DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4270

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(Withdrawn)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

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

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

Left Side

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

Right Side

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

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

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

Left Side

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

Right Side

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

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

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

RECEIVED
JAN 17 1957
D.M.E.A.

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of MADERA, State of California, described as follows: 2/

Raynor Lease as follows -- T 8 S, R 17 E, M.D.M. -- All of Section 22 in Merced County, -- Section 23 W½W½SW¼. - Section 26 N½SW½ & W½W½NW½ & NE¼ in Merced County. -- Section 27 E3/4NE¼ & E3/4N½SE¼.

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1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

NONE

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated Nov 9,1955, and recorded in Book 52, Page 435, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: NONE (State "None" or "See Annex No.____")

Dated this 29th day of June, 1956.

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F J Stefanich

[Corporate Seal]

MF-205
(Combines and supercedes MF-201 and MF-203)
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F J Stefanich

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MF-205
(Combines and supersedes MF-201 and MF-203)
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MINE LEASE AND OPTION

THIS AGREEMENT, made and entered into as of the first day of October, 1955, between NELLIE M. RAYNOR, widow, RUTH R BLAIR, a married woman acting with and dealing in her own seperate estate, H.S.RAYNOR, and J.A.RAYNOR, Grantors, and GEOPHYSICAL RESEARCH LABORATORIES of Fresno, California, a limited partnership, and H. P. McCORMACK and CHARLES SCHMITZ, General Partners, Grantee,

W I T N E S S E T H:

That for and in consideration of the sum of Five Hundred ($500.00) Dollars, the receipt whereof is hereby acknowledged, and the payment of the royalties and rentals hereinafter provided for, and the faithful performance of the covenants and conditions herein set forth on the part of Grantee to be faithfully kept and performed, Grantors herein lease and let unto Grantee and do hereby grant to Grantee, an Option to Purchase all and singular all of the mines, minerals and mining rights of every kind and nature, with all the dips, spurs and angles of all mineral deposits thereon, together with the right to prospect for, mine and remove the same within all those certain lands situate, lying and being in the Counties of Mariposa and Merced, State of California, and more particularly described as follows:

Township 8 South, Range 17 East, M.D.M.

Section 22:

All of Northwest quarter (NW¼) in Mariposa County, All of Section in Merced County.

Section 23:

All of West half of West half of Southwest quarter (W½W½SW¼) in Merced County.

Section 26:

North half of Southwest quarter (N½SW¼), West half of West half of Northwest quarter (W½W½NW¼), and all of Northeast quarter (NE¼) in Merced County.

Section 27:

East three-quarters of Northeast quarter (E3/4NE¼),

CHAS. L. GILMORE
ATTORNEY AT LAW
SACRAMENTO, CAL.

and East three-quarters of North half of Southeast quarter (E3/4N½SE¼).

Containing 885 acres, more or less.

Excepting and reserving to Grantors all oil, gas and other hydrocarbon substances.

As part and parcel of the above grant, there is included in this Lease and Option the further grant to Grantee the right to follow any ore bodies which may be discovered in the above granted lands on the dip or strike thereof into and under the adjoining lands owned by Grantor, which additional grant shall be subject to all of the same conditions as herein expressed and is included in the purchase price herein set forth.

The terms and conditions of this Lease and Option are as follows:

1. The purchase price of the mineral deposits within the lands herein described and as above set forth, is and shall be the sum of Four Hundred Thousand ($400,000.00) Dollars, payable at the time and in the manner hereinafter set forth.

2. From and after the date hereof, Grantee is given and granted the sole and exclusive right of occupancy and possession of said granted minerals and mineral deposits, and of mining and removing the same, and treating them for their mineral content; and to that end, Grantee shall have the right and privilege of using so much of the surface of the above described premises for mining purposes, including the construction, maintenance and operation of surface facilities, for the excavation of theminerals underground and the treatment of the same and for the use of stockpiling or the storage of tailings resulting from such operations as may be necessary or essential; that for all acreage so used by Grantee for such uses in connection with the mining of minerals, Grantee shall pay to Grantors the sum of Fifty ($50.00) Dollars per acre for all of the acreage so used, utilized and occupied by Grantee; provided, however, that any area of one-quarter

CHAS. L. GILMORE
ATTORNEY AT LAW
SACRAMENTO, CAL.

(1/4) acre or less as a single unit may be occupied and used as above set forth by Grantee without payment; and provided, further, that any land which is used temporarily for core drilling or temporary prospecting, shall not be considered occupancy of surface by Grantee requiring payment therefor.

3. Grantee shall have the right to use any and all roads such as now exist upon said premises, and shall have the right to construct such additional roads as may be necessary for mining operations, and the further right to easements for such electrical transmission lines and pipelines as may be required by Grantee with the right in Grantee to bury such pipe at a depth below plow-level, it being understood and agreed that no charge shall be made for the ground so occupied by such easements.

4. The payment of the foregoing monies for occupation of the surface as set forth in Paragraph 2 hereof, is merely payment for the license and shall not under any set of circumstances be construed as a sale of the land so occupied; it being understood and agreed that nothing in this Lease and Option shall be construed to include the sale of any portion of the surface of said premises. Cessation of operations on the premises by Grantee for any period in excess of six months shall be deemed an abandonment of this Mine Lease and Option, and all of the lands and premises so occupied by Grantee as above set forth shall revert to Grantors free and clear of any license herein granted.

5. Where any existing road or any new road is constructed on said premises by Grantee, and the same shall intersect or cross any fence line, whether of boundary or otherwise, Grantee shall provide a gate or a cattle-guard of approved design at such fence crossing; and all such gates so provided shall at all times be kept closed.

6. This Lease and Option is made subject to any and all outstanding grazing leases, and with the reservation of all grazing

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rights on the surface of said lands; and to that end, Grantee shall either backfill or fence all cuts, trenches, shafts, holes or other excavations so as to prevent the entry therein of live-stock.

7. From and after the date hereof, Grantee shall enter in upon said premises and actively engage in the business of prospecting and drilling said premises for the purpose of discovery and of development of the granted minerals therein, and shall diligently conduct such work with the view of excavating and removing the same.

8. The purchase price of said premises shall be paid in installments as follows:

Out of all of the minerals of every kind and character extracted and sold from said premises, Grantee shall pay or cause to be paid to Grantors a royalty or percentage upon the gross value of the ore recovered therefrom according to the following scale:

Twenty (20%) per cent on all ores of the gross value of more than One Hundred ($100.00) Dollars per ton.

Ten (10%) per cent on all ores of the gross value of not less than Fifty ($50.00) Dollars nor more than One Hundred ($100.00) Dollars per ton.

Five (%5) per cent on all ores of the gross value of not less than Twenty-five ($25.00) Dollars nor more than Fifty ($50.00) Dollars per ton.

Three (3%) per cent on all ores of the gross value of less than Twenty-five ($25.00) Dollars per ton.

9. Said royalties shall be calculated and based upon the following formula:

A. Where the ores are sold direct without treatment by Grantee, royalties shall be calculated and paid upon the amount of money received by Grantee from each such sale.

B. If ores are crushed and treated for their mineral content by Grantee or by a third party under contract with Grantee, the royalties shall be calculated and paid on re-

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SACRAMENTO, CAL.

covered metallic values.

10. Grantee shall keep full, true and correct records of all ores mined and of all ores shipped and sold in the original state, as well as all ores stockpiled and of all ores milled. Likewise, such records shall show all sales of minerals and metals and all bills of lading. All smelter, mint or other memorandums or receipts shall likewise be held for the free examination by Grantors, together with the said other records, during any and all business hours. All royalties shall be paid by deposit by Grantee immediately upon receipt of the payment of each sale of ore or minerals, to the account of Grantors, with such depositary as may be from time to time be designated in writing by Grantors.

11. Grantee shall pay or cause to be paid to Grantors the following sums in the manner and at the time set forth as installments on the purchase price, which payments may be made in cash or in accrued royalties, and any royalty so paid shall be credited upon the installment and installments next becoming due at the times as follows:

On or before October 1, 1956, the sum of Four Thousand ($4,000.00) Dollars.

On or before October 1, 1957, the sum of Eight Thousand ($8,000.00) Dollars.

On or before October 1, 1958, the sum of Ten Thousand ($10,000.00) Dollars.

Annually thereafter, on or before October 1 of each year, Ten Thousand ($10,000.00) Dollars.

All payments, whether of cash or royalty, made hereunto to Grantors, shall be applied to and credited upon the purchase price of the said mineral deposits and rights herein set forth.

12. Upon full payment being made, Grantors shall deliver good and sufficient grant deed of all of the mineral deposits and

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rights herein set forth, and shall furnish Grantee with abstract of title or policy of title insurance showing clear and unencumbered title in Grantors subject only to the terms and conditions of this Lease and Option.

13. Grantors shall have the right from time to time to post and keep posted on any portion of the premises herein described, due and legal notices of non-responsibility, and to record the same.

14. Grantee shall be liable for and shall pay all taxes levied or assessed upon all machinery, equipment and supplies placed or used by it upon the said premises, as well as any and all taxes which may be levied or assessed against the minerals and mining rights herein leased and optioned if separation of such mineral deposits is made by any tax-collecting or assessing agency.

15. Grantee shall keep all employees employed in or about or in connection with the operations of Grantee fully insured under the Workmen's Compensation Insurance and Safety Acts of the State of California, in a solvent insurance company, and shall pay all premiums thereon; shall comply with all laws andregulations relating to withholding, Social Security, unemployment insurance, and other similar taxes levied by the State or Federal or any local government.

16. In the event of any claimed violation of any of the terms and conditions of this Lease and Option, Grantors shall give Grantee written notice specifying such claimed defaults; and if the same are not cured prior to the expiration of thirty days from service of such written notice on Grantee, all rights of Grantee hereunder shall cease and be at an end; and Grantors shall have the right with or without process of law to re-enter and repossess said premises and the whole thereof as in their first estate, ejecting any and all persons found thereon. Such notice to Grantee

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shall be complete with the deposit in the United States mail of such notice by Grantors addressed to Grantee at the address hereinafter set forth, with the postage prepaid thereon and mailed either as registered or as certified mail. Grantors have a first lien on any and all machinery, equipment and supplies of Grantee which may be upon the premises at the end of such thirty-day period or used in connection with operations on said premises, for the payment of any sums due and unpaid to Grantors or for any other monies due on obligations incurred by Grantee to third parties.

17. Nothing herein contained shall be construed as an absolute requirement of Grantee to mine or to operate said premises at all events, and Grantee shall have the right any time to abandon said premises and quitclaim the same to Grantors; and upon satisfaction of all claims due from Grantee hereunder, this Lease and Option shall be at an end and all liability of Grantee hereunder shall cease.

18. In the event of forfeiture or abandonment of this Lease and Option by Grantee, all monies theretofore paid Grantors hereunder shall be retained by Grantors as agreed rental for the use and occupation thereof by Grantee, and for the satisfaction of any and all damages to the surface done or suffered by Grantee.

19. Grantee shall be excused from the performance of every condition and covenant herein contained when such performance is prevented by weather conditions, strikes, acts of God, inability to obtain materials in the open market, adverse possession of said premises by persons claiming adversely to Grantors, or other causes beyond the control of Grantee.

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

FOR GRANTORS: J. A. Raynor, LeGrand, California.

FOR GRANTEE: H. P. McCormack, 1249 North Van Ness Avenue, Fresno,

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ATTORNEY AT LAW
SACRAMENTO, CAL.

California.

21. In the event of either forfeiture or abandonment of this Lease and Option by Grantee, Grantee shall have the right within sixty days from the date of such forfeiture or abandonment within which to remove from said premises all materials, equipment, building materials, structures, andsupplies placed thereon by by Grantee, except as to gates, fences and cattle guards.

22. This Lease is executed in duplicate and either shall be considered an original for all purposes herein contained, and each of its terms and conditions shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

23. Time is of the essence of this agreement.

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

RECORDED NOV.7,1955
Signed copy in office file

NELLIE M. RAYNOR

RUTH R. BLAIR

H.S.RAYNOR

J.A.RAYNOR
GRANTORS.

GEOPHYSICAL RESEARCH LABORATORIES of Fresno, California, a limited partnership,

H.P.MC CORMACK

CHAS SCHMITZ
General Partners,
GRANTEE.

CHAS. L. GILMORE
ATTORNEY AT LAW
SACRAMENTO, CAL.

GREDAR
USED EXCLUSIVELY

48 EL CERRITO AVENUE
SAN ANSELMO, CALIFORNIA
TELEPHONE GL 3-0394
LABORATORY

GEOPHYSICAL RESEARCH LABORATORIES

ESTABLISHED 1927

ROOM 417 FULTON-FRESNO BLDG.
PH. 2-0686 OR 6-1503

MINES - OIL - WATER - GAS
DETAIL UNDERGROUND
STRUCTURAL GEOLOGY

AGREEMENT EXTENDING PAYMENT DUE ON LEASE

THIS AGREEMENT, Made in Le Grand,California. between Nellie M, Raynor, a widow, Ruth R, Blair, H.S.Raynor, and J.A.Raynor, Grantors and Geophysical Research Laboratories of Fresno, California. a limited partnership, and H.P.McCormack general partner, grantee.

WHEREAS:- Grantee desires an extension of 6 months on payment due October 26,1956 and Grantor agrees to the extension of the payment to April 26 1957.

WHEREAS:- It is agreed by both parties that this shall not alter balance of payments when due in any manner whatsoever.

Nellie M Raynor

Ruth R Blair

J A Raynor

H S Raynor
Grantors
Geophysical Research Laboratories
a limited Partership

Chas Schmitz

H P McCormack
GRANTEE

ORIGINAL FILE COPY
DMEA
RECEIVED JAN 17 1957

DATE	INITIALS	CODE

DATE AUG 8 1956

RECEIVED
JAN 17 1957
D.M.E.A.

MINE LEASE AND OPTION

THIS AGREEMENT, made and entered into as of the 21st day of ost ,1956, between W. R. SCHWINN and MRS. W. R. SCHWINN of LE GRAND, CALIFORNIA, hereinafter referred to as SCHWINN, Grantors; and GEOPHYSICAL RESEARCH LABORATORIES OF FRESNO, CALIFORNIA, a limited partnership with H. P. MC CORMACK and CHARLES SCHMITZ as general partners, hereinafter referred to as GEOPHYSICAL, Grantee;

W I T N E S S E T H:

That for and in consideration of the sum of Five Hundred ($500.00) Dollars, the receipt whereof is hereby acknowledged, and the payment of the royalties and rentals hereinafter provided for, and the faithful performance of the covenants and conditions herein set forth on the part of Grantee to be faithfully kept and performed, Grantors herein lease and let unto Grantee and do hereby grant to Grantee, an Option to Purchase all and singular all of the mines, minerals and mining rights of every kind and nature, with all the dips, spurs and angles of all mineral deposits thereon, together with the right to prospect for, mine and remove the same within all those certain lands situate, lying and being in the Counties of Mariposa and Merced, State of California, and more particularly described as follows:

Township 8 South, Range 17 East, M.D.M.

Section 15:

The Southwest quarter,
Approximately 160 acres.

Section 16:

The Southeast quarter.
Approximately 160 acres:

Section 21:

All of the Section in Merced and Mariposa Counties.
Approximately 640 acres:

Section 20:

The East half.
The East half and the East half of the Southwest quarter of the Northwest quarter.
Approximately 437 acres:

Totaling approximately 1,388 acres all located in the State of California.

Excepting and reserving to Grantors all oil, gas and other hydrocarbon substances.

As part and parcel of the above grant, there is included in this Lease and Option the further grant to Grantee the right to follow any ore bodies which may be discovered in the above granted lands on the dip or strike thereof into and under the adjoining lands owned by Grantor, which additional grant shall be subject to all of the same conditions as herein expressed and is included in the purchase price herein set forth.

The terms and conditions of this Lease and Option are as follows:

1. The purchase price of the mineral deposits within the lands herein described and as above set forth, is and shall be the sum of Four Hundred Thousand ($400,000.00) Dollars, payable at the time and in the manner hereinafter set forth.

2. From and after the date hereof, Grantee is given and granted the sole and exclusive right of occupancy and possession of said granted minerals and mineral deposits, and of mining and removing the same, and treating them for their mineral content; and to that end, Grantee shall have the right and privilege of using so much of the surface of the above described premises for mining purposes, including the construction, maintenance and operation of surface facilities, for the excavation of the minerals underground and the treatment of the same and for the use of stockpiling or the storage of tailings resulting from such operations as may be necessary or essential; that for all acreage so used by Grantee for such uses in connection with the mining of minerals, Grantee shall pay to Grantors the sum of Fifty ($50.00) Dollars per acre for all of the acreage so used, utilized and occupied by Grantee; provided, however, that any area of one-quarter

(1/4) acre or less as a single unit may be occupied and used as above set forth by Grantee without payment; and provided, further, that any land which is used temporarily for core drilling or temporary prospecting, shall not be considered occupancy of surface by Grantee requiring payment therefor.

3. Grantee shall have the right to use any and all roads such as now exist upon said premises, and shall have the right to construct such additional roads as may be necessary for mining operations, and the further right to easements for such electrical transmission lines and pipelines as may be required by Grantee with the right in Grantee to bury such pipe at a depth below plow-level, it being understood and agreed that no charge shall be made for the ground so occupied by such easements.

4. The payment of the foregoing monies for occupation of the surface as set forth in Paragraph 2 hereof, is merely payment for the license and shall not under any set of circumstances be construed as a sale of the land so occupied; it being understood and agreed that nothing in this Lease and Option shall be construed to include the sale of any portion of the surface of said premises. Cessation of operations on the premises by Grantee for any period in excess of six months shall be deemed an abandonment of this Mine Lease and Option, and all of the lands and premises so occupied by Grantee as above set forth shall revert to Grantors free and clear of any license herein granted.

5. Where any existing road or any new road is constructed on said premises by Grantee, and the same shall intersect or cross any fence line, whether of boundary or otherwise, Grantee shall provide a gate or a cattle-guard of approved design at such fence crossing; and all such gates so provided shall at all times be kept closed.

6. This Lease and Option is made subject to any and all outstanding grazing leases, and with the reservation of all grazing

rights on the surface of said lands; and to that end, Grantee shall either backfill or fence all cuts, trenches, shafts, holes or other excavations so as to prevent the entry therein of livestock.

7. From and after the date hereof, Grantee shall enter in upon said premises and actively engage in the business of prospecting and drilling said premises for the purpose of discovery and of development of the granted minerals therein, and shall diligently conduct such work with the view of excavating and removing the same.

8. The purchase price of said premises shall be paid in installments as follows:

Out of all of the minerals of every kind and character extracted and sold from said premises, Grantee shall pay or cause to be paid to Grantor a royalty or percentage upon the gross value of the ore recovered therefrom according to the following scale:

Twenty (20%) per cent on all ores of the gross value of more than One Hundred ($100.00) Dollars per ton.

Ten (10%) per cent on all ores of the gross value of not less than Fifty ($50.00) Dollars nor more than One Hundred ($100.00) Dollars per ton.

Five (%5) per cent on all ores of the gross value of not less than Twenty-five ($25.00) Dollars nor more than Fifty ($50.00) Dollars per ton.

Three (3%) per cent on all ores of the gross value of less than Twenty-five ($25.00) Dollars per ton.

9. Said royalties shall be calculated and based upon the following formula:

A. Where the ores are sold direct without treatment by Grantee, royalties shall be calculated and paid upon the amount of money received by Grantee from each such sale.

B. If ores are crushed and treated for their mineral content by Grantee or by a third party under contract with Grantee, the royalties shall be calculated and paid on re-

covered metallic values, mill, smelter or mint returns.

10. Grantee shall keep full, true and correct records of all ores mined and of all ores shipped and sold in the original state, as well as all ores stockpiled and of all ores milled. Likewise, such records shall show all sales of minerals and metals and all bills of lading. All smelter, mint or other memorandums or receipts shall likewise be held for the free examination by Grantors, together with the said other records, during any and all business hours. All royalties shall be paid by deposit by Grantee immediately upon receipt of the payment of each sale of ore or minerals, to the account of Grantors, with such depositary as may be from time to time be designated in writing by Grantors.

11. Grantee shall pay or cause to be paid to Grantors the following sums in the manner and at the time set forth as installments on the purchase price, which payments may be made in cash or in accrued royalties, and any royalty so paid shall be credited upon the installment and installments next becoming due at the times as follows:

On or before October 1, 1956, the sum of Four Thousand ($4,000.00) Dollars.

On or before October 1, 1957, the sum of Eight Thousand ($8,000.00) Dollars.

On or before October 1, 1958, the sum of Ten Thousand ($10,000.00) Dollars.

Annually thereafter, on or before October 1 of each year, Ten Thousand ($10,000.00) Dollars.

All payments, whether of cash or royalty, made hereunto to Grantors, shall be applied to and credited upon the purchase price of the said mineral deposits and rights herein set forth.

12. Upon full payment being made, Grantors shall deliver good and sufficient grant deed of all of the mineral deposits and

rights herein set [illegible] and shall furnish Gr[illegible]ith abstract of title or policy of title insurance showing clear and unencumbered title in Grantors subject only to the terms and conditions of this Lease and Option.

13. Grantors shall have the right from time to time to post and keep posted on any portion of the premises herein described, due and legal notices of non-responsibility, and to record the same.

14. Grantee shall be liable for and shall pay all taxes levied or assessed upon all machinery, equipment and supplies placed or used by it upon the said premises, as well as any and all taxes which may be levied or assessed against the minerals and mining rights herein leased and optioned if separation of such mineral deposits is made by any tax-collecting or assessing agency.

15. Grantee shall keep all employees employed in or about or in connection with the operations of Grantee fully insured under the Workmen's Compensation Insurance and Safety Acts of the State of California, in a solvent insurance company, and shall pay all premiums thereon; shall comply with all laws andregulations relating to withholding, Social Security, unemployment insurance, and other similar taxes levied by the State or Federal or any local government.

16. In the event of any claimed violation of any of the terms and conditions of this Lease and Option, Grantors shall give Grantee written notice specifying such claimed defaults; and if the same are not cured prior to the expiration of thirty days from service of such written notice on Grantee, all rights of Grantee hereunder shall cease and be at an end; and Grantors shall have the right with or without process of law to re-enter and repossess said premises and the whole thereof as in their first estate, ejecting any and all persons found thereon. Such notice to Grantee

shall be complete with the deposit in the United States mail of such notice by Grantors addressed to Grantee at the address hereinafter set forth, with the postage prepaid thereon and mailed either as registered or as certified mail. Grantors have a first lien on any and all machinery, equipment and supplies of Grantee which may be upon the premises at the end of such thirty-day period or used in connection with operations on said premises, for the payment of any sums due and unpaid to Grantors or for any other monies due on obligations incurred by Grantee to third parties.

17. Nothing herein contained shall be construed as an absolute requirement of Grantee to mine or to operate said premises at all events and Grantee shall have the right any time to abandon said premises and quitclaim the same to Grantors; and upon satisfaction of all claims due from Grantee hereunder, this Lease and Option shall be at an end and all liability of Grantee hereunder shall cease.

18. In the event of forfeiture or abandonment of this Lease and Option by Grantee, all monies theretofore paid Grantors hereunder shall be retained by Grantors as agreed rental for the use and occupation thereof by Grantee, and for the satisfaction of any and all damages to the surface done or suffered by Grantee.

19. Grantee shall be excused from the performance of every condition and covenant herein contained when such performance is prevented by weather conditions, strikes, acts of God, inability to obtain materials in the open market, adverse possession of said premises by persons claiming adversely to Grantors, or other causes beyond the control of Grantee.

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

FOR GRANTORS: W. R. SCHWINN , LeGrand, California.

FOR GRANTEE: H. P. McCormack, 1249 North Van Ness Avenue, Fresno,

California.

21. In the event of either forfeiture or abandonment of this Lease and Option by Grantee, Grantee shall have the right within sixty days from the date of such forfeiture or abandonment within which to remove from said premises all materials, equipment, building materials, structures, andsupplies placed thereon by by Grantee, except as to gates, fences and cattle guards.

22. This Lease is executed in duplicate and either shall be considered an original for all purposes herein contained, and each of its terms and conditions shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

23. Time is of the essence of this agreement.

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

Extension is granted on this lease agreement to April 21st 1957 upon the payment of $500,00 Receipt of which is hereby acknowledged.

W.R.Schwinn

Mrs W.R.Schwinn

W. R. Schwinn

Mrs. W. R. Schwinn

GRANTORS.

GEOPHYSICAL RESEARCH LABORATORIES of Fresno, California, a limited partnership,

Chas Schmitz

H.P.McCormack

General Partners,
GRANTEE.

RECEIVED
JAN 17 1957
D.MEA

MINE LEASE AND OPTION

RECEIVED
JUL 19 1956

THIS AGREEMENT, made and entered into as of the 26th day of October, 1955, between NELLIE M. RAYNOR, widow, RUTH R. BLAIR, a married woman acting with and dealing in her own separate estate, H. S. RAYNOR, and J. A. RAYNOR, Grantors, and GEOPHYSICAL RESEARCH LABORATORIES of Fresno, California, a limited partnership, and W. P. McCORMACK and CHARLES SCHMITZ, General Partners, Grantee,

W I T N E S S E T H:

That for and in consideration of the sum of Five Hundred ($500.00) Dollars, the receipt whereof is hereby acknowledged, and the payment of the royalties and rentals hereinafter provided for, and the faithful performance of the covenants and conditions herein set forth on the part of Grantee to be faithfully kept and performed, Grantors herein lease and let unto Grantee and do hereby grant to Grantee, an Option to Purchase all and singular all of the mines, minerals and mining rights of every kind and nature, with all the dips, spurs and angles of all mineral deposits thereon, together with the right to prospect for, mine and remove the same within all those certain lands situate, lying and being in the Counties of Mariposa and Merced, State of California, and more particularly described as follows:

Township 8 South, Range 17 East, M.D.M.

Section 22:

All of section 22 in Madera County. -- Sect 23 in Mariposa County.
w½W½SW¼. Section 26 N½SW½ & W½W½NW½ & NE¼ in Merced County.
SEction 27 E3/4NE¼ & E3/4N½ SE¼.

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Excepting and reserving to Grantors all oil, gas and other hydrocarbon substances.

As part and parcel of the above grant, there is included in this Lease and Option the further grant to Grantee the right to follow any ore bodies which may be discovered in the above granted lands on the dip or strike thereof into and under the adjoining lands owned by Grantor, which additional grant shall be subject to all of the same conditions as herein expressed and is included in the purchase price herein set forth.

The terms and conditions of this Lease and Option are as follows:

1. The purchase price of the mineral deposits within the lands herein described and as above set forth, is and shall be the sum of Four Hundred Thousand ($400,000.00) Dollars, payable at the time and in the manner hereinafter set forth.

2. From and after the date hereof, Grantee is given and granted the sole and exclusive right of occupancy and possession of said granted minerals and mineral deposits, and of mining and removing the same, and treating them for their mineral content; and to that end, Grantee shall have the right and privilege of using so much of the surface of the above described premises for mining purposes, including the construction, maintenance and operation of surface facilities, for the excavation of the minerals underground and the treatment of the same and for the use of stockpiling or the storage of tailings resulting from such operations as may be necessary or essential; that for all acreage so used by Grantee for such uses in connection with the mining of minerals, Grantee shall pay to Grantors the sum of Fifty ($50.00) Dollars per acre for all of the acreage so used, utilized and occupied by Grantee; provided, however, that any area of one-quarter

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CHAS. L. GILMORE

(1/4) acre or less as a single unit may be occupied and used as above set forth by Grantee without payment; and provided, further, that any land which is used temporarily for core drilling or temporary prospecting, shall not be considered occupancy of surface by Grantee requiring payment therefor.

3. Grantee shall have the right to use any and all roads such as now exist upon said premises, and shall have the right to construct such additional roads as may be necessary for mining operations, and the further right to easements for such electrical transmission lines and pipelines as may be required by Grantee with the right in Grantee to bury such pipe at a depth below plow-level, it being understood and agreed that no charge shall be made for the ground so occupied by such easements.

4. The payment of the foregoing monies for occupation of the surface as set forth in Paragraph 2 hereof, is merely payment for the license and shall not under any set of circumstances be construed as a sale of the land so occupied; it being understood and agreed that nothing in this Lease and Option shall be construed to include the sale of any portion of the surface of said premises. Cessation of operations on the premises by Grantee for any period in excess of six months shall be deemed an abandonment of this Mine Lease and Option, and all of the lands and premises so occupied by Grantee as above set forth shall revert to Grantors free and clear of any license herein granted.

5. Where any existing road or any new road is constructed on said premises by Grantee, and the same shall intersect or cross any fence line, whether of boundary or otherwise, Grantee shall provide a gate or a cattle-guard of approved design at such fence crossing; and all such gates so provided shall at all times be kept closed.

6. This Lease and Option is made subject to any and all outstanding grazing leases, and with the reservation of all grazing

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rights on the surface of said lands; and to that end, Grantee shall either back fill or fence all cuts, trenches, shafts, holes or other excavations so as to prevent the entry therein of livestock.

7. From and after the date hereof, Grantee shall enter in upon said premises and actively engage in the business of prospecting and drilling said premises for the purpose of discovery and of development of the granted minerals therein, and shall diligently conduct such work with the view of excavating and removing the same.

8. The purchase price of said premises shall be paid in installments as follows:

Out of all of the minerals of every kind and character extracted and sold from said premises, Grantee shall pay or cause to be paid to Grantors a royalty or percentage upon the gross value of the ore recovered therefrom according to the following scale:

Twenty (20%) per cent on all ores of the gross value of more than One Hundred ($100.00) Dollars per ton.

Ten (10%) per cent on all ores of the gross value of not less than Fifty ($50.00) Dollars nor more than One Hundred ($100.00) Dollars per ton.

Five (%5) per cent on all ores of the gross value of not less than Twenty-five ($25.00) Dollars nor more than Fifty ($50.00) Dollars per ton.

Three (3%) per cent on all ores of the gross value of less than Twenty-five ($25.00) Dollars per ton.

9. All royalties shall be calculated and based upon the following formula:

A. Where the ores are sold direct without treatment by Grantee, royalties shall be calculated and paid upon the amount of money received by Grantee from each such sale.

B. If ores are crushed and treated for their mineral content by Grantee or by a third party under contract with Grantee, the royalties shall be calculated and paid on re-

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CHAS L. GILMORE

covered metallic values.

10. Grantee shall keep full, true and correct records of all ores mined and of all ores shipped and sold in the original state, as well as all ores stockpiled and of all ores milled. Likewise, such records shall show all sales of minerals and metals and all bills of lading. All smelter, mint or other memorandums or receipts shall likewise be held for the free examination by Grantors, together with the said other records, during any and all business hours. All royalties shall be paid by deposit by Grantee immediately upon receipt of the payment of each sale of ore or minerals, to the account of Grantors, with such depositary as may be from time to time be designated in writing by Grantors.

11. Grantee shall pay or cause to be paid to Grantors the following sums in the manner and at the time set forth as installments on the purchase price, which payments may be made in cash or in accrued royalties, and any royalty so paid shall be credited upon the installment and installments next becoming due at the times as follows:

On or before October 1, 1956, the sum of Four Thousand ($4,000.00) Dollars.

On or before October 1, 1957, the sum of Eight Thousand ($8,000.00) Dollars.

On or before October 1, 1958, the sum of Ten Thousand ($10,000.00) Dollars.

Annually thereafter, on or before October 1 of each year, Ten Thousand ($10,000.00) Dollars.

All payments, whether of cash or royalty, made hereunto to Grantors, shall be applied to and credited upon the purchase price of the said mineral deposits and rights herein set forth.

12. Upon full payment being made, Grantors shall deliver good and sufficient grant deed of all of the mineral deposits and

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CHAS. L. GILMORE
ATTORNEY AT LAW

rights herein set forth, and shall furnish Grantee with abstract of title or policy of title insurance showing clear and unencumbered title in Grantors subject only to the terms and conditions of this Lease and Option.

13. Grantors shall have the right from time to time to post and keep posted on any portion of the premises herein described, due and legal notices of non-responsibility, and to record the same.

14. Grantee shall be liable for and shall pay all taxes levied or assessed upon all machinery, equipment and supplies placed or used by it upon the said premises, as well as any and all taxes which may be levied or assessed against the minerals and mining rights herein leased and optioned if separation of such mineral deposits is made by any tax-collecting or assessing agency.

15. Grantee shall keep all employees employed in or about or in connection with the operations of Grantee fully insured under the Workmen's Compensation Insurance and Safety Acts of the State of California, in a solvent insurance company, and shall pay all premiums thereon; shall comply with all laws andregulations relating to withholding, Social Security, unemployment insurance, and other similar taxes levied by the State or Federal or any local government.

16. In the event of any claimed violation of any of the terms and conditions of this Lease and Option, Grantors shall give Grantee written notice specifying such claimed defaults; and if the same are not cured prior to the expiration of thirty days from service of such written notice on Grantee, all rights of Grantee hereunder shall cease and be at an end; and Grantors shall have the right with or without process of law to re-enter and repossess said premises and the whole thereof as in their first estate, ejecting any and all persons found thereon. Such notice to Grantee

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CHAS. W. BILMORE

shall be complete with the deposit in the United States mail of such notice by Grantors addressed to Grantee at the address hereinafter set forth, with the postage prepaid thereon and mailed either as registered or as certified mail. Grantors have a first lien on any and all machinery, equipment and supplies of Grantee which may be upon the premises at the end of such thirty-day period or used in connection with operations on said premises, for the payment of any sums due and unpaid to Grantors or for any other monies due on obligations incurred by Grantee to third parties.

17. Nothing herein contained shall be construed as an absolute requirement of Grantee to mine or to operate said premises at all events and Grantee shall have the right any time to abandon said premises and quitclaim the same to Grantors; and upon satisfaction of all claims due from Grantee hereunder, this Lease and Option shall be at an end and all liability of Grantee hereunder shall cease.

18. In the event of forfeiture or abandonment of this Lease and Option by Grantee, all monies theretofore paid Grantors hereunder shall be retained by Grantors as agreed rental for the use and occupation thereof by Grantee, and for the satisfaction of any and all damages to the surface done or suffered by Grantee.

19. Grantee shall be excused from the performance of every condition and covenant herein contained when such performance is prevented by weather conditions, strikes, acts of God, inability to obtain materials in the open market, adverse possession of said premises by persons claiming adversely to Grantors, or other causes beyond the control of Grantee.

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

FOR GRANTORS: J. A. Raynor, LeGrand, California.

FOR GRANTEE: H. P. McCormack, 1249 North Van Ness Avenue, Fresno,

NOV 4 - 1955

CHAS. L. GILMORE

21. In the event of either forfeiture or abandonment of this Lease and Option by Grantee, Grantee shall have the right within sixty days from the date of such forfeiture or abandonment within which to remove from said premises all materials, equipment, building materials, structures, andsupplies placed thereon by by Grantee, except as to gates, fences and cattle guards.

22. This Lease is executed in duplicate and either shall be considered an original for all purposes herein contained, and each of its terms and conditions shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

23. Time is of the essence of this agreement.

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

18335

Nellie M. Raymer

Ruth R. Blair

Howard S. Raymer

J. A. Raymer

GRANTORS.

RECORDED BY
Geophysical Research
NOV 4 - 1955 AT 1:58
VOL 1231 PAGE 257
OFF'L RECORDS OF MERCED
COUNTY, CALIFORNIA
JESSE M. SMITH, SR.
Recorder
Ellen Latour Deputy
5.00 pr

GEOPHYSICAL RESEARCH LABORATORIES of Fresno, California, a limited partnership,

General Partners,
GRANTEE.

Recorded at the Request of
Geophysical Research
Nov. 9 1955 at 9 min.
past 9 A.M. in
Vol. 52 Official Records
page 435
Mariposa County Records
Harold J. Rowney
Recorder
Deputy Recorder
Fee $ 5.00

NOV 4 - 1955

18335

HAS. L. GILMORE
ATTORNEY AT LAW

R m E a

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

RECEIVED
APR 26 1956

1605 Evans Avenue
Reno, Nevada

April 24, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Titanium - Rutile-Brookite?)
Gerleco Co., Inc.
Gerleco Mines
Merced County, California

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

You have copies of my letter of April 13, 1956 to this applicant and I am attaching two copies of my letter of April 24 to the applicant relative to the same subject.

S. Ricker

Attach.

BUREAU OF MINES
WASHINGTON, D. C.

APR 26 9 20 AM '56

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

RECEIVED
APR 26 1956

1605 Evans Avenue
Reno, Nevada

April 24, 1956

Gerelco Co., Inc.
1249 N. Van Ness
Fresno, California

Gentlemen:

Re: Loan Application - Gerelco mines

We acknowledge receipt of your letter of April 17 and your application has been forwarded to Washington.

Personally, I cannot understand why you do not start mining and producing if you have 1,500,000 tons of developed ore carrying 16 to 20 percent titanium oxides principally in the form of Brookite and Rutile. Our Washington office will probably inquire as to the method of your metallurgical determination of the Brookite and Rutile content and request additional data.

In the meantime, we at this office would appreciate receiving a 5 to 10 pound sample of the representative material you intend to mine.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

SRicker:gh
cc: Opr. Com., DMEA, Wash., D.C.
R. M. Smith
File

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 26 1956

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

Not to be filled in by applicant

Docket No. DMEA-4270
Metal or Mineral ~~Uranium~~ Rutile Graphite
Date Received April 30, 1956
Estimated Cost $no amount given
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: GERELCO CO.Inc,. A Nevada Corporation. 1249 N.Van Ness Fresno Calof,. By Harlan Johnson Secy,. 625 N.Fulton Fresno Cal Officers and Directors sheet (1)

(*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. Sheet (1)

(*d*) If a partnership, add to the above statement the names and addresses of all partners. None

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 Mine located at Le Grand Calif.Merced Township 8 South,Range 17 East,M.D.B.M Section 23. All of west half of west half of southwest quarter. (W½.W½.SW¼.

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Purchaser under contract of surface mineral rights.

(*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. See inclosed lease. 1st pg # 26.

(*e*) If you own the land, describe any liens or encumbrances on it None at this time.

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

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. Prospecting only

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None

(*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. See inclosed maps attached.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. On County hiway.6 mi.from S.F.R.R. 8 Mi from town.Ideal location.

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

16—66551-1

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Zirconium-Strontium-Uranium-Titanium

(*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 See attached map 10 days and be completed within 24 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: See inclosed sheet

(*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. None

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

(*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. See inclosed sheet

(*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. See inclosed sheet

(*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. None

(*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. None

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

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?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on accompanying paper. X

Furnishing Diamond Core Drill Rig and all equipment needed, water truck, truck, surveying equipment. Dozer, Geophysical equipment.

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 _____, 195__

GERELCO Co. Inc.

By _____

Merlan Johnson

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

GREDAR

RECEIVED

APR 26 1956

GEOPHYSICAL RESEARCH EXPLORATION CO.

ESTABLISHED 1927

DETAIL UNDERGROUND
STRUCTURAL GEOPHYSICS
MINES - OIL - WATER
0 - 9000 FEET

1249 N.Van Ness
Fresno Calif,.

SPECTROGRAPHIC
ASSAYS

ENGINEERING
SURVEYING - DIAMOND DRILLING

Apr 17 56

REFER TO	NOTED	DATE
S Ricker		
ANSWERED		

DMEA
1605 Evans Av
Reno Nevada.
Att.S.Ricker

Dear sir;-

Replying to yours of the 13th relat- to additional information.

Inclosed is work sheet used on the project we filed. You will note the Geiger Counter readings which in this particular area indicate the ore,on the map youwill see
6 This means the counter was set on the
.25-4 .25 scale.Radiation on that scale was
4 points on the meter.The number 6 on top was the station location on the map.We found 10 to 15 points on the meter to be high in Titanium,Zirconium,Uranium, Strontium and some of the rare earths,3 to 6 not too good or lacking in one or more of the other minerals. The entire job is done with the counter,by short wave mineral lights and spectrographic assaying,later we used chemical assaying. Also note spectrographic assays on sheeet correlating to the station numbers. Additional assay sheets are enclosed of surrounding areas not marked as stations.

We have already diamond core drilled 1.500.000 tons of ore across the road from this and trend of mineralization is to this area also sampling shows this to be the case we are desirous of doing the same here,we believe this will show a much larger body of ore.

The formation is sandstone,Ione,and the mineralization is laying in bedded zones from a few inches to many feet.

Marin County

GREDAR

GEOPHYSICAL RESEARCH EXPLORATION CO.

ESTABLISHED 1927

DETAIL UNDERGROUND
STRUCTURAL GEOPHYSICS
MINES - OIL - WATER
0 - 9000 FEET

SPECTROGRAPHIC
ASSAYS

ENGINEERING
SURVEYING - DIAMOND DRILLING

and showing all over the surface,many rich samples have been taken from this mountain.

We estimate that it will require about $200.000.00 to satisfactorily drill this area as it is nearly a mile long and if we use a grid will take at least two years to do the job. Using a grid and the same application as you do for Uranium seems to be the best proven method. 24 stations are noted on the map and we will drill these stations first from that data we can determine future drill holes but it would be rather jumping the gunto go any further than what we have outlined at this time,results obtained from this drilling will govern future work. We expect to drill to 200 feet.

Experience has proven that core drilling will run from $5.50 per foot to $12.50 per foot reason for this is the Titamium ore in sandstone is pretty rough on bits and we hit a soft sand that has to be mudded off and is from a few feet thick to 57' thick,it is a caving sand and impossible to core without mud,this requires special pumps and takes time to mud it tight. We have found this better than piping it as you cannot get the pipe thru in a straight line the very soft sand forces the pipe every which ways. On top of that we have to haul water several miles and sometimes is very hard to get.

The Titanium is Rutile and Brookite a little Illmenite.Zirconium is carrying from a trace to 2% in Hafnium.Uranium has been from 001 to 1.07.Strontium we pay no attention to Iron runs from 2% to 34%. So far this is apparently the only large discovery in California. It flouresces a beautiful golden color and looks like some one had salt and peppered it. Many specimens taken you cannot pan even dirt off of it.

Sincerely,

Answering for Mr Johnson H.P.McCormack
cc/f7/j/mC

LABORATORY: 48 EL CERRITO SAN ANSELMO, CALIF.

OFFICE: 510 BATTERY SAN FRANCISCO, CALIF.

MAIN OFFICE: 417 FULTON-FRESNO
FIELD OFFICE: 1249 N. VAN NESS-FRESNO

GERELCO CO., INC.
FRESNO, CALIFORNIA
1249 N. Van Ness
Fresno, California

April 10 56

#5

(d) This is the same crew that developed the property across the road and are well equipped with every known type of geophysical,core drills,dozers etc to make a very thorough job of it. They have all been in the mining field for many years.Mr H.P.McCormack,manager of outfit developed the Stockton Hill Mine near Auburn. Jamison Mine at Johnsville.Operated.Boulder Hill mine at Wellington Nevada.Nevada Tailings Reduction at Silver city.Nevada. Has had over 25 years of Geophysical work in western mining. He is also the founder and developed the mine across the road.

#6

(b)

Drillers	(2)	Scale	$100	week
Helpers	2	"	90	"
Map-sample	1	"	100	"
Supervision	1	"	100	
Geologist	1	"	40	(Part time Fresno State) geologist

(c)

None required as outfit is complete in detail.

(d)

Core drilling rig is complete in all details.No additional equipment is required.

Cost sheet;-	Core drilling rig rental	$75.00	day
	Dozer. $10.00 hr	80.00	"
	2 Service trucks $3.00 hr	24.00	"

Gas,Oil,Drill Bits,Operating expenses,Fish jobs, Insurance,Rental of office,repairs to equipment, Approx , $85.00 per day

(g)

Cost of repairs and maintenance	$85.00 day.
Cost of Accounting,	$
Cost of Insurance (Compensation)	$
Cost of Insurances (Liability)	$
Cost of Analytical	$

(h)

Contingencies approx 5% of gross.

GERELCO CO., INC.
FRESNO, CALIFORNIA
1249 N. Van Ness
Fresno, California

Large ore bodies in bedded sandstone were drilled across the road from this property and it is the opinion of most that the ore continues thru this mountain,therefore the drilling program and extent..It will require drilling about 3/4 mile wide by ½ mile long and from 25' to 200' in depth.

The company doing the work has a fully equipped outfit and trained personel,they are equipped to take all necessary electronic logs of the hole and have the latest equipment in geophysics and what is worth more is they know how to use it have been in the field for over 25 years.

It has been estimated that over 1.500.000 tons of Titanium, Zirconium,Uranium,Strontium were drilled in the first hill and that this hill could contain even more than that amount If so then this area would contain one of the largest mines of its kind in the U.S.Naturally we are very anxious to determine this.

Sincerely

H.Johnson Secy
Gerelco Co.Inc.

FORM 95

INFORMATION REQUESTED CONCERNING SAMPLES SUBMITTED FOR EXAMINATION

RECEIVED APR 26 1956

1. Name of property from which sample was obtained GERELCO
2. Owner(s) name(s) and address(es) GERELCO CO. Inc,.
3. Operator(s) name(s) and address(es) GERELCO CO.Inc. 1249 N.Van Nes Fresno Calif,.
4. Location from which sample was taken:

Section 23 Claim or Mine
Township 8 South Mining District
Range 17 East County Merced
Quadrange State California
Distance from railroad or highway On Hiway. 6 Mi to S.F.RR
Means of access (road, trail,ect.) Hiway in front of mine
Is the accessibility to this location easy very, fairly easy _____, or difficult _____?

5. Amount of development (list trenches, shafts, tunnels, etc: state if still in condition to examine none

6. Is sample a concentrate ? Both
If so, what % of the original material does this sample represent? 98%
7. Geologic and mineralogic environment of sample:

a) Did sample occur:
in veins or small veinlets _____; as coatings along fractures ___
in pegmatite dikes _____; as placer sands or gravels ___
in bedded sedimentary rocks x; in opal _____; in clay ___
as disseminations through bedrock _____; as an artifical product ___; in some other way? Describe briefly Bedded sandstone layers

b) List other minerals observed in close association with sample:
Titanium-Zirconium-Uranium-Strontium-Iron

c) Describe rock in which sample occurs:
Plain old sandstone- Lone

8. Amount of material available that is represented by the sample Plenty

a) What is the length of the body of rock (vein, dike or bedrock) containing the sample? 1 mile feet.
b) What is the average width ? 800' to ½mile feet.
c) What is the depth of the body (if determinable)? 100' drilled feet.

Signed,

GERELCO Co.Inc

Name _____

By Harlan Johnson Secy

Mailing address;

1249 N.Van Ness Fresno Calif,.

16

COPY

REPORT OF ASSAY

ABBOT A. HANKS, INC.

Assayers, Chemists, Engineers
624 Sacramento Street
San Francisco

RECEIVED
APR 26 1956

April 11, 1955

SAMPLE OF ORE
Geophysical Research Lab.
Fresno Cal

DEPOSITED BY (Sample submitted by Mr. Killian)

Laboratory No.	Mark	Percentages
81321	Large Sample 390 LB SAMPLE TAKEN OVER 1700' AREA	TITANIUM OXIDE 20.75%
		RADIO ASSAY U_3O_8 Equivalent 0.02%
22	Small Sample 140 LB SAMPLE TAKEN OVER 900' AREA	TITANIUM OXIDE 16.14%
		RADIO ASSAY U_3O_8 Equivalent 0.015%

ABBOT A. HANKS, INC.
Original signed by
MARTIN P. QUIST

bob

P 22

FULTON-FRESNO BLDG.
ROOM 417 - FRESNO, CALIF.

GEOPHYSICAL RESEARCH LAB
SPECTROSCOPIC ANALYSIS DIV.

RECEIVED APR 26 1956

510 BATTERY ST.
SAN FRANCISCO, CALIF.

August 19, 1955

Mr. H. P. McCormack

1249 No. Van Ness, Fresno, California

80317 500 3-55 HUME P. & L. CO.

PERCENTAGE OF

SAMPLE No.	OWNER'S MARK ON SAMPLE	Ca	Fe	Ba	Li	Na	Mg	Ti	Sr	Mn	Sn	Mo	Cu
#A	Schwinn opp. hiway from Millerton Rd.---												
		10+	2	1-2	1/8	1	2	½-1	tr	tr			
#B	Beck---	4	1	4	1/5	4	1	1		tr	tr		
#C	Drill hole road Raynor---												
		2	4	2	1/8	3	4	1	tr	2		tr.	
#D	Bench mark---16		tr	4	[illegible]	8-10		tr					tr
#E	Behind Raynor question---												
		6	2	2	1/8	8+	tr	tr		4			

ACCT. $ 3.50 a sample

William McCormack ASSAYER

*All samples very high in aluminum.

FULTON-FRESNO BLDG.
ROOM 417 - FRESNO, CALIF.

GEOPHYSICAL RESEARCH LAB
SPECTROSCOPIC ANALYSIS DIV.

510 BATTERY ST.
SAN FRANCISCO, CALIF.

March 26, 1956

Mr. H. P. McCormack

1249 No. Van Ness, Fresno, California

80317 500 3-55 HUME P. & L. CO.

PERCENTAGE OF

SAMPLE No.	OWNER'S MARK ON SAMPLE	Al	Ca	Na	Zn	Ti	Fe	Cr	Li	Ba	Mg	Mo	Sn	Sr	V
Raynor #1		1	tr	6	½	tr	2	tr	tr						
Sample #36-Schwin next to Raynor along creek, crosscut of outcrops.															
Part #1-Slate to North		3	10	10		3	2		6	6	3	tr			
Part #2-Granite to So.			2	4		1	1	tr.	tr	2			tr		
Part #3-Granite to So.		3	1	3	½	2	4	1	1	6	2				
Sample #37-Schwin Hill.															
Part #1		3	tr	2		tr	2	tr	tr	1					
Part #2			tr	2			8	1	tr	1				tr	tr
Part #3		3	tr		tr	1	1	½	4	4					

ACCT. $ 2.00 a sample

William McCormack ASSAYER

FULTON-FRESNO BLDG.
ROOM 417 - FRESNO, CALIF.

GEOPHYSICAL RESEARCH LAB

SPECTROSCOPIC ANALYSIS DIV.

510 BATTERY ST.
SAN FRANCISCO, CALIF.

August 19, 1955

Mr. H. P. McCormack

1249 No. Van Ness, Fresno, California

80317 500 3-55 HUME P. & L. CO.

SAMPLE No.	OWNER'S MARK ON SAMPLE	PERCENTAGE OF Ca	Fe	Ba	Li	Na	Mg	Ti	Sr	Mn	Sn	Mo	Cu
#A	Schwinn opp. hiway from Millerton Rd.---												
		10+	2	1-2	1/8	1	2	½-1	tr	tr			
#B	Beck---	4	1	4	1/5	4	1	1		tr	tr		
#C	Drill hole road Raynor---												
		2	4	2	1/8	3	4	1	tr	2		tr.	
#D	Bench mark---16		tr	4	[illegible]	8-10		tr					tr
#E	Behind Raynor question---												
		6	2	2	1/8	8+	tr	tr		4			

ACCT. $ 3.50 a sample

William McCormack ASSAYER

*All samples very high in aluminum.

[illegible]

FULTON-FRESNO BLDG.
ROOM 417 - FRESNO, CALIF.

GEOPHYSICAL RESEARCH LAB

SPECTROSCOPIC ANALYSIS DIV.

510 BATTERY ST.
SAN FRANCISCO, CALIF.

March 26, 1956

Mr. H. P. McCormack

1249 No. Van Ness, Fresno, California

80317 500 3-55 HUME P. & L. CO.

SAMPLE No.	OWNER'S MARK ON SAMPLE	PERCENTAGE OF Al	Ca	Na	Zn	Ti	Fe	Cr	Li	Ba	Mg	Mo	Sn	Sr	V
Raynor #1		1	tr	6	½	tr	2	tr	tr						
Sample #36-Schwin next to Raynor along creek, crosscut of outcrops.															
Part #1-Slate to North		3	10	10		3	2		6	6	3	tr			
Part #2-Granite to So.			2	4		1	1	tr	tr	2			tr		
Part #3-Granite to So.		3	1	3	½	2	4	1	1	6	2				
Sample #37-Schwin Hill.															
Part #1		3	tr	2		tr	2	tr	tr	1					
Part #2			tr	2			8	1	tr	1				tr	tr
Part #3		3	tr		tr	1	1	½	4	4					

ACCT. $ 2.00 a sample

William McCormack ASSAYER

Government Messenger Envelope

n No. 65 (Rev. 1/46)

1. Use blocks consecutively, one at a time.
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
teilsgaard	RUN / STOP		RUN / STOP
derson 4212 Bldg.	RUN / STOP		RUN / STOP
~~t. Lawrence~~ ~~8 Interior~~	RUN / STOP		RUN / STOP
lio 4443, Interior	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP

velopes to
r reissue.

Use other side

16—88042a-2

Use RUN and STOP only when messenger service between Government buildings in Washington is required.
Your mail room has RUN and STOP information.

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4270

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Exploration

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.

Cys. EM, GS

Routing Slip

To:	~~700~~	Date	~~4/30/56~~
To:	600	Date	5-8-56
To:	MR. HOPKINS	Date	5/8/56
To:	Oper Com	Date	5-28-56
To:	J. T. Johnson	Date	5-29-56
To:	Oper Com	Date	7-25-56
To:	Coon	Date	11-1-56
To:	Coon	Date	11-29-56
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6/3	Anderson	600
6/4	Houk	600
		220

600

June 3, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: L. G. Houk, Director, Division of Nonmetallic Minerals

Subject: Evaluation of application.

Docket No. DMEA-4270-Rutile, Brookite, and Uranium.
Gerelco Company, Inc.
1249 N. Van Ness Street, Fresno, California
Raynor Ranch (Gerelco Mine)
Merced County, California

Application withdrawn January 7, 1957.

Deposit: Sandstone bed, one mile long.
Minerals: Applicant reported as follows:

TiO_2 in the form of rutile, brookite, and ilmenite assays from 16 to 20%; zircon; hafnium; U_3O_8 equivalent, 0.02%.
A sample submitted to the DMEA Regional Office, assayed as follows: Some TiO_2, rutile a minor constituent, brookite not detected and some ZRO_2.

Workings: None.
Applicant's proposal: Diamond drill 24 holes from 25 to 200 feet deep over an area about 3/4 mile wide by 1/2 mile long, for which they estimate about $200,000.00 will be required.
Chronology:

4/26/56 - Received application - Form MF-103 (April, 1952).
4/30/56 - Receipt of application acknowledged.
5/3/56 - USBM uranium Commodity Member recommended denial of the application.
5/11/56 - USGS Commodity Member recommended referral to the Field for appropriate action.
5/11/56 - USBM rutile Commodity Member recommended requesting applicant to furnish more information.
6/10/56 - Letter from Field with attached assay sheet of a sample submitted by applicant, and from the results of the assay, the Field believes that a DMEA project is not in order.
8/1/56 - Letter to applicant returning Owner's Consents to Lien, because they were not signed by Lessors and requesting additional information on the mineral content of the deposit.
11/1/56 - Thirty day letter to the applicant.
11/23/56 - Return of 30 day letter from applicant, with the note that Lessors refuse to sign Owner's Consents to Lien.

8623

11/29/56 - Letter to applicant extending the time for furnishing the requested information another 30 days.

1/7/57 - Letter to applicant advising that since no answer to our requests have been received, the application is being considered as withdrawn.

1/11/57 - Letter from applicant requesting additional time.

1/17/57 - Received copies of Consent to Lien and Subordination Agreement, unsigned by lessors.

1/23/57 - Advised applicant that the application has been considered withdrawn, but if he desired he may reopen the case at some future time.

Recommendation: Since the applicant did not submit the information requested on numerous occasions, and because of the adverse comments by the Field and the Commodity Members of the USGS and the USBM, the Division of Nonmetallic Minerals recommends withdrawal of the application.

W. C. Anderson

W. C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 6/3/57
Copy to: Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

March 7, 1957

Memorandum

To: Mr. Allen S. Dakan, Chief
Operations Control and Statistics Division

From: Nonmetallic Minerals Division

Subject: Withdrawal of Application - Docket No. DMEA-4270-Rutile, Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

On January 7, 1957, we notified the applicant that since the data needed to continue processing the subject application had not been received we are considering the matter closed.

The subject application may be withdrawn from the pending category and placed in the withdrawn.

L. G. Houk, Chief
Nonmetallic Minerals Division

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 7 1957

DATE	INITIALS	CODE
3-8	C	220
		225

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/23	Houk	600
	[illegible]	110
"	[illegible]	100
1-24	cw	220

600

JAN 23 1957

Gerelco Company, Inc.
1249 N. Van Ness
Fresno, California

Re: Docket No. DMEA-4270-Rutile,
Brookite and Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

Your letter of January 11, 1957, and copies of unsigned Consent to Lien and Subordination Agreement, and lease, mailed under separate cover, have been received.

In our letter of January 7, 1957, you were advised that the subject application has been considered withdrawn and removed from our active files because of your failure to provide the necessary information to process it. We regret the necessity of taking such action. If you desire to reopen this case at some future date you may do so by filing a new application, referring to the subject application by the DMEA docket number, and furnishing the information requested in our letters of June 8 and August 1, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 1/23/57
Copy to: Admr. R. File
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. J. A. Miller, 3415
Mr. Houk

8623

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 14 1957

DATE	INITIALS	CODE
1-14	C	220
1-14	[illegible]	600

GERELCO CO., INC.
FRESNO, CALIFORNIA

Jan 11,1957

H

U S Department of Interior
Defense Minerals Expl. Adm.
Washington 25 DC

Re: Docket No. DMEA-4270 Ruti
Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch, Merced, Cal

Would you please hold our application open for a little while longer because the information is on the way in and you will get all you requested as soon as I can get it compiled.

Thank you

Sincerely yours,

J A McCormack

Secretary

Three County Areas Provide Fresno Company with Vast Titanium Reserves

FESNO, Cal. — The discovery of a possibly large deposit of titanium and zirconium, the cinderella metals, in a triangular corner of Merced, Mariposa and Madera Counties, has been reported here by H. P. McCormack, representing the Geophysical Research Laboratory, 1249 N. Van Ness, Fresno, Cal.

Drilling Reveals Vast Reserves

McCormack said the ore was found exposed in some instances in sandstone formations on cattle grazing land eight miles east of Le Grand in Merced County. He declared diamond drilling in one of eight hills revealed the presence of the ores in a quantity he estimates could be worth a possible $104,000,000.

The Fresnan said the discovery was made eight months ago while he was prospecting for uranium with a Geiger counter. He said titanium is lighter than aluminum and three times as strong as steel, and is used in the manufacture of jet planes.

Has Atom Age Uses

McCormick said zirconium is used principally for the insulation of atomic engines and for jet exhausts with one fourth inch of the metal equal to six feet of lead for insulation against atom radiation.

"We estimate there may be 12,000,000 tons of ore in this one hill," McCormack said. "The two metals sell for $10,000 a ton in sponge form after smelting and refining. The sheet metal produced has a value of $64,000 a ton."

McCormack is the president of Gerelco, Inc., a holding company being formed to develop the mining project. He said incorporation papers now are in the process of being filed by the law firm of Gilmore & Gilmore in Sacramento.

SF, Fresno Men Involved

McCormick identified the incorporators as himself, Charles Schmitz, a San Francisco ship broker; Knute Hoegsburg, a San Francisco accountant; Ben Kilian, a San Francisco ship propeller manufacturer; Frank Stefanich, a Fresno wood tank manufacturer; and Eugene Valla, a Willows, Glenn County, resort owner.

William E. Schlink of Stockton is the corporation secretary.

Capitalized For $2½ Million

McCormack said Gerelco is a corporation and will be capitalized for $2,500,000.

McCormack said three other companies will be formed to finance the construction and operation of a smelter, rolling mill and fabricating plant on the premises.

ExState Aide Employed

Mr. McCormack declared $300,000 capital has been raised. He said Fletcher Hamilton of Palo Alto, former state mineralogist, is the engineer for the corporation.

Have 3,200 Acres Under Lease

McCormack said his corporation has 3,200 acres under lease in the discovery territory. The landowners, all of Le Grand, are N. R. Raynor, 1,000 acres; W. R. Schwinn, 1,600 acres and Domingo Stain, 600 acres.

McCormack declared plans call for a $270,000 pilot concentration and smelter plant with a capacity of 250 tons of ore a day.

The pilot plant would turn out sponge titanium and zirconium, which then would go into an electric arc smelter and come out in the form of metal ingots.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/4	Hopkins	600
1-7	Hook	600
1-7	Selfridge	120
		110
1-7	Mittendorf	100
		225

600

JAN 7 1957

Gerelco Company, Inc.
1585 Wilson
Fresno, California

Re: Docket No. DMEA-4270-Rutile,
Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

This is with reference to our letters of June 8, August 1, and November 29, 1956, requesting additional information needed to process the subject application.

As we have not received any reply to our letters, we are considering your application as having been withdrawn and are placing it in our inactive files.

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

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

JHopkins:gad 1/4/57
Copy to: Admr. R. File
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk

R.C.R.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/4/57	Hopkins	600
1-7	Houk	600
		225

600

January 4, 1957

Memorandum

To: Mr. Allen S. Dakan, Division of Operations Control and Statistics

From: L. G. Houk, Chief, Nonmetallic Minerals Division

Subject: Withdrawal of application.
Docket No. DMEA-4270-Rutile, Brookite, Uranium
Gerelco Company, Inc.
Rayner Ranch (Gerelco Mine)
Merced County, California

Because of the applicant's failure to provide information needed to process the subject application, we are considering it withdrawn and placing it in the inactive files.

James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 1/4/57
Copy to: Admr. R. File
Mr. Houk

8623

Docket Copy
Surname:

Hopkins
Houk
Kilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

Gerelco Company, Inc.
1585 Wilson
Fresno, California

NOV 29 1956

Re: Docket No. DMEA-4270-Rutile,
Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

Reference is made to your typed but unsigned statements on our letter to you dated November 1, 1956, which you have returned. We note that these statements concern only your inability to obtain a Consent to Lien and Subordination Agreement, and do not make any reference to the other information we requested you to furnish in our letters of June 8 and August 1, 1956. Until we receive this information it is impossible to proceed with your application. Procedures in lieu of the Consent to Lien and Subordination Agreement will be deferred for the present.

We will, however, cooperate with you to the extent of allowing the additional time of thirty days from the date of this letter for you to furnish the requested information. If, however, we do not receive the desired information within that time we will consider your application as having been withdrawn.

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:gad 11/28/56
Copy to: Admr. R. File
Docket
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk

P.C.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

RECEIVED NOV 23 1956 D.M.E.A.

NOV - 1 1956

Gerelco Company, Inc.
~~1249 N. Van Ness~~
Fresno, California

Re: Docket No. DMEA-4270-Rutile,
Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

Reference is made to our letter of August 1, 1956, requesting additional information concerning the subject application for exploration assistance.

We wish to cooperate with you fully in allowing ample time to supply the requested information; however, we cannot indefinitely postpone action on an application. Therefore, if we do not receive the requested information within 30 days from the date of this letter, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

C Mittenauer

Administrator

Property owners refuse to sign the (Consent to lien) and without that what can we do,they refuse to place a lien upon the property in any way that will endanger their title;;;this is all on private owned land,we have the lease and end price.Where do we go from here now.

RECEIVED NOV 23 1956 D.M.E.A.

Docket Copy
Surname:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

NOV - 1 1956

Gerelco Company, Inc.
~~1249 N. Van Ness~~
Fresno, California

Re: Docket No. DMEA-4270-Rutile,
Brookite, Uranium
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

Reference is made to our letter of August 1, 1956, requesting additional information concerning the subject application for exploration assistance.

We wish to cooperate with you fully in allowing ample time to supply the requested information; however, we cannot indefinitely postpone action on an application. Therefore, if we do not receive the requested information within 30 days from the date of this letter, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:gad 10/31/56
Copy to: Admr. R. File
Docket
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk

R.S.

DOCKET COPY
Surname:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

AUG - 1 1956

Gereleo Company, Inc.
~~1249 N. Van Ness~~
Fresno, California

Re: Docket No. DMEA-4270-rutile,
brookite, uranium
Gereleo Company, Inc.
Raynor Ranch (Gereleo Mine)
Merced County, California

Gentlemen:

This will acknowledge receipt of a copy of your lease on the subject property and copies of an improperly executed Consent to Lien. The Consent to Lien is being returned because it was not executed by the property owners. Enclosed herewith are seven new copies of a Consent to Lien. Please return these to this office when properly executed by the owners of the subject property.

Although analysis of the sample which you submitted to the DMEA Regional Office, Reno, Nevada, indicated some titanium oxide (TiO_2) present, rutile was shown only as a minor constituent and brookite was not detected. Zirconium (ZrO_2) was also found to be present, but this mineral is not eligible for exploration assistance. These analyses for rutile and brookite and those for uranium given in your application do not furnish sufficient support for Government participation in an exploration project on your property.

Our letter of June 8, 1956, requested other information that has not yet been received. We will appreciate receiving this information at your earliest convenience. In addition to the foregoing, please furnish the logs, assays and mineralogical determinations of the diamond drill cores recovered from holes across the road from the subject property, where you estimate that 1,500,000 tons of ore were found.

Upon receipt of the above information, we will be in a position to continue to process your application.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures: 13

JHopkins:ms 8/1/56
Copy to: Docket
Field Team, Region II
Mr. Killsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk
Admr. R. File

DMEA

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

RECEIVED
JUL 19 1956

1605 Evans Avenue
Reno, Nevada

July 17, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4270 (Rutile-brookite-uranium)
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California

Attached is a copy of a Mine Lease and Option between the owners of the Raynor Ranch and applicants for a loan on subject property.

Also enclosed are six copies of Consent to Lien forms executed by the Gerelco Co., Inc.

S. Ricker

Attach.

dmea

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

RECEIVED
JUL 13 1956

1605 Evans Avenue
Reno, Nevada

July 10, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4270 (Rutile, brookite, uranium)
Gerelco Company, Inc.
Raynor Ranch (Gerelco Mine)
Merced County, California
(Your letter dated May 31, 1956)

Attached are three copies of Sample Record on samples we received by the applicant from subject property.

Based on analysis, I do not believe that a DMEA project is in order.

S. Ricker

Attach.

RECEIVED
JUL 13 1956

SAMPLE RECORD

SUBMITTED BY: S. Ricker

NAME DMEA

ADDRESS 1605 Evans Avenue

Reno, Nevada

LETTER DATED

DESCRIPTION

Sample No. DMEA-ML-1

Problem No.

Date Recd. 5/24/56

Notebook No.

Notebook Page

Notebook Date

SOURCE Gerelco Sample

ANALYSIS AND REMARKS:

Sample is a rusty, clayey, banded sandstone composed principally of quartz, magnetite, ilmenite, titaniferous magnetite, zircon, limonite, hematite, and occasional grains of rutile, garnet, epidote, amphibole, and clayey feldspar.

Total TiO_2 - - 25.34 percent

ZrO_2 - - - - - 17.07 percent = 25.4 percent zircon

Rutile is a minor constituent. No brookite was detected mineralogically.

Sampled by

Analyzed by Schenk - Arrington 7/3/56

Copy to: E. T. Schenk
Files
Chron.

ETS:iw

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

RECEIVED
JUN 14 1956

1605 Evans Avenue
Reno, Nevada

June 12, 1956

J. A. McCormack
Gerelco Co., Inc.
1585 Wilson
Fresno, California

Re: Docket No. DMEA-4270 (Titanium, Rutile, Brookite)
Gerelco Co., Inc.
Gerelco Mines
Merced County, California

Dear Mr. McCormack:

Reference is made to your letter of June 7 in regard to the length of time to consummate an exploration contract through the Defense Minerals Exploration Administration.

It generally takes from three to four months for complete execution of a contract, depending to a great extent upon the details and factual data furnished by the applicant in his original application. In your particular case, we are trying to procure data that may indicate the possible merit of your property. I note in this respect that our Washington Office has requested additional information from you.

We have received the sample you so kindly sent, and it is in the hands of our research department. In the meantime, you have no reason to be greatly concerned, as you can always start operations on your property in any manner most suitable to you. The Government can only participate in exploration, however, if after an investigation it is in the national interest for it to do so.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

SRicker:gh

cc: Opr., Com., DMEA, Wash., D.C.
R. M. Smith
File

GERELCO CO., INC.
FRESNO, CALIFORNIA

June 7,1956

Bureau of Mines
1605 Evans Avenue
Reno, Nevada

RECEIVED
JUN 14 1956

Mr. S. Ricker:

It was our understanding that applications for Government assistance would take approxamately two to four weeks but since seven weeks have elapsed we are growing concerned.

Would you let us know how much longer you think it will take for the application to be acted upon.

Very truly yours

Gerelco Co,Inc

NOTE new address
1585 Wilson Fresno

DOCKET COPY
Surname:

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

JUN 8 1956

Gerelco Company, Inc.
1249 N. Van Ness
Fresno, California

Re: Docket No. DMEA-4270-rutile, brookite, uranium
Gerelco Company, Inc.
Raymor Ranch (Gerelco Mine)
Merced County, California

Gentlemen:

Reference is made to your undated application for exploration assistance on the subject property.

We note, under Article 3(c) of the application, that your interest in the land is "Purchaser under contract of surface mineral rights" and under 3 (d) it is stated that lease is enclosed. Upon arrival here the lease was missing. Please send us a copy of your lease and six executed copies of the enclosed Consent to Lien by the owner of the property.

We also note that the samples assayed were rutile and brookite with a little ilmenite, but it is not stated whether the samples were concentrates. If they were concentrates, we would appreciate knowing the percentage of each mineral in the samples and the percentage of titanium dioxide in each mineral product.

You propose to drill 24 holes on the property at points indicated on the sketch map. We will greatly appreciate receiving additional geologic data that will support your proposal.

Upon receipt of the above requested information, we will continue to process your application.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures:7

JHopkins:ms 5/29/56
Copy to: Docket
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk
Admr. R. File

DOCKET COPY
Surname:

Hopkins
Houk
Martin

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 31 1956

Mr. Spangler Ricker
Executive Officer, DMEA
Field Team, Region II
United States Bureau of Mines
Rare and Precious Metals Experiment Station
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA-4270-rutile,
brookite, uranium
Gerelco Company, Inc.
Raymor Ranch (Gerelco Mine)
Merced County, California

Dear Mr. Ricker:

We enclose herewith a letter to the Gerelco Company, Inc., requesting additional information in regard to an application for exploration assistance. If you agree with this letter, please forward it to the applicant.

In your letter to the applicant dated April 24, 1956, you requested a bulk sample of ore from the property. If your request was complied with, we will be interested in receiving the results of your analysis of the sample.

Sincerely yours,

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

Approved:
/s/ Robert W. Geehan (WS)
Member, Bureau of Mines

Thor H. Kiilsgaard (WS)
Member, Geological Survey

JHopkins:ms 5/25/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk
Admr. R. File

Enclosures: 15

RCh.

DOCKET COPY
Surname: Houk Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

Gereleo Company, Inc.
1249 N. Van Ness
Fresno, California

Re: Docket No. DMEA-4270-rutile, brookite, uranium
Gereleo Company, Inc.
Raymor Ranch (Gereleo Mine)
Merced County, California

Gentlemen:

Reference is made to your undated application for exploration assistance on the subject property.

We note, under Article 3(c) of the application, that your interest in the land is "Purchaser under contract of surface mineral rights" and under 3(d) it is stated that lease is enclosed. Upon arrival here the lease was missing. Please send us a copy of your lease and six executed copies of the enclosed Consent to Lien by the owner of the property.

We also note that the samples assayed were rutile and brookite with a little ilmenite, but it is not stated whether the samples were concentrates. If they were concentrates, we would appreciate knowing the percentage of each mineral in the samples and the titanium dioxide content of each mineral.

It is also noted, that you propose to drill 24 holes on the property at points indicated on the sketch map. We will greatly appreciate receiving additional geologic data that will support your proposal.

Upon receipt of the above requested information, we will continue to process your application.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

JHopkins:ms 5/25/56

Enclosure:7

Copy to: Docket
Field Team, Region II
Mr. Kiilsgaard, 5222
Mr. Jesse A. Miller, 3415
Mr. Houk
Admr. R. File

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

RECEIVED
MAY 22 1956

May 22, 1956

Memorandum

To: Lawrence Houk, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

From: Jesse A. Miller, Bureau of Mines Member, Rutile Commodity Committee

Subject: Application for Assistance, DMEA Docket 4270, Gerelco Company, Incorporated, Merced County, California

I have reviewed the attached application, DMEA Docket 4270, Gerelco Company, Incorporated, Merced County, California, dated April 30, 1956.

The application does not specifically state whether the samples assayed were concentrates. If they were concentrates, then a mineral containing 16 to 18 percent titanium dioxide would be of no commercial importance. The rutile, brookite, and ilmenite in the sample should first be concentrated and the percentage of each mineral in the sample reported. Then the rutile and brookite should be assayed and the result reported as a content of titanium dioxide. There may be rutile or brookite in the deposit but they may not be in sufficient concentration, or they may not contain enough titanium dioxide to be of economic value.

The application discloses little valid information upon which to base a favorable decision and there is a lack of supporting geologic data. It is recommended that the company furnish more information on the rutile and brookite content of the ore and the titanium dioxide content of these minerals before any action be taken on the application based upon the presence of rutile and brookite on the property.

Jesse A. Miller

Jesse A. Miller

Attachment

IN REPLY REFER TO:

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

RECEIVED
MAY 11 1956

May 11, 1956

Re: DMEA 4270 H
Gerelco Co., Inc.
Raynor Ranch Group
Merced Co., California
Uranium

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

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

Subject: Review of application.

The applicant requests assistance in exploring a sandstone bed in which, according to the application, there are significant quantities of titanium, zirconium, uranium, strontium and some of the rare earths.

In support of the application it is said 1,500,000 tons of similar 'ore' has been drill indicated across the road and many rich samples have been taken from the mountain, etc. One assay certificate reports as follows:--

Lab No.	Mark	Percentages	
		Titanium Oxide	eU_3O_8
81321	390#	20.75	0.02
22	140#	16.14	0.015

A map shows where geiger counts have been taken, but their significance is not clear. Readings were taken at 24 stations, of which, according to the interpretation of the applicant, 5 indicate a high content of titanium, zirconium, etc., but there are no supporting assays of samples taken at the outcrops.

If the drilling "across the road" has been done, the Field Team may have some information concerning it.

Referral to the Field Team for appropriate treatment is recommended.

N. E. Nelson

N. E. Nelson

Carson 32 7/7

5/4/56 gla

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

May 3, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee

From: John E. Crawford, Bureau of Mines Member
Uranium Commodity Committee

Subject: Application for Assistance, DMEA Docket 4270, Gerelco Co., Inc., Merced County, Calif.

I have reviewed the attached application, DMEA Docket 4270, Gerelco Co., Inc., Merced County, Calif., dated April 30, 1956, and received in this office on the same day. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The Gerelco Co., Inc., is desirous of exploring a property located at Le Grand, California, for uranium, strontium, titanium, and zirconium. An assay report of Abbot A. Hanks, Inc., attached to the application, indicates the presence of only 0.02 percent U_3O_8 equivalent in one large sample and 0.015 percent U_3O_8 equivalent in another large sample, both of which were taken from the property. Assays also indicated the presence of from 16 to 20 percent titanium oxide. Purported results of spectrographic analyses are shown on an attached sketch of the property. No uranium values are listed.

A review of the application discloses little valid information upon which to base a favorable decision. Apparently the applicant wishes to drill 24 holes on the property at points indicated on the sketch map. However, because of the lack of supporting geologic data and the unfavorable analytical information, we recommend denial of the application.

John E Crawford
John E. Crawford

Attachment

RECEIVED
MAY 4 - 1956

April 30, 1956
Subject: DMEA-4270
Re: Exploration Assistance
Gerelco Mines

Gerelco Company, Inc.
1249 N. Van Ness
Fresno, California

Gentlemen:

The receipt of your application dated Not given for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4270 and referred to the Rare & Misc. Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

April 30, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region II.

DMEA
- 4270 Gerelco Company, Inc.

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

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

RECEIVED
APR 16 1956

1605 Evans Avenue
Reno, Nevada

4270

April 13, 1956

Gerelco Co., Inc.
1249 N. Van Ness
Fresno, California

Gentlemen:

Your application for aid forms were received April 12, 1956, but they are not complete. Please note that under item 2 (General) on the MF-103 forms that all accompanying papers are to be sent in quadruplicate. Also under item 4(d) on same forms, you say that maps have been attached. There were no maps attached to the application.

You will also note in the "Foreward" of enclosed booklet "The Defense Minerals Exploration Program" that mere prospecting is not contemplated under the DMEA program. Inasmuch as no (geological or factual) information whatsoever was included in the application that would justify the expectation of making significant discoveries, we can only assume that it is a purely prospecting venture.

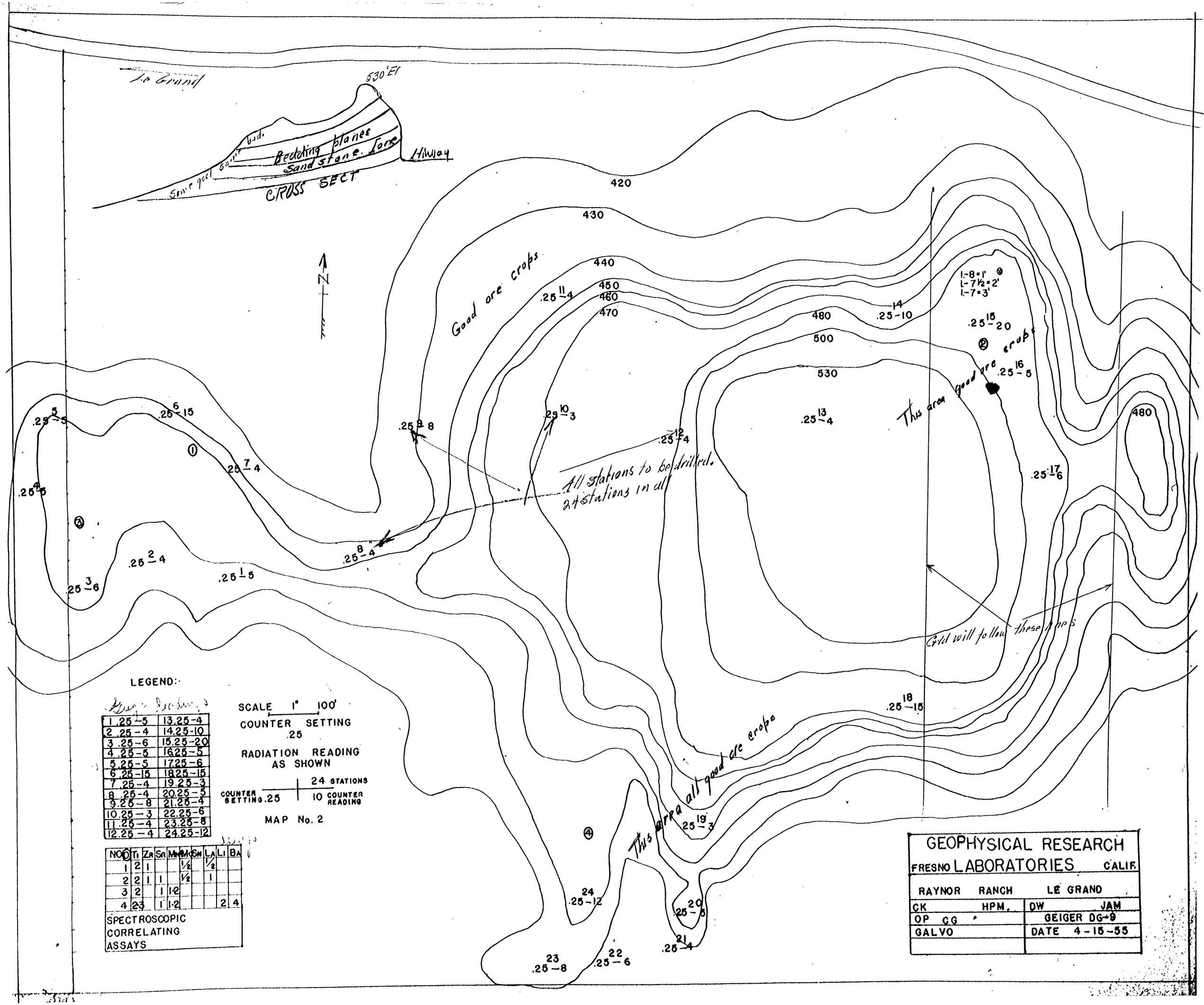
We will hold your application in abeyance until we receive additional pertinent data. This data should include a map of the area, assays of samples showing widths and locations, proposed drill hole locations, the estimated cost per foot of drilling and other pertinent data that would indicate the possibilities of finding commercial ore deposits on your property.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

Encl.
SRicker:gh

cc: Opr. Com. DMEA, Wash., D. C.
R. M. Smith
File



LEGEND:

1 .25-5	13.25-4
2 .25-4	14.25-10
3 .25-6	15.25-20
4 .25-5	16.25-5
5 .25-5	17.25-6
6 .25-15	18.25-15
7 .25-4	19.25-3
8 .25-4	20.25-5
9 .25-8	21.25-4
10 .25-3	22.25-6
11 .25-4	23.25-8
12 .25-4	24.25-12

SCALE 1" 100'

COUNTER SETTING .25

RADIATION READING AS SHOWN

COUNTER SETTING .25 | 24 STATIONS | 10 COUNTER READING

MAP No. 2

NO	Ti	Zr	Sn	Mn	Mo	Cu	La	Li	Ba
1	2	1			½		½		
2	2	1	1		½		1		
3	2		1	1-2					
4	23		1	1-2				2	4

SPECTROSCOPIC CORRELATING ASSAYS

GEOPHYSICAL RESEARCH
FRESNO LABORATORIES CALIF.

RAYNOR RANCH	LE GRAND
CK HPM.	DW JAM
OP CG	GEIGER DG-9
GALVO	DATE 4-15-55