MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE Contract No. _____ Docket No. 6572

Application
- [x] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 10/31/66
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports

- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

September 9, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 12 1966

INITIALS	CODE

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application
Gold and Silver
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

Enclosed is an application from Mr. Billy S. Peavy of 1675 Bette Street, Merced, California 95340, requesting financial assistance for a gold and silver exploration project on his claim in Mariposa County, California.

Mr. Peavy has obviously tried to supply all of the required information and supporting data with his application and his cost estimates are certainly reasonable. However, the geologic setting is not favorable for a gold and silver deposit and I doubt very much if the proposed exploration is justified.

H. K. Stager

Enclosure

MME Form 40
Jan. 65

Budget Bureau No. 42-R1506
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

FILE COPY
O.M.E.
RECEIVED
SEP 2 1966
TITLE CODE

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

Billy S. Peavy
1675 Bette St.
Merced, Calif.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6572

DATE RECEIVED: 9-12-66. ~~9-8-1966~~

REGION: II

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

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

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Gold and Silver

ESTIMATED COST OF PROJECT: $ 3246.00

PROPERTY NAME	LOCATION COUNTY	STATE
Oro Fina	Mariposa	Calif.

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington 25, D.C., or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

Sept. 7, 1966
DATED

B S Peavy
BY *(Signature)*

Operator
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

2. Applicant's Rights in Land:

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

4. Accessibility of Property:

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

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

5. Exploration Work:

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION
BY B. S. Peavy, Sept.,1966

1. Financial Eligibility

Letter to Wells Fargo Bank requesting loan
Answer " " " " " "
Letter to Crocker Citizens Bank requesting loan
Answer " " " " " "
(copies of above letters attached)

2 I will furnish my share of the cost of the exploration from funds on hand in a special checking and a savings account in the Wells Fargo Bank of Merced, Calif. and from an account with State Savings of Merced, Calif.

2. Rights in Land
A valid claim recorded with the County Recorder's office of Mariposa County (see attached copy of Notice of Location and Map)

3. Physical description

No mining operations have been carried out on this claim. Exploration has been done to the extent of a hand-dug discovery pit about 7 feet deep at the discovery point and an exploration trench dozed out over the discovery point about 30 feet wide by 7 feet deep (above work done or hired by applicant, B. S. Peavy), also a second trench about 20' by 50' long by 5' deep about 200 feet south (magnetic) of first trench (see attached map showing trenches). These trenches were dug north and south to intercept gold-bearing veins which on other nearby prospects and mines have been found to run northwest to west.
There is no current nor has there been any past production.

Geologic features of the Oro Fina Claim:

This claim lies in an area of ultra-basic rocks which are chiefly serpentine but there is little serpentine on the claim itself.
Peridotite seems to be the chief rock found outcropping at numersous points and underneath the surface of a red surface soil.
At the discovery pit at 5-7 feet deep the ore-bearing rock is cummingtonite, an iron-magnesium-amphibole rock. Vein "B" of the North Trench and Vein "A" of the South Trench consists of rusty quartz with limonite stains (see attached sheet, Oro Fina Exploration Work). In Vein "C" of the North Trench are rocks with appear to have been burned which rocks are common to other mines in the area.

Basis of expectation of finding ore -

1. I have panned gold from the streams which drain the land in the Oro Fina Claim.
2. This claim is well within the Mother Lode belt which has yielded large amounts of gold in the past.
3. Iron is often associated with gold; iron when oxidized, imparts red color to soil; the Red Banks mine nearby was so named because of the red surface overburden; the Oro Fina claim also has a distinctly red surface soil covering.*
4. The assay report from the discovery hole shows nearly $8.00 per ton.

   The sample for the assay was taken from a vein of cummingtonite across the bottom of the dozed out trench near the discovery point (see Plan Map of Oro Fina Lode Claim) about 5 feet from the surface. Approx. 5 linear feet of the vein was random sampled, lightly broken into smaller pieces, mixed, quartered and a sample sent to the lab.

4. Accessibility of Property

From the new Bagby bridge over the Merced River, go north on Hwy. 49,5 miles and turn right (east) on the Schillings Road which is a good gravelled county road, go about a mile and bear right at the first fork on to a jeep road, go three miles which will take about 30 minutes through two unlocked wire gates (after first gate go a mile or so, come to old car, take right fork in road) to get to Oro Fina Claim. After passing old cabin at foot of hill on right claim is only half a mile down the road on the right.

Mariposa, Calif., about 20 miles southeast of the claim, is the shipping and supply point.

I, B. S. Peavy, 1675 Bette St., Merced, Calif., tel. 723-2284, will meet any OME representative who may want to examine the property and accompany him there if desired. There are two wire gates to go through but no locks. The road is very steep and requires a four wheel drive vehicle.

From Merced via Hwy. 140, thence to Mariposa, thence to Hwy 49 to the new Bagby bridge (about 60 miles from Merced), then 5 miles to Schilling Road and turn right to go to claim.

*See "California Journal of Mines and Geology" (booklet), Vol. 53, No. 1& 2, Jan-April, 1957, pp. 162, Division of Mines, Ferry Bldg. San Francisco, Calif.

5. Exploration Work Proposed

A. Trenching

Use D-7 bulldozer to :

(1) Dig trench at discovery hole deeper to bed rock to expose ore-body. (this the North Trench).

(2) Dig a second trench, the South Trench, deeper also to bedrock an estimated 5-15 feet more in depth.

Sample ore-bearing veins from both trenches and have assayed. Pick most promising trench and most promising vein in it and begin drifting down on it (see "B" below).

B. Sink Shaft

Begin sinking shaft to follow vein. After first 5 feet, haul in timbers, build headframe, install hoist and engine. Drill holes for powder, load and shoot. Blast near end of day and muck out the round early the next day. Timber up shaft if necessary. Make 4' X 6' to 5' X 7" opening (depending on whether or not timbering up is necessary. Sink shaft to 50' <u>or</u> until commercial grade ore is reached.

(see attached "Location Map of Oro Fina Claim in relation to other Mines")

If an OME contract is executed I would like to begin work in September or October, and expect to complete the work within a year.

I cannot undertake this exploration without financial assistance.

6. Experience

I prospected for uranium in 1953 and observed mining operations near Moab, Utah. Have lived near Mariposa County for 8 years and have visited most of the old mines and discussed mining with experienced miners in the area. I hunted out open land in the Public Domain (Bureau of Land Management land) in the Bagby area where they all told me everything was "all taken up" and found some favorable signs leading to my prospect and claim.

Jack Wildt, former partner of Chris Mills of the nearby Red Banks mine who is presently operating the mine and who has a mill nearby where custom milling can be hired, will be advisor and consultant.

7. Estimate of Costs

See attached sheet of "Exploration Costs".

1675 Bette St.
Merced, Calif.

August 30, 1966

Wells Fargo Bank
Loan Department
Merced, Calif.

Gentlemen:

This is to request a loan for the purpose of exploration for gold (see attached sheet for itemized cost estimate), and also for silver.

My prospect is on a valid claim in the Mother Lode vein system of gold-bearing ore approx. 4400 feet due north of Bagby in Mariposa County. It is located approx. one mile S.70°E. of the currently worked, rich Red Banks mine owned by Horace Myers and until recently operated by Chris Mills.

I have an assay report of samples of ore taken from the bottom of the discovery hole on my claim 5-7 from the surface which show gold and silver values of $7.93 per ton.

You will note the total estimated cost is $3246.00 of which I will put up $811.00 and wish to borrow $2435.00, the interest to be paid on the amount at the end of one year and quarterly payments of principal and interest to be made beginning the second year to be completed by the end of the 3rd year. I expect the mine to be in production within a year.

Please let me hear from you as soon as possible.

Yours truly,

B S Peavy

B. S. Peavy

Since 1852

WELLS FARGO BANK

MERCED OFFICE
611 W. SEVENTEENTH STREET
MERCED, CALIFORNIA 95341

September 1, 1966

Mr. Bill S. Peavy
1675 Bette Street
Merced, California

Dear Mr. Peavy:

I have your loan request for $2,435.00 to assist you in mining your gold claim in Mariposa County.

After reviewing your projection, financial statement and request letter, I must decline your request as we do not presently make loans of this nature. If it is your desire to submit to us securities of a nature such as stocks and bonds, we might reconsider your application on this basis. Please let us know if there is anything further that we might do for you.

Yours truly,

Murl D. Long
Manager

MDL:cs

1675 Bette St.
Merced, Calif.

Aug. 30, 1966

Crocker Citizens Bank
555 W. 18th St.
Merced, Calif.

Gentlemen:

This is to request a loan for the porpose of exploration for gold (see attached sheet for itemized cost estimate), and also for silver.

My prospect is on a valid claim in the Mother Lode veing system of gold-bearing ore, approx. 4400 feet due north of Bagby in Mariposa County. It is located approx. one mile S.70°E. of the currently worked, rich Red Banks mine owned by Horace Myers and until recently operated by Chris Mills.

I have an assay report of samples of ore taken from the bottom of the discovery hole on my claim 5-7 feet from the surface which show gold and silver values of $7.93 per ton.

You will note the total estimated cost is $3246.00 of which I will put up $811.00 and wish to borrow $2435.00, the interest to be paid on the amount at the end of one year and quarterly payments of principal and interest to be made beginning the second year to be completed by the end of the 3rd year. I expect the mine to be in production within a year.

Please let me hear from you as soon as possible.

Yours truly,

B S Peavy

B. S. Peavy

CROCKER-CITIZENS NATIONAL BANK
CHARTERED 1870
MERCED OFFICE
555 WEST 18TH STREET • MERCED, CALIFORNIA 95341

August 31, 1966

Mr. B. S. Peavy
1675 Bette Street
Merced, California

Dear Mr. Peavy:

Thank you for your loan request dated August 30, 1966.

We regret that we are unable to favorably consider your application at this time. However, we appreciate your consideration in favoring us with the application and look forward to being of some assistance to you in the future.

Yours very truly,

A. H. Rose
Assistant Manager

AHR:ny

(1)

Notice of Location--LODE CLAIM

Know all men by these presents, that Billy S. Peavy, the undersigned, has this 1st day of JANUARY, 1966, amended, located, and claimed and by these presents does amend, locate and claim by right of discovery and amended location in compliance with section 2310 of the Public Resources Code of California fifteen hundred linear feet of the Oro Fina lode, vein, ledge, or deposit along the vein together with three hundred feet on each side of the middle of the said vein at the surface situate in the Coulterville Mining District, County of Mariposa, State of California, and described as follows: Beginning at corner No. 1, whence the New Bagby bridge is distant 4885 feet S.14°W., thence N.78°W. fifteen hundred feet to corner No. 2, thence S.22°W. three hundred feet to end center monument, thence S.22°W. to corner No. 3, thence S.78°E. to corner No. 4, thence N.22°E. to end center monument, thence N.22°E. to point of beginning, all distances being along level lines.

This being the lode originally located on the 27 day of NOVEMBER, 1965, and recorded on the 30th day of Nov. 1965, ~~and recorded on the ____ day of _____, 19__~~, in Book A-7, page 387 of Mining records in the office of the County Recorder of said Mariposa County. This further and amended notice of location is made without waiver of any previously acquired rights, but for the purpose of correcting any errors or defects or ommissions in the original location, description, or record and to secure all the benefits of said section of said Civil Code. The location of this claim is shown on attached map.

cc U. S. Bureau of Land Management, Sacramento, Calif.

Dated JANUARY 1, 1966 Locator Billy S Peavy

1675 Bette St.

Address Merced, Calif. 95340

Recorded at the request of ....., 19...., at ..... Min. past ..... o'clock ....M., in Vol. ..... of Mining Records, page ....., Mariposa County Records. ....., Recorder. ..... Fee .....

NOTICE IS HEREBY GIVEN by the undersigned Locator..... of the within described Lode Mining Claim, in accordance with the provisions of Section 2302 of the Public Resources Code of the State of California, that within 60 days of the date of location, there has been erected at the discovery point, at each corner and at the center of each end line of the said claim, or at the nearest accessible points thereto, a post not less than four (4) inches in diameter or a stone monument, at least eighteen (18) inches high.

That within 90 days of the date of location there has been sunk a discovery shaft upon said claim at least ten (10) feet deep measured from the lowest point of the rim YES (Yes or No); a tunnel ..... (Yes or No); adit ..... (Yes or No); open cut YES (Yes or No), upon said claim to at least ten (10) feet below the surface.

Mark one of the above to indicate how discovery work was done.

Dated JANUARY 1, 1966 Locator Billy S Peavy

Note: The locator or locators of any lode mining claim shall define the boundaries of such claim so that they may be readily traced, but in no case shall the claim extend more than 1500 feet along the course of the vein or lode, nor more than 300 feet on either side thereof as measured from the center line of the vein at the surface. (Public Resources Code, Sec. 2302.)

This notice must be posted at the point of discovery. (See Sec. 2301, Pub. Res. Code.)

Within ninety days after posting of his notice of location upon a lode mining claim, placer claim, tunnel right or location, or mill site claim or location, the locator shall record a true copy of the notice together with a statement of the markings or the boundaries as required in this chapter, and of the performance of the required discovery work, in the office of the county recorder of the county in which such claim is situated. The county recorder shall receive a fee of $1 for this service. (Sec. 2313 of the Pub. Res. Code.)

Recorded at the request of Billy S Peavy, Jan 3, 1966, at 3 Min. past 3 o'clock PM., in Vol. A-7 of Mining Records, page 390, Mariposa County Records. Fee 2.00 Recorder.

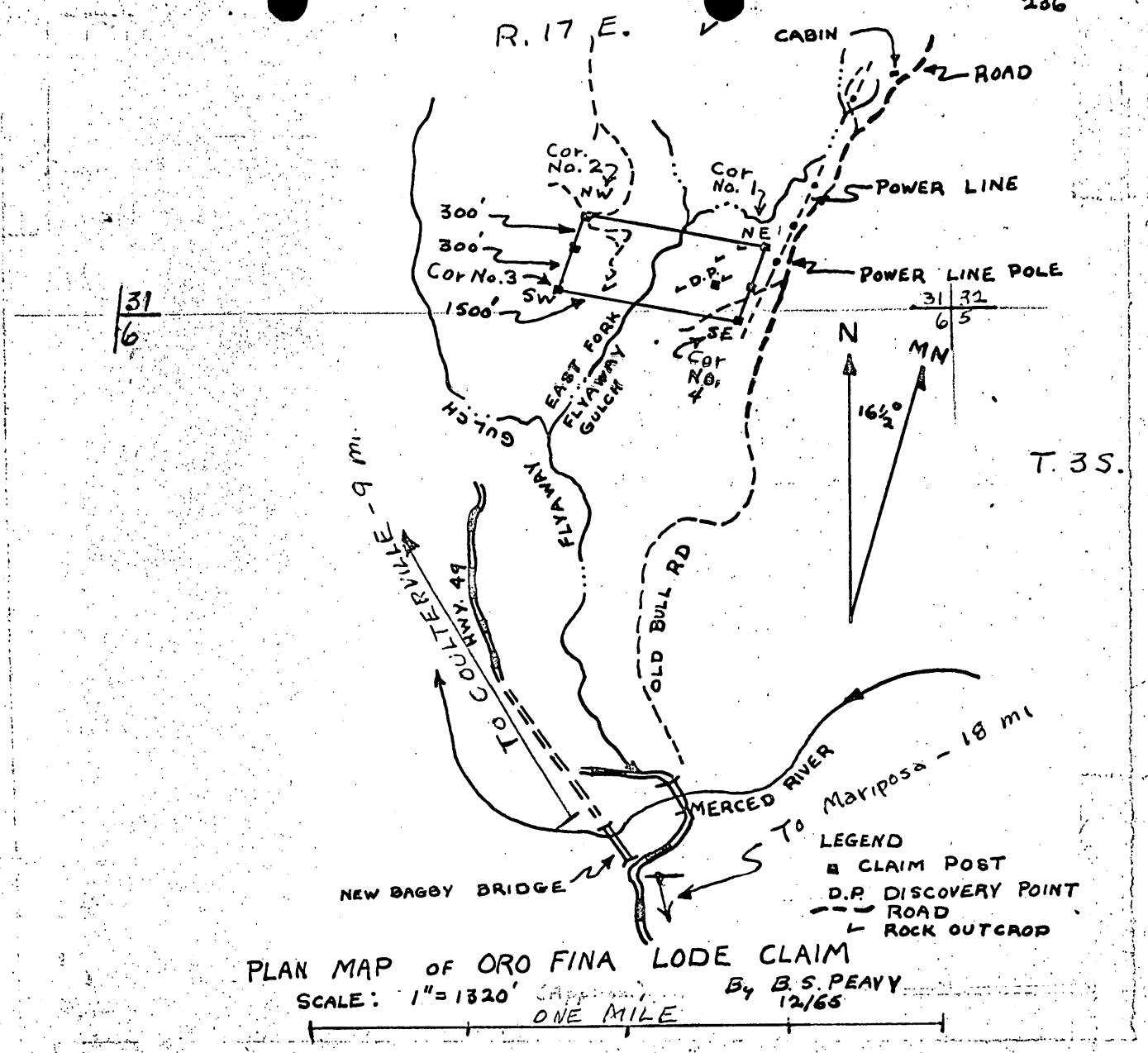
PHOTOGRAPHED AND INDEXED

OFFICIAL
COPY
C. M. E.
RECEIVED
SEP 12 1956

INITIALS	CODE

AMENDED NOTICE OF LOCATION - LODE CLAIM

EJC-2BB-236



PLAN MAP OF ORO FINA LODE CLAIM

SCALE: 1" = 1320'

By B.S. PEAVY 12/65

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 12 '6
INYO-MONO CO.

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

Mr. B. S. Peavy
1675 Bette Street
Merced, Calif.

5/15/66

Fire assay report: Gold & Silver. No mark. Prepaid, $7.50(includes spectrographic analysis)

Gold		Silver	
Amount ounces per ton 2000 lbs	Value @ $35.00	Amount ounces per ton 2000 lbs	Value @ $1.285
0.22	$7.70	0.18	$0.2313

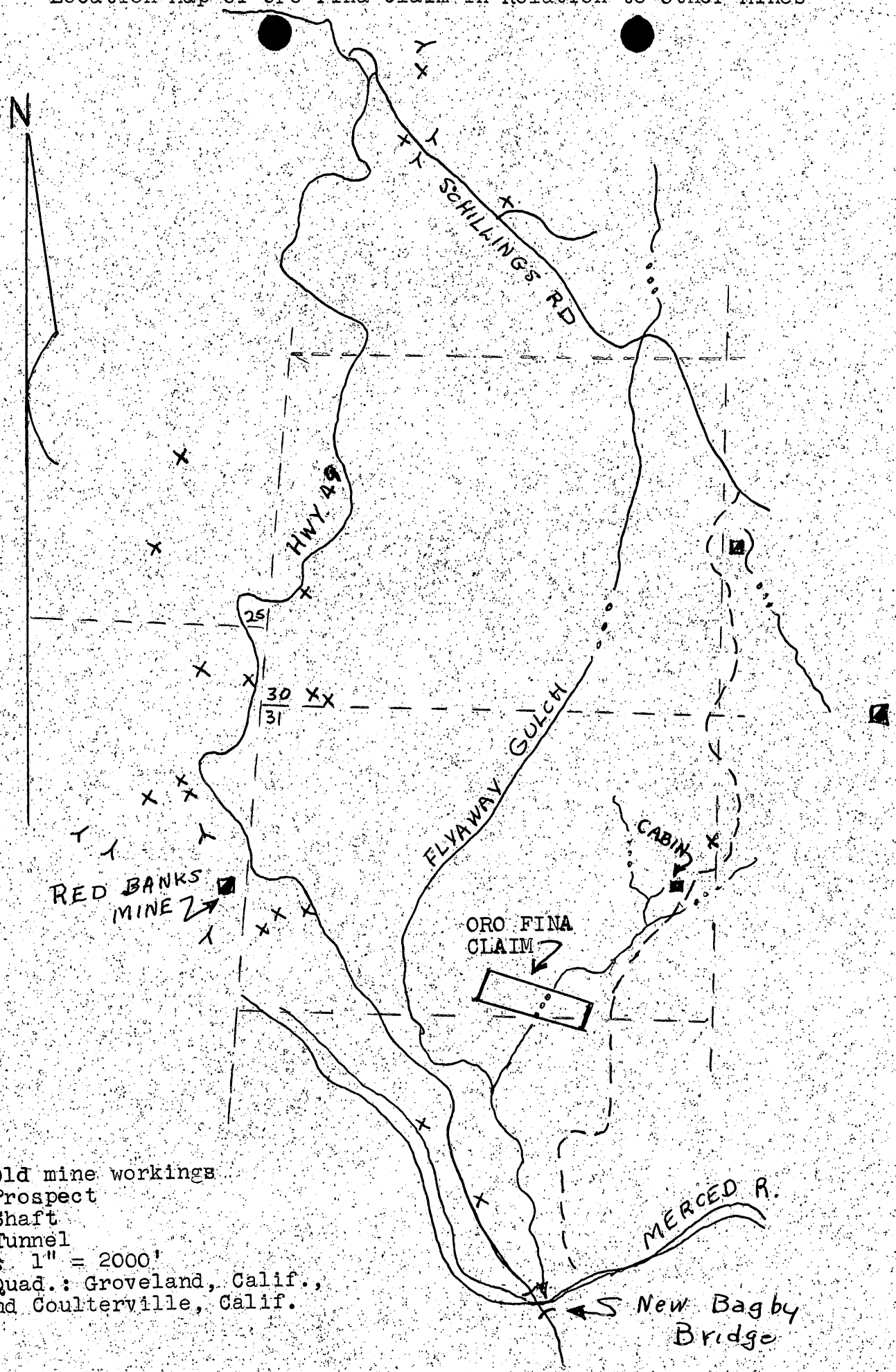
Note: We will be quite late with your analysis of this ore sample Mr. Peavy. Naturally, we are sorry for this delay and for the inconvenience to you. The report will be promptly mailed out on completion.

Thank you kindly

mmh;grg/msl

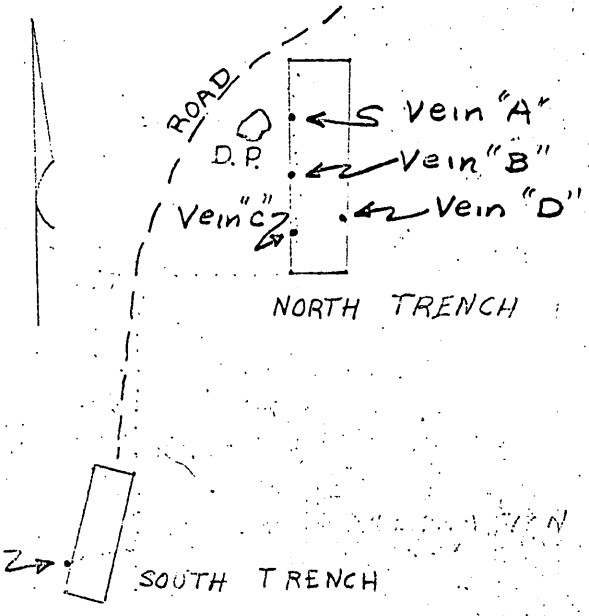
lcc

Location Map of Oro Fina Claim in Relation to Other Mines

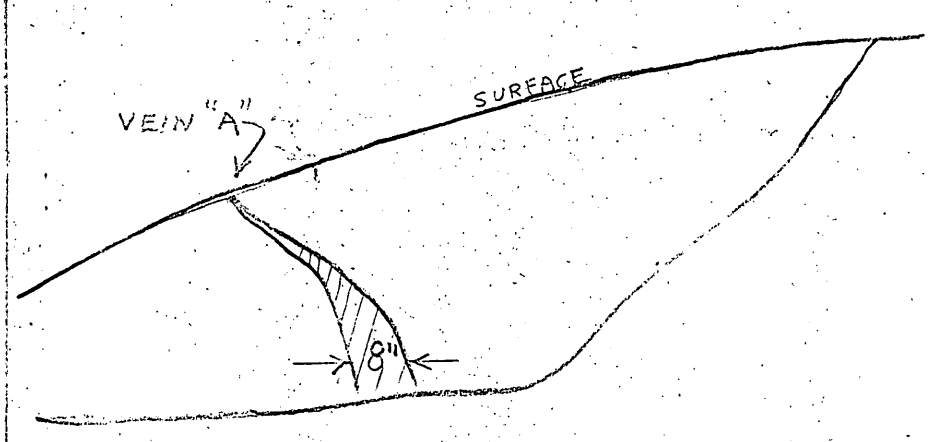


LEGEND:
Old mine workings
Prospect
Shaft
Tunnel
SCALE: 1" = 2000'
USGS Quad.: Groveland, Calif., and Coulterville, Calif.

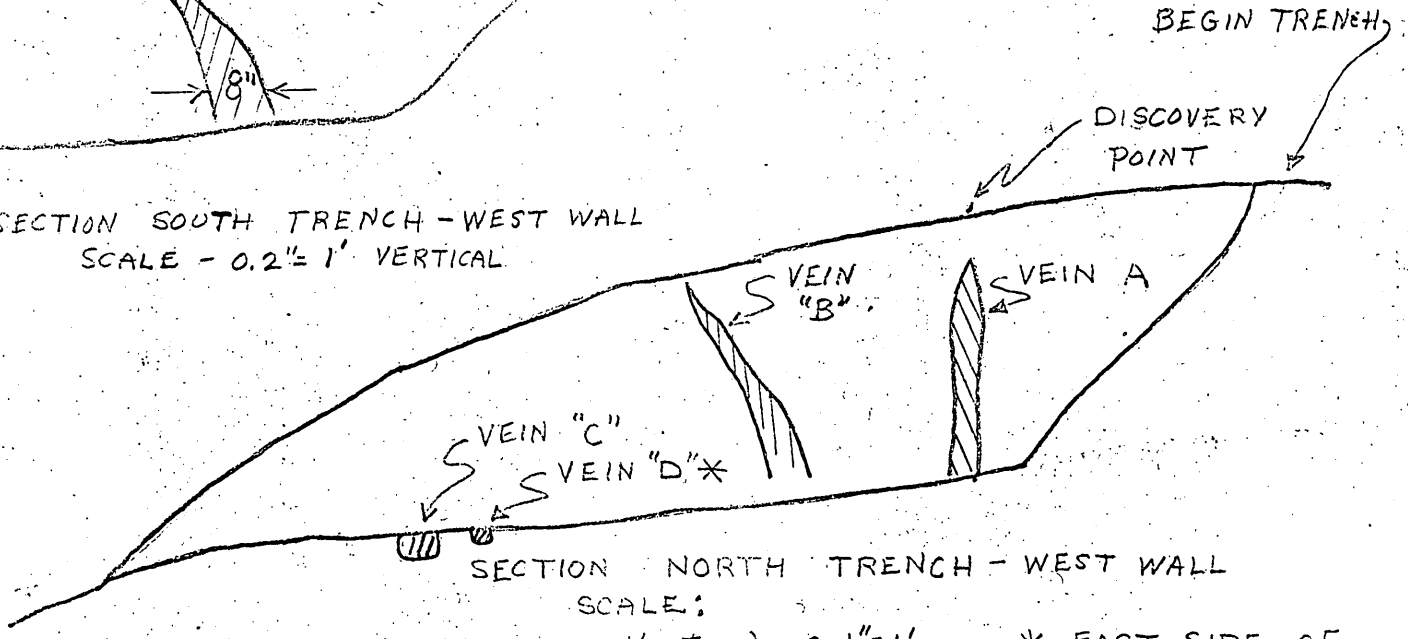
ORO FINA EXPLORATION WORK
(Existing)



PLAN VIEW
SCALE 0.1" = 10'



SECTION SOUTH TRENCH - WEST WALL
SCALE - 0.2" = 1' VERTICAL



SECTION NORTH TRENCH - WEST WALL
SCALE:
Vertical 0.1" = 1'
Horiz 0.1" = 2'

* EAST SIDE OF TRENCH AT BOTTOM

EXPLORATION COSTS

Oro Fina Claim

1. Trenching to expose ore body (5 da)

Rental of D-7 dozer, 50 hrs @$14	700.00
Rental of rock breaking tools (3da)[1], @$25/da	75.00
Compressor, @ $15/da	
Jackhammer, @ $ 4/da	
Drill Steels (2)3/da	
Hose, 100", @ 3/da	
$25/da	
Powder, 50 lb	15.00
Caps, electric, 25 @ .40	10.00
Labor and supervision, 16 hr @$3.50	56.00
Assays (for gold), 10 samples @ $5	50.00
Vehicle (4 WHD Scout)	41.00
Depreciation[2] $11.00	
Mileage, 300 mi @.10 $30.00	
$41.00	
TOTAL	$947.00

2. Sink Shaft And Install Headframe

A. Sink 50 foot deep shaft

Labor: 3 man crew (one on hoist, two in shaft) - advance 4"/da — 12 days X 8 hrs/da X 3 men - 288 man hours @ $3 - $864/50"	$17.28/Ft
Powder, caps, fuse	2.50/"
Equipment Rental[3]	10.44/"
Repairs	2.00/"
Air & Water Lines	2.00/"
Insurance, Etc	2.00/"
Supervision, engineering, accounting	2.00/"
Fuel (compressor & hoist)	1.00/"

B. Build Headframe (20' high)

Labor: 2 men X 4 da X 8 hr = 64 hr @ $3 = $192/50"	3.80/"
Materials - 8" X 8" timbers, bolts	2.00/"

C. Install Hoist

Labor: 16 hr @ $3 = $48/50"	.96/"
TOTAL	$45.98/Ft

SUMMARY:

Trenching	$947.00
Shaft, 50' @45.98/Ft	$2299.00
GRAND TOTAL	$3246.00

[1]Blasting two days to loosen rock for dozer

[2]1 wk/52 X $600 depreciation/yr

[3]Operator will furnish truck, buy engine, and rent other equipment as follows: Rent compressor, jackhammer, drill steel, & hose - 12 da @$25/da =$300; Truck, 4WHD -depreciation, 12 da or two wks ($22.00) & Mileage, 6 round trips from Merced to mine, 600 mi@.10 (60.00) = $82.00; Trailer rental, 4 da @$10= $40.00; Engine, 2 cyl, 14 h.p. Wisonsin - buy @$250 -est. repairs & depreciation = $100.00. Total =$522.00/50'=$10.44/Ft

By: B. S. Peavy, Aug. 1966

MME Form 7
(2/63)

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Date	Surname	Code
11/4	E Peterson	120
11/4/66	Kirkpatrick	120
"	Johnson	110
11/8	Kulsgaard	220
11/8	Jones	

NOV 9 1966

AIRMAIL

Mr. Billy S. Peavy
1675 Bette Street
Merced, California

Re: OME-6572 (Gold and Silver)
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

Dear Mr. Peavy:

Careful study of your application for financial assistance in exploring the subject property and of other information available to us indicates that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for exploration assistance is denied.

We wish to thank you for your interest in the minerals exploration program and for bringing your property to our attention.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
OME Field Officer R-II
Mr. Peterson
120-M
130

EPeterson/gla 11-4-66

23263

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Date	Surname	Code
11/4	Peterson	120
11/4/66	Kirkham	120
	Johnson	110
		220

November 4, 1966

Memorandum

To: The File

From: Ed Peterson, Office of Minerals Exploration

Subject: OME-6572 (Gold and Silver)
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

This application is denied because of the weak mineralization found in the narrow albite-rich veins exposed by previous trenching operations on the property. Also, the lack of evidence of any specific exploration target is indicative that no important reserves would be discovered.

The report of the field examination of the property indicates that there is little possibility of discovering any significant ore bodies with the proposed exploration. Assay results of samples taken by the OME field examiner of the most favorable appearing material exposed in the trenches indicated only trace amounts of gold and silver, and there is no evidence to expect higher values to be found at depth.

Ed Peterson

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson

EPeterson/gla 11-4-66

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

October 31, 1966

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 2 1966
INITIAL ACTION
gla 130
~~120 m~~
~~110~~
~~120 P~~

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6572 (Gold and Silver)
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

Enclosed is my Application Report on the subject property, recommending that the Application for Financial Assistance be denied.

H. K. Stager

Enclosure

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

OFFICIAL
COPY
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OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

APPLICATION REPORT

OME-6572 (Gold and Silver)
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

By

H. K. Stager
Field Officer
Region II, OME

October 31, 1966

ON-SITE
EXAM. REPT

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ILLUSTRATIONS

Figure 1. Index map of Mariposa County, California.

INTRODUCTION

Mr. B. S. Peavy of 1675 Bette Street, Merced, California, applied to the Office of Minerals Exploration for Government assistance in a $3,246 program, Docket OME-6572, to explore for gold and silver on the Oro Fina Claim, Mariposa County, California. The applicant infers the presence of gold- and silver-bearing veins in peridotite and wishes to explore for these veins by trenching and shaft sinking on the most favorable exposure.

A field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer on October 12, 1966, accompanied by Mr. B. S. Peavy, the applicant. The applicant's maps and assay data were carefully studied and compared with exposures in the claim area. Four samples of the mineralized vein material were taken during the field examination and the assays are given in the following report.

SUMMARY

The Oro Fina Claim is in an area of serpentinized peridotite between metavolcanic and metasedimentary rocks of Jurassic and Carboniferous age within the southern Mother Lode Gold Belt. The results of the field examination indicate that gold and silver occur in only trace amounts in the claim area and there are no concentrations of these or other metals that justify exploration.

The applicant proposed to explore the claim by bulldozer trenching and the sinking of a shaft to a depth of 50 feet on the most favorable showing. The proposed work was essentially prospecting in nature inasmuch as there are no gold-bearing veins that crop out on the claim and there are no mines in the nearby vicinity.

RECOMMENDATIONS

It is recommended that the application for Government assistance in an exploration project on the Oro Fina Claim be denied on the basis that the geologic probability of discovering gold-bearing ore bodies of minable size and grade is too remote.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Oro Fina Claim is in Sec. 31, T. 3 S., R. 17 E., MDBM, in the Coulterville Mining District, Mariposa County, California (Fig. 1), on the northeast side of the Merced River at an altitude of about 1,500 feet.

To reach the claim, that is about 1 mile north of Bagby, drive northwest on Highway 49 about 5 miles, turn right on the gravelled Schillings Road for about 1 mile, take the right fork onto a Jeep road and drive about 3 miles to the property. The last 3 miles require a four-wheel-drive vehicle, and the trip from Bagby requires about 1 hour.

Labor is available in the nearby mining communities of Coulterville, 8 miles, and Mariposa, 20 miles, as are mail, telephone, and freight services. Mining supplies, timber, and equipment are available in Mariposa. Water for mining purposes is available from springs within 1 mile of the property. Assay service is available in Mariposa. The local wage scale for miners is about $3-$4 per hour.

PROPERTY

History and Production

Placer gold was discovered in the Bagby area about 1850 and the gold-bearing veins were discovered in the late 1860's. Mariposa County has yielded about $48,000,000 in gold, most of which has been mined from quartz veins of the Mother Lode system.

The applicant claims to have panned a little placer gold from the area of the Oro Fina Claim in 1965, but there has been no recorded production from the claim or from other prospects in the near vicinity. There are no quartz veins exposed on the property and no production is probable.

Ownership

The property consists of the unpatented Oro Fina mining claim that was located by the applicant on January 1, 1966. The claim is recorded in Vol. A7, page 390, of the Mining Records of Mariposa County in the town of Mariposa, California. A copy of the location notice was included in the application.

Financial Eligibility

The applicant furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters from the banks denying the loans. The applicant states that he has sufficient funds in checking and savings accounts to provide his share of the costs of the proposed work.

The applicant is an employee of the U.S. Department of Agriculture, Soil Conservation Service. He has little knowledge of mining or prospecting and no training or experience in geology or exploration. He is not competent to undertake or guide an exploration project of the type he has proposed.

Development

The claim is developed by two shallow bulldozer trenches, each about 20 feet in width, 100 feet in length, and 10 feet in depth. There are no buildings on the property and no mining equipment.

GEOLOGY

Geologic Setting

The Oro Fina Claim is in an area of steep relief on the northeast side of the Merced River canyon. The surface is covered with dense brush and there are few outcrops. The rocks exposed on the ridge tops and in the bulldozer trenches are chiefly serpentinized peridotite. This body of serpentinized rock is about 1 mile wide in the claim area and trends northwest. It is bounded by metavolcanic and metasedimentary rocks of Carboniferous and Jurassic ages on the east and west. The peridotite is chiefly the variety saxonite containing abundant enstatite. Locally it contains abundant olivine and thin veinlets or zones of albite-rich material. A few small fragments of quartz float are present on the surface but no quartz veins are known to crop out on the claim.

Ore Deposits

There are no minable deposits of gold-bearing material known in the claim area. Thin veinlets of albite-rich material occur in the peridotite, exposed by the two bulldozer trenches, but assays of this material indicate only trace amounts of gold and silver.

Sampling

Four samples were taken of the most favorable appearing material exposed in the two bulldozer trenches. The results of the assays are as follows:

Sample No.	Ounces per ton Gold	Ounces per ton Silver	Description
OF-1	Tr	Tr	Chip sample across 1-foot veinlet "A" in south trench
OF-2	Tr	Tr	Chip sample, 1 foot wide, Vein "D" south end of north trench
OF-3	Tr	Tr	Chip sample, 1 foot wide, Vein "B" north trench
OF-4	0.01	0.10	Chip sample, 1 foot wide, Vein "A" north trench

Ore Reserves

There are no ore reserves on the claim and none are inferred.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6572
(Gold and Silver)

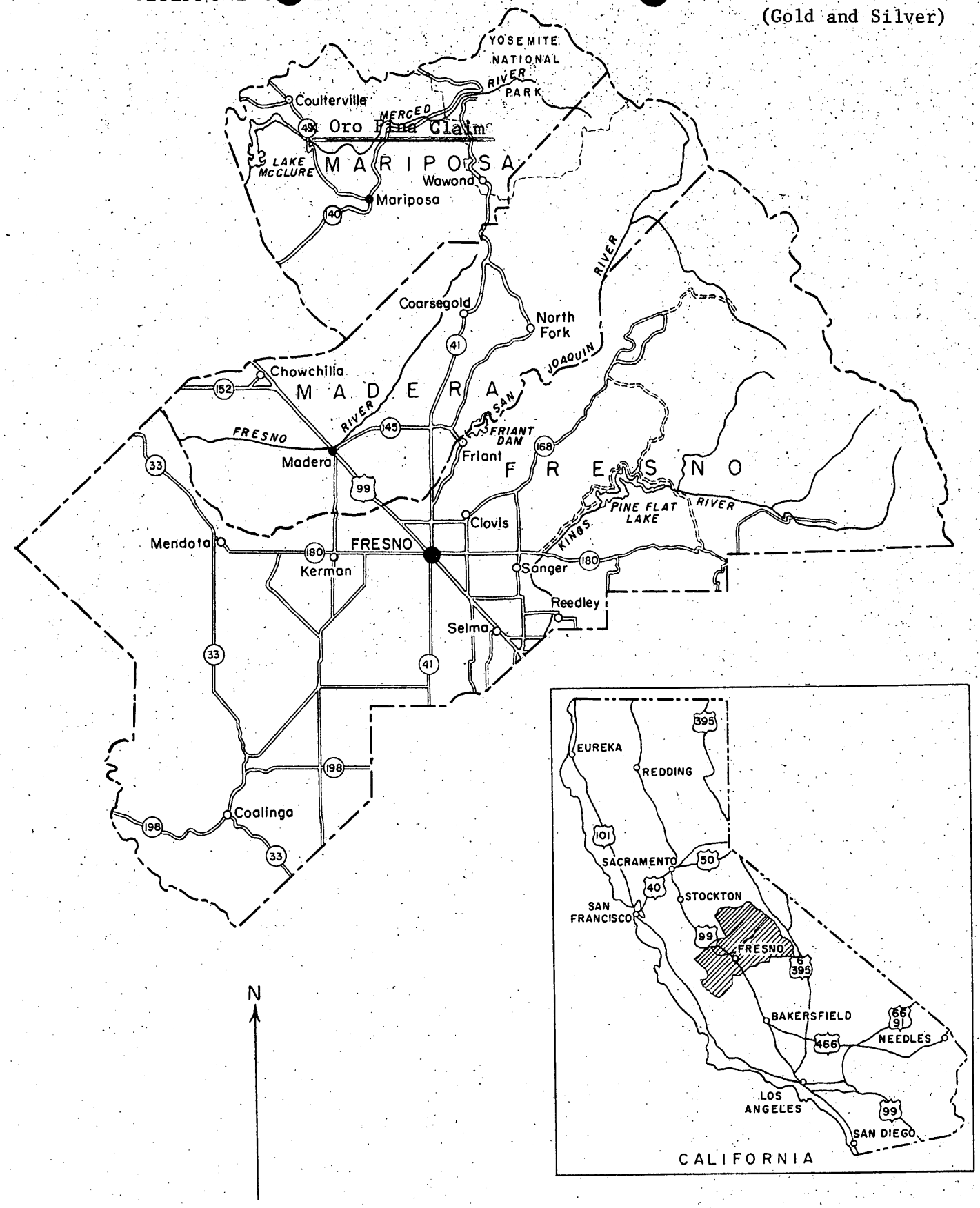

Figure 1. INDEX MAP OF FRESNO, MADERA, AND MARIPOSA COUNTIES, CALIFORNIA

0 20 40 60 Miles

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(2/63)

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Date	Surname	Code
9/16	Peterson	120
9/16	Kirkham	120
		110
		220
		120M

SEP 16 1966

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6572 (Gold and Silver)
Billy S. Peavy
Oro Fina Claim
Mariposa County, California

The subject application is referred to you for further consideration, a field examination if warranted, and recommendations.

Although the required information has been submitted, additional supporting geological evidence is necessary to substantiate the Applicant's request for OME assistance. However, it appears Mr. Peavy has included all of the data that is known to him. Consequently, any additional information may possibly be obtained only from a field examination of the property.

We note that no provision was made in the application for underground exploration. It seems that some underground work would be necessary in addition to the proposed shaft sinking.

Frank E. Johnson

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
130
EPeterson/gla 9-16-66

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(2/63)

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Date	Surname	Code
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9/16/66	Kirkemo	120
		110
		220
		120M

SEP 16 1966

Mr. Billy S. Peavy
1675 Bette Street
Merced, California

Re: OME-6572 (Gold and Silver)
Billy S. Peavy
Ore Fina Claim
Mariposa County, California

Dear Mr. Peavy:

The application for assistance in exploring the subject property has been reviewed by the Washington Office and referred to Mr. Harold K. Stager, Field Officer, Region II, Office of Minerals Exploration, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025.

The Regional Office will notify you if additional information concerning the application is needed.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Region II
OME Reading File
Mr. Peterson

GLAult/a 9-16-66

23263

September 12, 1966

Mr. Billy S. Peavy
1675 Bette Street
Merced, California

Subject: OME - 6572

Dear Mr. Peavy:

Your application for exploration assistance, dated September 7, 1966, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6572.

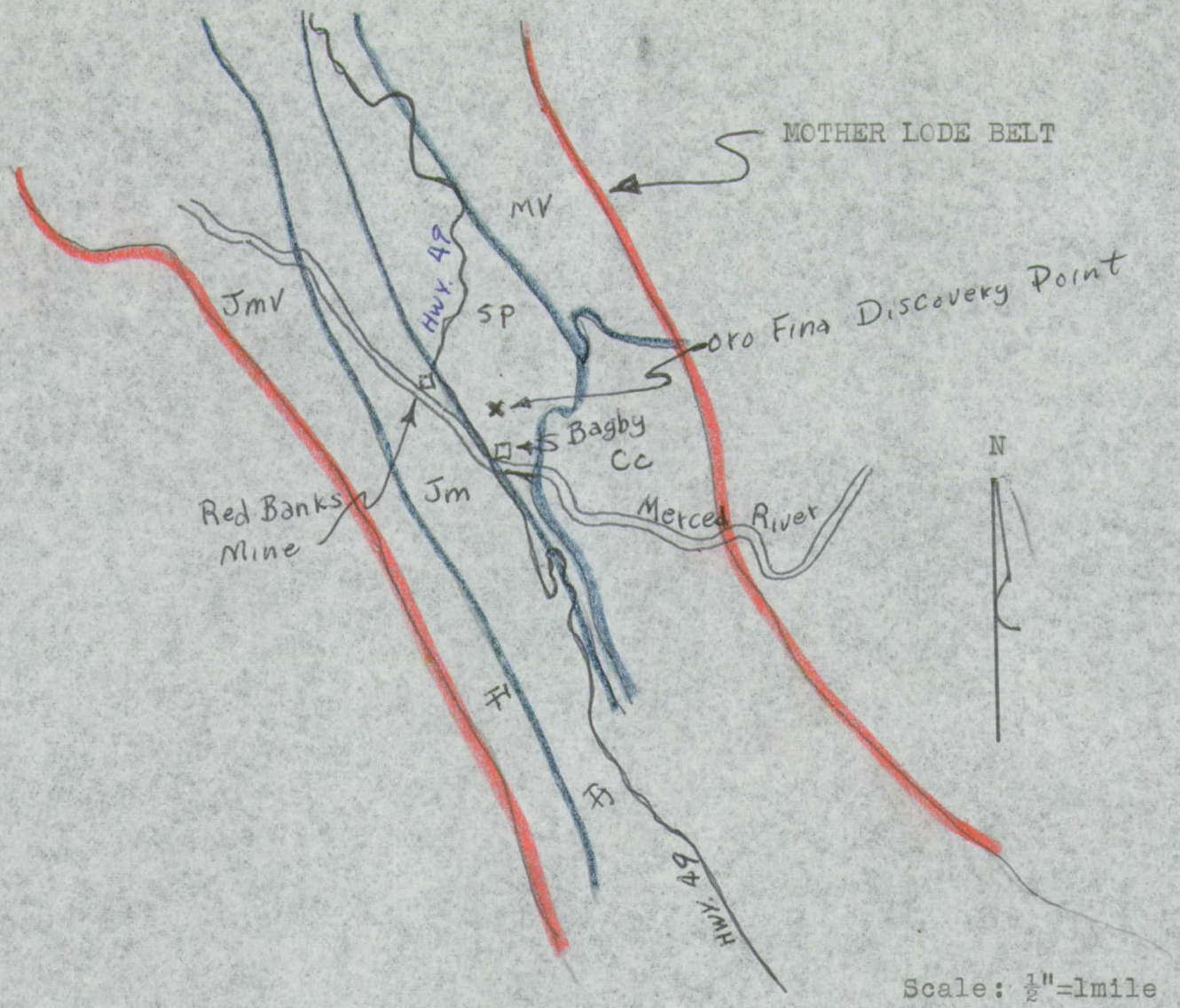
Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to R-II

GEOLOGIC MAP OF ORO FINA CLAIM



Scale: ½"=1mile

From page 39 of GEOLOGIC GUIDEBOOK ALONG HIGHWAY 49-SIERRAN GOLD BELT, Bull. 141, Division of Mines, Ferry Bldg, San Francisco, 1948

Legend:

MV-Meta-volcanics
Jmv-Meta-volcanics, chiefly meta-andesite
sp-Ultra-basic rocks, chiefly serpentine
Cc-Calaveras formation
Jm-Meta-sediments (slate,graywackle)