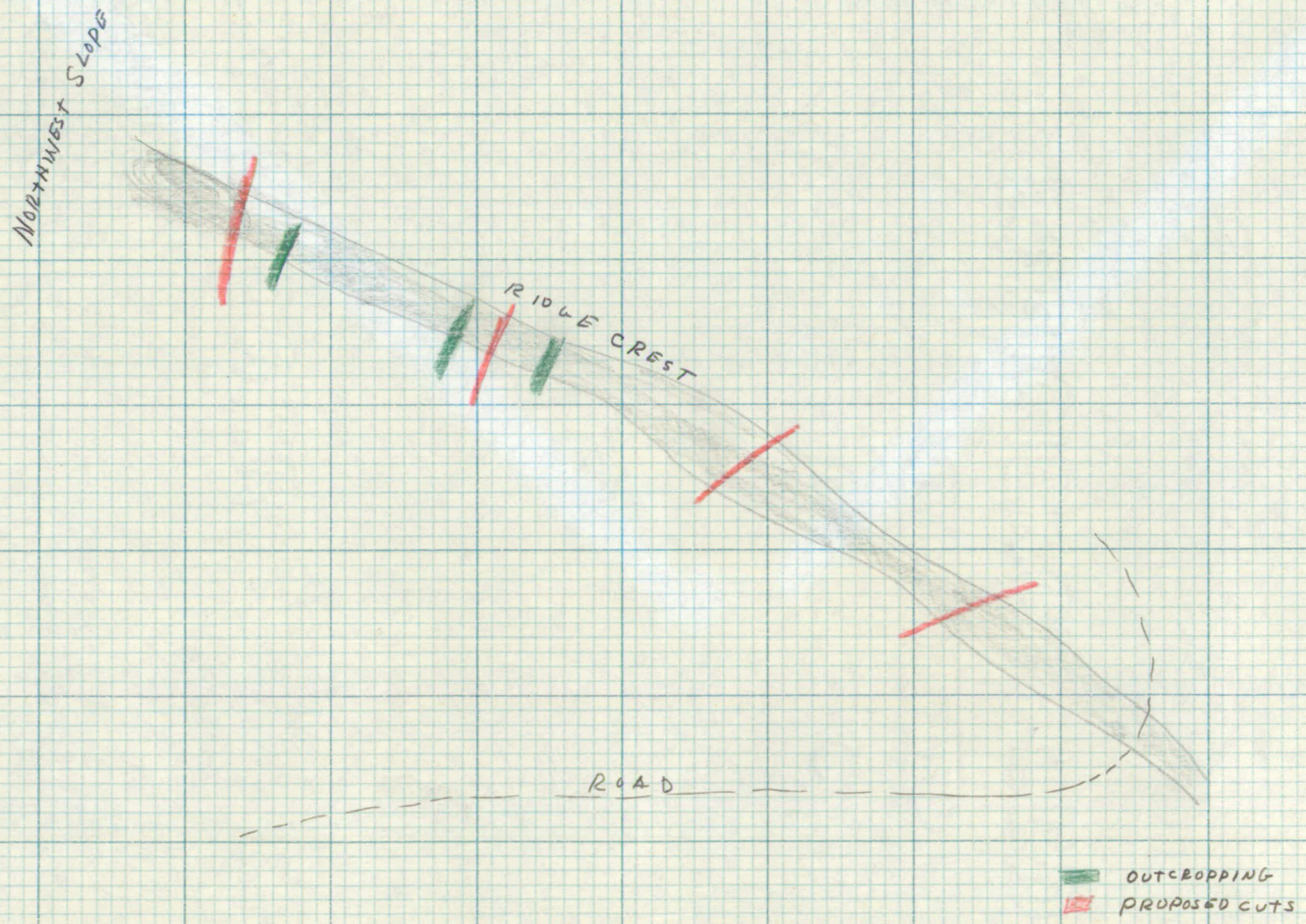
MR 3 1954

Mr. George C. Selfridge, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

DIMEA —
3274

Buckhorn Group of Claims
Plumas County, Calif.

EXHIBIT E



BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

EXHIBIT D

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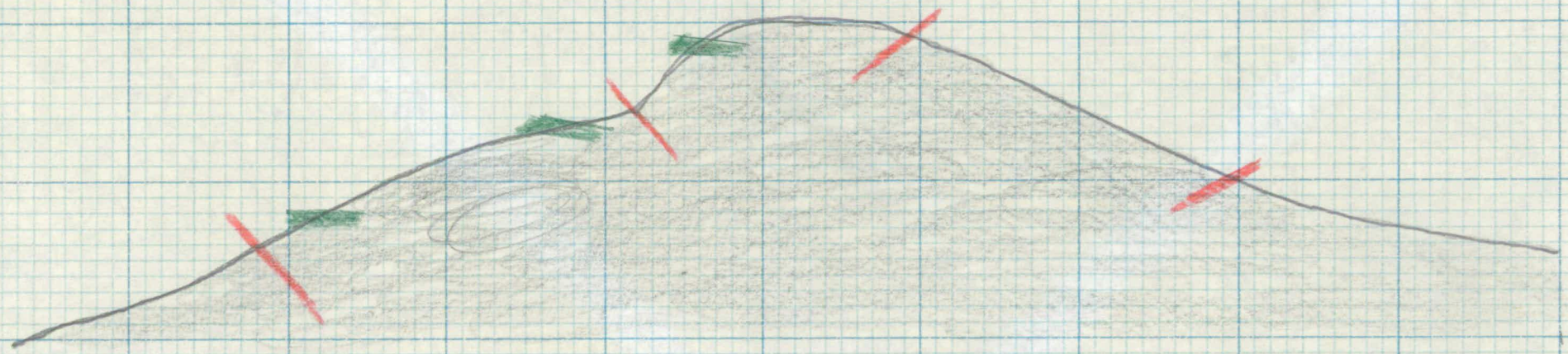


OUTCROPPING
PROPOSED CUTS

ROAD TO TOP OF HILL.

Buckhorn Group of Claims
Plumas County, Calif.

EXHIBIT E

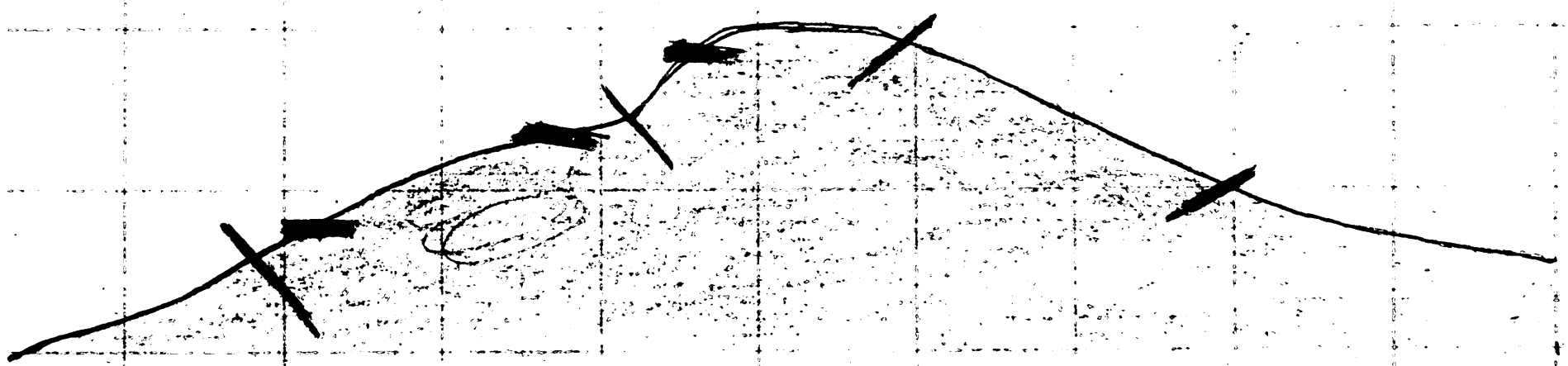
Buckhorn Group of Claims
Plumas County, Calif.

EXHIBIT E

BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

EXHIBIT D

1 " equals 300'



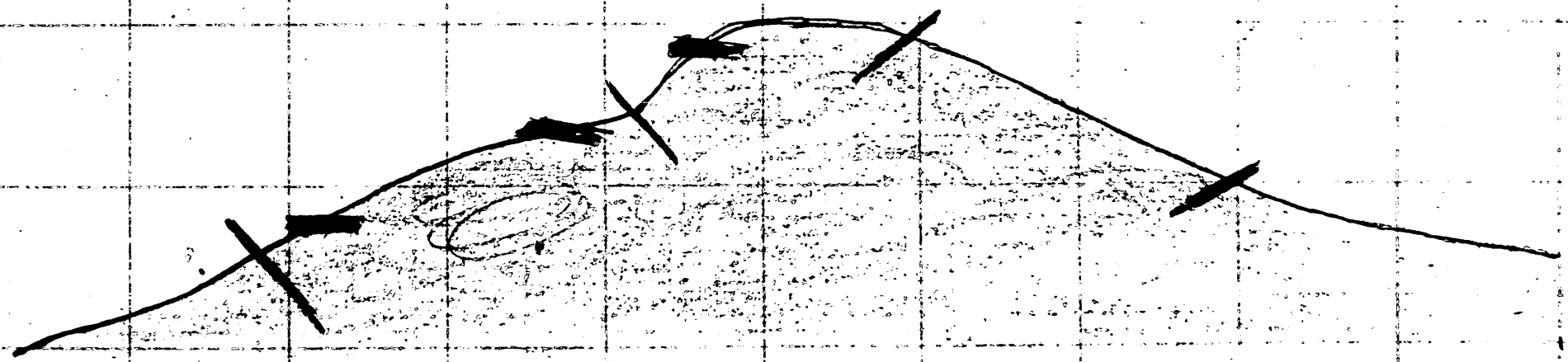
OUTCROPPING
PROPOSED CUTS

ROAD TO TOP OF HILL.

BUCKHORN GROUP OF CLAIMS
PLUMAS COUNTY, CALIF.

EXHIBIT D

1 " equals 300'



OUTCROPPING
PROPOSED CUTS

ROAD TO TOP OF HILL.