DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1055 DMEA NO. 4504

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(Withdrawn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

9775

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

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REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Cordero Mining Company
Palo Alto, California

pertaining to Exploration Project Contract No. Ida-E1055, Docket No. DMEA-45 4, dated January 17, 1957, including Amendment No. 1, for the months of January 1957 to October 1957 inclusive, covering a project for the exploration of tungsten on property known as the Wild Horse Mine, located in Custer County, State of Idaho.

My review included an examination of the Monthly Reports (Forms MF-1 4) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

(a) All of the costs incurred ($2 ,8 .5) were under a contract provision for payment by the Government on the basis of fixed unit costs of units of work actually performed.

The review disclosed the following facts in regard to the amounts paid or to be paid the contractor:

Total cost claimed by Operator		$22,2 .2
Exceptions per schedule		
By Finance Officer	$ None	
By Audit	1,499.25	1,499.25
		2 ,79 .95
Add: acceptable/(not claimed) costs to offset disallowance		34.
Total accepted cost claimed		$2 ,8 .95

The contract calls for a 75 percent participation of accepted costs. Therefore, payments as follows are valid and proper:

Amount payable on audited claim	$15,045.71
Amount reimbursed	14,827.5
Balance due Operator	$ 818.

C. A. Turner, Auditor

May 19, 1958

Schedule of Exceptions

Cordero Mining Company | DMEA-454 | Idm-E1055

Claimed by Operator

Final Operator's Monthly Report and Voucher, Form MF-104, for October 1957, signed by Operator November 25, 1957	$22,296.2[illegible]

Accepted Costs

Fixed Unit Costs				
Crosscutting or drifting	5[illegible]'	@ $32.[illegible]	$1[illegible]	
Timbering	25.5'	@ 6.40	163.20	
Diamond Drilling	190'	@ 4.50	855.00	
" "	75'	@ 4.25	318.75	
Long Hole Drilling	3[illegible]3'	@ 1.00	3[illegible]3.0	
Assays	36	@ 4.25	153.00	
Use of bulldozer for snow removal	66 hrs.	@ 12.00	792.00	
Snowshed			1,476.00	
Compressor Tool House			8[illegible].00	
				2[illegible]

Disallowed by Audit

AX Hole	329'	@ $ 4.50	$ 1,48[illegible].50	
EX Hole	75'	@ .25	18.75	
			$ 1,499.25	
Deduct: Timbering allowed	1[illegible]'	@ 6.40	64.[illegible]	
Total disallowed				$ 1,435.25

The disallowance of diamond drill hole footage was made by the examining engineer and Field Team because of the failure of the drill holes to meet the contract specifications as to size and interval of holes.

Timbering in the amount of $64.[illegible], which was allowable and proper under the terms of the contract, but not claimed by the Operator, was added to the Operator's claim by the Field Team.

The drilling disallowance of $1,499.25 and the timbering addition of $64.[illegible] to the Operator's claim are concurred in by this audit.

C. A. Turner, Auditor

May 15, 1958

Government's copy

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Pntg
Lawyer
App'd. Col. Off.
Holt
Martin
Talbot
Selfridge

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA-4504

AMENDMENT NO. 1

It is agreed this 21st day of March, 1958, between the United States of America, acting through the Defense Minerals Exploration Administration, and Cordero Mining Company, that Contract No. Idm-E1055 (Docket No. DMEA 4504), dated January 17, 1957, is amended, effective July 31, 1957, as follows:

In Exhibit A:

1. In paragraph numbered 3 of the Description of the Work, after "AX", insert "or EX when approved by the Government."

2. Under Estimated Cost of the Project, Item 3(a) is revised to read:

"Diamond Drilling, 725 feet @ $4.50/ft. $3,262.50"

"Diamond Drilling, size EX, 75 feet @ $4.25/ft. $318.75"

This amendment shall not be construed to increase the estimated cost of the project, the fixed unit cost of any item of work, nor the aggregate amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

CORDERO MINING COMPANY

By [illegible]

Title J. P.

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA-4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill holes as size EX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "ravelly" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
SOMERSET MINING COMPANY
DOCKET NO. DMRA-4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill holes to size EX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "revelly" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
COLORADO MINING COMPANY
DOCKET NO. [illegible]

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill holes at size EX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "raveling" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
CONDERO MINING COMPANY
DOCKET NO. DMRA-4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill holes as size EX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "raveling" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
COLORADO MINERAL COMPANY
DOCKET NO. [illegible]

Justification for Amendment No. 1

The Field Team's summary noted that the Operator had found it necessary or desirable to drill some diamond core drill holes to 417 ft, instead of also AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "rubbly" or caving ground, or complete loss of circulation of drilling water, if any power administered by the Operator, did also result in a net saving to the Government, to complete drilling a hole with HX bits and tools, instead of running and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller HX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment determines that HX drilling in lieu of AX, if done with the approval of the Government,

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMRA-4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill holes as size EX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "raveling" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of running and casing, or cementing and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
COCHRANE MINING COMPANY
DOCKET NO. [illegible]

Justification for Amendment No. 1

The Field Team's attorney noted that the Operator had found it necessary or desirable to drill some diamond core drill holes as Size NX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "sandy" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with NX bits and tools, instead of jamming and casing, or abandoning and redrilling, to permit finishing the hole at the larger NX size.

In this case, the use of the smaller NX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

It recommended for approval by the Field Team, this Amendment authorizing such NX drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
CONTROL STATUS SUMMARY
NUMBER NO. [illegible]

Justification for Amendment No. 1

The Field Team's engineer noted that the operator had found it necessary or desirable to drill some diamond core drill holes as size BX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "rowdy" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also result in a net saving to the Government, to complete drilling a hole with BX bits and tools, instead of running and cutting, or cementing and redrilling, to permit finishing that hole at the larger AX size.

In this case, the use of the smaller BX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment introduces use of drilling in lieu of AX, if done with the approval of the Government.

EXPLORATION PROJECT CONTRACT
[illegible] MINING COMPANY
[illegible] NO. [illegible]

Justification for Amendment No. 1

The Field Team's summary noted that the Operator had found it necessary or desirable to drill some diamond core drill holes in size BX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "mostly" on caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the Operator, and also profit to a lot saving to the Government, to complete drilling a hole with BX size and then, instead of reaming and casing, or cementing and redrilling, to merely finishing the hole at the larger AX size.

In this case, the use of the smaller BX size drilling did permit finishing a hole, also equal to that were substituting for the purpose of the Contract.

As recommended for approval by the Field Team, this amendment authorizes such BX drilling in lieu of AX, if done with the approval of the Government.

INTERAGENCY PROJECT AGREEMENT
GEORGE WASHINGTON NATIONAL FOREST
BUDGET YR. [illegible]

Justification for Amendment No. 1

The Field Team's analysis noted that the operator had found it necessary at Australia to drill some closed core drill holes to size XX, instead of size AX, as stipulated in the Contract.

Under certain circumstances, such as encountering "rubble" or caving ground, or complete loss of circulation of drilling water, it may prove disadvantageous to the Operator, and also result in a loss saving to the Government, to complete drilling a hole with XX size core tools, instead of changing and coring, or reaming and redrilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller XX size drilling did permit finishing a hole, which results that were satisfactory for the purpose of the Contract.

As recommended for approval by the Field Team, this Amendment authorizes back XX drilling in lieu of AX, if done with the approval of the Government.

Docket Copy

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2/27	B	215
		220
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MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4504	Tungsten	1055	Custer	Idaho

It is agreed 17 JAN 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Cordero Mining Company, a Nevada corporation

whose mailing address is 131 University Avenue
Palo Alto, California
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before JAN 18 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $28,572.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $21,429.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: See Annex I.

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: John Rosenkrance, Bill Brooks, A. L. Hall and Mrs. Afton McBride (undated)

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

CORDERO MINING COMPANY
(Operator)

By [signature]
Administrator, Defense Minerals
Exploration Administration

By [signature]

Title V. Pres.

I, John C. Agnew, certify that I am the secretary of the corporation named as Operator herein; that Samuel H. Williston, who signed this contract on behalf of the Operator, was then Vice President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[signature]

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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ГОСУДАРСТВЕННАЯ ПУБЛИЧНАЯ НАУЧНО-ТЕХНИЧЕСКАЯ БИБЛИОТЕКА

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EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA-4504

ANNEX I

The land referred to in Article 2 of the contract consists of 16 unpatented lode mining claims, (Plate 3), situated in T. 5 N., R. 20 E., B.M., on Wild Horse Creek in Alder Mining District, Custer County, Idaho, and shown on map entitled: "Plate 3 - Claim Map of the Wildhorse Mine - Cordero Mining Co., Custer County, Idaho," attached hereto as a part hereof. The Notices of Location of the 16 claims are recorded in the Custer County Courthouse at Challis, Idaho, as follows:

Claim Name	Recorded Book No.	Recorded Page No.
Steep Climb 1 to 6, incl.	14	150-155
Steep Climb 7, 8, and 9	14	169-171
Steep Climb 10 to 16, incl.	14	183-188

A stock pile of ore, reported to contain approximately 300 tons previously mined by the applicant, and approximately 1,500 tons of tailings from ore previously milled, shall be excluded from the royalty provisions of the contract.

The property noted above is owned by John Rosenkrance, Bill Brooks, A. L. Hall, and Mrs. Afton McBride, and is leased by them with an option to purchase to the Cordero Mining Company, a Nevada corporation. A copy of the Consent to Lien and Subordination Agreement, executed by the owners, is attached to and made a part of this contract.

Consent to Lien

DI-28
(Approved July 1942)

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE DIRECTORY

NAME _____
(Surname first)

BRANCH, DIVISION, AND SECTION _____

OFFICIAL DESIGNATION _____

ROOM NO. _____

HOUSE ADDRESS _____

HOUSE TELEPHONE _____

_____, 19____

The Chief Clerk MUST be kept informed of addresses, and this form should be filled out as often as is necessary for that purpose.

One name only should be written on a card.

16—30661-1 U. S. GOVERNMENT PRINTING OFFICE

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

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Cordero Mining Company
Docket No. DMEA- 4504
Contract No. Idm-E 1055
Contract Date 17 Jan 1957

RECEIVED
FEB 19 1957
U. S. G. S.
SPOKANE, WASH.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Custer, State of Idaho, described as follows: 2/ Unpatented Mining Claims Located by John Rosenkrance, Leo McBride, Bill Brooks, & Art Hall

Claims:	Date Located	Recorded
Steep Climb #16	Nov. 5, 1953	Book 14, Page 188
Steep Climb 1 thru 6	Sept. 8, 1953	Book 14, Pgs. 150-155
Steep Climb 7-8-9	Oct. 8, 1953	Book 14, Pgs. 169-171
Steep Climb 10-15	Nov. 5, 1953	Book 14, Pgs. 183-188
Beaver 1 thru 4	Nov. 5, 1953	Book 14, Pgs. 189-190-198-199

, which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

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.)

Mining Lease With Option to Purchase by Cordero Mining Company
Dated September 14, 1953 and recorded in Custer County, Idaho
Book 4, Bonds & Agreements, Pages 493-94-95-96 (NONE OTHER)

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 _____, and recorded in Book _____, Page _____, 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 _____ day of _____, 195__.

John Rosenkrance	[Seal]	Mackay, Idaho	[Address]
Bill Brooks	[Seal]	Hailey, Idaho	[Address]
A. L. Hall	[Seal]	Hailey, Idaho	[Address]
Mrs. Afton McBride	[Seal]	Blackfoot, Idaho	[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 25 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA-4504

EXHIBIT A

Description of the Work

The maps attached to and made part of the contract are as follows:

Plate 2. Wildhorse Mine "Steep Climb" Deposit, Cordero Mining Co., Custer County, Idaho

Plate 3. Claim Map of the Wildhorse Mine, Cordero Mining Co., Custer County, Idaho

The project consists of driving not to exceed 500 feet of adit-crosscut and drift, raising not to exceed 100 feet from the adit, drilling not to exceed 800 feet of diamond drill holes, and not to exceed 303 feet of long percussion-drill holes from the adit, as follows:

1. From the portal site (see Plates 2 and 3) drive a crosscut west approximately 200 feet to cut the possible downward extension of ore showings located in the bottom of the bulldozer trench, then drive a drift northerly approximately 300 feet along the above-noted downward extension of ore showings or other favorable mineralization. The total aggregate length of adit-crosscut and drift shall not exceed 500 feet. The drift and/or crosscut shall be timbered as necessary and shall be not less than 5 feet by 7 feet in the clear of timber.

2. At all positions along the crosscut and/or drift found to contain favorable mineralization, the Operator shall drive such exploratory raises as are approved by the Government. Such raises shall be timbered with standard two-compartment raise timber and shall be not less than 4 feet by 7 feet in cross section in the clear of timber. The aggregate total length of all raises shall not exceed 100 feet.

3. At locations not less than 200 feet apart, drill AX size diamond drill holes into either wall of the drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length and the total footage of all such holes shall not exceed 800 feet.

4. At locations along the drift where mineralization is favorable, but not less than 50 feet apart, drill long percussion-drill holes into either wall of the drift to explore the possible existence of other ore bodies. The total footage of such drill holes shall not exceed 303 feet.

5. Assay not more than 100 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks, and any shipping charges.

6. Use of bulldozer for snow removal, not to exceed 100 hours. 2/

7. Construct one new smoke and one new tool and compressor 3/ house. The smoke shall include adit portal, track, pipe, and vent pipe, and track on dump.

Estimated Cost of the Project

Fixed Unit Costs

1. (a) Crosscutting and/or drifting 500 feet @ $32.00/ft.		$16,000.00
(b) Timbering crosscut and/or drift, 120 feet @ $6.40/ft.		768.00
2. Raising, timbered, 100 feet @ $36.00/ft.		3,600.00
3. (a) Diamond drilling, 800 feet @ $4.50/ft.		3,600.00
(b) Reaming and casing, or cementing and re-drilling, 200 feet @ $2.00/ft.		400.00
4. Long-hole drilling, 303 feet @ $1.00/ft.		303.00
5. Assaying 100 samples for WO_3 @ $4.25/sample		425.00
6. Use of bulldozer for snow removal, 100 hours @ $12.00/hr.		1,200.00
7. (a) Construct smokehouse, etc. $1,476.00 1/		
(b) Construct compressor-toolhouse 800.00 1/	2,276.00	
Estimated Total Cost of the Project		$28,572.00
Government Participation @ 75%		$21,429.00

1/ The completed work constitutes the unit.
2/ Includes mobilization and demobilization of bulldozer of at least D-6 or equivalent size.
3/ The compressor-toolhouse shall be of wood construction, and approximately 20 feet by 30 feet in floor area.

S. H. WILLISTON
VICE-PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO CALIFORNIA

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 25 1957

DATE	INITIALS	CODE

February 18, 1957

Dr. A. E. Weissenborn, Executive Officer
U. S. Geological Survey
United States Department of The Interior
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho

DMEA

Dear Dr. Weissenborn:

Enclosed please find five copies of Contract No. 1055 between Cordero Mining Company and Defense Minerals Exploration Administration. We are retaining one copy for our files.

Also enclosed is the original and four copies of Monthly Operating Report Forms MF-104 and MF-104A, with narrative description of progress for the month of January.

Enclosed also are five copies of Consent to Lien for all mining claims involved signed by John Rosenkrance, Bill Brooks, A. L. Hall, and Mrs. Afton McBride. When discussing the problem of Leo McBride's Estate transferal to his widow, Mrs. McBride, with George Selfridge in Washington, he advised that on the Consent to Lien, Paragraph 4, if there were no other liens, claims, etc., this could be inserted and it would satisfy the DMEA. You will note that this has been done.

In the future, all reporting will be much more prompt and I hope to your complete satisfaction.

Very truly yours,

J. Eldon Gilbert
Manager

JEG:sgp
Enc.

RECEIVED
FEB 1 [illegible]
SPOKANE [illegible]

Special Delivery Air Mail

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 25 1957

DATE	INITIALS	CODE

February 21, 1957

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

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

Enclosed are the Government, Docket and Division copies of the above-referenced contract signed by S. H. Williston, Vice-President. All copies of the Consent to Lien attached to the contract when received in this office have been removed and new copies of Consent to Lien for all claims involved in the contract have been put in their place.

The new Consent to Lien includes the words "none other" at the end of a statement in Item 4 which is understood by the Operator as meaning that Mrs. Afton McBride is the sole heir of Leo McBride and that there are no outstanding debts, taxes, etc., due on the claims; also the Steep Climb No. 16 claim has been added.

We are returning the old Consent to Lien to you for whatever disposition you care to make.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures

cc: USBM (2)
USBM (AD)
Nickelson

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 15 1956

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

RECEIVED
OCT 8 1956
U. S. G. S.
SPOKANE, WASH.

Not to be filled in by applicant

Docket No. 4504
Metal or Mineral Scheelite
Date Received 10-15-56
Estimated Cost $136,034.50
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: CORDERO MINING COMPANY
131 University Avenue
Palo Alto, California

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Steep Climb

(*b*) State any mine name by which the property is known. WILD HORSE MINE

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

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

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

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

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

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

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

(*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. 18 See Explanation

(*c*) The work will start within 30 days and be completed within 13 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated October 5, 1956, 195__

CORDERO MINING COMPANY
(Applicant)

By J. Eldon Gilbert
J. Eldon Gilbert
Manager

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

RECEIVED
OCT 15 1956

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

1. CORDERO MINING COMPANY (Corporation)
131 University Avenue
Palo Alto, California

c) J. N. Pew, Jr., President
S. H. Williston, Vice-President

3. Applicant's property rights.

a) Property consists of Unpatented Mining Claims, located and recorded in Custer County, Idaho by John Rosenkrance, Leo McBride, Bill Brooks and Art Hall.

CLAIMS	DATE LOCATED	RECORDED
Steep Climb 1 thru 6	Sept. 8, 1953	Book 14 Page 150 - 155
Steep Climb 7-8-9	Oct. 8, 1953	Book 14 Page 169 - 171
Steep Climb 10 thru 15	Nov. 5, 1953	Book 14 Page 183 - 188
Beaver 1 thru 4	Nov. 5, 1953	Book 14 Page 189-190-198-199

b) WILD HORSE MINE

c) Lessee

d) (Contract enclosed)

e) Not applicable

f) See above

4. Physical description.

a) The Wild Horse tungsten deposit was discovered in August 1953. The following month Cordero Mining Company commenced exploration and development by way of shallow trenches. Roads were built and a 50-ton mill erected in 1954. Mining was done from open pits on three deposits known as Beaver, Steep Climb and Hard-to-Find. This open pit operation was continued until the winter of 1955-1956 when pit operations were stopped and a shallow tunnel was driven under the Steep Climb deposit to extract the ore left in the pit. Since then this tunnel has been extended along the tactite zone and has exposed interesting amounts of mineralization. All workings are accessible for examination purposes.

b) PRODUCTION FROM WILD HORSE
Tons Ore Milled

		Tons	Grade	Units in Ore	Recovered
1954	Steep Climb	1304	1.28	1600	Mixed
	Hard-to-Find	1452	0.55	800	during
	Beaver	112	0.25	4	milling
		2868		2404	1802.75
1955	Steep Climb	1946	0.74	1436	Mixed
	Hard-to-Find	5364	0.18	941	during
	Beaver	16	0.60	10	milling
		7326		2387	1681.17

4. b) Continued

1956	Steep Climb Hard-to-Find Beaver	2427	1.10	2670	Mixed during Milling
		2427		2670	2155.70

SCHEELITE SOLD TO G.S.A.

	UNITS	VALUE/UNIT	GROSS AMOUNT
1954	1802.7561	62.75	113,122.95
	628.0000	57.55	36,186.38
1955	512.8722	60.25	30,900.55
	311.3602	60.75	18,915.13
	228.9311	61.40	14,056.37
	345.6824	62.75	21,691.57
	350.6420	63.00	22,093.45
1956	567.9375	61.67	35,027.55
	558.4922	63.00	34,626.52
	332.9626	61.50	20,477.20
	5639.6363		$347,097.67

c) The geology of the deposit is not well understood. However, it appears that the mineralization is confined to a general contact zone in gneiss. This "contact" has high calcarius gneiss on one side and gneiss grading into granitic rock on the other, resulting in a tactite zone. At irregular intervals this tactite is cut by alaskite dikes. The dip and strike of these dikes vary very considerably. Scheelite mineralization seems to be associated with these dikes and is strongest where they cut the tactite. During the past operation the best ore was obtained from the tactite zone on the Steep Climb claims, which is completely covered by the Steep Climb group of claims. It is proposed that this zone be explored along its strike and at some depth. A more detailed statement of the geology may be found in Idaho Bureau of Mines & Geology Pamphlet No. 108, June 1956 - "Tungsten Deposits of South Central Idaho" by Earl Ferguson Cook.

d) Wild Horse Mine is located near the south end of Wild Horse Canyon between Mackay and Ketchum, Idaho. During the summer months it is accessible from either town, being about 50 miles from Mackay and railway facilities, and about 30 miles from Ketchum (Sun Valley). During winter the road to Ketchum is closed. The road to Mackay, however, is kept open, most of it maintained by the county but the last 10 miles of mine road is kept open by the mine operation by constant snow removal. The nearest private dwellings are in the above named towns. However, the mine is equipped with a 10-bunk bunkhouse and a very fine cookhouse.

e) There should be no trouble in obtaining labor. Adequate manpower has always been available in the local district.

Materials, supplies and equipment are either available locally or can be ordered and shipped to Mackay either by railway or motor freight (Garrett Freightlines). Water is available in abundance, and power is generated at the mine.

5. <u>The Exploration project</u>.

a) Scheelite

b) It is proposed that a cross cut be driven about 200 feet from a portal to the

tactite zone, and to drift about 1800 feet along the zone. This drift will pass under two pits which produced ore, and also under a shallow drift which has been in ore part of the time. To further explore the zone, short drill holes will be drilled into the walls, either by diamond drills or percussion drills, using whichever method seems the most feasible at each point. Raises will be driven at several points where the amount and type of mineralization indicates that vertical exploration is justified, the exact location of each raise to be determined by the mutual agreement of DMEA and Cordero Mining Company engineers.

c) The work will be started within 30 days after the completion of the project contract. It is expected to take 12 months for completion. However, due to the rough, isolated location of the property, with the possibility of unpredictable problems such as snowslides, floods, forest fire, etc., the completion of the project cannot be guaranteed in less than 18 months after the starting date.

d) Cordero has been in the mining and exploration business for about 20 years. The operation will be supervised by J. Eldon Gilbert, a qualified geologist and mining engineer, with experience in all phases of mine exploration.

6. Estimate of costs.

b) Labor Supervision - Consultants

1500' of untimbered tunnel	@ 14.00	21,000.00
500' of timbered tunnel	@ 20.00	10,000.00
700' of raises	@ 14.00	9,800.00
Old Age Benefits, Federal Unemployment Compensation, State Unemployment Compensation, Workmens Compensation, Hospitalization		5,510.00
		46,310.00

General Maintenance Supply Procurement

600.00 plus 107.80 (All Compensations as above)
707.80 x 12 months 8,414.00

Supervision (Engineer and Geological)
700.00 plus 85.00 (All Compensations as above)
785.00 x 12 months 9,420.00

Drilling:

Long Holes	Labor 2000' @ .90	1,800.00
Diamond Drill	Labor 1000' @ 2.75	2,750.00

c) Operating materials and supplies

ITEM	COST/FOOT		
Rail	1.30		
Ties	.14		
Spikes & fishplate	.10	1.54	
Pipe (3/4 - 3")	.85		
Vent Pipe 12"	1.25		
Compressor fuel & lubricating oill	1.32		
Powder & caps	3.40		(Raise only-No Timber)
Steel & Bits	1.50	8.32	
		9.86	Drift (Untimbered)
Timber (for drift)		3.80	
(for raises)		2.00	

Long hole drilling:

Percussion drilling-Steel & bits	.20
Diamond Drilling -Bits, Rods, etc.	1.75

Gasoline for pickup, power wagon, gas engine fan, starting engines
250 gal./month @ .40 = 100.00/month 1200.00

d) Operating equipment

2 jacklegs & hammers	@ 800.00 ?		1600.00
2 stopers	@ 800.00 ?		1600.00
200' air & water hose	@ 1.00		200.00
Mucking machine (used)			2400.00
2 mine cars	@ 150.00		300.00
Motor & charger (used)			3200.00
Compressor 315			4000.00
Power plant			500.00
Bit sharpener			400.00
10 used mine lamps	@ 25.00		250.00
6 lamp charging units	@ 10.00		60.00
Gas engine driven fan			400.00
Cookhouse equipment			300.00 -?
Bunkhouse equipment			400.00 -?
Radio Transmitter & receiver (400 Watt)			1800.00
Power wagon on property			2000.00
Pickup			2500.00
Arc welder			500.00
Shop tools			500.00
Storage tanks			1000.00 -?
			$ 23,910.00
TD-14 with angledozer			
Machine rental per hour	10.00		
Lube & fuel	1.00		
Operator	2.50	13.50/hour	
Estimated - 250 hours			3375.00

e) Rehabilitation & Repairs

None

f) New buildings, improvements, installations

1. Snowshed from portal to dump 100 feet			
1000 lin.ft. 24" corregated iron	370.00		
1000 bd.ft. lumber	90.00		
Labor	500.00		960.00
Track, pipe, vent pipe in snowshed			
$1.54 + $.85 + $1.25=$3.64 x 100'	364.00		
Track on dump 200'? x $1.54	308.00		1632.00
Portal (squaring up for 1st set			500.00
2. Compressor house and tool house at portal			
20x30 = 600 sq.ft. @ 2.00			1200.00
			$ 3332.00

g) Miscellaneous

Bags	.15		
Shipping	.10		
Assaying	4.00	4.25	
Approximately 250 samples			1062.50
Accounting, record keeping, etc. 12 months @ 150.00			1800.00
Costs of repair parts on mining & surface equipment			2400.00
			$ 5262.50

h) Contingencies

For increase in labor & supplies; for possible disaster such as flood, snowslides, fire, etc., or unpredictable conditions such as excessive bad ground $11,000.00

7. a) Yes

b) Money and use of equipment owned by Cordero Mining Company

It is proposed that Cordero Mining Company purchase the necessary equipment and supplies, recruit necessary personnel and organize the project.

The costs of the various units of work as herein set forth, follows: DMEA will be expected to pay 75% of the cost of each unit:

New buildings, etc.	6 f		3332.00
Drifting (Untimbered) 1500'			
Labor	6 b	14.00	
Supplies	6 c	9.86	
OAB, Workmens Comp. etc.	6 b	2.04	
Supervision & General	6 b	6.61	
Operating equipment & supplies	6 d	2.22	
Misc. accounting & repairs-parts	6 g	1.55	
~~XXXXXXX~~ Total (per foot)		36.28	
Drifting (Timbered) 500'			
Labor	6 b	20.00	
Supplies	6 c	9.86	
OAB, Workmens Comp., etc.	6 b	2.04	
Timber	6 c	2.00	
Supervision & General	6 b	6.61	
Operating equipment & Supplies	6 d	2.22	
Misc. accounting & repair parts	6 g	1.55	
Total (per foot)		36.75	44.28
Long hole drilling:			
Percussion drilling approx. 2000' @		1.10	
Diamond drilling " 1000' @		4.50	
Cat work on an hourly basis/hour		13.50	
Analytical work/sample		4.25	
Contingencies		11,000.00	

SUMMARY OF TOTAL COSTS

Buildings, etc.			3,332.00
Drifting	Untimbered 1500'	@ 36.28	54,420.00
Drifting	Timbered 500'	@ 46.75	23,420.00
Raising	Timbered 700'	@ 36.75	32,725.00
Drilling	Percussion drill 2000'	@ 1.10	2,200.00
Drilling	Diamond Drill 1000'	@ 4.50	4,500.00
Cat work	250 hrs.	@ 13.50	3,375.00
Analytical	250 samples	@ 4.25	1,062.50
Contingencies			11,000.00

TOTAL PROJECT COST.....$136,034.50

RECEIVED
OCT 15 1956

THIS AGREEMENT, entered into this 14th day of September, A. D., 1953 between A. L. HALL, JOHN ROSENKRANCE and BILL BROOKS of Hailey, Idaho, and L. W. McBRIDE of Idaho Falls, Idaho, hereinafter referred to as LESSOR, and CORDERO MINING COMPANY, a Nevada corporation, hereinafter referred to as LESSEE,

W I T N E S S E T H:

WHEREAS, Lessor is the owner of the following described mining claims situate in the ALTO MINING DISTRICT, CUSTER COUNTY, IDAHO, consisting of the following lode mining claims, namely:

> Steep Climb #1, Steep Climb #2, Steep Climb #3, Steep Climb #4, Steep Climb #5, Steep Climb #6, the "Hard to Find" group of claims, and mill site known as Labor Day

AND WHEREAS, the Lessee desires to lease and to acquire an option to purchase the whole of said mining property above described, which the Lessor is willing to grant upon the terms and subject to the conditions hereinafter set forth,

NOW, THEREFORE, in consideration of the premises and the sum of One Dollar paid by the Lessee to the Lessor, receipt of which is hereby acknowledged, the Lessor hereby grants and leases to Lessee the above-described property for the purpose of investigating, exploring, prospecting, drilling, mining, producing, milling, and removing ores, metals and minerals of every kind, and for the purpose of erecting thereon mills, plants and other structures in connection with said purposes, for the term of twenty-five (25) years from the date hereof unless sooner terminated as hereinafter provided. At Lessee's request this lease and option may be extended an additional twenty-five (25) years.

1. RENTAL The Lessee shall pay to the Lessor monthly, as rental for said property, a percentage of the proceeds resulting from the operation of said property by Lessee, to be calculated as provided in Paragraph 5 hereof and payable in the manner and at the time provided in Paragraph 4 hereof.

2. OPTION The Lessor shall and does hereby give and grant unto the Lessee the sole, exclusive and irrevocable right and option to purchase and acquire the whole of the said mining property above described, upon the payment of the option price, on or before the termination of this Lease and in the manner and upon the due performance of the covenants to be kept and performed by the Lessee, all as hereinafter provided.

3. PURCHASE PRICE The Lessee, upon the exercise of said option, shall pay the Lessor as a total purchase price for the above-described property the sum of Fifty Thousand Dollars ($50,000.00), in lawful money of the United States. All rental and royalty payments made to Lessor hereunder shall be credited on the purchase price. The balance of the purchase price shall be paid in full upon the exercise of said option and delivery of a good and sufficient deed as herein provided.

4. MANNER OF PAYMENT On the 1st day of June, 1954, One Thousand Dollars ($1,000.00) will be due and payable if property is retained by Lessee. No advance notice to abandon property is required during this period.

The royalty payable to Lessor as rental hereunder, as calculated in accordance with the provisions of Paragraph 5 hereof, shall be payable in monthly installments commencing on the 15th day of the month following the first sale of any ore or concentrates, and continuing on the 15th day of each and every month which follows the sale of ore or concentrates until the expiration of the term hereof or the earlier termination of this Lease. Each installment shall be based on the proceeds received during the preceding calendar month.

Each and all of the above-designated payments shall be made to ~~B.~~ A. L. ASH Hall, John Rosenkrance, Bill Brooks and L. ~~M.~~ W. McBride Lucas jointly, and mailed to Bill Brooks, Hailey, Idaho.

5. ROYALTY DEFINED The royalty herein provided for shall be accrued upon production of ores, concentrates and other mineral products of whatsoever kind, produced by Lessee from the leased premises in proportion as follows:

10% of the gross selling price of all ores, concentrates sold and shipped from Lessee's

mine or mill, after deducting all costs of transportation, ~~handling~~ and insurance, or, in case of treatment or milling other than by Lessee, 10% of the gross selling price less transportation, ~~handling~~ and insurance, and treatment charges. JR BB Lessee J.H

6. MINING METHODS AND CONDITIONS Lessee shall be sole judge as to methods of mining and milling, what constitutes ore, when and if ore is extracted or milled and all other phases of operating the property. All operations conducted by the Lessee upon the property shall be performed in accordance with the laws and regulations of the United States and the State of Idaho and in accordance with good practices in workmanship, mining and milling, particularly with regard to the safety and welfare of worker.

7. POSSESSION Lessee, its agents, representatives or employees may enter in and upon and take possession of the whole or any part of the property above described, at once; and, may then and there commence any work to explore or mine the property, in keeping with the tenor of this agreement, that it may deem advisable, and for that purpose, may use any buildings, equipment or mining facilities which may now be situated on the premises, or may construct new buildings, install equipment and machinery. The Lessee agrees to do at least 150 man shifts of work on the property per year, or, if the work is not done, to pay the Lessors Three Hundred Dollars ($300.00) per year, or portion thereof, depending on amount of work not done.

8. INDUSTRIAL INSURANCE Lessee shall elect to accept and comply with the laws of the State of Idaho for the protection of employees against injury and disease and, in that connection, shall save harmless the Lessor against any damage by reason of such claims.

9. PUBLIC LIABILITY Lessee shall save Lessor harmless from any liability for property damage or personal injury, arising from the work, mining or acts performed by Lessee and its employees in connection with the Lease and option.

10. LIENS Lessee shall save Lessor harmless from all liens upon

the property made or suffered by Lessee, and in that connection shall post the property in accordance with law, noticing owner's (Lessor's) non-responsibility, before commencing any work.

11. ANNUAL ASSESSMENT WORK Lessee shall perform all annual assessment work required by law upon the property described herein or which shall be included herein, and shall file and record proof of such work not later than thirty (30) days before the expiration time allowed by law for the completion of such work.

12. TAXES The Lessee agrees to pay all taxes and assessments, including personal property taxes and net proceeds of mine taxes, to State, County or School District, or any other government subdivision, with the exception of net proceeds of mine tax on royalties paid to Lessor.

13. ADDITIONAL CLAIMS Lessor agrees that any claims located within one mile of the Discovery Monument of the Steep Climb #1 claim shall become a part of this Lease and option and subject to its terms equally with the claim herein described, without further consideration; all such claims shall be included in the purchase price above stated.

If Lessee shall locate additional claims, contiguous to the claim herein described, or in the immediate vicinity and within one mile of Discovery Monument of Steep Climb #1 claim, upon surrender or default by Lessee of this Lease and option before full payment hereof, and in consideration hereof, Lessee shall convey such additional claims by quit-claim deed to Lessor.

14. DEFAULT Time shall be of the essence of this agreement. In the event of default of any of the payments or covenants herein contained, by Lessee, this Lease shall terminate, at the option of the Lessor. If Lessor elects to terminate this agreement by reason of Lessee's default, Lessor shall serve notice of his intention by registered mail, or personal service upon Lessee or its duly authorized agent for service of process. Upon service of notice, Lessee shall have sixty (60) days in which to cure said default. If upon the sixtieth day the default has not been cured,

Lessor shall serve and record notice of the default and forfeiture and at that time this agreement shall terminate.

15. TITLE COVENANT Lessor covenants to deliver good and marketable title free and clear from any and all liens and encumbrances, save only the paramount title of the United States.

16. PURPOSE This agreement is a Lease and Option only, and the Lessee shall have the right to surrender this contract and to discontinue any and all work and payments hereunder at any time, without liability therefor, upon giving Lessor thirty (30) day's prior written notice of intention to so terminate except as noted in Paragraph 4. Upon demand after surrender, Lessee shall execute and deliver to Lessor a good and sufficient surrender and release of all rights hereunder.

17. INSPECTION The owner (Lessor) or his duly authorized agents or representatives shall have the right at all reasonable times to enter upon the said property and inspect the work conducted by the Lessee thereon, or records of the production of the mine.

18. REMOVAL OF EQUIPMENT In the event of termination of this contract, by surrender or default as provided, the Lessee may, within a period of one year (1) thereafter, remove any and all machinery, power plant, equipment, building, track, tools, and supplies placed thereon by Lessee.

19. ASSIGNMENT This Lease and Option is binding on heirs and assignees.

20. NOTICES Notices required hereunder shall be deemed to be completed when made in writing, deposited in the United States Mail, postpaid, addressed to:

Lessor: A. L. Hall
John Rosenkrance
Bill Brooks
L. W. McBride
c/o Bill Brooks
Hailey, Idaho

Lessee: Cordero Mining Company
131 University Avenue
Palo Alto, California

IN WITNESS WHEREOF, the Lessor has hereunto affixed his signature, and the Lessee has caused these presents to be executed by its officers thereunto duly authorized, the day and year first above written.

LESSOR: John Rosenkrance

Will Brooks

L. W. McBride

A. L. Hall

LESSEE: CORDERO MINING COMPANY

By _____

Attest:

E. W. Ellison
Assistant Secretary

STATE OF IDAHO,) ss
COUNTY OF BLAINE)

On this . 7th . day of September in the yearw 1953 before me . . . . . T. W. Walker . . . . . ., a Notary Public in and for said State, personally appeared .John Rosenkrance,-.Will Brooks,-.L.W.McBride and A.L.Hall known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

T. W. Walker

Notary Public residing at Hailey, Idaho
My Commission Expires April 18, 1955

STATE OF CALIFORNIA

County of Santa Clara } ss.

On this 20th day of October in the year one thousand nine hundred and fifty-three, before me, [illegible], a Notary Public in and for the County of Santa Clara State of California, residing therein, duly commissioned and sworn, personally appeared L. H. Hellington and E. G. Hellington known to me to be the Vice President and Asst Secretary of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Santa Clara the day and year in this certificate first above written.

[illegible]

Notary Public in and for the County of Santa Clara, State of California

My Commission Expires Feb. 27, 1957

Notary Public in and for the County of California.

My Commission Expires

Notary's Form No. 28—(Acknowledgment Corporation).
(C. C. Sec. 1190)

Government Messenger Envelope

Form 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	
[illegible]	RUN		RUN
[illegible]	STOP		STOP
Ellis	RUN		RUN
3 Ins.	STOP		STOP
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lus envelopes to
om for reissue.

Use other side

16—88949a 2

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

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
Miss Ann Clark Naval Gun Factory	RUN STOP		RUN STOP
Margaret Dobson G & A Bldg	RUN STOP		RUN STOP
[illegible] 3 & 8 GSA	RUN STOP		RUN STOP
[illegible]	RUN STOP		RUN STOP
[illegible] GSA Bldg	RUN STOP		RUN STOP
Mrs. Winterbottom	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP

Use other side first

☆ U. S. GOVERNMENT PRINTING OFFICE : 1951 · 16—38

DMEA Form 7
(12-56)

OFFICIAL FILE

Date	Surname	Code
7-28	Chapman	400
7-28	Martin	400
7-29	Chambers	800
7/30	Robin	140
7/30	Sawyer	140
		~~130~~
		400
7/31	Johnson	110
8/1	Mittendorf	100
8/1	C	220

R.

INTERIOR DEPT.
JUL 29 1958

SOLICITOR

RECEIVED
JUL 29 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

AUG 1 1958

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA 4504 - Tungsten
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Gentlemen:

This is with reference to the subject exploration contract between you and the Government.

It is not our intention to issue a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

SPHOLT/dlm 7-28-58
cc to: Code 400
Code 110
Code 800
Admr. R. File
Oper. Comm.
REGION I
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

Messrs. John Rosenkrance
Bill Brooks
A. L. Hall
Mrs. Afton McBride

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-28	Chapman	400
7-28	Martin	400
7-29	Chamber	800
7/30	Rubin	140
7/30	Sawyer	140
		~~130~~
7/31	Sawyer	110
8/		100
		220

Same letter to:

Mr. Bill Brooks, Hailey, Idaho
Mr. A. L. Hall, Hailey, Idaho
Mrs. Afton McBride, Blackfoot, Idaho

AUG 1 1958

Mr. John Rosenkrance
Mackay, Idaho

INTERIOR DEPT.
JUL 29 1958
SOLICITOR

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Rosenkrance:

Reference is made to the Consent to Lien and Subordination Agreement which you executed in connection with the DMEA contract for an exploration project on your property located in Custer County, Idaho.

For your information, there is enclosed a copy of our letter of this date to Cordero Mining Company advising that the Government retains no claim or lien against the property described in the contract or on any future production therefrom.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

SPHOLT/dlm 7-25-58
cc to: Code 400
Code 110
Code 800
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-28	Chapman	400
7-28	Martin	400
		110
		100

July 28, 1958

MEMORANDUM

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: General Summary of Contract and Results Obtained
Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Operator:
Cordero Mining Company, 131 University Avenue,
Palo Alto, California

Operator's Property Rights:

The Operator controls, by lease andcoption to purchase from the owners, John Rosenkrance, Mackay, Idaho, Bill Brooks and A. L. Hall, Hailey, Idaho, and Mrs. Afton McBride, Blackfoot, Idaho, sixteen unpatented lode mining claims, situated in T. 5 N., R. 20 E., B. M. Alto Mining District, Custer County, Idaho, and recorded in the Courthouse of Custer County at Challis, Idaho, as follows:

Claim Name	Recorded Book No.	Recorded Page No.
Steep Climb Nos. 1 to 6, inclusive	14	150-155
Steep Climb Nos. 7, 8 and 9	14	169-171
Steep Climb Nos. 10 to 16, inclusive	14	183-188

Contract:

(a) Executed January 17, 1957, on Short Form, MF200A (Rev. April 1956).

(b) Completion period: Work to be started on or before January 18, 1957, and to be completed within 12 months from the date of the contract.

8623

(c) Work authorized:

Fixed Unit Costs

1.	(a)	Crosscutting and/or drifting, 500 feet @ $32.00/ft.		$16,000.00
	(b)	Timbering crosscut and/or drift, 120 feet @ $6.40/ft.		768.00
2.		Raising, timbered, 100 feet @ $36.00/ft.		3,600.00
3.	(a)	Diamond drilling, 800 feet @ $4.50/ft.		3,600.00
	(b)	Reaming and casing, or cementing and re-drilling, 200 feet @ $2.00/ft.		400.00
4.		Long-hole drilling, 303 feet @ $1.00/ft		303.00
5.		Assaying 100 samples for WO_3 @ $4.25/sample		425.00
6.		Use of bulldozer for snow removal, 100 hours @ $12.00/hr		1,200.00
7.	(a)	Construct snowshed, etc	$1,476.00	
	(b)	Construct compressor-toolhouse	800.00	
				2,276.00
		Estimated Total Cost of the Project		$28,572.00
		Government Participation @ 75%		21,429.00

Amendment No. 1, executed March 21, 1957, authorized the substitution of 75 feet of EX size drilling at $4.25/ foot instead of a like amount of AX size @ $4.50/ft., at no increase in the total estimated cost of the project in the cost of Government participation.

(d) Work completed:

Crosscutting and drifting, 500 feet @ $32.00/ft	$16,000.00
Timbering crosscut and drift, 25.5 feet @ $6.40/ft.	163.20
Diamond drilling, 190 feet AX ¢ $4.50/ft	855.00
Diamond drilling, 75 feet EX @ $4.25/ft	318.75
Long-hole drilling, 303 feet @ $1.00/ft.	303.00
Assays for WO_3, 36 @ $4.25/ft.	153.00

Use of bulldozer for snow removal, 66 hours @ $12.00/hr	$792.00
Construction of snowshed	1,476.00
Construction of compressor-toolhouse	800.00
Total Accepted Cost of the Contract	$20,860.95
Government Participation @ 75%	15,645.71

Work on the project began January 18, 1957, and was completed before October 31, 1958.

Audits: A review in lieu of final audit, dated May 15, 1958, was received May 19, 1958.

Reports: The Operator's Final Report, dated November 25, 1957, was received in the office of the Field Team December 11, 1957, and in this office December 23, 1957.

Past Production:

Since 1954 to the date of the contract, 5,677 tons of ore averaging 1.005 % WO_3 and containing 5,706 units of WO_3, were produced from land later covered by the contract.

Present Production:

No tungsten ore has been produced from the property during the period of the contract, or since that time, and no royalty has been paid or is now due the Government.

Certification:

In agreement with the conclusions of the Field Team, this Division recommends that no certification of discovery or development be issued.

Comments: All of the work performed under the contract was done to the satisfaction of the Government.
The project was established to explore for tungsten occurring in the form of scheelite in a zone of warping, folding and fracturing of contact-metamorphosed limestone, argillite and quartzite beds. Although approximately 5,700 tons of ore averaging 1 % WO_3 had been produced from three surface pits and a small underground stope, results of exploration work under the contract were disappointing, and no reserves of tungsten ore could be estimated on the basis of what was found.

This Division therefore recommends that no certificate of discovery or development be issued, and that a letter of non-discovery, or "closing letter", be sent to the Operator.

W S Martin
W. S. Martin, Director
Division of Iron and Ferro-Alloys

SPHOLT/dlm 7-28-58
cc to: Code 400
Admr. R. File
Oper. Comm.
Code 110

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 5 1958

DATE	INITIAL	CODE
6/5	C	220
6/5	[illegible]	800
	WSM	400

So. 157 Howard Street
Spokane 4, Washington

June 3, 1958

Cordero Mining Company
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Gentlemen:

Enclosed for your information and files is a copy of Report of Review dated May 15, 1958, by C. A. Turner, DMEA Auditor. This Report of Review covers the period of January to October 1957.

This report shows a balance due Cordero Mining Company of $818.06. This money was scheduled for release June 2, 1958, and you should receive payment shortly.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosure

cc: DMEA (3)
USBM (2)
USBM (AD)
Turner

1201 N. Division St.
Spokane 2, Washington

May 26, 1958

5/29 C 220
5/29 WSM 800
400

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4504 (tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mrs. Long:

The project work under the referenced contract was completed by October 31, 1957. All the work performed was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery will not be recommended in the Field Team final report.

A final Report of Review dated May 15, 1958 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I

cc: DMEA (2)
USGS (2)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/19	Alley	800
5/19	Talbut	800
5/20	H. S.	220
	WSM	400

MAY 20 1958

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E1055, DMEA-4504 (Tungsten)
Cordero Mining Company

and

Idm-E1090, DMEA-4710 (Uranium)
Southeastern Mining & Exploration
Co., Inc.

Dear Mr. Turner:

Your reports of review covering the above-cited contracts are acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

AMAlley/ama
May 19, 1958

Copy to: Docket - DMEA-4504
Admr. Reading File
Mr. Chambers

8623

CENTRAL FILE COPY
DMEA
RECEIVED APR 21 1958
DATE | INITIAL | CODE
4/21 | C | 220
| WSM | 406

1201 N. Division St.
Spokane 2, Washington

April 14, 1958

Mr. C. A. Turner
DMEA Auditor, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4504 (tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. ~~Dm~~-M1055

Dear Mr. Turner:

The project work under the referenced contract was completed by October 31, 1957. All the work performed was done to the satisfaction of the Government.

A final inspection report on the completed work was submitted by William M. Remischez on October 17, 1957.

The Operator's final engineering and geological report was received on December 11, 1957. It is considered as having met the requirements of Article 5(c) of the contract.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery will not be recommended in the Field Team final report.

Work units completed within the terms of the contract are:

	Authorized	Completed
Crosscut and drift	500 ft.	640.9 ft.
Timber	120 ft.	25.5 ft.
Raise	100 ft.	none
Diamond drilling 1/		
AX - 725'	725 ft.	190 ft.
BX - 75'	75 ft.	75 ft.
Reaming, casing, cementing	200 ft.	none
Long hole drilling	303 ft.	303 ft.
Assays	100	36
Snow removal	100 hrs.	66 hrs.
Construct snowshed	$1476	$1476
Construct compressor house	$ 800	$ 800

1/ Only combined diamond drill holes 3 and 4 and hole 6 are considered as meeting contract specifications as to size and interval.

Hole 3	0 to 55'	AX size
Hole 4	55 to 130'	BX size
Hole 6	0 to 135'	AX size

(See S. W. Zoldok's memorandum to the Field Team dated December 20, 1957.)

It is now in order for you to issue your Report of Review.

By Field Team, Region I

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

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

cc: DMEA (3)
USGS (2)
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED APR 14 1958

DATE	INITIALS	CODE
4/15/	H.S.	225
	WSM	400

April 9, 1958

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

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of Amendment No. 1 to the contract. Other copies of the amendment have already been distributed.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

4-15-58
Amend #1
filed with
Contract

RECEIVED 4 1958

So. 157 Howard Street
Spokane 4, Washington

April 1, 1958

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Gentlemen:

Our Washington, D. C. office has prepared Amendment No. 1, the original and four copies of which are enclosed. If this amendment meets with your approval, would you please sign the original and all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3.20	Holt	400
3.20	Martin	400
3/21	Talbert	800
3/21	[illegible]	130
"	Johnson	~~770~~
		~~700~~
3/25	C	~~370~~ 220
		400

MAR 24 1958

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-F1055

Dear Mr. Weissenborn:

In accordance with the Field Team's recommendation of December 23, 1957, enclosed are the original and four copies of a proposed Amendment No. 1 to the above-referenced contract, signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If the terms and conditions of this proposed amendment are satisfactory to you and the Operator, all five copies should be signed by the Operator and the usual distribution made.

If any part of the proposed amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

Enclosures

George C. Selfridge

APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

Chairman, Operating Committee (GCS)

Tnor H. Kiilsgaard (GCS)
Member, Geological Survey

SPHOLT/dlm 3-20-58
cc to: Code 400
Admr. R. File
Oper. Comm.
Ft. REG. I
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

March 5, 1958

RECEIVED MAR 10 1958

DATE	INITIALS	CODE
3/10	C	220
		1304
		400

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

Re: Docket No. DMEA-4504 (tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

Reference is made to our letter to you of December 23, 1957 (dispatched January 7, 1958) recommending an amendment to the cited contract so that we can reimburse the Operator for EX size diamond drill hole as the contract specified AX size.

The Operator submitted his final engineering and geological report on December 11, 1957, and this report was acceptable to the Field Team.

We are currently withholding the Operator's October 1957 voucher in the amount of $2,526.00. In order that we may close our books on this account we would appreciate an early decision on this matter.

By Field Team, Region I

A. E. Weissenborn

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

Wing G. Agnew

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

cc: USGS (2)
USBM (AD)

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/26	Holt	400
2/26	Martin	400

February 26, 1958

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment
Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Attached is a rough draft of a proposed Amendment No. 1 to the above-captioned contract for your use in preparing it in final form.

W. S. MARTIN

W. S. Martin, Director
Division of Iron and Ferro-Alloys

Attachment

SPHOLT:foc
2-26-58
cc to: Docket
Code 400

8623

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1958, between the United States of America, acting through the Defense Minerals Exploration Administration, and Cordero Mining Company, that Contract No. Idm-E1055, (Docket No. DMEA 4504), dated January 17, 1957, is amended, effective July 31, 1957, as follows:

1. In Exhibit A, Description of the Work, third paragraph, after "AX" insert "or EX when approved by the Government."

2. In Exhibit A, Estimated Cost of the Project, Item 3(a), after "Diamond Drilling", add "Size AX", change 800 to 725 feet, change $3,600.00 to $3,262.50, and add a new sub-item, "Diamond Drilling, size EX, 75 feet @ $4.25/ft. $318.75.

3. Change "Estimated Total Cost of the Contract" to (rounded) $28,553.00 and "Government Participation @ 75 percent to (rounded) $21,415.00.

This amendment shall not be construed to increase the estimated cost of the project nor the aggregate total amount which the Government may be required to contribute.

Executed in sextuplicate the day and year first above written.

The United States of America

By_____
Administrator, Defense Minerals
Exploration Administration

CORDERO MINING COMPANY

By_____

Title_____

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill hole as size EX, instead of size AX, as stipulated in the contract.

Under certain circumstances, such as encountering "ravelly" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and re-drilling, to permit finishing the hole at the larger AX size.

This amendment authorizes such EX drilling, if done with the approval of the Government.

Not used

See revised version attached

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504

Justification for Amendment No. 1

The Field Team's examiner noted that the Operator had found it necessary or desirable to drill some diamond core drill hole as size EX, instead of size AX, as stipulated in the contract.

Under certain circumstances, such as encountering "ravelly" or caving ground, or complete loss of circulation of drilling water, it may prove advantageous to the operator, and also result in a net saving to the Government, to complete drilling a hole with EX bits and tools, instead of reaming and casing, or cementing and re-drilling, to permit finishing the hole at the larger AX size.

In this case, the use of the smaller EX size drilling did permit finishing a hole, with results that were satisfactory for the purpose of the contact.

As recommended for approval by the Field Team, this amendment authorizes such EX drilling in lieu of AX, if done with the approval of the Government.

DMEA Form 7
(12-56)

January 31, 1958

OFFICIAL FILE COPY

Date	Surname	Code
1-31	Holt	400
1-31	Martin	400
2/6	Johnson	140
3/6	Stockwell	100
		400

MEMORANDUM

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Justification for Contract
Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Operator:

Cordero Mining Company, 131 University Avenue, Palo Alto, California.

Contract:

(a) Executed January 17, 1957, on Short Form, MF-200A, revised April, 1956.

(b) Completion period: Work to be commenced on or before January 18, 1957, and to be completed on or before January 18, 1958.

(c) Work authorized:

1.(a)	Crosscutting and/or drifting, 500 feet @ $32.00/ft.	$16,000.00
(b)	Timbering crosscut and/or drift, 120 feet @ $6.40/ft.	768.00
2.	Raising, timbered, 100 feet @ $36.00/ft.	3,600.00
3.(a)	Diamond drilling, 800 feet @ $4.50/ft.	3,600.00
(b)	Reaming and casing, and/or cementing and re-drilling, 200 feet @ $2.00/ft.	400.00
4.	Long-hole drilling, 303 feet @ $1.00/ft.	303.00
5.	Assaying, 100 samples for WO_3 @ $4.25/spl.	425.00
6.	Use of bulldozerr for snow removal, 100 hours @ $12.00/hr.	1,200.00

8623

7.(a) Construct snow-shed, dump tracks, etc.	$1,476.00	
(b) Construct compressor-tool house	800.00	
Estimated Total Cost of Project		$28,572.00
Government participation @ 75%		$21,429.00

As of October 17, 1957, the status of the contract was:

Work	Authorized	Completed	Vouchered to April, 1957
Crosscut and drift	500 feet	640.9 feet	500.0 feet
" " " timbering	120 "	25.5 "	15.5 "
Raise, timbered	100 "	--	--
Raise, untimbered	—	60.5 "	--
Diamond drilling	800 "	562.0 "	70.0 "
Reaming and casing, or Cementing and redrilling	200 "	11.0 "	--
Long-hole drilling	303 "	303 "	303 "
Assaying, samples	100	36	36
Bulldozing, for snow removal	100 hours	52 hours	52 hours
Construction, snow shed and compressor-tool house	$2,276.00	$2,276.00	$2,276.00

Total Amount of Contract	$28,572.00
Amount Spent	$19,770.20
Government participation @ 75% spent	14,827.65

Application was made for a project estimated to cost $136,034.50, with 75 percent Government participation to explore for scheelite ore. A tungsten deposit was found on the property in August 1953, and the property subsequently developed by shallow trenches and a short drift. The Operator constructed roads, a 50 ton mill, and mined by open pits and stoping from extension of the short drift. Production was reported to be 12,721 tons of ore containing 7,461 units of tungsten trioxide, of which 5,640 units were recovered in concentrates sold to GSA for $347,098.

Mineralization is confined to a general contact zone between calcareous gneiss and granite cut at irregular intervals by alaskite dikes. Mineralization appeared to be strongest where the contact zone was cut by the alaskite dikes.

The Applicant's proposal was considered too extensive and costly for the type and grade of deposits expected to be found. A more modest project was agreed upon in the amount of $28,572, consisting of cross-cutting, drifting, long hole drilling, and diamond drilling.

This project was based upon the past production and favorable geology in the expectation of finding a significant quantity of ore in small lenses of the type and grade previously mined.

The work was completed satisfactorily, but did not result in a certification of discovery or development. The Operator requested additional funds to complete its original program, to explore for a large tonnage of 0.25% grade ore. Less costly exploration by a winze on the most favorable ore showing was suggested by DMEA. This was not acceptable to the Operator. The request was then denied and the project closed.

W S Martin

W. S. Martin, Director
Division of Iron and Ferro-Alloys

GCS should see this.

George saw it.
No comment
S.P. H.
1.29.58

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958

DATE	INITIALS	CODE
1/27	C	220
1/27	[illegible]	800
	WSM	400

So. 157 Howard Street
Spokane 4, Washington

January 22, 1958

Mr. J. Eldon Gilbert
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

In your Final Report you request that DMEA furnish you with a "statement of no discovery."

Our Washington office has asked us to advise you that the DMEA does not issue such statements. At the end of a six month period, after receipt of a satisfactory Operator's Final Report, if the final account and all other winding up and settlement actions are satisfactorily completed, the usual "closing letter" will be sent to you by the Administrator. When no discovery has resulted from the project, this letter will advise the Operator that no certification of discovery or development will be made.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

OFFICIAL FILE COPY

Date	Surname	Code
1/17/58	Chapman	400
1/15/58	Martin	400
1/16	GLS	130
1/17	Stryer	110
"	Hettendorf	400
1-17	C	220
		400

JAN 17 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Weissenborn:

The Operator of the above-referenced project in his Final Report, forwarded with your letter of December 19, 1957, requested that DMEA furnish it with a "statement of no discovery."

Please advise the Operator that the DMEA does not issue such statements. Whenever no discovery has been made, but not until the end of a 6-month period after the receipt of a satisfactory Operator's Final Report, if the final account and all other winding up and settlement actions are satisfactorily completed, the Operator will be sent the usual "closing letter", advising it that no certification of discovery or development will be made.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

SPHOLT:foc 1/15/58
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 10 1958

DATE	INITIALS	CODE
1-10	gr	220
		130
	WSM	400

December 23, 1957

Dispatched JAN 7 1958

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

Re: Docket No. DMEA-4504 (tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

This is in further reference to your letter of October 28 and our reply of November 7, 1957.

Enclosed are four copies of a memorandum from S. W. Zoldok, Mining Engineer, Bureau of Mines, discussing the diamond drilling as it conforms with contract provisions.

From Mr. Zoldok's memorandum it appears that only holes 4 and 6 meet contract specifications as to interval and hole 6 as to size. We recommend that the contract be amended to authorize drilling EX size hole at a rate of $4.25/ft.

By Field Team, Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

D. R. MacLaren, Acting Member
U. S. Geological Survey

Copies to BM d

Enclosure

What a revolting development this was! (EMR)

cc: USGS (2)
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 10 1958
DATE | INITIALS | CODE

December 20, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: S. W. Zoldok, Mining Engineer, Bureau of Mines

Subject: Diamond drilling, Docket No. DMEA-4504 (tungsten), Cordero Mining Company, Wild Horse Mine, Custer County, Idaho, Contract No. Idm-E1055

Under the subject contract diamond drill holes must be not less than 200 feet apart and AX size.

Of the six core drill holes completed by the Operator, only DDH No. 4 and one of either holes 5 and 6 meet the specifications for hole interval. Of the three holes that might be considered for reimbursement holes 4 and 5 do not meet size specifications but hole 6 does (see Romischer's interim inspection report dated October 17, 1957).

Hole 3 was drilled AX to 55 feet where it was lost and hole 4 was then drilled immediately above and parallel to a length of 130 feet. For purposes of reimbursement the 55 feet of AX drilling in hole 3 could be considered as having been drilled in hole 4 as the same information was obtained for this interval in both holes. Under the circumstances then, the interval from 55 to 130 feet in hole 4 or 75 feet could be considered substandard as to size.

130
55
75

Hole 5 is AX to 40 feet and EX size from 40 to 150 feet; therefore, it is not reimbursable beyond 40 feet. Hole 6 is reimbursable as to size.

150
40
110

Since the project can be considered as completed the only logical thing to do is accept holes 4 and 6 for reimbursement. If the 55 feet drilled in hole 3 can be accepted as having been drilled in hole 4, then it will be necessary to write an amendment authorizing the payment of the remaining 75 feet at EX size. The unit cost would be reduced from $4.50 to $4.25 per foot.

S. W. Zoldok

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Turner
Docket
Romischer

Attachment 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY DMEA RECEIVED DEC 23 1957		
DATE	INITIALS	CODE
12/23	gb	220
12/27	bb	800
		400

December 19, 1957

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

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

Enclosed are two copies of an acceptable Operator's final report on the exploration of the Wild Horse mine in Custer County, Idaho by Cordero Mining Company.

Our Field Team report will not recommend a certification of discovery.

By Field Team, Region I

A. E. Weissenborn

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

Thomas E Howard
for: Wing G. Agnew, Member
U. S. Bureau of Mines

Op. asks that we furnish "statement of no discovery."
WSG
12/27/57

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

Operator's Final Report

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 23 1957
DATE | INITIALS | CODE

RECEIVED
DEC 11 1957
U. S. G. S.
SPOKANE, WASH.

NARRATIVE DESCRIPTION OF PROGRESS AND FINAL REPORT

Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Since the last report was submitted to Defense Minerals Exploration Administratio ~~(April 1957) some work~~ has been done at Wild Horse, the execution of which has been sporadic. We have stopped all work now so the following is a resume of the progress from the time of the last report to the present. Also, we enclose Operator's Monthly Report and Voucher and Operator's Unit Cost and Progress Report forms to cover this period.

The enclosed map is up to date and shows the location of all drifts, cross cuts, raises, long holes and diamond drill holes. The geology is shown with notes on scheelite mineralization. Details of the drilling are given in the accompanying logs of diamond drill holes.

The only exploration work done since April was the drilling of 5 diamond drill holes, (No. 2 thru No. 6 inclusive) to total 524 ft. of hole. Nothing spectacular was discovered by this drilling (See attached logs).

In addition, 14 hours were spent in early May on snow removal after two late snow storms.

The general plan for exploration, as given in the application for DMEA aid, was followed. Naturally, the details of underground conditions were not known and these affected the work somewhat.

The portal cross cut was driven to cut the contact zone, as encountered on the surface. The distance to this zone was about as anticipated. In drifting along the zone, however, we found that it was repeatedly cut by offsetting faults which trenched N.E., and that the northern segment was nearly always moved to the west. Inasmuch as these offsets were often difficult to see and understand when encountered, the drifting and cross cutting was not always done in the most favorable geologic setting. In general, however, the drift was driven along the gneiss-limestone contact.

Additional exploration was done from the drift by long holes, drilled by percussion drills. In spots along this contact tactite zones were encountered and most of them were scheelite-bearing, although none of them contained scheelite in commercial quantitities.

Diamond drilling into the limestone foot wall indicated that the limestone was about 130 ft. thick and that the other was probably contacted with a gneiss-like rock. This contact also contained scheelite in a garnet tactite. No commercial scheelite was found here but only a small amount of work was done.

On the surface mining it was noted that a relationship seemed to exist between the amount of scheelite and certain alaskite dikes. In the underground work the hang-

wall gneiss, the limestone, and apparently the footwall gneiss, are all cut by a multitude of alaskite dike. Here, however, there seems to be no correlation between the dikes and scheelite.

At this time it appears that the only work which should be done on this property is the extention of underground drifting and cross cutting. Application to do this with DMEA assistance has been denied by DMEA and the market for scheelite is so low that it is not feasible for the company to do additional exploration. We, therefore, request the termination of our contract by mutual agreement and ask that DMEA furnish us with a statement of no discovery. ?

J Eldon Gilbert

J. Eldon Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Map to accompany this report in map pocket S.P.H.

November 25, 1957

CORDERO MINING COMPANY
131 University Avenue
Palo Alto, California

Docket No. DMEA 4504
Contract No. 4-1055

Wild Horse Mine
Custer County, Idaho
Tungsten

DIAMOND DRILL LOG

Diamond Drill Hole #1

+2° S75°W

Depth	Recovery	Description
0-14	11.0	Alaskite inclusion of tactite (shows some WO_3) at 6'
14-16	1.8	Green tactite, some WO_3
16-18	1.5	Alaskite
18-24	3.0	Tactite 0.1' band at 19' with some WO_3
24-59	23.4	Crystalline limestone, some tactite minerals dispersed. Traces of WO_3
59-63	4.0	Fine grained silicified tactite
63-65	1.7	Aplite dike, pink
65-70 (end)	5.0	Fine grained silicified tactite. Trace WO_3 at 66'

Diamond Drill Hole #2

+5° S65° W

0-5.2	5.2	Gneiss
5.2-10	4.8	Alaskite
10-12.5	2.5	Gneiss
12.5-56 (end)	6.0	Alaskite

CORDERO MINING COMPANY
131 University Avenue
Palo Alto, California

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 23 1957
DATE | INITIALS | CODE

Docket No. DMEA 4504
Contract No. 4-1055

Wild Horse Mine
Custer County, Idaho
Tungsten

DIAMOND DRILL LOG

Diamond Drill Hole #3 +3° S67°W

Depth	Recovery	Description
0-3	2.0	Crystalline Limestone
3.0-7.0	2.6	Silicious tactite (garnet)
7.0-21	11.0	Crystalline limestone
21-30	8.8	Chlorite schist, minor dikes
30-41	10.2	Alaskite, some calcite
41-45	2.1	Soft sandy limestone
45-55 (end)	6.6	Alaskite, some limestone inclusions

Diamond Drill Hole #4 +3° S67°W

0-20	16.2	Crystalline limestone
20-21	1.0	Alaskite
21-24.5	3.5	Mica schist
24.5-26	1.5	Alaskite
26-33	5.4	Chlorite schist
33-43	4.8	Alaskite, some limestone inclusions
43-57	5.7	Silicified limestone
57-60	1.7	Alaskite
60-70	3.6	Crystalline limestone, some garnet
70-105.5	30.4	Alaskite, some limestone inclusions
105.5-119	4.9	Crystalline limestone
119-123	2.7	Garnet tactite, silicious
123-128	2.0	Alaskite
128-130 (end)	1.8	Gniess

Diamond Drill Hole #5 +5° N38°W

0-3.8	3.8	Alaskite
3.8-6.2	2.4	Gneiss
6.2-7.6	1.4	Alaskite
7.6-24.0	13.7	Alaskite, some gneiss
24-49	23.3	Alaskite
49.0-53.0	1.7	Calcareous, green
53.0-57.0	1.5	Alaskite
57.0-60	0.5	Tactite
60-63.5	2.9	Crystalline limestone
63.5-68	5.2	Greenish tactite
68-87.1	18.6	Crystalline limestone
87.1-89.5	2.4	Tactite, some WO_3
89.5-90.8	1.3	Tactite, no WO_3
90.8-93.0	1.6	Crystalline limestone

Diamond Drill Hole #5 (Continued)

93.0-97.0	3.6	Alaskite
97.0-98	1.0	Tactite, no WO_3
98-99.1	1.1	Tactite, some WO_3
99.1-100.7	1.6	Green tactite, no WO_3
100.7-103	1.1	Alaskite
103-148 (end)	28.5	Limestone, silicified

Diamond Drill Hole #6 - $+4^{\circ}$ due West

0-2	1.6	Gneiss
2.0-5.5	3.5	Alaskite
5.5-20	8.5	Gneiss
20-32	10.2	Crystalline limestone
32-33	1.0	Alaskite
33-95	48.0	Crystalline limestone
95-95.2	0.2	Tactite, trace WO_3
95.2-106.8	8.6	Crystalline limestone
106.8-107.2	0.4	Tactite, some WO_3
107.2-125	14.2	Crystalline limestone
125-129.5	4.5	Alaskite
129.5-135 (end)	5.5	Crystalline limestone

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 23 1957

DATE		CODE
12/23	gb	220
12/27	688	800
	WSM	400

So. 157 Howard Street
Spokane 4, Washington

December 19, 1957

Mr. J. Eldon Gilbert
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

This will acknowledge receipt of your final report on the Wild Horse project (Contract Idm-E1055). This is acceptable to the Field Team as fulfilling the requirements of the contract under Article 5c.

We regret that the exploration was not more successful.

By Field Team, Region I

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

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

4 32 4 C. Cho

E & MJ MARKETS METAL AND MINERAL
issued December 19, 1957

Vol. 28 Pages 3 & 10

AMERICAN QUICKSILVER INSTITUTE TO REPRESENT INDUSTRY

San Francisco (McGraw-Hill San Francisco News Bureau): A new organization has been set up to act as a spokesman for the quicksilver industry.

Called the American Quicksilver Institute, it is headed by S. R. Smith, president of Sonoma Quicksilver Mines Inc, Guerneville, Calif. Louis D. Gordon, secretary of the Nevada Mining Association will act as secretary-treasurer.

Directors, in addition to Smith and Gordon, are Arthur L. Albee, president of Bonanza Oil & Mines Corp. Sutherlin, Ore.; Gordon I Gould, president of Gordon I Gould Co., San Francisco; M. H. Kline, vice president of Rare Metals Corp, Salt Lake City; C. Hyde Lewis, president of New Idria Mining & Chemical Co., Idria, Calif.; H. F. O'Bryan, president of California Quicksilver Mines Inc., Willows, Calif.; C. N. Schuette, consulting mining engineer, Sebastopol, Calif; and S. H. Williston, vice president of Cordero Mining Co., Palo Alto, Calif.

The institute will represent the industry on such issues as tariffs and government regulations. Its first action was to send a telegram to GSA Administrator Franklin G. Floete protesting the recent change in quicksilver flask specifications. Signed by President Smith, the message protested "this harsh, unreasonable and unwarranted attitude of your office" and urged him "to reconsider this unfair action." The new specifications, it added, "call for a special bottle manufactured by one outfit only at an excessive price, not available to industry in sufficient amount and in enough time to supply (the industry's) requirements."

One of the institute's aims is to keep the Government and the consuming industry familiarized with physical and chemical characteristics of mercury and with its uses. The organization also will sponsor research and development work aimed at finding new uses for the metal.

Founders of the institute claim it represents 95% of the country's mercury industry.

OFFICIAL FILE COPY

Date	Surname	Code
10/28	Holt	400
10/28	Martin	400
		800
10/28	GLS	130
"	Johnson	110
		~~400~~
10/29	gb	220
		400

OCT 28 1957

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Weissenborn:

In his interim inspection report of September 23, 1957, on the subject project Mr. William M. Romischer stated that the driller mentioned that the holes were not drilled completely AX size as stipulated by the contract, but that some EX core was drilled.

Your advice will be appreciated as to how much footage was drilled with EX bits, and the justification therefor.

The attention of the Operator should be called to the clause in the contract which states that diamond drill holes shall be drilled at locations not less than 200 feet apart. Maps accompanying the interim report cited apparently indicate that holes Nos. 1 and 6 do not fit the contract specification as to distance between locations, and the same question may apply to holes Nos. 2 and 5.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

APPROVED:

P. F. Yopes (SHB)
Member, Bureau of Mines

W. P. Williams (SHB)
Member, Geological Survey

SPHOLT:foc 10-28-57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

So. 157 Howard Street
Spokane 4, Washington

October 18, 1957

10/25	C	220
10/25		800
10/28	WSM	400

Mr. Eldon Gilbert
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

In reference to our letter of August 12, 1957, it appears that our field men were misinformed during their August 1 inspection. During subsequent inspections they have found that diamond drilling is continuing.

The last voucher and report of progress we have received was for April 1957. We have recently been reminded by our Washington office, in connection with another contract, that while it is not necessary for an operator to voucher every month for completed work, a narrative report of progress should be submitted each month.

If the drilling is being done under the DMEA contract, will you please send us a narrative report bringing us up to date and have a report prepared each month as long as the contract is in force; if not, will you please request that the contract be terminated by mutual agreement.

By Field Team Region I

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

Thomas E. Howard, A ting Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM(AD)
Alvord

OFFICIAL FILE COPY DMEA RECEIVED AUG 15 1957		
DATE	INITIALS	CODE
8/15	O	220
8/15	bbf	800
8/16	WSM	400

So. 157 Howard Street
Spokane 4, Washington

August 12, 1957

Mr. Eldon Gilbert
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

Our field men inspected the Cordero property August 1, 1957. There were two miners present at that time who told the field men that they were going to drill one more diamond drill hole and then close the project down.

If this is correct, will you please write us a letter requesting that the contract be terminated so that we can request DMEA to prepare a mutual termination agreement.

We regret that the project was not more successful and that a mutually acceptable program for more work could not be worked out.

By Field Team, Region I

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

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

~~100~~

~~110~~

120

400

7/22

I have made copies of all except last sheet for Mr. Selfridge

8 257

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/19

REFERRED TO:

1. ~~100~~
2. ~~110~~
3. Mr. Selfridge to see
4. 400

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	X Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: Believe Kiilsgaard's letter takes care of this matter

Check (X) before the items needing attention.

W. S. Martin

Initials of sender.

GPO 16—03815-1

OFFICIAL FILE COPY DMEA RECEIVED JUL 19 1957		
DATE	INITIALS	CODE
7/19	P.K	220
7/19	WSM	400
"	COM	100
"	FEJ	110
		120

So. 157 Howard Street
Spokane 4, Washington

July 12, 1957

Mr. J. Eldon Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

This is in answer to your letter of June 17, 1957, in order to correct what appears to be a misunderstanding. You state that "we believe that Mr. Nicholson intends to send us a copy of his map . . . "

While it is advisable at times for the men in the field and the Field Team to furnish an Operator with maps that may include some geology in order to clarify recommendations regarding future work under a DMEA contract, it is up to the Operator to prepare any geological and engineering maps or sketches that are necessary for the preparation of a final report required by Article 5 paragraph (c) of the contract.

By Field Team, Region I

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

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

ERO MINING COMPANY
121 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

RECEIVED
BUREAU OF MINES
JUN 20 1957
SPOKANE, WASH

June 17, 1957

Wing G. Agnew, Acting Executive Officer
DMEA Field Team, Region I, NW District
United States Department of the Interior
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4504
(Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Agnew:

In reply to your letter of May 24th to Mr. Verne Haas requesting logs on the long holes and diamond drill holes completed under DMEA contract, I am furnishing the enclosed information.

Inasmuch as Mr. Nicholson seemed to be doing a very competent and complete job of mapping the geology we have not attempted to duplicate this work. We believe that Mr. Nicholson intends to send us a copy of his map and we will be very happy to receive it at any time. It will assist us in planning future work and in analyzing the results of drilling, drifting, etc.

Very truly yours,

J. Eldon Gilbert

J. Eldon Gilbert
Manager

7-16-57
~~Extra Copy of above letter~~ & attachment
JEG:L sent ~~to Mr. Kiilsgaard~~.
Enc.

cc - V. P. Haas

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 15 1957

DATE	INITIALS	CODE
7-15	C	220
7/15	[illegible]	800
7/16	WSM	400

LONG HOLES

No.	Bearing	Length	Incl.	Remarks
1	S 84 W	32'	+ 3°	Lamps some ore. Best showing 12-18' (Assay 0.012%)
2	N 62 E	22	+ 5°	Blank.
3	N 60 W	32	+ 5°	Lamps 0.1 to 0.2% first 6' very little beyond.
4	N 72 E	28	+ 5°	Lamps fair first 6', very little beyond. (12'-18' Assays 0.046)
5	N 80 E	19	+ 5°	Lamps little first 6'; fair from 6' to 12'; Very little 12'-19')
6	N 65 E	22	+ 5°	Very small amount scheelite.
7	S 45 W	18	+ 5°	Very small amount scheelite.
8	S 71 W	12	+10°	Good ore to 12' (+ 1.%)
9	N 68 E	15	+ 5°	Very small showing.
10	N 5 E	20	+ 5°	Very small showing.
11	S 85 W	22	+ 5°	Very small showing.
12	N 40 W	9	+10°	Good showing to 7'. (Assays 0.68%)
13	N 30 E	5	+45°	Good showing to 4'.
14	N 10 E	9	+50°	Ore from 5'-8'.
15	N 52 W	20	+70°	Very little scheelite.
16	N 20 E	22	+70°	Good showing (0.5 to 1.%) Entire hole.
17	S 50 W	19	+20°	Good scheelite showing at 10'.

DIAMOND DRILL HOLES (AX)

1	S 75 W	70	+ 2°	Scheelite showing at 6' - 15' - 19' - 24' - 48' - 59' and 66'.
2	S 65 W	56	+ 5°	Duplicate of above.

July 16, 1957

Mr. A. E. Weissenborn
U. S. Geological Survey
South 157 Howard Street
Spokane 4, Washington

Dear Al:

Today Bill Martin handed me an ozalid copy of a letter to Wing Agnew from J. Eldon Gilbert of the Cordero Mining Company, dated June 17, 1957, in which Gilbert stated that he expected Nick to send him a copy of his map of project work at the Wild Horse mine. There is no copy of an answer to that letter here in Washington.

In order to keep our records straight, may I suggest that if you have not already done so, you answer Gilbert's letter informing him that he will not receive a copy of Nick's map, as such a release cannot be made under DMEA regulations.

Frankly, in view of our previous run around with the Cordero people on the release of a DMEA map, I am surprised that Gilbert would expect to obtain Nick's map. Surely, Nick has not said that he could make such a release to them. It would be one thing to show them his map and discuss their project with them but something quite different to give them a copy of the map.

I would appreciate receiving a copy of your answering letter to Gilbert so that it could be placed in our docket file and used to defend our position, should this incident develop into some sort of a rhubarb.

Replied dated 7/12/57.

Sincerely,

Thor H. Kiilsgaard
Staff Assistant for DMEA

cc: W. S. Martin
Director's reading
Branch reading
Chron. file
Docket (4504) file

CORDERO MINING COMPANY

[illegible] UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 18 1957

DATE	INITIALS	CODE
7-18	C	220
7/18	[illegible]	800
7/18	WSM	400

July 3, 1957

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1, NW District
United States Department of the Interior
So. 157 Howard Street
Spokane 4, Washington

Dear Al:

This morning I received the following telegram:

> REURLET JUNE 28 DOCKET DMEA 4504 CORDERO TUNGSTEN, WILDHORSE MINE, CAREFUL REVIEW OF ALL THE INFORMATION AVAILABLE TO US INDICATES THAT FURTHER GOVERNMENT PARTICIPATION IN YOUR PROGRAM IS NOT WARRANTED. THEREFORE I REGRET TO INFORM YOU THAT YOUR REQUEST IS DENIED.
>
> SIGNED - C. O. MITTENDORF

At least we now know where we stand. We are going to reduce our crew to a minimum.

Very truly yours,

J. Eldon Gilbert

JEG:L

cc: Mr. Verne P. Haas

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-2	Holt	400
7-2	Chapman	400
7/2	Selbridge	130
7/2	Lamb	130
7/2	Nelson	130
7/2	Johnson	110
"	Mittendorf	100
7/3	C	220
		400

JUL - 2 1957

INTERIOR

T E L E G R A M

DMEA

14X4401(01) Revolving Fund, Defense Production Act, Interior. (Transfer to Office of Secretary)

MR. J. B. GILBERT, MANAGER
CORDERO MINING COMPANY
131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

REFULET JUNE 28 DOCKET DMRA 4504 CORDERO TUNGSTEN, WILDHORSE MINE, CAREFUL REVIEW OF ALL THE INFORMATION AVAILABLE TO US INDICATES THAT FURTHER GOVERNMENT PARTICIPATION IN YOUR PROGRAM IS NOT WARRANTED. THEREFORE I REGRET TO INFORM YOU THAT YOUR REQUEST IS DENIED.

C. O. Mittendorf

C.O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTR

SPHolt:dlm 7-2-57
cc to : Docket
Code 400
Admr. R. File
Oper. Committee
FT. Reg. I
R. W. Holliday, USBM
T. H. Killsgaard, USGS

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
6-27	Holt	400
6-27	Chapman	400
		140

June 27, 1957

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment No. 1
Docket No. DMEA 4504-Tungsten
Cordero Mining Company
Wild Horse mine
Custer County, Idaho
Contract No. Idm-E1055

Attached is a rough draft of a proposed Amendment No. 1 to the above-captioned contract for your use in preparing it in final form. Eight copies of a map to accompany the amendment are being prepared.

Thos. L. Chapman

Thos. L. Chapman, Acting Director
Division of Iron and Ferro-Alloys

Attachment

RECEIVED
JUL - 1 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

Withdrawn

8623

EXPLORATION PROJECT CONTRA
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504
CONTRACT NO. Idm-E1055

Justification for Amendment No. 1

On April 24,1957, the Operator requested authorization to continue the DMEA drift northerly an additional distance of 1,500 feet, with 400 feet of raising, 2,200 feet of diamond drilling and 700 feet of long-hole drilling, at an estimated additional cost of $72,317.50, or a total cost of $100,889.50 for work already authorized and the additional work requested.

Object of the additional work requested was to explore the possible downard extensions of ore showings in old workings on and near the surface. The Field Team's geologist, in a memorandum of May 13, 1957, reported that work completed to date has not resulted in the discovery of a large ore body, but it does show that scheelite occurs throughout the area as minor disseminations, and as high grade lenses in limestone beds associated with alaskite dikes. Based on the surface showing, the best target area lies ahead of the completed work. The geologist concludes that the Operator's request is, with minor modifications, justified, and recommends that the additional work be authorized.

The Field Team, in a memorandum of May 20, 1957, forwarding the geologist's report, concurs with his conclusions and recommendations.

The Commodity Division of the Bureau of Mines concurs, but the Commodity Division of the Geological Survey dissents, concluding that additional work is not justified by the results of project work to date.

This amendment provides for the additional drifting, drift timbering, and long hole drilling requested. The amount for diamond drilling is increased to provide for 2,400 feet of hole instead of 2,200 feet as requested, and the amount of raising decreased from 400 to 200 feet, both changes being indicated by results of project work to date.

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

June 27, 1957

To: Associate Solicitor, Division of Mineral Resources

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Preparation of Amendment No. 1
Docket No. DMEA 4504-Tungsten
Cordero Mining Company
Wild Horse mine
Custer County, Idaho
Contract No. Idm-E1055

Attached is a rough draft of a proposed Amendment No. 1 to the above-captioned contract for your use in preparing it in final form. Eight copies of a map to accompany the amendment are being prepared.

Thos. L. Chapman

Thos. L. Chapman, Acting Director
Division of Iron and Ferro-Alloys

Attachment

1. In Article 1(b)9 of the contract, the figures "28,572.00" and "21,429.60" are changed to "96,364.00" and "72,273.00" respectively.

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504
CONTRACT NO. Idm-E1055

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Cordero Mining Company, a corporation, that Exploration Project Contract No. Idm-E1055 (Docket No. DMEA 4504), executed January 17, 1957, is amended, effective _____ ____, 1957, as follows:

2. In Exhibit A, attached to the contract, "Description of the Work", the work set forth under ~~project work authorized under the contract shall be~~ designated as "Phase I" and a new "Phase II", ~~shall be added~~ is set forth below in two stages, to be added to Exhibit A, ~~as follows:~~ the Contractor shall perform Stage I and as much of Stage II as is approved in advance by the Government.

Phase II

Stage 1

(a) ~~From the face of the drift as authorized in Phase I, continue to~~ Extend the Phase I drift northerly along the ore zone for a maximum ~~additional~~ distance of 700 feet. The drift shall be timbered as necessary and shall be not less than 5 feet by 7 feet in the clear.

(b) At all positions along the extended drift ~~as continued in this Phase II~~ found to contain favorable mineralization, drive such exploratory, untimbered raises as are approved by the Government. Such raises shall ~~be untimbered, and shall~~ be not less than 4 feet by 7 feet in cross section in the clear. The aggregate total ~~length of all~~ raises shall not exceed 100 feet.

(c) At locations not less than 200 feet apart, drill size AX diamond drill holes into either wall of the extended drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length, and the total footage of all holes shall not

exceed 1,200 feet.

(d) At locations along the extended drift where mineralization is favorable, but not less than 50 feet apart, drill long-hole percussion drill holes into either wall of the drift to explore the possible existence of other ore bodies. The total ~~footage of such~~ long hole drill ~~holes~~ ing shall not exceed 350 feet.

(5) Assay not more than 64 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary samples sacks and shipping charges.

Stage 2.

(6) ~~(f) From the end of the drift as authorized in Stage 1, continue~~ If approved in advance by the Government, extend the Stage I drifting northerly along the ore zone for a maximum additional distance of 800 feet. The drift shall be timbered as necessary and shall be not less than 5 feet by 7 feet in cross section in the clear.

(7) ~~(g)~~ At all positions along the extended drift ~~as continued in this Stage 2~~ found to contain favorable mineralization, drive such exploratory, untimbered raises as are approved by the Government. Such raises shall be ~~untimbered, and shall be~~ not less than 4 feet by 7 feet in cross section in the clear. The aggregate ~~total length of all~~ raising shall not exceed 100 feet.

(8) ~~(h)~~ At locations ~~along the drift, as continued in this Stage 2,~~ not less than 200 feet apart, drill size AX diamond drill holes into either wall of the extended drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length, and the total footage of all holes shall not exceed 1,200 feet.

(9) ~~(i)~~ At locations along the extended drift ~~as continued in this Stage 2~~ where mineralization is favorable, but not less than 50 feet apart, drill long-hole percussion drill holes into either wall of the drift to explore the possible existance of other ore bodies. The total ~~footage~~

~~of such~~ long hole drill ~~holes~~ shall not exceed 350 feet.

(10) Assay not more than 80 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks and shipping charges.

~~Only such work under Stage 2 shall be done as has prior approval by the Government.~~ attached to the contract, the work set forth under

2. In Exhibit A, "Estimated Cost of the Project", are designated ~~items 1 to 7(b) inclusive~~ as "Phase I" and ~~add~~ is added a new "Phase II" as follows:

PHASE I

~~Estimated Total Cost of Phase I $28,572.00~~

PHASE II

Stage 1

(6)	Drifting, 700 feet @ $32.00/ft.	$22,400.00
	Timbering drift, 100 feet @ $6.40/ft	640.00
(7)	Raising, untimbered, 100 feet @ $27.00/ft.	2,700.00
(8)	Diamond drilling, 1200 feet @ $4.50/ft.	5,400.00
	Reaming and casing, and/or cementing and re-drilling, 250 feet @ $2.00/ft.	500.00
(9)	Long-hole drilling, 350 feet @ $1.00/ft.	350.00
(10)	Assaying, 64 samples for WO_3 @ $4.25/spl	272.00
	Estimated Total Cost of Stage 1.	$32,262.00

Stage 2

(6)	Drifting, 800 feet @ $32.00/ft.	$25,600.00
	Timbering drift, 100 feet @ $6.40/ft.	640.00
(7)	Raising, untimbered, 100 feet @ $27.00/ft.	2,700.00
(8)	Diamond drilling, 1200 feet @ $4.50/ft.	5,400.00
	Reaming and casing, and/or cementing and re-drilling, 250 feet @ $2.00/ft.	500.00
(9)	Long-hole drilling, 350 feet @ $1.00/ft.	350.00

(j) Assaying 80 samples for WO_3 @ $4.25/spl	$340.00	
Estimated Total Cost of Stage 2	$35,530.00	
Estimated Total Cost of Phase II, Stages 1 and 2		$67,792.00
Estimated Total Cost of the Project		$96,364.00
Government Participation @ 75%		$72,273.00

Summary

Est. total cost of Phase II 28,572.00

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504
CONTRACT NO. Idm-E1055

Justification for Amendment No. 1

On April 24,1957, the Operator requested authorization to continue the DMEA drift northerly an additional distance of 1,500 feet, with 400 feet of raising, 2,200 feet of diamond drilling and 700 feet of long-hole drilling, at an estimated additional cost of $72,317.50, or a total cost of $100,889.50 for work already authorized and the additional work requested.

Object of the additional work requested was to explore the possible downard extensions of ore showings in old workings on and near the surface. The Field Team's geologist, in a memorandum of May 13, 1957, reported that work completed to date has not resulted in the discovery of a large ore body, but it does show that scheelite occurs throughout the area as minor disseminations, and as high grade lenses in limestone beds associated with alaskite dikes. Based on the surface showing, the best target area lies ahead of the completed work. The geologist concludes that the Operator's request is, with minor modifications, justified, and recommends that the additional work be authorized.

The Field Team, in a memorandum of May 20, 1957, forwarding the geologist's report, concurs with his conclusions and recommendations.

The Commodity Division of the Bureau of Mines concurs, but the Commodity Division of the Geological Survey dissents, concluding that additional work is not justified by the results of project work to date.

This amendment provides for the additional drifting, drift timbering, and long hole drilling requested. The amount for diamond drilling is increased to provide for 2,400 feet of hole instead of 2,200 feet as requested, and the amount of raising decreased from 400 to 200 feet, both changes being indicated by results of project work to date.

J. N. FEW, JR.
PRESIDENT

S. H. WILLISTON
VICE-PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE	INITIALS	CODE
7/1	C	220
"	[illegible]	100
7/2	RRC	400

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

June 28, 1957

Mr. C. O. Mittendorf, Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA-4504
Contract E-1055

Dear Mr. Mittendorf:

Yesterday I called the Spokane office of Defense Minerals Exploration Administration to see if they had any definite information concerning the application for the extension of Project 4504 for Wild Horse Mine in Idaho.

Since they had no advice I am taking the liberty of writing to you direct hoping that I might furnish information which will help you make a decision one way or the other on the extension.

As an operator, we are concerned with the employment of men, placement of equipment, and organization of our staff. Now, we are marking time at Wild Horse while the few months of good summer working season goes by and, as you know, winter working conditions at this mountainous property are somewhat difficult. It would be regrettable if we were to do no work this summer and must go ahead next winter when conditions are extremely bad.

The Wild Horse property was discovered at a time when there was great need for tungsten production. Its discovery was in a new, unexplored mining district. We constructed a road to the property, did a limited amount of development work, and constructed a 50 ton per day mill, all on a crash program. Production of scheelite started immediately and a total of nearly 6000 units was produced and sold to General Services Administration. The ore came principally from small open pits, nearly all of which were in a single line over a distance of 7500 feet. The ore in one of these pits went deep enough to require some underground mining. In general, it is believed that the ore bodies exist as pods, or lenses, implanted in a zone which exists as a steeply dipping plane. The location of these pods, both horizontally and vertically, is completely unknown and they appear to be at random.

When the surface ore was exhausted and exploration was planned, we recommended a 2000 foot tunnel be driven under the zone which had produced the best at the surface. The elevation of this tunnel was determined largely by surface terrain so that the portal would be accessible for winter operations and free from snow slides which would jeopardize many other portal locations. Also, the location of this drift was so that there would be some distance between it and the surface to explore in case ore was discovered.

Mr. C. O. Mittendorf

This 2000 foot tunnel, together with drilling, etc., was submitted as a DMEA project but, apparently because of the amount, only 500 feet was approved. In doing this 500 feet we did encounter several small lenses of ore but we do not believe we have yet reached the most potential portion of the zone. Our present application is for the approval of the rest of the 2000 feet. Naturally, the approval of any footage would be appreciated.

I believe there has been some discussion by DMEA engineers of sinking a winze from the last ore we had near the surface. Since winze sinking is an expensive operation per foot of work and, since there are large amounts of water in the formations, it would require continuous pumping and any stoppage of work would result in flooding; this does not seem like a practical exploration program to me. Furthermore, I am more interested in finding a large tonnage of ore than a winze would indicate. If we had a hungry mill which would require daily amounts of ore the winze project would be more feasible. Our mill, however, has not been operating for over a year.

The mine is equipped with a complete gravity mill, including roasting plant, magnetic separator and leaching equipment. The camp is adequate for the mine when operating.

While this operation is a relatively small one, maintenance of the roads, annual repairs on buildings and equipment, watchman's services during the summer months, assessment expenses and insurance all amount to more than we care to spend while there is no known mineable ore.

Also, at the present time, with the very poor market conditions for tungsten, we are unwilling to spend money on exploration work if we must carry all of the costs. On the other hand, if we are able to find a substantial tonnage of mineralized rock which might become ore at some future time, we will be willing to maintain our equipment and facilities at the mine but, unless we can find something approaching ore we must remove our mill and abandon the property.

You must remember the dismal cycle through which the tungsten industry went between World War II and post-Korean War times. During this period the mining industry completely shut down and consumers depended entirely on imports. With the beginning of the Korean conflict the price on imported tungsten was ridiculously high and, at the same time, the status of our own deposits was so completely unknown that no one knew what effect any program would have on production. The fact that the GSA purchase program did result in substantial production is a fortunate one for the United States. I strongly believe that we are again in one of the phases of the same cycle where the mines are shutting down. Now is the time to do exploration work to get some idea of potential production while the properties are still accessible for work. It seems to me that this is an opportunity for DMEA to do some work which, in

the long run, would be of benefit to the country. I do not believe that many companies would be willing to spend money on any kind of exploration work with the immediate future of tungsten as dark as it appears now.

If nothing has been done concerning our project by the time you receive this letter, I hope you will recheck its merits and advise us as quickly as possible.

Very truly yours,

J. Eldon Gilbert

J. Eldon Gilbert
Manager

JEG:L

cc: Dr. Albert E. Weissenborn
Mr. W. P. Haas

6/28/57

Com

Mr. Mittendorf

Although the area appears to be a favorable place to look for tungsten deposits, the results of the DMEA work to date of an expenditure of $28,572 does not justify further Government participation. Cordero evidently made an operating profit on its low cost operation at and near the surface for 3 years with high tungsten prices.

The proposal is to spend an additional $67,792 in two stages in extending the present drift on a tactite zone containing small discontinuous pods of low grade tungsten ore. If as much ore were found by this work as has been produced, and had the same high value (Double the present and anticipated value), the maximum repayment to the Government would be approximately $17,500 in comparison with a total expenditure of Government funds of $72,273.00.

In view of the attacks on DMEA policy and the fact that the marginal nature of the ore potential of this property (The ore is not of sufficient grade or tonnage to be produced at the current or anticipated world market price), it would appear appropriate to deny the Cordero application for additional exploration aid.

The operator has turned down a less costly alternate proposal for winzing in the target area farthest from the DMEA workings.

FEJohnson

Not Sent
Denied

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504
CONTRACT NO. Idm-E1055

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Cordero Mining Company, a corporation, that Exploration Project Contract No. Idm-E1055 (Docket No. DMEA 4504), executed January 17, 1957, is amended, effective _____ ____, 1957, as follows:

1. In Exhibit A, "Description of the Work", project work authorized under the contract shall be designated as "Phase I" and a new "Phase II" shall be added as follows:

Phase II

Stage 1

(a) From the face of the drift as authorized in Phase I, continue to drift northerly along the ore zone for a maximum additional distance of 700 feet. The drift shall be timbered as necessary and shall be not less than 5 feet by 7 feet in the clear.

(b) At all positions along the drift as continued in this Phase II, found to contain favorable mineralization, drive such exploratory raises as are approved by the Government. Such raises shall be untimbered, and shall be not less than 4 feet by 7 feet in cross section in the clear. The aggregate total length of all raises shall not exceed 100 feet.

(c) At locations not less than 200 feet apart, drill size AX diamond drill holes into either wall of the drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length, and the total footage of all holes shall not

exceed 1,200 feet.

(d) At locations along the drift where mineralization is favorable, but not less than 50 feet apart, drill long-hole percussion drill holes into either wall of the drift to explore the possible existence of other ore bodies. The total footage of such drill holes shall not exceed 350 feet.

(e) Assay not more than 64 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks and shipping charges.

Stage 2.

(f) From the end of the drift as authorized in Stage 1, continue drifting northerly along the ore zone for a maximum additional distance of 800 feet. The drift shall be timbered as necessary and shall be not less than 5 feet by 7 feet in cross section in the clear.

(g) At all positions along the drift as continued in this Stage 2 found to contain favorable mineralization, drive such exploratory raises as are approved by the Government. Such raises shall be untimbered, and shall be not less than 4 feet by 7 feet in cross section in the clear. The aggregate total length of all raises shall not exceed 100 feet.

(h) At locations along the drift as continued in this Stage 2, not less than 200 feet apart, drill size AX diamond drill holes into either wall of the drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length, and the total footage of all holes shall not exceed 1,200 feet.

(i) At locations along the drift as continued in this Stage 2 where mineralization is favorable, but not less than 50 feet apart, drill long-hole percussion drill holes into either wall of the drift to explore the possible existence of other ore bodies. The total footage

of such drill holes shall not exceed 350 feet.

(j) Assay not more than 80 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks and shipping charges.

Only such work under Stage 2 shall be done as has prior approval by the Government.

2. In Exhibit A, "Estimated Cost of the Project", designate items 1 to 7(b) inclusive as "Phase I" and add a new "Phase II" as follows:

PHASE I

Estimated Total Cost of Phase I	$28,572.00

PHASE II

Stage 1

(a)	Drifting, 700 feet @ $32.00/ft.	$22,400.00
	Timbering drift, 100 feet @ $6.40/ft	640.00
(b)	Raising, untimbered, 100 feet @ $27.00/ft.	2,700.00
(c)	Diamond drilling, 1200 feet @ $4.50/ft.	5,400.00
	Reaming and casing, and/or cementing and re-drilling, 250 feet @ $2.00/ft.	500.00
(d)	Long-hole drilling, 350 feet @ $1.00/ft.	350.00
(e)	Assaying, 64 samples for WO_3 @ $4.25/spl	272.00
	Estimated Total Cost of Stage 1.	$32,262.00

Stage 2

(f)	Drifting, 800 feet @ $32.00/ft.	$25,600.00
	Timbering drift, 100 feet @ $6.40/ft.	640.00
(g)	Raising, untimbered, 100 feet @ $27.00/ft.	2,700.00
(h)	Diamond drilling, 1200 feet @ $4.50/ft.	5,400.00
	Reaming and casing, and/or cementing and re-drilling, 250 feet @ $2.00/ft.	500.00
(i)	Long-hole drilling, 350 feet @ $1.00/ft.	350.00

(j) Assaying 80 samples for WO_3 @ $4.25/spl	$340.00	
Estimated Total Cost of Stage 2	$35,530.00	
Estimated Total Cost of Phase II, Stages 1 and 2		$67,792.00
Estimated Total Cost of the Project		$96,364.00
Government Participation @ 75%		$72,273.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6/25	C	220
6/25	RLC	400

June 19, 1957

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

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Contract No. Idm-E1055

Dear Mr. Selfridge:

This is in further reference to your teletypes of June 6 and June 14, 1957, regarding the above-referenced contract.

Upon receipt of your June 6 teletype we called Mr. Gilbert and told him that, if additional work were approved, an amendment would probably call for stages rather than the entire work in one stage. He was disappointed but expressed a willingness to accept a staged proposal.

We again called Mr. Gilbert June 14 on receipt of your teletype of the same date, to advise him that a possible modification of his proposal now under consideration would be to winze on ore from the Steep Climb adit rather than to extend the present workings. He is very much opposed to this proposal on several counts.

He points out that, in the first place, the company's current objective is not to find immediate ore to keep a mill in operation but to conduct a long-range exploration of what they consider a favorable piece of ground. They are much more interested in finding a large tonnage of relatively low-grade ore for the future than of finding small bodies of higher grade material that could be mined now under present conditions. The most promising area for making such a discovery, they believe, is between the present DMEA workings and the Steep Climb adit.

While this area could be explored by drifting from a winze at the Steep Climb adit, it would be considerably more costly. Not only would the cost of drifting from the bottom of a winze be higher, but they are particularly concerned that pumping costs could be excessive. One of the two diamond drill holes completed so far is making

300 gallons of water per minute. Similar water courses if encountered in the winze, or any drift, or crosscuts from the winze could cause a much greater flow possibly greater than a pump could handle. Even if the pump could handle the water currently, a shutdown resulting from a snowslide or strike could flood the workings and cause an expensive pumping job.

For these reasons Mr. Gilbert states unequivocally that the company would not be interested in the suggestion to explore through a winze.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

cc: USBM (2)
USBM (AD)
Nickelson

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 18 1957

DATE	INITIALS	CODE
6/18	C	220
6/18	DLe	400
6/19	WSM	400

RECEIVED
JUN 17 12 57 PM '57
GENERAL SERVICES ADM.
PUBLIC BLDGS. SERVICE
BHC - COMMUNICATIONS

AXXXXXXX-086K

AXXXXXXX-087K

XDXXXXXX-088K

WCA060-

YWA070 WAX SP 13 I-GS-G

SPOKANE WASH 6-17-57 0923U

GEORGE C SELFRIDGE, CHAIRMAN OPERATING COMMITTEE

DMEA DEPARTMENT OF INTERIOR, WA

REURTT JUNE 14 DOCKET NUMBER DMEA 4504 CORDERO TUNGSTEN. OPERATORS DESIRE I TO EXPLORE FOR LARGE TONNAGE OF ONE QUARTER TO ONE HALF PERCENT ORE. PROPOSED WINZ FROM STEEP CLIMB ADIT WILL INVOLVE COSTLY PUMPING. ONE DIAMOND DRILL HOLE ALONE MAKING 300 GALLONS WATER. SIMILAR FLOW CAN BE EXPECTED FROM OTHER HOLES. THEREFORE OPERATOR PREFERS TO CONTINUE PRESENT DRIFTING NORTH-WESTERLT AND DIAMOND DRILLING FROM DRIFT. WILL ACCEPT STAGES IF NECESSARY.

IS NOT INTERESTED IN WINZING.

A E WEISSENBORN

14 4504 300

SLP 0932U

JUN 17 3 44 PM '57
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Surname	Code
6-13 Holt	400
6-13 Martin	400
6/14 GCS	130
" Johnson	110
" Mathews	100
6/17 C	220
	400

INTERIOR
DMEA
14X1401(01) REVOLVIND
FUND, DEFENSE PRODUCTION
ACT, INTERIOR, (TRANSFER TO
OFFICE OF SECRETARY)

T E L E T Y P E

JUN 14 1957

MR. A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I - NW DISTRICT
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

RE DOCKET NO. DMEA 4504 CORDERO TUNGSTEN. PLEASE ADVISE US OPERATOR'S REACTION TO INFORMATION GIVEN YOU BY OUR TT JUNE 6. MOST LIKELY MODIFICATION WOULD BE WINZE ON ORE FROM STEEP CLIMB ADIT INSTEAD OF EXTENSION OF PRESENT DMEA WORKINGS.

Nelson (130) 6/14
Lamb (130) 6/14

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE

SPHOLT:foc
6-13-57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I - NWD
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

DMEA Form 7
(12-56)

INTERIOR

DMEA

OFFICIAL FILE COPY

Date	Surname	Code
6-6	Holt	400
14X1401(01)	Revolving	Fund,
Defense Production Act,		
Interior, (Transfer to Office of		
Secretary)		
6-6	Martin	400
6/6	Selfridge	130
6/6	Rutherford	100
6/6	C	220
		400

XXXXXXXXXXXXXXXXXXXXX

TELETYPE

JUN - 6 1957

MR. A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I - NWDISTRICT
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REURTT JUNE 5 DOCKET 4504 CORDERO TUNGSTEN. WIDE DIFFERENCES OF OPINION AMONG DMEA STAFF AND COMMODITY SPECIALISTS SUGGEST THAT ADDITIONAL WORK COULD ONLY BE APPROVED IN MODIFIED FORM AND REDUCED AMOUNT WITH LATER STAGE DEPENDING ON RESULTS FOUND BY FIRST PART OF NEW WORK.

Lamb 6/6

4/6 Kiilsgaard

George C. Selfridge

CHAIRMAN, OPERATING COMMITTEE

SPHOLT:foc

6-6-57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. I - NWD
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

1201 N. Division St.
Spokane 2, Washington

June 5, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 10 1957

DATE		CODE
6/10	C	220
6/11	[illegible]	800
6/11	WSM	400

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. 4904 (Tungsten)
Contract No. M1055
Monthly operating report for
April 1957

Gentlemen:

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We are withholding an amount of $750.00, pending approval of additional work or final audit review by a representative of the Contract Administration and Audit Division of Defense Minerals Exploration Administration. This is the customary procedure and is applicable to all contracts.

By Field Team Region I, NW Dist.

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

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

cc: DMEA (2)
USGS (2)

M

OFFICIAL FILE COPY
D M E A
RECEIVED JUN 5 1957

DATE	INITIALS	CODE
6-5	C	220
6/5	WSM	400

T

WCD010-

YWB003 WAX SP 4 I-GS-G

SPOKANE WASH 6-5-57 0910U

MR GEORGE C SELFRIDGE, CHAIRMAN OPERATING COMMITTEE

DMEA, DEPARTMENT OF INTERIOR, WA

WILL YOU PLEASE ADVISE US STATUS OF REQUEST FOR ADDITIONAL WORK AT WILDHORSE PROPERTY, CONTRACT IDM-E 1055. CORDERO PRESSING US FOR DECISION.

A E WISENBORN, EXECUTIVE OFFICER, DMEA FIELD TEAM REGION 1, NORTHWEST DISTRICT

IDM-E1055

SLP 0915U

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 3 1957

DATE	INITIALS	CODE
6/3	C	220
6/3	WSM	400

IN REPLY REFER TO:

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

May 31, 1957
Re: DMEA 4504 Contract Idm-E1055
Cordero Mining Company
Custer County, Idaho
(Tungsten)

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: Review of Field Team report recommending additional work at cited project.

Based on accomplishments to date, the Field Team recommends additional exploration at the Operator's Wild Horse mine, the work to consist of:

1) 1500 feet of drifting
2) 400 feet of raising
3) 2200 feet of diamond drilling
4) 700 feet of long hole drilling

Estimated cost of this work totals $100,889.50.

Exploration completed to date has found some scheelite, but the findings appear to be "teaser-like" rather than showings that warrant continued exploration. The adit has crosscut marble and tactite beds, near the face, containing minor specks of scheelite. This area was apparently too lean to warrant sampling, although it underlies the 4-foot vein of scheelite cut in the bulldozer trench, which was reported by the Operator to assay about 1 percent WO_3, and which was one of the chief reasons for locating the crosscut at its present site.

A drift was turned from the crosscut, to follow the mineralized showings in the marble and tactite. Muck pile samples shown on the Field Team and Operator's maps indicate that the tungsten grade in these rocks was low. An arithmetic average of 20 muck pile samples, extending from station USBM 501 to USBM 503, a distance of 126 feet, is about 0.08 percent WO_3. A streak of low-grade ore, averaging 0.5 to 0.6 percent WO_3 is reported about 70 feet from station USBM 502, but the size of this streak is not mentioned, and muck pile samples do not confirm its presence. An examination by field

team members on March 21, showed the face of the adit to be about 103 feet N 46° W, of station USBM 503; at that time, the examiners apparently believed that further work was not justified.

Between March 21, and April 30, the adit was extended to the northwest, where it cut a small scheelite body on the hanging wall of an Alaskite dike. This body appears to have a short strike length; it does not cross the adit. Up dip, it appears to favor beds of marble, although the section looking S E indicates the body does not reach the back of the flat raise driven from the adit. Another odd feature of the raise is that it followed the dike contact, presumably where the best ore was, but then turned away from the dike up dip in the schist, where the ore was quickly lost. This indicates that the ore is more of a pod than a body, and that although of good grade, it is small. Some ore also shows in the footwall of the dike, although the size and grade of this ore remains to be proven.

As proposed, the $101,000 of additional work is predicated chiefly on the small showing of ore at the dike contact, and from the surface showing of ore ahead of the adit. As there is no outcrop over the area to be explored by the adit, the "showings ahead" presumably refers to the open pits and underlying adit of the Steep Climb deposit, located approximately 900 feet north of the lower adit face.

The showings found to date are typical of the scattered disseminations and small pods of scheelite in tactites. Past experience in numerous DMEA projects, indicates that such showings may be fairly continuous over wide areas, but that they rarely form ore bodies unless affected by some prominent structure such as a sharp roll of the strike or dip of the wall rock, contortions in the vein, etc. The straight projection of the outcrop area on the Field Team map indicates that such structural effects are not anticipated in the area to be tested by the adit. Rather than drive the long drift to the Steep Climb deposit, I would think it more prudent to devote the remaining drifting footage to further exploration of the Alaskite dike ore pods. Unless these prove to be significant, I would think additional drifting was unwarranted as it would very probably be an expensive way of finding only more of what already has been found.

I do not agree with Field Team interpretations on geologic findings to date and therefore do not concur with their recommendations. Unless remaining work uncovers new and more confirming evidence, it would seem that instead of the proposed additional work, it would be more prudent to sink a winze, on the ore, from the Steep Climb adit. Such work would give a better determination on the extent of the ore in that rumpled and geologically favorable area.

T. H. Kiilsgaard

T. H. Kiilsgaard

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 31 1957

DATE	INITIALS	CODE
5/31	JWD	220
6/3	WSM	400

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

Date May 29, 1957

DMEA Project No. 4504
AEC Contract No. Idm-E1055
Commodity Tungsten
Name of applicant Cordero Mining Co.
Name of property Wild Horse Mine
Location of property Custer Co., Idaho
Estimated cost of project

W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Acting Chief, Br. of Ferrous Metals

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

Subject: Review of Field Team recommendation for additional work
(Application, Field Team Report, etc.)

1. Date of subject document: 5-13-57 2. Date received by reviewer: 5-28-57

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

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

5. Information available on past production: Yes [ ] No [X]

6. Other pertinent factors known to reviewer: Yes [ ] No [X]

7. Explain items marked yes above:

8. Factors meeting special consideration:
a. Location [ ]
b. Ownership [ ]
c. Evidence of mineralization [ ]
d. Geology [ ]
e. Proposed exploration method [ ]
f. Alternate exploration method [ ]
g. Costs [ ]
h. [ ]

9. Action advised:
a. Obtain information from applicant [ ]
b. Refer to Field Team [ ]
c. Defer [ ]
d. Agree with Field Team [X]
e. Disagree with Field Team [ ]
f. Suggest alternate plan [ ]
g. Request another examination [ ]
h. Approval [ ]
i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary) I concur with the Field Team recommendation for additional work.

R. W. Holliday

R. W. Holliday

OFFICIAL FILE COPY DMEA RECEIVED MAY 28 1957		
DATE	INITIALS	CODE
5/28	JWG	220
5/28	407	800
5/28	WSM	400

1201 N. Division St.
Spokane 2, Washington

May 24, 1957

Mr. Vernon P. Haas
Cordero Mining Company
Stanley, Idaho

Re: Docket No. DMEA-454 (tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Ida-X1055

Dear Mr. Haas:

Reference is made to your narrative report and sketch map accompanying your April 1957 voucher.

Will you please furnish us with length, bearing and inclination, as well as a short log (mineralization, etc.) of each long hole and diamond drill hole completed under the contract. We have the location of these holes from your sketch map.

Sincerely yours,

Wing G. Agnew, Acting Executive Officer
DMEA Field Team, Region I, NW District

cc: Cordero Mining Co.
6222 Holiday Drive
Boise, Idaho

DMEA (2)
USGS (2)
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 22 1957

DATE	INITIALS	CODE
5/23	[illegible]	220
		130
5/23	WSM	400

AIR MAIL

May 20, 1957

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

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Contract No. Idm-E1055

Dear Mr. Selfridge:

Enclosed are three copies of a letter dated April 24, 1957, from Verne P. Haas, assistant manager and engineer for Cordero Mining Company, requesting additional work at the Wild Horse mine. Also enclosed are four copies of a memorandum report by Howard B. Nickelson, Geologist, U. S. Geological Survey, recommending the additional work, with the costs.

Work under the contract is nearly completed. No ore body of significant size has been discovered by the project work although two zones of ore grade and one streak of subore-grade material have been encountered. The two zones of ore-grade material are closely associated with a flat-lying dike; one zone on the hanging wall, the other on the footwall. Neither zone has been explored to any extent.

Nickelson concludes that there is a zone favorable for tungsten deposition that should be explored and, with only slight modification, repeats his original recommendation.

The Field Team concurs with Nickelson's conclusion and recommendations.

By Field Team, Region I, NW Dist.

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

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

Enclosures

cc: USBM (2)
USBM (AD)
USGS (SRO)
Nickelson

J. N. PEW, JR.
PRESIDENT

H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

MINE OFFICE
McDERMITT, NEVADA

April 24, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 22 1957

DATE	INITIALS	CODE

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1, NW District
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Weisenborn:

As Mr. Gilbert is in Europe I am forewarding our application for the additional work on our Wild Horse Mine project.

I have delayed in filing this because with the small amount of work we had to explore along the formation we would need it all unless we were very lucky. With the drifting complete and the good showings we have in No.2 Crosscut we feel we have more that enough to justify the completion of the original project.

Not until I was getting this material together did I realize that I did not have a copy of the original application and maps. These I can get from Palo Alto and foreward to you if necessary. However, if I am right in presuming that the enclosed application will be connected with the original, the sketch map I have enclosed can be overlayed on the first part of the original and the balance asked for will be as shown in the original application

I understand from Mr. Bardill that Mr. Nicholson is on his way back into the Wild Horse district and trust that the imformation herein enclosed along with Mr. Nicholson's report will be sufficient to insure the completion of our project to develope, we hope, another good tungsten mine for Idaho.

Very truly yours

Verne P. Haas
Ass't Manager

V.H/

P.S. If more information is needed please call my wife at 4-1630, Boise and she will pass the word on to me by radio.

vph

J. N. PEW, JR.
PRESIDENT

S. H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

MINE OFFICE
McDERMITT, NEVADA

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 22 1957

DATE	INITIALS	CODE

April 20, 1957

Mr. A. E. Weissenbork
Executive Officer, DMEA
Field Team, Region 1, NW District
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

The present work at Wild Horse under DMEA authorization, consisting principally of 500' of drifting and crosscutting, will soon be completed. It is our desire to continue this work for essentially the full amount as originally requested October 5, 1956.

When the present work is finished the amount originally requested but not authorized will be as follows.

Drifting and crosscutting (Untimbered)	1015'
Drifting and crosscutting (Timbered)	485'
Raising (Timbered)	700'
Drilling- percussion drill	1700'
Diamond Drilling	200'
Cat work	150 hrs
Analyze samples	150
Contingencies	$11.000.00

In place of the 2000' of percussion drilling it would probably be better to have a total of 700' and an additional 1000' to the amount of the diamond drilling, making a total of 2000' of diamond drilling.

It appears now that it will not be necessary to use the full amount of the Cat time and, if you desire, this may be cut to a total of 150 hrs.

It is our belief that the costs, as originally set up in our October 5th request are very close to our actual operating costs. Inasmuch as the equipment and some supplies were purchased for the entire project all the costs to date have been higher than we anticipated if no more is done, However, if we complete the project for the full amount of 2000' of drifting, 700' of raising and the other work, we think our original figures will be very close.

The category of Contingencies, and the amount stated, is just to put us on record as realizing that certain things can happen which we connot anticipate.

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APR 29 1957
U. S. G. S.
SPOKANE, WASH.

The total underground work completed to date is as follows, Drifting and crosscutting, 610' with DMEA participation 500', Pilot raising 42' with DMEA participation none, Percussion drilling 340' with DMEA participation 303' and Diamond drilling 100' with DMEA participation 100', The balance of drilling is in progress. Timbered raises 100'. Because of the small amount of backs in this area we did not feel that the added cost of the two compartment timbered raises were justified so are probing with small low angle raw raises.

A summary of the progress to date is as follows. The portal was put in and the work had progressed on No.1 Crosscut for 80' before DMEA authorization was received. From this point crosscutting was continued for 140' with the formation being cut at portal plus 180'; Little showings of scheelite were found all thru this zone with the best at portal plus 200' so No.1 Drift was started at this point, The drift followed this mineralized zone for about 105' when a cross fault cut it off. Nearly all of this zone has showing of scheelite with the best against the cross fault. The drift was continued for 52' beyond the fault with no mineralization so a drifting crosscut, No.2 Crosscut, was started just beyond the fault. After driving about 100' this heading was cut by another fault beyond which was almost 28 of very good ore with the mineralization continueing for a total of 20' This work followed a contact so the grade as indicated by car samples will be low. Approximatly 1/3 of the crosscut was outside the ore zone. The crosscut was driven 15' in comparatively barren ground so a diamond drill station was cut and the diamond drill setup. The drift crew were pulled back and started drifting in No.2 Drift. Very little scheelite was found in this last drifting.

The diamond drill hole No.1 was collared in the face of No.2 Crosscut and a crosscutting hole drilled into the footwall. This hole cut seven scheelite bearing zones in the 70' drilled. These zones were small. Poor core recovery and no sludge because of the large volume of water makes it difficult to tell the exact width of the zones but were estimated to be from 4" to 8" wide. Some of the core has nice large scheelite crystals. This hole was stopped to let the high pressure water drain off and to let a raise crew start No.1 Raise. The drill was moved to the end of No.2 Drift and is now drilling.

No.1 Raise has advanced 25' and is following good scheelite leads all the way.

No.2 Raise, started in the best showings in No.1 Drift, has advanced 16' and is still in the mineralized zone.

The long hole percussion drill has been working in the face of No.1 Crosscut and along No.1 and No.2 Drifts. Drillings from nearly all the holes showed scheelite, however assays were disappointing.

In requesting authorization for the remaining amount of work as outlined in our original application we feel that the work done so far, with only a little over 300' of the drifting that could be used to explore along the formation, has proven the mineralization to this level and even tho the showing of ore grade scheelite have been small we have developed some ore.

It should be remembered that this portion of the project has been under our poorer surface showings and would be expected to be better under our Steep Climb deposit.

With the mineralization along No.1 Drift and the seven stringers in D.D.Hole No.1, the last of which was at 66', give us a total width of over 150' and the diamond drill hole is not believed to be in the footwall yet.

I think we have expressed our faith in project in that we have and are carrying considerable work in which we know the DMEA will not participate.

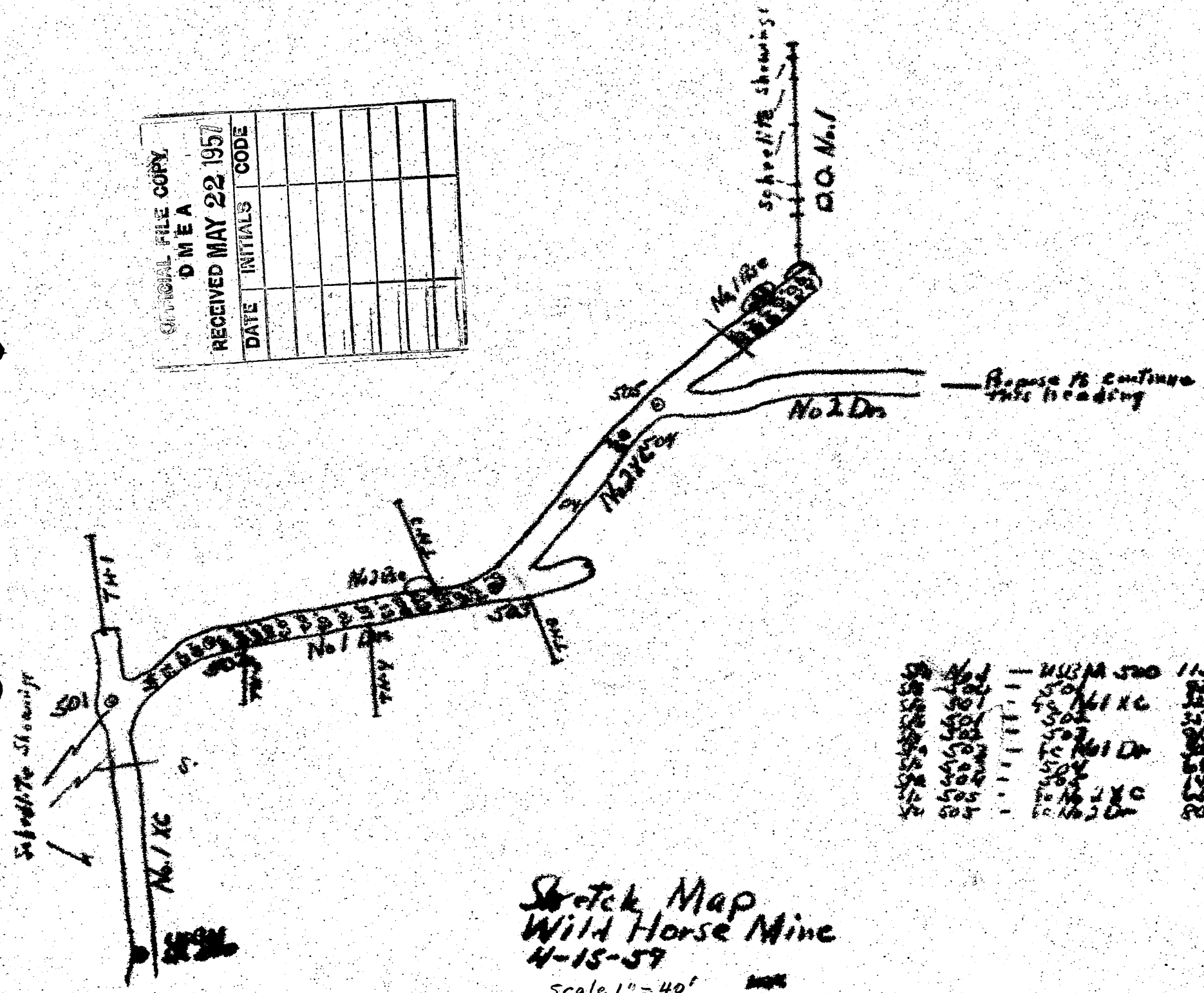
Very truly yours

Verne P. Haas
AssTt Manager

VPH/

RECEIVED
Special Delivery Air Mail
APR 29 1957
U. S. G. S.
SPOKANE, WASH.

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 22 1957
DATE | INITIALS | CODE



Sketch Map
Wild Horse Mine
4-15-57

S. H. WILLISTON
VICE-PRESIDENT

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

OFFICIAL FILE COPY
DMEA
RECEIVED APR 5 1957

DATE	INITIALS	CODE
4/5	C	220
4/8	[illegible]	800
4/8	WSM	400

DMEA-4504

March 29, 1957

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1, NW District
U S Department of the Interior
So. 157 Howard Street
Spokane 4, Washington

Dear Al:

Following the field conference with Mr. Bardill and Mr. Nicholson I am certain we will want to apply for additional work at Wild Horse.

We are now accumulating our information and waiting for assays. As soon as possible we will submit a formal request.

Very truly yours,

J. Eldon Gilbert

JEG:L

cc - Mr. Verne P. Haas

DMEA

RECEIVED
APR 1957
U. S. G. S.
SPOKANE, WASH

Map, & letter; V. P. Haas

4. 20. 57

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/25	C	220
3/26	[illegible]	800
3/26	WSM	400

So. 157 Howard Street
Spokane 4, Washington

March 22, 1957

Mr. J. Elden Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

This will acknowledge receipt of your letter of March 6, 1957, discussing the possibility of amending the contract to the scope you originally proposed.

Following your return from the scheduled field conference with Bardill and Nickelson, it would be appropriate for you, if you so desire, to submit your proposal for additional work at the Wild Horse Mine. This can be in the form of a letter (four copies), outlining the additional work you propose with a statement of the costs. You should include a summary of the results to date together with appropriate maps showing the work accomplished so far, as well as the additional work you propose to do.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

cc: DMEA (2) w/2 copies of incoming
USBM (2)
USBM (AD)
Nickelson

S. H. WILLISTON
VICE-PRESIDENT

JOHN C. ASHEN
SECRETARY-TREASURER

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

March 6, 1957

Dr. A. L. Weissenborn, Executive Officer
U. S. Geological Survey
United States Department of the Interior
South 137 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho

Dear Al:

Exploration work at Wild Horse Mine is progressing quite satisfactorily.

The interesting mineralized zone was cut by the cross cut about as we anticipated and the drift in this zone is disclosing scheelite in what appears to be commercial concentration (assuming a price of $55.00/unit for WO3).

We have now completed about one-half of the authorized drifting and crosscutting footage and, at the rate it is going now, we will have this portion of the project finished in about a month.

As soon as possible, I would like to make application to amend the contract to the scope we originally proposed. Will you please advise how this should be done and send me the necessary forms. I hope we can get the approval on this amendment before the present work is done.

Let me know your views on this, I certainly want to cooperate with you and your team and will appreciate any suggestion you might make.

Enclosed are two photostatic copies of the Degree of Distribution from the Probate Court for the estate of Leo W. McBride. This came in after the Consent of Lien was sent to you. I believe that all this does is doubly assure us that Mrs. Afton McBride is sole heir of the estate.

DMEA

Mailed to D.C. 3/8/57 Encl.

Very truly yours,

J. Eldon Gilbert
Manager

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	WSM	400

JEG:L
Enc.

RECEIVED
MAR 8 1957
U. S. G. S.
SPOKANE, WASH

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/19	Holt	400
3/19	Martin	400
3/19	Dudrey	140
✓	[illegible]	110
3-19	Chambers	800
3/20	Selfridge	130
"	Johnson	110
"	Hutchinson	100
3/21	C	220

4000

MAR 21 1957

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse mine
Contract No. Idm-E1055

Dear Mr. Weissenborn:

This will acknowledge receipt of your letter of March 11, with which you forwarded two photostat copies of the "Decree Settling Final Account and Final Distribution" from the Probate Court of Bingham County, Idaho, for the Estate of Leo W. McBride. This Decree was forwarded to us for the purpose of determing whether Mrs. Afton McBride is legally authorized to sign the Consent to Lien and Subordination Agreement with respect to Leo McBride's interest as one of the four lessors of the lands leased on September 14, 1953, to the Cordero Mining Company.

The lease refers to and includes the Steep Climb Nos. 1 to 6 claims, the "Hard to Find" group of claims, and the Labor Day millsite. Paragraph 13 of the lease further provides that "any claim located within one mile of the Discovery Monument of the Steep Climb #1 claim shall become a part" of the lease and subject to the terms of the lease. The Steep Climb Nos. 7 to 16 are within the one mile limit, and were located by the lessors on October 8 and November 5, 1953, shortly after the date of the lease. It was on the basis of these provisions that the DMEA contract was made with the Cordero Mining Company covering Steep Climb Nos. 1 to 16 claims.

The Decree indicates that Leo McBride died intestate on September 6, 1955, and that Mrs. Afton McBride is entitled to, and was authorized to receive distribution of, the "whole" "residue" of Leo McBride's estate, "whether described herein or not", which includes specifically Leo McBride's one-quarter interest in the Steep Climb Nos. 1 to 6 claims. However, the Decree does not specifically mention the Steep Climb Nos. 7 to 16 claims as part of "said residue of said estate." It thus would seem that if Leo McBride owned any interest in the latter claims at the time of his death, Mrs. McBride now owns his interest in

8623

the Steep Climb Nos. 7 to 16 claims under the general clause of the Decree quoted above, even though the Decree omitted any specific description thereof. Of course, if Leo McBride did not have any interest in the Steep Climb Nos. 7 to 16 claims at the time of his death, then no interest therein passed to Mrs. McBride under the Decree and there was no occasion to mention them in the Decree.

We note that Mrs. McBride, John Rosenkrance, Bill Brooks, and A. L. Hall signed the Consent to Lien and Subordination Agreement as the lessors and owners of the Steep Climb Nos. 1 to 16.

In the light of all the foregoing instruments and assertions by the lessors, we can presume that Leo McBride did not dispose of his interest in the Steep Climb Nos. 7 to 16 prior to his death and therefore that Mrs. McBride succeeded to his interest therein and was duly authorized to sign the Consent to Lien and Subordination Agreement. You may wish to assure yourself on this point by appropriate inquiry when one of your engineers is in the vicinity of the claims or Mrs. McBride's home.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

Frank D. Lamb (FDL)

Member, Bureau of Mines

Thor H. Kiilsgaard (THK)

Member, Geological Survey

SPHOLT:foc 3/19/57

cc to: Docket
Code 400
Admr. Read. File
Operating Comm.
FT. REG. I - NWDist.
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 14 1957

DATE	INITIALS	CODE
3/14	C	220
3/18	WSOY	400

March 11, 1957

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

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Cordero Mining Company
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Selfridge:

Enclosed are two photostat copies of the Decree Settling Final Account and Final Distribution from the Probate Court, Bingham County, Idaho for the estate of Leo W. McBride. Along with the corrected Consent to Lien, this should doubly assure us that Mrs. Afton McBride is sole heir of the estate.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosures

cc: USBM (2)
USBM (AD)
Nickelson

IN THE PROBATE COURT OF THE COUNTY OF BINGHAM, STATE OF IDAHO

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 14 1957
DATE | INITIALS | CODE

IN THE MATTER OF THE ESTATE)
of)
LEO W. McBRIDE, the same person)
as L. W. McBride,)
Deceased.)

DECREE SETTLING FINAL ACCOUNT AND FINAL DISTRIBUTION

Afton McBride, administratrix of the estate of Leo W. McBride, deceased, having on the 7th day of June, 1956, rendered and filed herein her first and final account and report of her administration of said estate, which account was for final settlement, and having with said account filed a petition for the final distribution of said estate and said account and petition this day coming on regularly to be heard and proof having been made to the satisfaction of the Court that notice of the settlement of said account and hearing of said petition has been given in the manner and for the time required by law and the order of this Court, and the Court having received and considered evidence in support of said account and petition under the direction of J. H. Andersen, Esq., representing said administratrix and no person objecting or excepting thereto and the Court being fully advised in the law and the premises, finds:

1. That said account is in all respects true and correct; that it is supported by proper vouchers and that the said should be allowed, approved and settled.

2. That due and legal notice to the creditors of said estate and of said decedent has been given in the manner and for the time required by law and Decree has been duly entered of record herein decreeing that due and legal notice to the creditors of said deceased has been given as provided by law; that all claims and debts against said decedent and against said estate and all personal property taxes due and payable by said estate and all debts, costs, and charges of administration have been fully paid and discharged; that decree has been made and entered herein fixing the clear value of said estate and exempting the same, and the whole thereof, from the payment of inheritance tax, and said estate is now ready for distribution and now in condition to be closed.

3. That the whole of said estate was the community property of said deceased and his surviving widow, Afton McBride.

4. That said Leo W. McBride, deceased, died intestate on the 6th day of September, 1955, at Blackfoot in Bingham County, Idaho, and was at the date of his death a resident of Bingham County, Idaho, and was seized of community interest in property in said Bingham County, Idaho; and left surviving him the following heirs at law:

Name	Relationship	Post Office Address
Afton McBride	Surviving Widow	Blackfoot, Idaho
Leo Robert McBride	Son	Blackfoot, Idaho

That both of said heirs at law are adults; that the property of said estate as hereinafter described, being all community property, the whole thereof should be distributed to the surviving widow, Afton McBride as the survivor of the community;

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED, That the final account and report of said administratrix be, and the same is hereby finally settled, allowed and approved;

IT IS FURTHER ORDERED, ADJUDGED AND DECREED, That the residue of said estate of said deceased, as hereinafter described, and all other property of said estate, whether described herein or not, be distributed according to law as follows: To Afton McBride, the whole thereof.

The following is a particular description of said residue of said estate referred to in this Decree, situated in Bingham and Custer Counties in Idaho as hereinafter designated and of which distribution is now ordered as aforesaid:

Real Estate in Bingham County, Idaho:

(Specific description herein omitted.)

Real Estate in Custer County, Idaho:

The Rolling Rock Group of Mining Claims, Nos. 1 to 6 inclusive, and Nos. 14 and 15 inclusive, and 20 to 28, both inclusive, all situated in Alder Mining District in Custer County, Idaho.

An undivided one-quarter interest in and to the following mining claims: Steep Climb No. 1, Steep Climb No. 2, Steep Climb No. 3, Steep Climb No. 4, Steep Climb No. 5, Steep Climb No. 6, the "Hard to Find" Group of claims and mill site known as Labor Day, all in Alto Mining District, in Custer County, Idaho.

Personal Property in Bingham County, Idaho:

(Specific description herein omitted.)

Dated June 21, 1956.

(COURT SEAL)

EARL W. CORY
Probate Judge

STATE OF IDAHO)
: ss.
County of Bingham)

I certify the foregoing to be a true and correct copy of the original on file and of record in the Probate Court of Bingham County, Idaho except that the specific description of real estate in Bingham County and the specific description of personal property was omitted as considered unnecessary for the purpose of this instrument.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of this court at Blackfoot, Bingham County, Idaho, this 21st day of February, 1957.

Edwin H. Dorr
Judge and Ex-officio Clerk
of said Probate Court.

EXTRA COPY DMEA RECEIVED FEB 28 1957		
DATE	INITIALS	CODE

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

February 25, 1957

J. Eldon Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho
Contract No. Idm-E1055

Dear Mr. Gilbert:

Enclosed is Pamphlet No. 108 "Tungsten Deposits of South-Central Idaho" June 1956, which you transmitted to us with your letter of October 5, 1956.

Perhaps you would like to keep this pamphlet for your files.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosures

cc: DMEA (2)
USBM

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

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 11 1957

DATE	INITIALS	CODE
2/12	C	220
		400

1201 N. Division St.
Spokane 2, Washington
February 8, 1957

Mr. J. Elden Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Dear Mr. Gilbert:

This will acknowledge your letter of February 4, 1957, concerning the proper method of submitting vouchers for reimbursement under the subject contract.

Enclosed are twelve copies each of form MF-104 and MF-104A which will be sufficient for your January and February vouchering. Complete instructions for making out these forms are printed on the back. Attached is a specimen copy of your January 1957 voucher and progress report. Please note that a narrative must accompany the monthly voucher.

Of course, any vouchers you submit cannot be processed for payment until the signed copies of the contract are returned to us and until the validity of Mrs. McBride's consent to lien is established; we must also receive the six signed copies of the subordination agreement for Steep Climb Claim No. 16 as requested in our letter to you of January 23, 1957.

By Field Team, Region I, NW District

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

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

Enclosures

cc: DMEA (2)
USGS (2)
USBM (AD)

S. H. WILLISTON
VICE-PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

February 4, 1957

Dr. Albert E. Weisenborn
United States Geological Survey, Region 1
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho

Dear Dr. Weisenborn:

On the DMEA contract for Wild Horse Mine it appears that the effective date is January 17, 1957, therefore, I will give you an idea of the status of the operation as of that date, and details of the work done from January 18th through January 31st.

In anticipation of doing work with DMEA funds on a unit cost basis, Cordero Mining Company purchased the necessary equipment and some supplies. We also reactivated the camp, including the boardinghouse, and organized a crew. The crew was employed in opening the roads, falling timber, general rehabilitation, and some drifting in a location not part of the proposed DMEA work. When this location became inaccessible, due principally to weather, work was commenced on the site of the work proposed for the DMEA project. Here a portal was dug and timbered, and 80' of crosscutting was done from Station #1 marked by a spad in the timbering of the portal set.

Since January 17th the following work has been done (these are itemized with the allowed fixed unit cost even though, in all cases to date, the actual expenditure has been greater than this unit cost):

Construction of compressor-toolhouse (20' x 45')		800.00
Construction of snowshed		1476.00
Crosscutting (no timber)	53.9' @ $32.00	1724.80
(Feb. 1 face was at Station #1 + 133.9. Program started with face at Station #1 + 80')		
Snowplowing (with International TD 14) 10 hrs. @ $12.00		120.00
Total amount		$4120.80
Government participation - 75%		$3090.60

If more information or another form of reporting is desired, please advise.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 11 1957
DATE | INITIALS | CODE

Very truly yours,

J. Eldon Gilbert
Manager

JEG:L

RECEIVED
1957

S. M. WILLISTON
VICE-PRESIDENT

CORDERO MINING COMPANY

121 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

February 5, 1957

EXTRA COPY
DMEA
RECEIVED FEB 11 1957

DATE	INITIALS	CODE
1-11	R.C.G.	225
		120
2-12	C	220
2/13	WSM	400

Dr. Albert H. Weisenborn
United States Geological Survey, Region 1
South 157 Howard Street
Spokane, Washington

4504

Dear Al:

After talking to you on the phone I called George Selfridge in Washington. He told me what the requirements would be on the legal end of [illegible] the [illegible] McBride to [illegible], [illegible] in the process of doing this now. It may be [illegible] before I get all the information from the courts in Idaho.

He [illegible] to our signing the contracts without the corporate seal. However, inasmuch as there is going to be some [illegible] and Mr. Williston was already going East, he took them to Philadelphia and they will be signed and will probably bear the corporate seal.

You [illegible] a letter [illegible] I hope you will feel free to request any information you [illegible].

Very truly yours,

J. Eldon Gilbert

JEG:L

Air Mail

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/31	Selfridge	130
2/1	Johnson	110
	Stottendorf	100
	Martin	400
2-4	C	220

2 400

FEB 1 1957

Mr. A. E. Weissenborn
Executive Officer, Northwest District
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Dear Mr. Weissenborn:

As you advised this office on January 30, 1957, Mr. Gilbert, of the subject company, telephoned presenting the same questions that you had. He was informed as follows:

1. The Letters of Administration and Oath from the Probate Court of the County of Bingham, State of Idaho, give no indication as to whether Mrs. Afton McBride is a sole heir.

2. If Mrs. McBride were the sole heir the Consent to Lien she signed was valid.

3. If she were not the sole heir the Consent to Lien executed by her was not valid.

4. If she were not the sole heir she could and should secure power of attorney from the remaining heirs in order to make a Consent to Lien valid. Otherwise, the remaining heirs would have to sign a Consent to Lien.

5. That the word "none" in item 4 of the Consent to Lien and Subordination Agreement would cover the matter of debts and taxes if such were the case as raised by our teletype to you of January 23, 1957. If it were determined that there were outstanding debts or taxes, we would need Consents to Lien and Subordination Agreements from the parties involved.

6. In this particular case DMEA would forego the company seal on the contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

cc to: RMHolliday, USBM
THKillsgaard, USGS
Mr. Selfridge

GCSelfridge/esf - 1/31/57
cc to: Docket
Code 400
Admr. Read. File
Operating Committee

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/31	Selfridge	120
"		110
2/1	Mittenger	100
1-6	R.C.G.	225
		400

January 31, 1957

Memorandum

To: Administrator

From: George C. Selfridge
Special Assistant

Subject: Docket No. DMEA-4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Mr. Gilbert, of the Cordero Mining Company, called the writer on January 30 to ask if it were necessary that the company seal appear on the contract. He explained that two officials would sign the contract in San Francisco, and that the seal was in Philadelphia. He mentioned that it took forever and a day to get anything from Philadelphia, and, therefore, they wished to execute the contract without further delay. The writer informed Mr. Gilbert that in this case DMEA would forego the matter of the seal. Legal had explained that the seal was not really necessary except in special cases but that it was preferable if it could be obtained.

Mr. Gilbert then wanted to know about the matter of Mrs. McBride being a sole heir. The writer explained that the Letters of Administration and Oath which had been sent us did not indicate her status. It was explained that if she were the sole heir then her signing of the Consent to Lien was valid. If she were not, then either the remaining heirs would have to sign a Consent to Lien agreement or Mrs. McBride could secure power of attorney from the remaining heirs.

Mr. Gilbert's other question with regard to the Consent to Lien form dealt with the matter of debts and taxes of the estate. The writer first read Item 4 of the MF-205 form to Mr. Gilbert and informed him that the word "none" there would be sufficient if such were the case. Mr. Gilbert thanked the writer for the information and said that they would take care of these matters immediately.

George C. Selfridge

George C. Selfridge

GCSelfridge/esf
cc to: Docket
Admr. Read. File
Mr. Martin
Mr. Selfridge

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/30	Selfridge	120
"	FEJ	110
2/1	Thittendorf	100
1-6	R.S.B.	225
		400

January 31, 1957

Memorandum

To: Administrator

From: George C. Selfridge
Special Assistant

Subject: Docket No. DMEA-4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Mr. Weissenborn telephoned the writer on January 30 with regard to the Operating Committee's teletype to him of January 23, 1957. He informed the writer that Mr. Gilbert was going to call because Mr. Weissenborn did not want to get involved in the interpretation of the legal requirements that might be necessary to finally approve payments under a proposed contract which is in the Field for execution.

Mr. Weissenborn stated that Mr. Gilbert had two questions about which he wished information. The first was whether or not the company could sign the contract without the company seal. The second was in regard to Mrs. McBride's status under Letters of Administration and Oath which the company had sent to Washington, and if the word "none" in the Consent to Lien and Subordination Agreement would not be sufficient to cover the matter of debts and taxes if such were the case.

The writer informed Mr. Weissenborn that he would check with Legal and be prepared to give Mr. Gilbert the necessary answers. Subsequently, the writer discussed the matters involved with Messrs. Rubin and Indritz, especially the latter.

George C. Selfridge
(Signed)

George C. Selfridge

GCSelfridge/esf
cc to: Docket
Admr. Read. File
Mr. Martin
Mr. Selfridge

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 1/28/57

REFERRED TO:

1. Legal
2.
3.
4.

FOR:

	Action		Recommendation
X	Approval		Record
	Comment		of
	Conference		Referring
	Consideration		to
	Filing		Reply for signature of
	Instructions		
	Investigation		Rewriting
	Initials		Signature
	Mailing		Suggestions
	Previous correspondence		Your information

INTERIOR DEPT.
JAN 29 1957
SOLICITOR

REMARKS: Please note "Note to Op. Comm." on W's letter of 1/23/57 to Mr. Gilbert.
WSM

Check (X) before the items needing attention.

W. S. Martin
Initials of sender.

GPO 16—63815-1

J. N. PEW, JR.
PRESIDENT

S. H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

1600 Walnut St.,
Philadelphia 3, Pa.

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 28 1957

DATE	INITIALS	CODE
1-28	C	320
1/28	WSM	400
		140

January 25, 1957

Mr. George C. Selfridge, Chairman
Operating Committee
D.M.E.A.
Washington 25, D. C.

Re: Docket No. 4504

Dear Sir:

In reference to the above docket in connection with the Wild Horse Mine in Custer County, Idaho and more particularly our D.M.E.A., there is forwarded herewith a photostat of certified copies of letters of administration to Afton McBride in the matter of L. W. McBride Estate as handed down by the probate judge in Bingham County, Idaho.

Very truly yours,

JJB/m

cc: Mr. J. E. Gilbert
Mr. J. C. McWms., Land Dept.

OFFICIAL FILE COPY
D M E A
RECEIVED JAN 28 1957

DATE	INITIALS	CODE
1/28	WSM	400

IN THE PROBATE COURT

OF THE COUNTY OF BINGHAM, STATE OF IDAHO

In the Matter of the Estate of
Lee W. McBride, the same person
as L. W. McBride

Deceased.

Letters of Administration and Oath

STATE OF IDAHO
County of Bingham. } ss.

Afton McBride

is hereby appointed Administratrix
of the estate of Lee W. McBride, deceased

WITNESS Earl W. Cory

Judge of the Probate Court of the County of Bingham, with the seal thereof affixed, the 16th day of January, A. D. 1956

(SEAL)

By order of the Court

Earl W. Cory
Probate Judge.

STATE OF IDAHO
County of Bingham. } ss.

I, Afton McBride

do solemnly swear that I will perform, according to law, the duties of Administratrix
of the estate of Lee W. McBride, deceased.

(SEAL)

AFTON McBRIDE

Subscribed and sworn to before me, this 16th day
of January A. D. 1956

Earl W. Cory
Probate Judge.

STATE OF IDAHO)
: ss.
County of Bingham)

I, Earl W. Cary, the duly elected, qualified and Acting Judge and Clerk of the Probate Court of Bingham County, Idaho, do hereby certify that the instrument on the reverse side of this sheet is a full, true and correct copy of Letters of Administration issued to Alfan McBride, in the Matter of the Estate of Lee W. McBride, deceased, as shown by the records of my office.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the said Court this eighteenth day of January, 1956.

PROBATE COURT BINGHAM COUNTY, IDAHO SEAL

Judge and Clerk of the Probate Court of
Bingham County, Idaho

OFFICIAL FILE COPY
DMEA
RECEIVED 1957
DATE CODE
1-28 C 220
400

xxxxxxxxxxxxxxxx
No. 157 Howard Street
Spokane 4, Washington

January 23, 1957

Mr. J. E. Gilbert, Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504 (Tungsten)
Wild Horse Mine
Custer County, Idaho

Dear Mr. Gilbert:

In accordance with our telephone conversation of January 21, 1957, we have further discussed the legal difficulties with our Washington, D. C. office and have just received the following teletype:

> "Cordero can start work under contract at own risk, advising it no payments will be made until all papers received and approved. Document you mentioned today appears sufficient if Mrs. McBride is sole heir of Leo McBride and if land is not subject to debts and taxes of Leo McBride's estate."

We suggest that you ask your Philadelphia office to send a photostatic copy of letters of administration from the Probate Court, Bingham County, Idaho, stating that Mrs. McBride is the heir of the estate of L. W. McBride, to Mr. George C. Selfridge, Chairman, Operating Committee, DMEA, Washington 25, D. C., and that you send us, as soon as possible, six signed copies of the subordination agreement for Steep Climb Claim No. 16. We are enclosing seven MF-205 forms for this purpose.

We are also enclosing an original and five copies of a proposed short form contract signed by the Administrator for the Government, together with Annex I (one page), Exhibit A (two pages), Consent to Lien (one page), and two maps. If the terms and conditions of this proposed contract are satisfactory, you should sign all six copies, keep the copy marked "Operator" and return the other copies to this office. If any part of this proposed contract does not have your approval, you should return all copies, unsigned, with your proposed changes.

On line 5 of Article 1 (a), you will find that the date for beginning the work has been left blank. Please fill this in but, of course, it cannot be prior to the date of the contract or January 17, 1957.

The work outlined in the proposed contract is somewhat more limited in scope than the work you proposed, but should it be successful in discovering significant amounts of ore, or promising leads that should be followed, the project work can be expanded, or consideration can be given to exploring the showing in the upper adit and pit by an alternate program.

By Field Team, Region I, NW Dist.

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

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

Enclosures

cc: DMEA (2)
USBM (2)
Nickelson

Note to
Operating Comm.: Please advise us when you receive the photostat copy of letters of administration from the Probate Court referred to in paragraph 3, above, and whether or not it is satisfactory.

DMEA Form 7
(12-56)

INTERIOR

DMEA

OFFICIAL FILE COPY

1/22	Holt	400
1/22	Martin	400
1-22	Chamberlin	110
1/22	Selfridge	130
	Hetherington	110
	" McMurdoy	100
		225
		400

XXXXXXXXXXXXXXXXXXXXXXXX

14X1401(01) Reporting Code,
Defense Production Act, Interior
(Allocated Working Fund to the Office of the Secy.)

T E L E T Y P E

JAN 23 1957

MR. A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION I - NW DISTRICT
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

CORDERO CAN START WORK UNDER CONTRACT AT OWN RISK, ADVISING IT NO PAYMENTS WILL BE MADE UNTIL ALL PAPERS RECEIVED AND APPROVED. DOCUMENTS YOU MENTIONED TODAY APPEAR SUFFICIENT IF MRS. McBRIDE IS SOLE HEIR OF LEO McBRIDE AND IF LAND IS NOT SUBJECT TO DEBTS AND TAXES OF LEO McBRIDE'S ESTATE.

George C. Selfridge
CHAIRMAN, OPERATING COMMITTEE

SPHOLT:foc
1/22/57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. I - NWDist.
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

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

January 22, 1957

Memorandum to the Files

From: George C. Selfridge
Special Assistant to the Administrator

Subject: Docket No. DMEA-4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Mr. Weissenborn telephoned today in regard to the January 17, 1957, Operating Committee's letter to him. He stated that the letter had asked several questions and that he had telephoned to Mr. Gilbert who gave him the following answers:

1. Mrs. Afton McBride is the widow of Leo McBride. Mr. Gilbert is mailing Mr. Weissenborn a photostat certified copy of a letter of administration from the probate court that states Mrs. McBride is the heir to Mr. McBride's estate. Mr. Weissenborn wished to know if this photostat were sufficient. The writer informed him that he thought so but that he would want to check with Legal.

2. Mr. Gilbert explained to Mr. Weissenborn that the Steep Climb Claims Nos. 7 to 16 were staked by the owners after the lease was negotiated which accounts for their appearance in the Owner's Consent to Lien and not in the lease. Mr. Weissenborn stated that the lease contained a clause that all claims staked by the lessors would automatically be included. The lease should be checked concerning this point.

The writer informed Mr. Weissenborn that Legal might think it necessary to amend the lease.

3. The fact that the Owner's Consent to Lien does not show the Steep Climb Claim No. 16 is due to a typographical error. Mr. Gilbert promised to obtain a Consent to Lien form covering this claim rather than send the oldforms back. Mr. Weissenborn thought that the claim might be deleted from the contract. The writer informed Mr. Weissenborn that it would probably be best to have the additional Consent to Lien submitted. He cautioned him that the lien should carry a date prior to that of the contract.

Mr. Weissenborn did not think that the contract should be held up for the receipt of the Consent to Lien form. The writer told him that there would be no objection to starting the work under the contract as soon as signed, but that he should inform the Operator that no payments could be made until the form was received. In other words, the Operator could start the work at its risk. In closing, the writer promised Mr. Weissenborn that he would immediately check all of the points with Legal and teletype him if it were all right for releasing the contract to the Applicant for signature.

George C. Selfridge

George C. Selfridge

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/22	Selfridge	

January 22, 1957

Memorandum to the Files

From: George C. Selfridge
Special Assistant to the Administrator

Subject: Docket No. DMEA-156 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Mr. Weissenborn telephoned today in regard to the January 17, 1957, Operating Committee's letter to him. He stated that the letter had asked several questions and that he had telephoned to Mr. Gilbert who gave him the following answers:

1. Mrs. Afton McBride is the widow of Leo McBride. Mr. Gilbert is mailing Mr. Weissenborn a photostat certified copy of a letter of administration from the probate court that states Mrs. McBride is the heir to Mr. McBride's estate. Mr. Weissenborn wished to know if this photostat were sufficient. The writer informed him that he thought so but that he would want to check with Legal.

2. Mr. Gilbert explained to Mr. Weissenborn that the Steep Climb Claims Nos. 7 to 16 were staked by the owners after the lease was negotiated which accounts for their appearance in the Owner's Consent to Lien and not in the lease. Mr. Weissenborn stated that the lease contained a clause that all claims staked by the lessors would automatically be included. The lease should be checked concerning this point.

The writer informed Mr. Weissenborn that Legal might think it necessary to amend the lease.

3. The fact that the Owner's Consent to Lien does not show the Steep Climb Claim No. 16 is due to a typographical error. Mr. Gilbert promised to obtain a Consent to Lien form covering this claim rather than send the old form back. Mr. Weissenborn thought that the claim might be deleted from the contract. The writer informed Mr. Weissenborn that it would probably be best to have the additional Consent to Lien submitted. He cautioned him that the lien should carry a date prior to that of the contract.

Mr. Weissenborn did not think that the contract should be held up for the receipt of the Consent to Lien form. The writer told him that there would be no objection to starting the work under the contract as soon as signed, but that he should inform the Operator that no payments could be made until the form was received. In other words, the Operator could start the work at its risk. In closing, the writer provided Mr. Weissenborn that he would immediately check all of the points with Legal and teletype him if it were all right for releasing the contract to the Applicant for signature.

George C. Selfridge

GCSelfridge/esf
1-22-57
cc to: Docket ✓
Admr. R. File
Mr. Martin
Mr. Mittendorf
Mr. Selfridge

DMEA Form 7.
(12-56)

Air Mail

OFFICIAL FILE COPY

Date	Surname	Code
1/16	Holt	400
1/16	Martin	400
1-16	Chambers	800
1/17	Selfridge	130
"	Herman	110
"	Whitenack	100
1/17	CWD	220

JAN 17 1957

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse mine
Custer County, Idaho

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed short form contract for an exploration program at the above-referenced property, signed by the Administrator for the Government, together with Annex I (1 page), Exhibit A (2 pages), Consent to Lien (1 page), and 2 maps. Two extra copies of Exhibit A and the annex and maps are enclosed for the use of the Field Team. Two extra copies of the lease are also enclosed.

If the terms and conditions of this proposed contract are satisfactory to you and the Operator, all six copies should be signed and the usual distribution made.

If any part of this proposed contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, the original and all copies of the proposed contract are to be returned to this office, together with the proposed changes for consideration.

Under Article 1, the starting date has been left blank and is to be filled in when the contract is signed by the Operator.

You will note that some of the work items requested by the Applicant, and recommended by the Field Team, have been omitted, and unit costs have been reduced. If the work authorized by this proposed contract is successful in discovering significant amounts of ore, or promising leads that should be followed, the project work can be expanded along the lines originally recommended. If not, consideration can be given to exploring the showing in the upper adit and pit by an alternate program.

P.S.

8623

The application and lease state that the owners are John Rosenkrance, Leo or L. W. McBride, Bill Brooks and Art Hall. The Consent to Lien and Subordination Agreement is signed by Rosenkrance, Brooks, Hall, and "Mrs. Afton McBride." The file does not make clear how L. W. McBride's interest was transferred to Mrs. Afton McBride.

It is also noted that the Consent to Lien covers only 15 of the Steep Climb claims, although the Field Team report covers claims Nos. 1 to 16. Also, the lease describes Steep Climb #1 to Steep Climb #6, and the "Hard to Find" group of claims. Is this latter group the same as Steep Climb Nos. 7 to 16? The Beaver claims Nos. 1 through 4, included in the application, have been omitted from the proposed contract, in accordance with the recommendation in the Field Team report.

These points should be clarified, and corrected as necessary, before the contract is signed by the applicant.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

APPROVED:

Frank D. Lamb (JHB)
Member, Bureau of Mines

N. E. Nelson (JHB)
Member, Geological Survey

SPHolt:foc 1/16/57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. I - NW Dist.
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

Enclosures

P. S. In arriving at the estimated cost of the snow shed and its corresponding track and pipe, and the compressor-tool house, salvage value has been taken into consideration.

1/16/57

Note to Operating Committee

Re: Docket No. DMEA-4504
Cordero Mining Company

I believe that the item of bulldozing for snow removal allowed in the contract should state whether the price and part of the number of hours may be used for mobilization and demobilization, or whether the man must put the full 100 hours or whatever he is to be paid for in actually removing snow.

I talked with Mr. Martin and he agreed that this note should be added so that after passing the Operating Committee he could send it to legal for clarification.

Your attention is also called to the lack of specifications for the building, and the contradictory description of the raising and drilling from the "adit" in one place and from the drift in another.

It might be advisable to explain to Weissenborn that salvage value has been taken into consideration in pricing the building.

J. L. Chambers

Should these be assumed?

yes

Cordero - 4504

(1) - Delete letter "s" from end of words "drift" and "crosses" in last sentence of 2nd paragraph on page 1 of Exhibit A.

(2) add "; including mobilization and demobilization time for bulldozers" at end of sentence, item 6 on page 2 of Exhibit A. Also, give specification for bulldozer.

(3) Add open function for compression bulldozer to follows - The compression - [illegible] shall be of wood construction and 20' by 20' in floor space, at end of sentence, item 7 on page 2 of Exhibit A. (Over)

Add P.S. to transmitted letter as follows:

P.S. In arriving at the estimates given for the snow stick and the corresponding track and pipe, and the cost for the compressors, bookcases, etc. the salvage value has been taken into consideration

JCF

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA-4504

EXHIBIT A

Description of the Work

The maps attached to and made part of the contract are as follows:

Plate 2. Wildhorse Mine "Steep Climb" Deposit, Cordero Mining Co., Custer County, Idaho

Plate 3. Claim Map of the Wildhorse Mine, Cordero Mining Co., Custer County, Idaho

The project consists of driving not to exceed 500 feet of adit-crosscut and drift, raising not to exceed 100 feet from the adit, drilling not to exceed 800 feet of diamond drill holes, and not to exceed 303 feet of long percussion-drill holes from the adit, as follows:

1. From the portal site (see Plates 2 and 3) drive a crosscut west approximately 200 feet to cut the possible downward extension of ore showings located in the bottom of the bulldozer trench, then drive a drift northerly approximately 300 feet along the above-noted downward extension of ore showings or other favorable mineralization. The total aggregate length of adit-crosscut and drift shall not exceed 500 feet. The drift~~s~~ and/or crosscut~~s~~ shall be timbered as necessary and shall be not less than 5 feet by 7 feet in the clear of timber. (1)

2. At all positions along the crosscut and/or drift found to contain favorable mineralization, the Operator shall drive such exploratory raises as are approved by the Government. Such raises shall be timbered with standard two-compartment raise timber and shall be not less than 4 feet by 7 feet in cross section in the clear of timber. The aggregate total length of all raises shall not exceed 100 feet.

3. At locations not less than 200 feet apart, drill AX size diamond drill holes into either wall of the drift to probe for other ore bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length and the total footage of all such holes shall not exceed 800 feet.

4. At locations along the drift where mineralization is favorable, but not less than 50 feet apart, drill long percussion-drill holes into either wall of the drift to explore the possible existence of other ore bodies. The total footage of such drill holes shall not exceed 303 feet.

5. Assay not more than 100 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks, and any shipping charges.

6. Use of bulldozer for snow removal, not to exceed 100 hours. (2)

7. Construct one new snowshed and one new tool and compressor house. The snowshed shall include adit portal, track, pipe, and vent pipe, and track on dump. (3)

Estimated Cost of the Project

Fixed Unit Costs

1.	(a) Crosscutting and/or drifting, 500 feet @ $32.00/ft.		$16,000.00	
	(b) Timbering crosscut and/or drift, 120 feet @ $6.40/ft.		768.00	
2.	Raising, timbered, 100 feet @ $36.00/ft.		3,600.00	
3.	(a) Diamond drilling, 800 feet @ $4.50/ft.		3,600.00	
	(b) Reaming and casing, or cementing and re-drilling, 200 feet @ $2.00/ft.		400.00	
4.	Long-hole drilling, 303 feet @ $1.00/ft.		303.00	
5.	Assaying 100 samples for WO_3 @ $4.25/sample		425.00	
6.	Use of bulldozer for snow removal, 100 hours @ $12.00/hr.		1,200.00	
7.	(a) Construct snowshed, etc.	$1,476.00 1/		
	(b) Construct compressor-toolhouse	800.00 1/	2,276.00	
	Estimated Total Cost of the Project			$28,572.00
	Government Participation @ 75%			$21,429.00

1/ The completed work constitutes the unit.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JAN 14 1957

Memorandum

To: The Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

The application and lease state that the owners are John Rosenkrance, Leo or L. W. McBride, Bill Brooks, and Art Hall. The Consent to Lien and Subordination Agreement is signed by Rosenkrance, Hall, Brooks, and "Mrs. Afton McBride." There is nothing in the file to indicate whether L. W. McBride is dead or whether his interest has been transferred to Mrs. Afton McBride.

It is also noted that the Consent to Lien covers only 15 of the 16 Steep Climb claims, and that the reference therein to the Beaver claims (which are not included in the Contract) is superfluous.

The Field Team should be requested to clarify and correct these matters.

Robert P. Dwyer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/7	Holt Martin	400
		140

January 7, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of Contract
Docket No. DMEA 4504 - Tungsten
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Attached is draft of proposed contract for the above captioned project for your use in preparing the contract in final form. Maps to accompany contract are being prepared.

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

Attachment

SPHolt:foc
1/7/57
cc to: Docket
Code 400

8623

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504

ANNEX I

The land referred to in Article 2 of the contract consists of 16 unpatented lode mining claims, (Plate 3), situated in T. 5 N., R. 20 E., B.M., on Wild Horse Creek in Alto Mining District, Custer County, Idaho, and recorded in the Custer County Courthouse at Challis, Idaho, as follows:

Claim Name	Recorded Book No.	Recorded Page No.
Steep Climb 1 to 6, incl.	14	150-155
Steep Climb 7, 8, and 9	14	169-171
Steep Climb 10 to 16, incl.	14	183-188

A stock pile of ore, reported to contain approximately 300 tons previously mined by the applicant, and approximately 1500 tons of tailings from ore previously milled, shall be excluded from the royalty provisions of the contract.

The property noted above is owned by John Rosenfrance, Mackay, Idaho, Bill Brooks, A. L. Hall, and Mrs. Afton McBride, Hailey, Idaho, and is leased, with option to purchase, by the Cordero Mining Company, a Nevada corporation. A copy of the Consent to Lien and Subordination Agreement, executed by the owners, is attached to and made a part of this contract.

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY
DOCKET NO. DMEA 4504

EXHIBIT A

Description of the Work

The maps attached to and made part of the contract are as follows:

Plate 2. Wildhorse Mine "Steep Climb" Deposit Cordero Mining Company, Custer County, Idaho

Plate 3. Claim Map of the Wildhorse Mine, Cordero Mining Company, Custer County, Idaho

Proposed Work

The program consists of driving approximately 500 feet of adit-crosscut and drift, raising approximately 100 feet from the adit, drilling approximately 800 feet of diamond drill holes and approximately 303 feet of long percussion-drill holes from the adit, as follows:

1. From the portal site (Plates 2 and 3) drive a crosscut west to cut the downward extension of ore located in the bottom of the bulldozer trench, then drive a drift northerly along the above-noted downward extension of ore, or other favorable mineralization, the total aggregate length of adit-crosscut and drift to be approximately 500 feet. The drifts and/or crosscuts shall be timbered as necessary and shall be 5 ft. by 7 ft. in the clear.

2. At any positions along the crosscut and/or drift found to contain favorable mineralization drive exploratory raises, with the prior approval of the Government. Such raises shall be not less than 4 feet by 7 feet in cross section, in the clear, and shall be timbered with standard two-compartment raise timber. Aggregate total length of all raises shall be approximately 100 feet.

3. At locations not less than 200 feet apart drill AX size diamond drill holes into either wall of the drift to probe for other ore

bodies that may occur in the zone. Individual holes shall not exceed approximately 400 feet in length and the aggregate total amount of drilling shall be approximately 800 feet.

4. At locations along the drift where mineralization is favorable, but not less than 50 feet apart, drill long percussion drill holes into either wall of the drift to explore the possible existence of other ore bodies. The aggregate total length of such drill holes shall be approximately 303 feet.

5. Assay not more than 100 samples for tungsten trioxide (WO_3). Cost of assaying shall include necessary sample sacks, and any shipping charges.

6. Use of bulldozer for snow removal, not to exceed 100 hours.

7. Construction of new buildings, 1 snow shed and one tool and compressor house. Construction of snow shed to include adit portal, track, pipe and vent pipe, and track on dump.

Estimated Cost of the Project

Agreed Unit Costs

Crosscutting and/or drifting 500 feet @ $32.00/ft.	$16,000.00
Timbering crosscut and/or drift 120 feet @ $6.40/ft.	768.00
Raising, timbered, 100 feet @ $36.00/ft.	3,600.00
Diamond drilling 800 feet @ $4.50/ft.	3,600.00
Reaming and casing, or cementing and re-drilling, 200 feet @ $2.00/ft.	400.00
Long hole drilling, 303 feet @ $1.00/ft.	303.00
Assaying 100 samples for WO_3 @ $4.25/spl.	425.00

Use of bulldozer for snow removal, 100 hours @ $12.00/hr.	$ 1,200.00
Construction of new buildings, 1 snow shed and portal, $1,476.00 1/ ; 1 Compressor-Toolhouse, $800.00 1/	2,276.00
Total estimated cost of the project	$28,572.00
Government participation @ 75%	$21,429.00

1/ The completed work constitutes that unit

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

December 21, 1956

Memorandum

To: Administrator

From: George C. Selfridge, Special Assistant

Subject: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

The Iron and Ferro-Alloy Division submitted the subject docket and a proposed contract in draft form to the writer for review before sending the docket to the Legal Division. The writer's random observations, thoughts, suggestions, and conclusions appear below:

Application

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The company requested 2,000 ft. of adit drifting, 700 ft. of raising, 2,000 ft. of long-hole drilling, and 1,000 ft. of diamond drilling at $36.28 a ft. for untimbered drifts, $46.75 ft. for timbered drifts, and $36.75 a ft. for raising, scheduled to be completed within 12 months, but asking for 18 months in case of unforeseen contingencies.

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250 ft., or at some figure that reads not less than X ft. Otherwise the company could drill all of the holes very close together. The report gives no minimum interval for doing the long-hole drilling.

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The top of page 8 discusses the unfeasibility of driving a 600 ft. adit immediately east of the present workings to come in under them at a depth of 200 ft., the same distance which would ultimately be reached by driving the 2,000 ft. adit. One disadvantage mentioned is that it would require 400 ft. more crosscutting. Whether this should be considered entirely a disadvantage is questionable as the Field Team states there are other favorable zones in the area and that they are expected in the crosscutting section of the proposed long adit. With the known limited knowledge of this area, the writer has qualms taking a 200 ft. "bite"; possibly a shorter adit, about 400 ft. in length to gain 100 ft. of depth below the stoped area might be more feasible. At 200 ft. it could require considerable work just to find oneself.

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of the stope which produced 2,427 tons of ore. If one uses 12 cu. ft. to the ton, approximately 29,125 cu. ft. of ore was removed. The stope measures 25 ft. in length, and Plate II indicates a 15 ft. height in projection, which should not be too far wrong as dips are steep. The other dimension would then have to be 78 ft. Plate I also shows two mineralized occurrences at a second flexure which are under a pit that produced 421 tons of ore. These occurrences are not at a marble contact as in the stoped area and are too small to be mined.

A study of Plate I indicates little continuity to the rock formations present and suggests that very close geologic control would be necessary at all times.

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The method by which the engineers have provided for depreciation of equipment is open to serious question as there can be a lot of duplication should the project be run other than as suggested by the field report. Under operating equipment to be furnished, it would appear that storage tanks are installations the same as buildings, track, or pipe in place which are not subject to depreciation. In discussing depreciation with Legal, it thought that the inclusion of cook house and bunk house equipment was carrying the depreciation item to the Nth degree.

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Conclusions

The items mentioned above suggest that:

(1) The area warrants exploration in keeping with its suggested potentiality.

(2) A staged or alternate program would be preferable.

(3) A plus $100,000 single staged project is not warranted at this time.

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(5) The mapping of the applicant's underground working by the field men, and other things, suggests that possibly

not too much attention has been paid to the geology by the company, and also that this could be true in the future resulting in an operation supervised by remote control. It would appear that a full time engineer-geologist be required on the project at all times.

(6) The proposed estimated costs as set up by the Ferro-Alloy Division appear reasonable, regardless of the method by which they were estimated.

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George C. Selfridge

George C. Selfridge

Docket
Selfridge

December 21, 1956

Memorandum

To: Administrator

From: George C. Selfridge, Special Assistant

Subject: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

The Iron and Ferro-Alloy Division submitted the subject docket and a proposed contract in draft form to the writer for review before sending the docket to the Legal Division. The writer's random observations, thoughts, suggestions, and conclusions appear below:

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A review of the application shows that 12,621 tons of ore from the entire property was mined and milled during the years 1954-56, inclusive. The ore averaged 0.59% WO_3, thereby containing 7,461 units of which 5,639.62 units were recovered. Recovery was approximately 75%. The concentrate was sold to GSA netting $347,097.67. The net value per ton of ore mined and milled was $27.50. The company received approximately $61.50 a unit of the Government's price of $63.00. Had the price been $55.00 a unit, the ore would have netted slightly less than $24.50 a ton. Had the operation been a DMEA project, the Government would have been reimbursed $17,355.00.

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George C. Selfridge

George C. Selfridge (HB)

GCSelfridge/hb (12/26/56)

Copy to: Docket
Admr. R. File
G. C. Selfridge

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

IN REPLY REFER TO:

RECEIVED
DEC 26 1956
D.M.E.A.

December 21, 1956
Re: DMEA Docket 4504
Cordero Mining Company
Custer County, Idaho

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

From: T. H. Kiilsgaard, U. S. Geological Survey

WSM

Subject: Review of Field Team Report

Field examiners have recommended approval of a contract, the work to be essentially that requested by the applicant. The Field Team concurs, although recommending reduction of raising from 500 to 300 feet.

The proposed project would explore the downward extension of the Steep Climb deposit which was discovered in 1953 and which since that time has produced 5,677 tons of ore assaying about .98 percent WO_3. The amount of recovered tungsten trioxide from this production is not known but from information in the application is estimated at about 4,350 units. Taking a rough average of the values received from GSA, production from the Steep Climb deposit, over the past three years, would be valued at about $268,000.00. All of this ore has come from three open pits and from an adit passing approximately 65? feet underneath the southernmost of the open pits. A stope driven off the adit has produced more ore than any of the open pits but apparently did not make a connection with ore mined in the overlying southernmost of the open pits.

As proposed, a crosscut would be started from a point near the mill and would be driven about 200 feet to come about 75 feet under a vein of scheelite explored above in a bulldozer trench. From there over 1,200 feet of drifting would be driven northeastward to come under the open pits about 270 feet below the surface. The long drift would presumably be in or along the projected trend of the ore deposits.

There is no doubt that the property warrants exploration, but there appears to have been some debate in the field as to the way in which it should be explored. An alternate proposal consisted of a 600-foot crosscut directly under the open pits but this was abandoned because it did not test the vein found in the bulldozer trench and as it had more crosscutting.

Of the two methods proposed, the one going directly under the open pits would be a surer bet; perhaps this could have been best done by

a winze. However, the long drift will explore what is apparently considered to be good country and I therefore concur with the Field Team, although I do so somewhat apprehensively. If the mill site crosscut does not find ore or tactite in which ore might be expected and if initial drifting off the crosscut does not prove to be in favorable country, it would be advantageous to the Operator and Government to move the work to a point nearer the known deposits. Scheelite deposits in tactite have a habit of not being as continuous as might otherwise be expected and a projection of 1,200 feet along strike and to a depth of 270 feet is optimistic.

T. H. Kiilsgaard

T. H. Kiilsgaard

Docket

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

Date December 18, 1956 WSM

DMEA Docket No. 4504
DMEA Contract No.
Commodity TUNGSTEN
Name of applicant Cordero Mining Co.
Name of property Wild Horse Mine
Location of property Custer County, Idaho
Estimated cost of project

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Asst. Chief, Br. of Ferrous Metals HMR

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

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

1. Date of subject document: 11/16/56 2. Date received by reviewer: 12/12/56.

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior reports on nearby properties known to reviewer: Yes ☐ No ☐

5. Information available on past production: Yes ☐ No ☐

6. Other pertinent factors known to reviewer: Yes ☐ No ☐

7. Explain items marked yes above:

8. Factors needing special consideration:
   a. Location ☐
   b. Ownership ☐
   c. Evidence of mineralization ☐
   d. Geology ☐
   e. Proposed exploration method ☐
   f. Alternate exploration method ☐
   g. Costs ☐
   h. ☐

9. Action advised:
   a. Obtain information from applicant ☐
   b. Refer to Field Team ☐
   c. Denial ☐
   d. Agree with Field Team ☒
   e. Disagree with Field Team ☐
   f. Suggest alternate plan ☐
   g. Request another examination ☐
   h. Approval ☐
   i. Consult with Mr. _____ at _____ AEC office.

10. Remarks: (Use back of page if necessary)

R. W. Holliday
R. W. Holliday

Copy retained 100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED DEC 10 1956 D.M.E.A.

December 7, 1956

Air Mail

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

WSM

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

ON SITE EXAM. Rpt.

Dear Mr. Selfridge:

Enclosed are four copies each of memoranda by Howard B. Nickelson, geologist of the Geological Survey, and D. D. Walker and E. C. Parsons, mining engineers of the Bureau of Mines, recommending a DMEA project at the Wild Horse mine, Custer County, Idaho, operated by the Cordero Mining Company, Palo Alto, California.

The ore deposits found to date appear to be structurally controlled by openings created by warping and folding of contact-metamorphosed limestone, argillite, and quartzite beds. The deposits found have been small, but the grade of the ore, especially on the Steep Climb claims, was good. Since 1954, the Cordero Mining Company has produced 5,677 tons of ore containing 5,706 units of tungsten, from three pits and from a shallow underground working on the Steep Climb claims.

The work proposed will explore 1,800 feet along a favorable zone prospected by three pits, the underground workings, and a bulldozer trench. Access to this zone will be by a 200-foot cross-cut directed under the vein exposed in the dozer pit. The walls of the 1,800-foot drift will be tested by 3,000 feet of diamond drilling. The field examiners have recommended 500 feet of raising (operator applied for 700 feet) to explore any narrow veins discovered by the drifting, the locations of the raises to have prior approval of the Field Team. The Field Team considers raising a necessary part of the exploration project, but believes 500 feet is excessive; if this amount were to be authorized, the Field Team may be placed in a difficult position in differentiating exploration from development.

Reviewed by
DMEA OPERATING COMMITTEE
12-14-56
(date)

Therefore, the Field Team recommends that 300 feet of raising at the unit cost per foot figured by Parsons and Walker be allowed, rather than the 500 feet recommended by the examiners.

A bulldozing program was considered by the examiners, but deep overburden, large boulders, and heavy timber are deterrent factors to this type of exploration.

The area appears to be geologically favorable for tungsten deposition, and it is believed the proposed project will discover new ore occurrences. The Cordero Mining Company is a competent mining company, able to perform a good job of exploration. The company has started the portal and obtained supplies and material and desires to begin work this winter.

The Field Team agrees with the examiners that the project is justified.

By Field Team, Region I, NW District

Wing G. Agnew

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Howard B. Nickelson

Howard B. Nickelson, Acting Member
U. S. Geological Survey

Enclosures
cc: USBM(2)
USGS(SRO)
Nickelson

Wash

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

1201 N. Division St.
Spokane 2, Washington
December 6, 1956

RECEIVED DEC 10 1956 D.M.E.A.

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: D. D. Walker and E. W. Parsons, Mining Engineers, U. S. Bureau of Mines, Region I

Subject: Cost analysis, Docket No. DMEA-4504 (tungsten), Cordero Mining Company, Wild Horse Tungsten Mine, Custer County, Idaho

The examining team has recommended a modified program for the cited project.

The following exploration is recommended for consideration, together with accompanying detailed costs:

2,000 feet of drift or crosscut - 5'x7' inside timber
500 feet of above timbered section
500 feet raises - 5'x7'
3,000 feet diamond drilling
1,000 feet long hole drilling

Operating Equipment

Operating equipment needed to carry out the proposed exploration and to be furnished by the Operator is listed below:

Item		Value	Mo. deprec.
2 Jacklegs and hammers	@ $800/ea. ?	$1,600	$26.67
2 Stopers	@ $800/ea.	1,600	26.67
Mucking machine (used)		2,400	40.00
2 Mine cars	@ $150/ea.	300	5.00
Motor and charger (used)		3,200	53.33
315 compressor		4,000	66.67
Power plant		500	8.33
Bit sharpener		400	6.67
10 mine lamps (used)	@ $ 25/ea.	250	4.17
6 charging units "	@ $ 10/ea.	60	1.00
Gasoline fan		400	6.67

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12-14-56
(date)

Operating Equipment (continued)

Item	Value	Mo. deprec.
Cookhouse equipment	$ 300	$ 5.00
Radio trans. and rec.	1,890	31.50
Power wagon	2,000	33.33
Pickup	2,500	41.67
Arc welder	500	8.33
Shop tools	500	8.33
Storage tanks	1,000	16.67

Estimated Cost of Project

2,000 feet of drift 5'x7' (inside timber)
Estimated daily advance - 4 feet
Estimated completion time: 20 months (500 days)

(1) Independent contracts — none

(2) Labor and supervision

Labor

3 miners x 500 days x $16 x 1.083 — 25,992.00

Supervision

Foreman x 20 x $550/mo. — 11,000.00

36,992.00

(3) Operating material and supplies:

Explosives

9,000 caps @ $2.39/100	215.10
90,000 ft. fuse @ $1.37/100	1233.00
18,750 lbs. 40% gealtine @ $24.90/100	4668.75
	6116.85

Drill accessories

2000' - steel and bits	
112 bits @ $15.00 (carbide)	1680.00
150 pieces 6' drill steel @ $9.00	1350.00
2 - 50' water hose complete @ $28.80/ea.	57.60
2 - 50' air hose complete @ $34.40	68.80
2 line oilers @ $21 minus 50% salvage	21.00
	3177.40

(3) Operating materials and supplies (cont.)

Track		
4,000' 16# rail (21,334#) @ $11.65/100# minus 50% salvage	2485.41	
200 pr. fishplates @ $0.49/pr. - 50% salv.	49.00	
800 track bolts (1/2"x1-3/4") @ $25.30/450 - 50% salvage	22.52	
5,334 spikes (3/8"x3½") @ $17/625	145.08	
1,334 ties @ $0.30/ea.	400.20	
	3102.21	
Pipe		
2,000 ft. of 2" airline @ $43.65/100 - 50% salvage	436.50	
2,000 ft. of 1" water line @ $21.00/100 - 50% salvage	210.00	
Fittings (20% of $646.50)	129.30	
	775.80	
Ventilation		
2,000 ft. of 12" ventube @ $1.08/ft. - 50% salvage	1080.00	
Repair parts @ $0.75/ft.	1500.00	
Power and Fuel		
Diesel fuel - 20 mo. x 25 days x 30 gal/day x $0.21	3150.00	
Grease, lub. oil, etc.	420.00	
Gas - truck, 5 gal/day x 25 days x 20 mo. x $0.35	875.00	
Gas - pickup, 1 gal/day x 25 days x 20 mo. x $0.35	175.00	
	4620.00	20,372.26

(4) Operating Equipment - to be furnished

Item	Mo. deprec.	Use period	Total
315 compressor	66.67	20 mo.	$1,333.40
Gasoline fan	6.67	20 mo.	133.40
2 jackhammers w/legs	26.67	"	533.40
Mucking machine	40.00	"	800.00
2 mine cars	5.00	"	100.00
Motor and charger	53.33	"	1066.60
Power plant	8.33	"	166.60
Bit sharpener	6.67	"	133.40
10 lamps and charging units	5.17	"	103.40
Cookhouse equipment	5.00	"	100.00
Bunkhouse equipment	6.67	"	133.40
Radio trans. and rec.	31.50	"	630.00
Power wagon	33.33	"	666.60
Pickup	41.67	"	833.40
Arc welder	8.33	"	166.60
Shop tools	8.33	"	166.60
Storage tanks	16.67	"	333.40
	370.01		7400.20

(5)	Rehabilitation and Repairs	none
(6)	New buildings, etc.	none
(7)	Miscellaneous Unemployment, etc. - 12.7% of $36,992.00	4,697.96
(8)	Contingencies	none
	Total cost	$69,462.42
	Cost per foot - 2000 ft.	$ 34.73

Recapitulation - 2,000 feet of drifting

(1)	Independent contracts	none
(2)	Labor and supervision	$36,992.00
(3)	Operating materials and supplies	20,372.26
(4)	Operating equipment	7,400.20
(5)	Rehabilitation and repairs	none
(6)	New buildings, etc.	none
(7)	Miscellaneous - unemployment, etc.	4,697.96
(8)	Contingencies	none
	Total cost	$69,462.42

Cost per foot - $34.73 SAY - $34.75

Timbering - 500 feet or 100 sets

Estimated advance: 3 miners and 1 foreman will stand, block, and lag 4 sets (20 ft.) per 8-hour shift.

(1) Independent contracts — none

(2) Labor and supervision

Labor

3 miners - 25 days @ $16/day x 1.083 — $1200.00 X 1299.00

Supervision

1 foreman @ $550/mo. — 550.00 — $ 1,750.00 X 1849.60

(3) Operating Materials and Supplies

Timber

200 posts 8"x8"x7'	7,476	
100 caps 8"x8"x6'4"	3,386	
200 girths 5"x6"x4'4"	2,170	
Lagging	14,000	
	27,032 bd. ft. @ $30/M	810.96
Blocks, wedges, nails, etc.		88.00
		898.96

Power and Fuel

Diesel fuel - 1 x 25 x 15 x $0.21	78.75	
Grease, lub. oil, etc.	15.00	
Gas - truck, 5 x 25 x $0.35	43.75	
Gas - pickup, 1 x 25 x 0.35	8.75	
	146.25	1,045.21

(4) Operating Equipment - to be furnished - 1 month

Item	Mo. deprec. and deprec. for 1 month	
1 Jackhammer ($500)	$ 8.33	
315 compressor	66.67	
Gasoline fan	6.67	
2 mine cars	5.00	
Motor and charger	53.33	
Power plant	8.33	
10 lamps and charging units	5.17	
Cook house equipment	5.00	
Bunk house equipment	6.67	
Radio trans. and rec.	31.50	
Power wagon	33.33	
Pickup	41.67	
Shop tools	8.33	
Storage tanks	+16.67	
	296.67	296.67

(5) Rehabilitation and repairs — none

(6) New buildings, etc. — none

(7) Miscellaneous - insurance taxes, etc.
12.8% of $1200 — 129.96 X 165.05
12.7 1299.60

(8) Contingencies — none

Total cost of 500 feet of timbering — $3,221.84 X 3,356.53

Cost per foot - $6.44 X SAY - $6.45 X
6.713 6.70

500 feet of timbered raises - 5x7 - 2 compartment
Estimated advance 3 feet/day.
Estimated completion time - 6-2/3 mo. (167 days)

(1)	Independent contracts		none
(2)	Labor and supervision		
	Labor		
	3 miners @ $16/day x 167 x 1.083	8,681.33	
	Supervision		
	Foreman - 6-2/3 mo. @ $550/mo.	3,668.50	12,349.83
(3)	Operating Materials and Supplies		
	Explosives		
	1,400 caps @ $2.39/100	33.46	
	14,000 ft. fuse @ $1.37/100	191.80	
	3,100 lb. 40% gelatin @ $24.90/100#	771.90	
		997.16	
	Drill accessories		
	500 ft. steel and bits		
	17 bits @ $15/ea.	255.00	
	23 pieces drill steel @ $9/ea.	207.00	
	2 - 50' 1/2-in. water hose @ $28.80	57.60	
	2 - 50' 3/4-in. air hoses @ 34.40	68.80	
		588.40	
	Timber		
	300 posts 8"x8"x5' 7,995		
	200 caps 8"x8"x8' 4" 8,880		
	600 girts 3"x6"x4' 4" 3,897		
	Lagging 18,000		
	38,772 bd. ft.		
	@ $30/M (includes cost of cutting timber on property, delivering to portal, etc.)	1,163.16	
	Blocks, wedges, nails, etc.	125.76	~~1,288.92~~
		1,288.92	
	Pipe		
	500' - 2" air line @ $43.65/100 - 50% salvage	109.13	
	500' - 1" water pipe @ $21.00/100 - 50% salvage	52.50	
	20% of $161.63	32.33	
		193.96	

75
5
375

(3) Operating Materials and Supplies - cont.

Ventilation		
500 ft. of 12" ventube @ $1.08/ft. - 50% salvage	270.00	
Repair parts	525.00	
Power and Fuel		
Diesel fuel - 167 x 30 x $0.21	1,052.10	
Grease, lub. oil, etc.	100.00	
Gas - truck, 5 gal/day x 167 x 0.35	292.25	
" - pickup, 1 gal/day x 167 x 0.35	58.45	
	1,502.80	5,366.24

(4) Operating Equipment - to be furnished - 6-2/3 mo.

Item	Dep. per mo.	Deprec. 6-2/3 mo.
315 compressor	66.67	$444.69
Gasoline fan	6.67	44.49
2 stopers	26.67	177.89
2 mine cars	5.00	33.35
Motor and charger	53.33	355.71
Power plant	8.33	55.56
Bit sharpener	6.67	44.49
10 lamps and charger units	5.17	34.48
Cook house equipment	5.00	33.35
Bunk house equipment	6.67	44.49
Radio trans. and rec.	31.50	210.11
Power wagon	41.67	277.94
Arc welder	8.33	55.56
Shop tools	8.33	55.56
Storage tanks	16.67	111.19
	296.68	1978.86

(5)	Rehabilitation and repairs	none
(6)	New buildings, etc.	none
(7)	Miscellaneous - 12.7% of $8,681.33	1,102.53
(8)	Contingencies	none
	Total cost of 500' timbered raise	$20,797.46

Cost per foot - $41.60

Recapitulation - 500 ft. timbered raise

(1)	Independent contracts	none
(2)	Labor and supervision	$12,349.83
(3)	Operating Materials and Supplies	5,366.24
(4)	Operating equipment	1,978.86
(5)	Rehabilitation and repairs	none
(6)	New buildings	none
(7)	Miscellaneous	1,102.53
(8)	Contingencies	none
	Total cost	$20,797.46
	Cost per foot - $41.60	

Estimated Costs of Project

2,000 feet of drift/crosscut 5'x7' (inside timber)
500 feet timbered section
500 feet raises 5'x7'
3,000 feet diamond drilling
1,000 feet long hole drilling

(1)	Independent contracts	
	Diamond drilling - 3,000 feet @ $4.50/ft.	$13,500.00
	Incidentals @ $0.50/ft.	1,500.00
	Percussion drilling - 1,000 feet @ $1.00/ft.	1,000.00
(2)	Drifting and crosscutting	
	2,000 feet @ $34.75/ft.	69,500.00
	Timbered - 500 feet @ $6.45/ft.	3,225.00
(3)	Raising - timbered	
	500 feet @ $41.60/ft.	20,800.00
(4)	Assaying (including sacks and shipping)	
	250 samples @ $5.50/ea.	1,375.00
(5)	Rehabilitation	none
(6)	New buildings	
	Snow shed	2,132.00
	Compressor and tool house	1,200.00
(7)	Miscellaneous	
	Consultant (geologist-engineer - 30 days @ $50/day)	1,500.00
(8)	Contingencies	
	Snow removal, bulldozer, 200 hrs. @ $12/M	2,400.00 ?
	Total cost of project	$118,132.00
	Government participation @ 75%	88,599.00

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

DEC 10 1956

November 16, 1956

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Field examination report, Docket No. DMEA-4504 (tungsten), Cordero Mining Company, 131 University Avenue, Palo Alto, California, Wild Horse Tungsten Mine, Custer County, Idaho

INTRODUCTION

On October 8, 1956, the Cordero Mining Company of Palo Alto, California, submitted an application for Defense Minerals Exploration Administration assistance to explore for scheelite at the Wildhorse mine, Custer County, Idaho. The exploration proposed consists of 2,000 feet of drift and crosscut, 700 feet of raise, 2,000 feet of long-hole drilling and 1,000 feet of diamond drilling, at an estimated cost of $136,094.50.

The property was examined by the writer and David Walker, mining engineer, Bureau of Mines, accompanied by two miners, from October 9 to 11, 1956. The underground workings were mapped, and the pits were examined.

SUMMARY

Since 1954 the property has produced 12,721 tons of ore containing 7,461 units of tungsten, of which 5,639.6 units were recovered and sold to General Services Administration for $347,097.67.

The exploration proposed will be under the Steep Climb deposits, which have produced 5,677 tons of ore containing 5,706 units of tungsten.

Detailed mapping of the underground work and its correlation with the surface pits show that the scheelite ore occurs along bedding contacts and within a biotite-rich tactite bed adjacent to a rather pure marble bed. These contact-metamorphic beds, which

Reviewed by
DMEA OPERATING COMMITTEE

(date)

are generally steep, dipping and contorted, have been intruded by granitic migmatites and, later, by a series of small, flat, sheet-like alaskite dikes. The underground crosscut to the ore zone cut other biotite-rich tactite beds that may prove as favorable for ore deposition as the bed that yielded the production. The individual deposits observed are small; their structural control may have been the openings created by the minor folding and warping of the beds.

The applicant proposes to drive a crosscut about 200 feet long from a point near the mill (pl. 2) to pass under an occurrence exposed in a bulldozer trench, then to drift 1,800 feet along the bed. He also proposes 700 feet of raising to determine the upward extent of any ore shoot found by drifting, and 1,000 feet of diamond drilling and 2,000 feet of long-hole drilling to test other favorable beds that may contain ore.

The surface in the area from the mill to the pits is covered by thick talus and vegetation which preclude detailed prospecting from the surface; thus, the long drift and the diamond drilling are the most feasible methods of exploration to test this area.

RECOMMENDATION

It is recommended that the application be approved to allow 2,000 feet of crosscutting and drifting, 3,000 feet of diamond drilling, 1,000 feet of long-hole drilling, and 500 feet of raising.

LOCATION AND ACCESSIBILITY

The property is in the Alto Mining District in the northwestern part of T. 5 N., R. 20 E., Custer County, Idaho, on Wildhorse Creek, a northward-flowing tributary of Big Lost River. The area lies about 30 miles east of Ketchum, but because the Trail Creek road to Ketchum is closed during the winter, access is by road via the Big Lost River Valley to the railhead at Mackay, 50 miles away. The mine camp is about 10 miles south of the junction of Wildhorse Creek with Big Lost River. The deposits crop out at altitudes between 7,700 and 8,300 feet above sea level.

The Trail Creek road is an improved gravel road connecting with paved U. S. Highways 93 and 93A. The 10-mile road to the mine is an unimproved dirt road which will require snow removal during

the winter and early spring months. The average snowfall at the mine is 4-5 feet. Snowslides are common and spring floods have taken several bridges out along Wildhorse Creek during the past few years.

Prospecting in the area is exceedingly difficult because the ground is heavily covered with a thick growth of timber and the overburden is deep and mainly composed of large boulders. Glaciation has left valley moraines which obscure the outcrops and mix the talus rocks. The deposits found so far have been along the few rock outcrops.

APPLICANT

The Cordero Mining Company is a successful concern and is believed to be financially capable of furnishing its share of the proposed exploration cost and capable of performing the work.

PROPERTY RIGHTS

The deposit was discovered in August 1953 by the owners, John Rosenkrance, Mackay, Idaho; Bill Brooks and A. L. Hall, Hailey, Idaho; and L. W. McBride, Blackfoot, Idaho. It was leased and optioned to the Cordero Mining Company, a Nevada corporation, on September 14, 1953.

The land to be included in the contract is the Steep Climb group of claims, recorded in the Custer County Courthouse, Challis, Idaho. The location of these claims is shown on the claim map accompanying the application (pl. 3). The recordings are as follows:

Claim	Recorded
Steep Climb 1 thru 6	Book 14, p. 150-155
Steep Climb 7, 8, & 9	Book 14, p. 169-171
Steep Climb 10 thru 16	Book 14, p. 183-188

The Beaver claims 1 thru 4, which were included in the application, would not be benefited by the proposed exploration, and it is therefore suggested that these claims be excluded from the land covered by the proposed contract (pl. 3).

The owners have signed "Consent to Lien and Subordination Agreement." The company has paid $34,709.77 of the $50,000 agreed purchase price of the lease agreement.

DESCRIPTION OF THE PROPERTY

The surface facilities consist of a 10-man bunkhouse, a large, adequately stocked cookhouse, an office, a 50-ton gravity mill, and several other small buildings which serve as shops. A compressor, drills, and a mucking machine are at the site of the underground workings.

The mine workings on the Steep Climb claims comprise three open pits and an underground adit and drift from which ore has been stoped up to the bottom of the southernmost pit. The adit crosscut is 95 feet long and the drift approximately 400 feet long (pls. 1, 2). The north face of the drift is approximately 80 feet below the surface.

Mine workings elsewhere on the property include a pit on the Beaver claims and a pit on the Hard to Find claims; both pits accounted for a small part of the past production.

GEOLOGY

The regional geology has been described by Joseph B. Umpleby, Lewis G. Westgate, and Clyde P. Ross (U. S. Geol. Survey Bull. 814, 1930, Geology and ore deposits of the Wood River Region) and the immediate area has been described by Earl F. Cook (Idaho Bureau of Mines and Geology Pamphlet No. 108, 1956: Tungsten Deposits of South-central Idaho).

The deposit is within a small inclusion of metamorphic rocks, probably East Fork or Hyndman formation (Algonkian?). It is surrounded by a light biotite gneiss which grades into a dark biotite gneiss, bounded on three sides by granodiorite. This complex is bordered by faults and is at a higher altitude than the surrounding country. This uplifted mass of rocks is surrounded almost entirely by Woodriver formation (Pennsylvanian) (pl. 1, Bull. 814).

The Algonkian rocks making up the inclusion in the immediate area of the deposit are composed of marble, marble banded with biotite schist, quartzite, biotite schist, and tactites rich in biotite. The schistosity appears to be parallel to the bedding.

These rocks generally strike northerly and dip steeply to the east. Locally the beds have minor folds and warps causing changes in the dip and strike. These beds have been intruded by granitic rocks which have formed migmatites and by alaskite dikes. Generally the alaskite dikes are flat tabular masses that Cook believes have been implaced by a replacement process.

The scheelite occurs associated with epidote, biotite or biotite schist, but the epidote is the dominant gangue mineral. The ore shoots are generally within the biotite schist or tactite beds and the purer marbles do not seem to be favorable host rocks. The marbles are probably more competent rocks, and the openings were formed in the biotite schist, a weaker rock. ?

Most of the scheelite crystals observed were larger than an eighth of an inch in diameter. They are generally white and can be easily observed without a black light.

Detailed mapping of the underground working shows that the ore body occurs along the bedding contact between marble and biotite-rich tactite at the south end of the drift and within the schist at the north end. In the pits the ore body is along the bedding (pl. 1). It is believed that the ore was emplaced in openings along the contacts of different beds which were created by the warping and folding of the beds. It appears, therefore, that ore occurs principally as veins rather than as replacement bodies, although there is some minor replacement along the veins. Two facts support this theory: (1) the discontinuous, lenslike ore shoots along bedding contacts and (2) the absence of the odd and irregular-shaped ore bodies generally found in replacement deposits.

Cook stresses that the tactite-alaskite dike contacts are favorable for ore deposition; however, new information uncovered by the workings does not completely support this theory. The alaskite dikes may still have an important control on the ore deposition, but Nickelson believes they were formed later. Although they cross them, the alaskite dikes do not appear to offset the ore lenses.

The Steep Climb ore lenses occur along a line striking approximately north and dipping steeply to the east. The pit shown on plate 1 at the north end of the map produced 564 tons of ore containing 0.81 percent WO_3. This pit has sloughed and the geologic details were obscured, but alaskite dikes were noted and it appeared

that the ore occurred along the bedding. In the next pit to the south 421 tons of ore containing 1.22 percent WO_3 were mined from a bed exposed in the banks of a small stream. This bed can be traced about 70 feet to the south to a third pit. Apparently some ore was mined along the bed between the pits. Production from the third pit and the underground workings amounted to 4,692 tons of ore containing 1.02 percent WO_3. At the south end of the third pit the ore appears to be offset to the east, probably due to a local fold. The ore at the north end of the pit was not found in the underground workings because the drift was turned west of the ore-bearing structure at the north end of the stope (pl. 1).

The proposed crosscut is directed to pass under a bulldozed trench which exposed a 4-foot vein of scheelite estimated to assay about 1 percent, but the vein in this trench was not exploited because bulldozing was too difficult. This pit was not examined because the miners did not point it out to the examiners. This occurrence does indicate that scheelite deposits are not confined to the pit area but do occur within the contact metamorphic rocks to the north along the proposed exploration zone. For this reason the company proposed starting the underground work at this point rather than at a point east of the presently productive area.

Mr. J. Elden Gilbert, company manager, stated during a telephone conversation on November 5, 1956, that the company was starting a portal at the proposed location and several large float boulders containing scheelite had been discovered by this excavation.

The Beaver and the Hard to Find deposits were not examined because they are out of the proposed exploration area; these deposits are described by Cook (1956).

ORE RESERVES

No blocked-out ore reserves exist at the property at the present time. A small tonnage of ore may be inferred below the bottom of the pits and the drift.

AVAILABILITY OF MANPOWER, EQUIPMENT, ETC.

Manpower can be obtained locally. Most of the mining equipment required is on hand, and supplies can be obtained from Mackay or adjacent towns. Water is available in the mine or can be obtained from the mill water supply. Transmitted power is not available, but the mill is equipped with diesel electric power units.

PROPOSED EXPLORATION

The examiners propose essentially the same exploration program as that submitted by the applicant. The following project work is recommended:

1. From the portal site (pls. 2, 3) drive a crosscut west, approximately 200 feet to cut the downward extension of the ore discovered in the bulldozer trench.

2. From the face of the crosscut drill a horizontal diamond drill hole 300-400 feet in a westerly direction to probe for other ore lenses and to determine if favorable beds exist west of the crosscut; drive a drift northerly for approximately 1,800 feet on the ore lens found in the crosscut or along a favorable bed.

3. At locations not more than 250 feet apart, drill AX diamond drill holes into either wall of the drift to probe for other ore bodies that may occur in this zone. These holes should not exceed 400 feet in length, and the total amount of drilling should not exceed 3,000 feet.

4. From any ore occurrences found by the drift allow for raises not to exceed a total of 500 feet, the lengths and locations of the raises to have the Field Team's prior approval.

5. Allow 1,000 feet of long-hole drilling from the drift or raises.

6. Allow 250 assays for WO_3.

DISCUSSION OF THE PROPOSED EXPLORATION

Although the deposits found to date on the Steep Climb claims have been small, the three pits and the underground workings have produced 3,677 tons of ore averaging 1.005 units per ton. Because of thick cover no scheelite occurrences have been found from the bulldozer cut above the proposed crosscut northward to the pits. In this area the company has unsuccessfully tried dozing the heavy overburden intermixed with large boulders. Because ore lenses appear to be small and the targets are not well defined, exploration by surface diamond drilling does not appear to be feasible.

An alternate exploration program consisting of crosscutting approximately 600 feet from a point east of the pits to

the ore zone under the pits and approximately 1,000 feet of drifting on the zone has been studied by the examiners and discussed with Mr. Gilbert. The disadvantages of this program are: (1) a difference of 400 feet of crosscutting that could be used for drifting in the recommended program, and (2) the alternate program would not explore the vein found in the dozer trench about 200 feet from the proposed portal. The area between the proposed crosscut and the pits offers good exploration possibilities. why?

The area of the proposed exploration is geologically suitable for tungsten occurrences. The ore lenses found to date have not been large, but the money value received from this ore is an incentive for further exploration of the area. From the structural conditions known about the deposition of the explored deposits, there seems to be no reason why contacts along other beds would not be as favorable. The above reasons justify exploring the area by the methods proposed.

PROPERTY RIGHTS

The claims to be included in the contract were listed previously and are shown on the claim map submitted with the application. The company has control of numerous additional claims which would not be benefited by the proposed exploration although scheelite has been mined from them.

The company has approximately 300 tons of ore stockpiled and about 1,500 tons of tailings that may be milled at a later date. The stockpile and tailings should be excluded from any royalty payments.

EXPLORATION PROJECT

The company is starting the portal site and trucking supplies to the mine at the present time. The company anticipates commencing the exploration work as soon as a contract is signed or within 30 days thereafter. They expect to be able to complete the contract within 12 months but have requested a contract period of 18 months to provide for unexpected delays.

CONCLUSION

The exploration proposed is bold, but the company's past production has illustrated that the deposits mined are valuable,

and geologically the exploration area has possibilities of producing other important occurrences. The examiners recommend that the application be approved.

Enclosures (3)
Distribution:
DMEA (4)
USBM (5)
USGS (SRO)
Docket
Nickelson

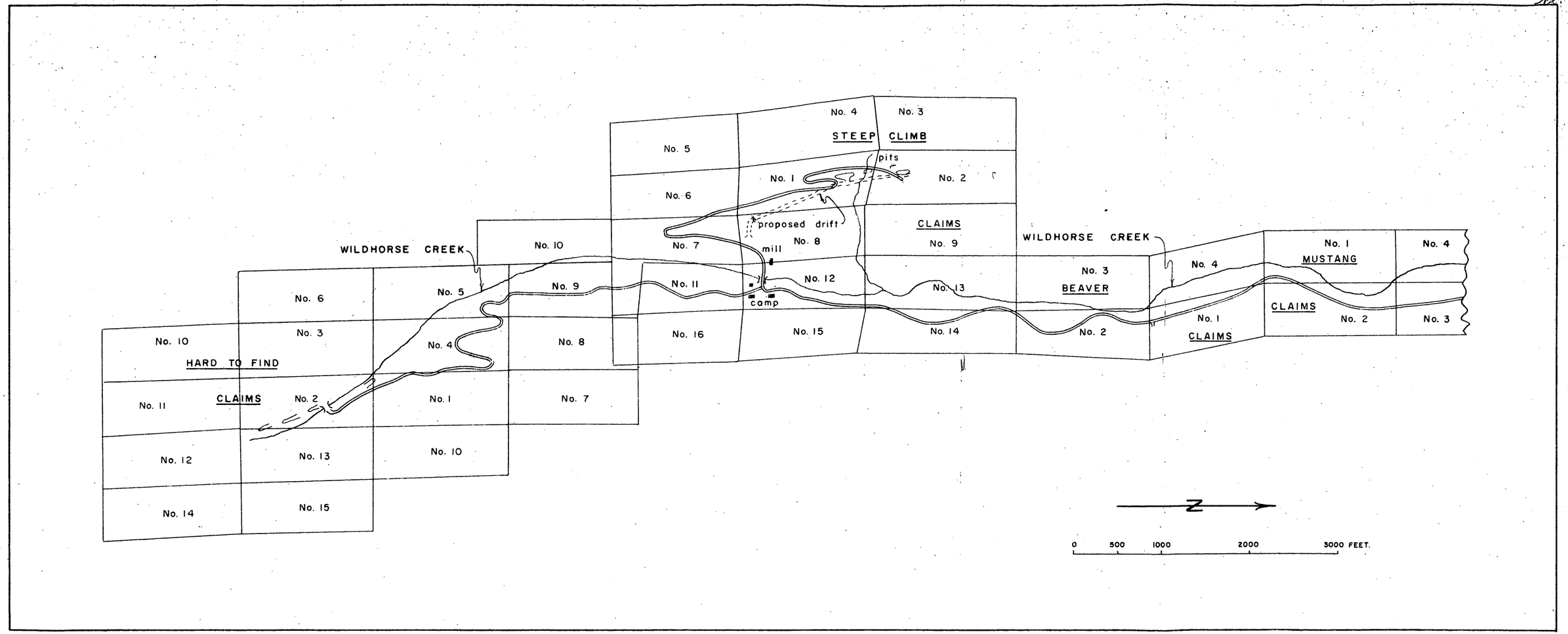


Plate 3 — CLAIM MAP OF THE WILDHORSE MINE — Cordero Mining Co., Custer County, Idaho

MAP SUBMITTED BY APPLICANT

1956
M.E.A.

J. N. PEW, JR.
PRESIDENT

S. H. WILLISTON
VICE-PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

131 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

RECEIVED
NOV 13 1956
D.M.E.A.

November 8, 1956

Re: Docket No. DMEA-4504, Tungsten
Wild Horse Mine
Custer County, Idaho

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

WSM

Attention: C. O. Mittendorf, Administrator

Dear Mr. Mittendorf:

Thank you very much for your letter of November 2nd.

We have been giving Mr. Weissenborn all the help we could in regard to the field examination and will continue to do so.

At the present time snow has reached 20 inches on the ground and we are holding the road open in the hope that the final action of your Department on this application will be favorable.

I know Mr. Weissenborn is doing everything he can to get the final reports into Washington and I hope we can avoid any more delay than is absolutely necessary.

Very truly yours,

S. H. Williston

SHW:L

~~W. S. Martin~~

Copy retained 400

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

400

DOCKET COPY
Surname:
Chapman
Martin
Selfridge
Whitehead

NOV - 2 1956

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - NW District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-4504 (Tungsten)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Dear Mr. Weissenborn:

Reference is made to your letter of October 11, 1956, transmitting three copies of an application for exploration assistance on the subject property and stating that, due to the lateness of the season, the fieldmen who are in that area will make an examination while on their trip. We will therefore, hold the application in abeyance until the report and recommendations of the Field Team have been received.

Copies of memoranda dated October 24 and 30, 1956, by N. E. Nelson, Geological Survey and R. W. Holliday, Bureau of Mines, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
(esf)
Chairman, Operating Committee

Approved:

Frank D. Lamb
(esf)
Member, Bureau of Mines

N. E. Nelson
(esf)
Member, Geological Survey

Enclosures

TLChapman:ms 11/1/56
Copy to: Docket
Operating Committee
Field Team, Region I
Mr. Kiilsgaard, USGS
Mr. R. W. Holliday, USBM
Mdm R. File
Code 400

R.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 400

DOCKET COPY
Surname:
Chapman
Martin
Kelsey
Selfridge
Lamb
Johnson

NOV - 2 1956

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA-4504, Tungsten
Wild Horse Mine
Custer County, Idaho

Gentlemen:

Your application for exploration assistance for tungsten ores has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and referred to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, N. W. District, South 157 Howard Street, Spokane 4, Washington, for a field examination of the property.

Possibly you have already heard from the Field Team with regard to the time of the examination. Any assistance that you can give the members of the Field Team will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

TLChapman:ms 11/1/56
Copy to: Docket
Operating Committee
Field Team, Region I
Mr. Kiilsgaard, 5222, USGS
Mr. R. W. Holliday, USBM
Code 400
Admr. R. File

R.C.S.

Placket

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

Date October 30, 1956

WSM

DMEA Docket No. 4504
DMEA Contract No.
Commodity Scheelite-Tungsten
Name of applicant Cordero Mining Company
Name of property Wild Horse Mine
Location of property Custer County, Idaho
Estimated cost of project $136,034.50.-

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Br. of Ferrous Metals & Ferroalloys

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

1. Date of subject document: 10/15/56. 2. Date received by reviewer: 10/25/56.

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

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

5. Information available on past production: Yes [x] No [ ]

6. Other pertinent factors known to reviewer: Yes [ ] No [x]

7. Explain items marked yes above: Proposed exploration is adjacent to Wild Horse mine operated by the same company during 1953-1956. Application summarizes previous work and lists reference to geology.

8. Factors needing special consideration:
   a. Location [ ]
   b. Ownership [ ]
   c. Evidence of mineralization [X]
   d. Geology [X]
   e. Proposed exploration method [X]
   f. Alternate exploration method [ ]
   g. Costs [ ]
   h. _____ [ ]

9. Action advised:
   a. Obtain information from applicant [ ]
   b. Refer to Field Team [X]
   c. Denial [ ]
   d. Agree with Field Team [ ]
      i. Consult with Mr. _____ at _____ AEC office.
   e. Disagree with Field Team [ ]
   f. Suggest alternate plan [ ]
   g. Request another examination [ ]
   h. Approval [ ]

10. Remarks: (Use back of page if necessary) Refer to Field Team for consideration of feasability, confirmation of samples and recommendation.

R W Holliday

R. W. Holliday

IN REPLY REFER TO:

Docket

RECEIVED
OCT 25 1956

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

October 24, 1956

Re: DMEA 4504
Cordero Mining Co.,
Wild Horse Mine
Custer Co., Idaho
$136,034.50 - Tungsten

Memorandum

To: W. S. Martin, Defense Minerals Exploration Administration

WSM

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

Subject: Review of application

The applicant requests assistance in exploring a tactite zone, from three deposits in which 12,621 tons of scheelite-bearing ore was mined in 1954, 1955, and 1956. The ore as mined contained 7,461 units of WO_3 and concentrate containing 5,639.6363 units and valued at $347,097.67 was sold to G.S.A. The net value per ton was $27.50 and the grade as mined 0.59% WO_3.

Probably the readily available ore has been exhausted and the proposed work is planned to search for more ore. The tunnel would be about 200 feet below the principal deposit (Steep Climb).

An examination is warranted.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

Copy retained 400

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

October 24, 1956

Cordero Mining Co.
131 University Ave.
Palo Alto, California

Subject: DMEA-4504
Re: Exploration Assistance
Wild Horse Mine

Gentlemen

Your application for exploration assistance, dated October 5, 1956 submitted to our office at Spokane, has been assigned Docket Number DMEA-4504 and referred to the Iron and Ferro-Alloys Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to:

Region I, NW. Spokane 4, Washington

Code 400

3571

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
OCT 15 1956

October 11, 1956

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

Re: New application (Scheelite)
Cordero Mining Company
Wild Horse Mine
Custer County, Idaho

Dear Mr. Selfridge:

Enclosed are three copies of an application submitted by J. Elden Gilbert, Manager, Cordero Mining Company, 131 University Avenue, Palo Alto, California. We have retained one copy for our files.

We received this application just prior to the departure of our fieldmen for this area. Because snow is apt to start falling any day, after which it will probably be late spring before we can get in, they will try to make the examination this trip.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosure as indicated

cc: USBM (2)
Nickelson

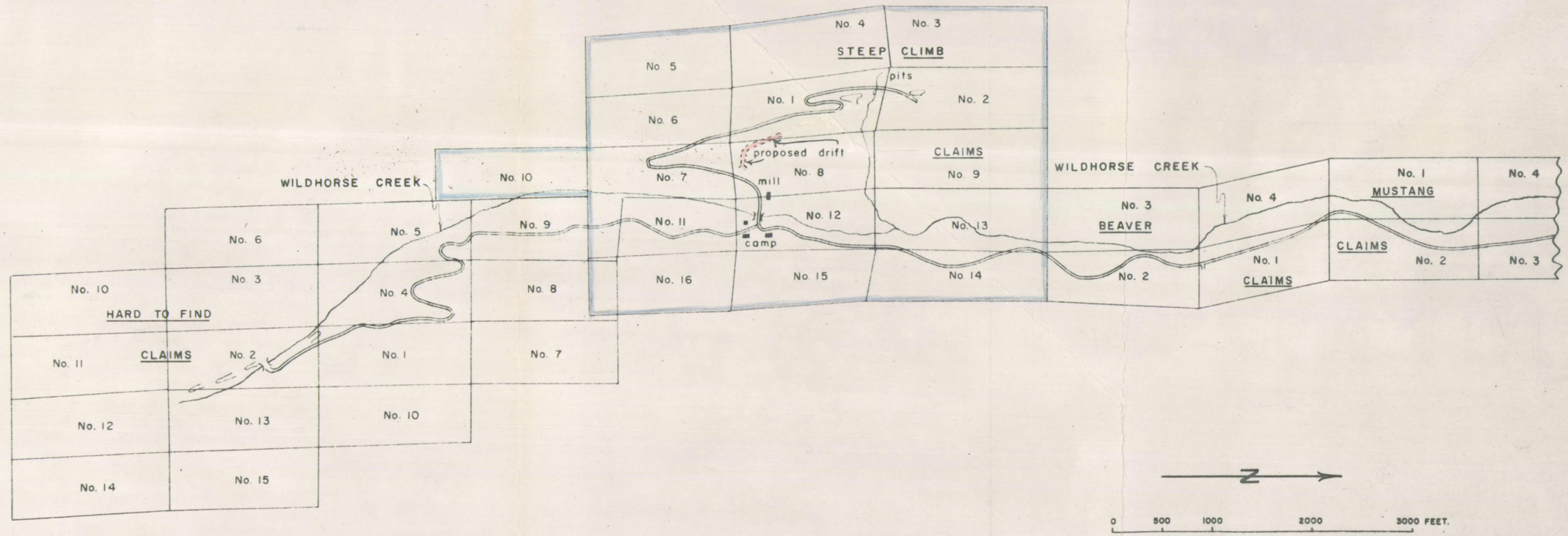


Plate 3 — CLAIM MAP OF THE WILDHORSE MINE — Cordero Mining Co., Custer County, Idaho

MAP SUBMITTED BY APPLICANT

Plate 3

RECEIVED
FEB 25 1957
D.M.E.A.

RECEIVED
FEB 25 1957
D.M.E.A.

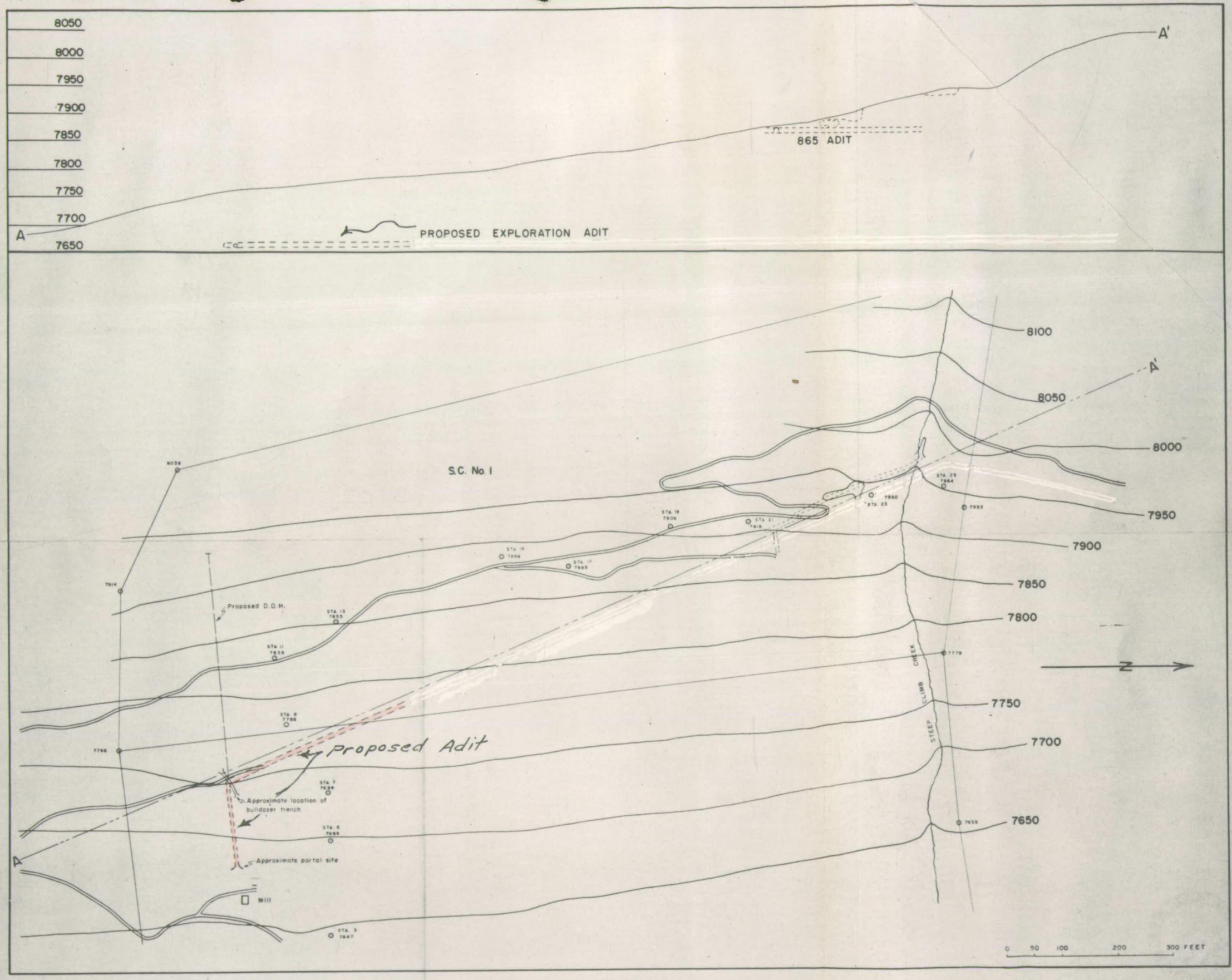


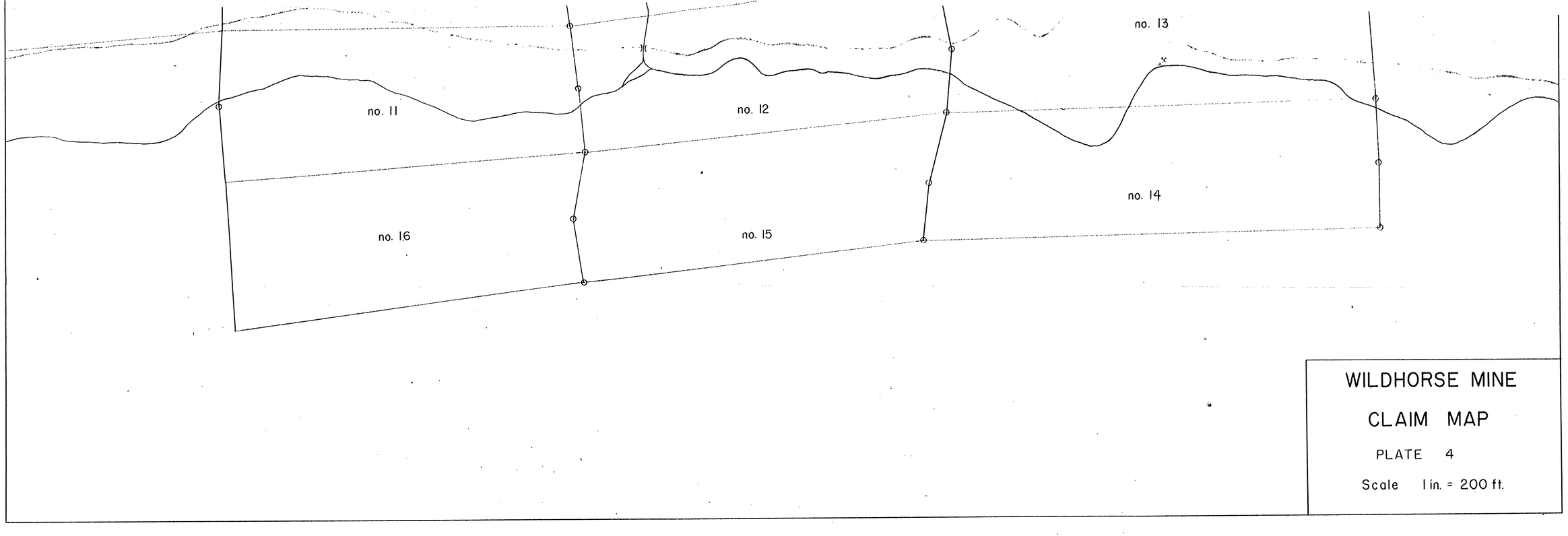
Plate 2. — WILDHORSE MINE "STEEP CLIMB" DEPOSIT — Cordero Mining Co., Custer County, Idaho

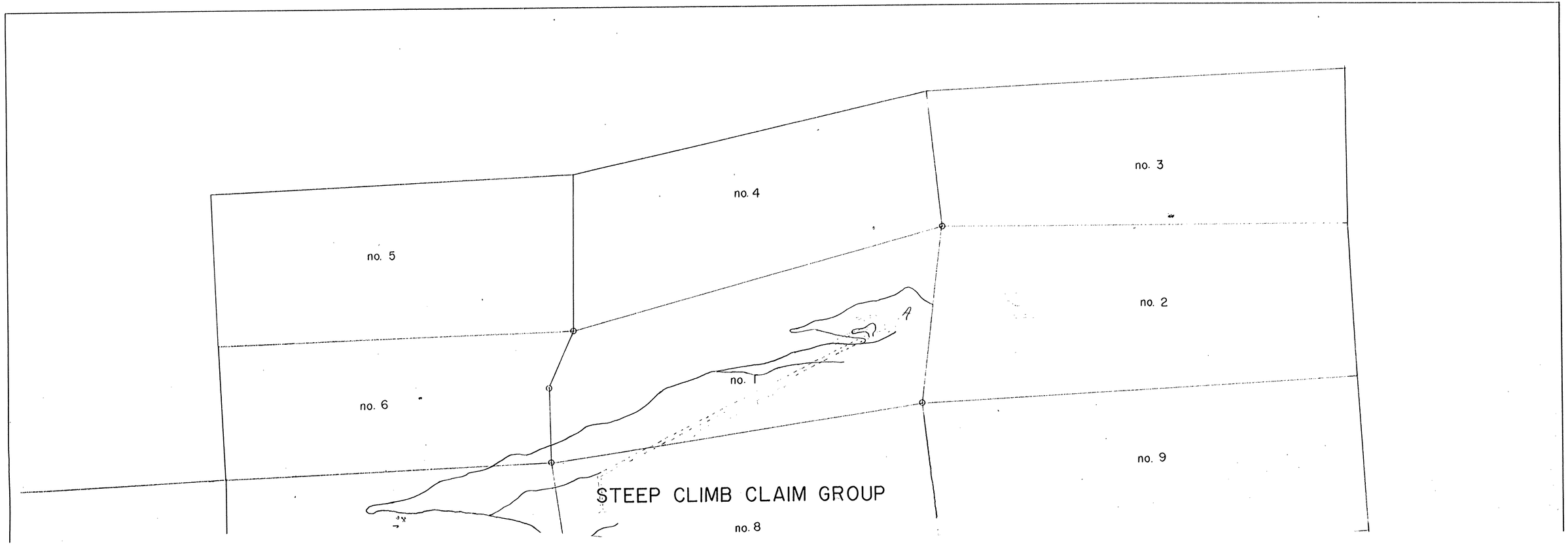
COPIED BY H.B.N. U.S.G.S.
FROM CORDERO MINING COMPANY

Plate 2

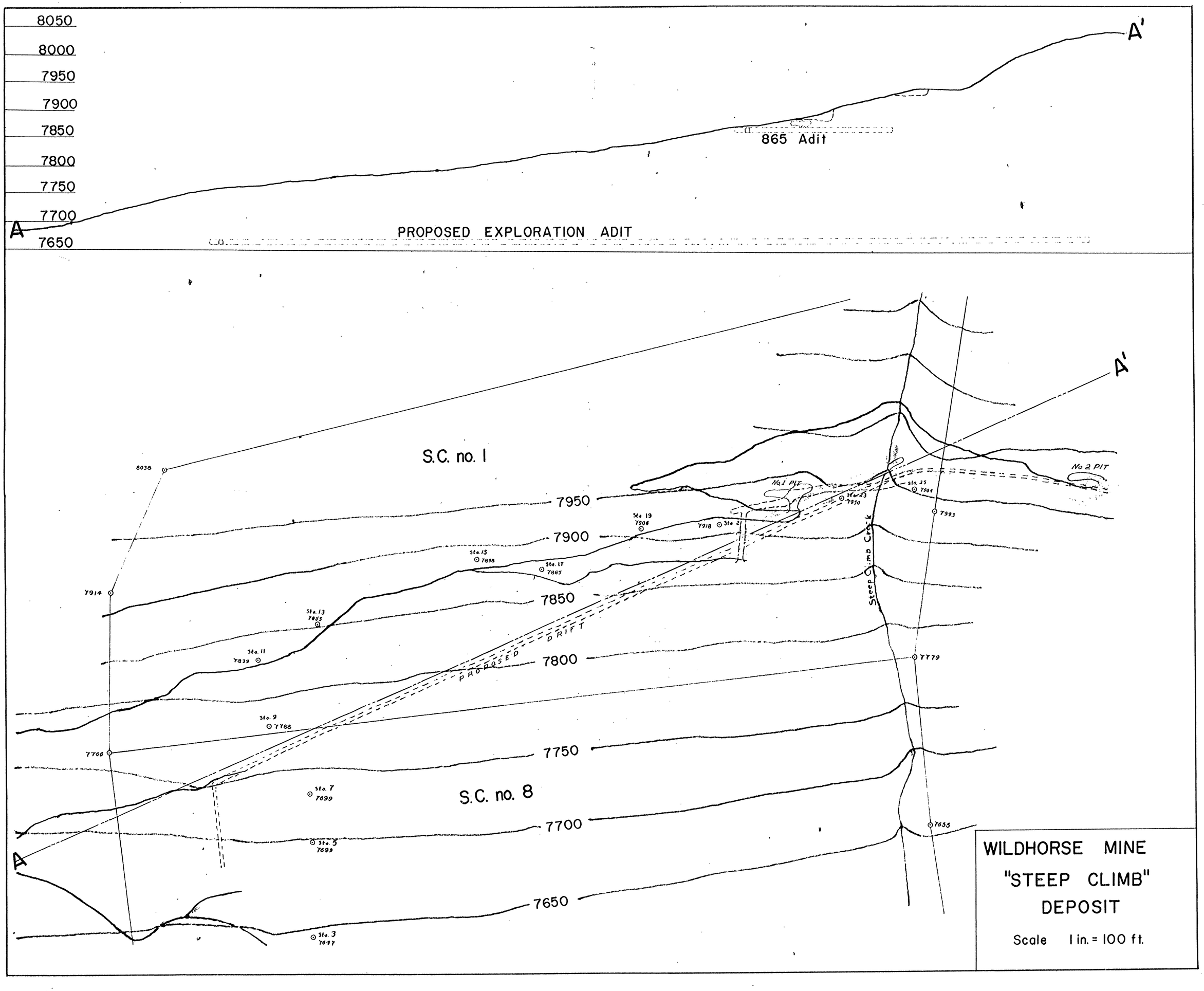
Plate 2

RECEIVED
FEB 25 1957
D.M.E.A.


no. 13
no. 11
no. 12
no. 14
no. 16
no. 15
WILDHORSE MINE
CLAIM MAP
PLATE 4
Scale 1 in. = 200 ft.


no. 3
no. 4
no. 5
no. 2
no. 6
no. 1
no. 9
STEEP CLIMB CLAIM GROUP
no. 8

CORDERO MINING CO.
WILD HORSE MINE
CUSTER COUNTY, IDAHO
Docket No. DMEA-45-4 (Compton)
Contract No. Idm-E 1055
Scale 1" = 20'


8050
8000
7950
7900
7850
7800
7750
7700
7650
A
A'
865 Adit
PROPOSED EXPLORATION ADIT
S.C. no. 1
S.C. no. 8
8038
7914
7766
7993
7779
7655
7950
7900
7850
7800
7750
7700
7650
No 1 PIT
No 2 PIT
Steep Climb Creek
PROPOSED DRIFT
Sta. 25 7964
Sta. 23 7930
Sta. 21 7918
Sta. 19 7906
Sta. 17 7885
Sta. 15 7898
Sta. 13 7855
Sta. 11 7839
Sta. 9 7788
Sta. 7 7699
Sta. 5 7693
Sta. 3 7697
WILDHORSE MINE
"STEEP CLIMB"
DEPOSIT
Scale 1 in. = 100 ft.

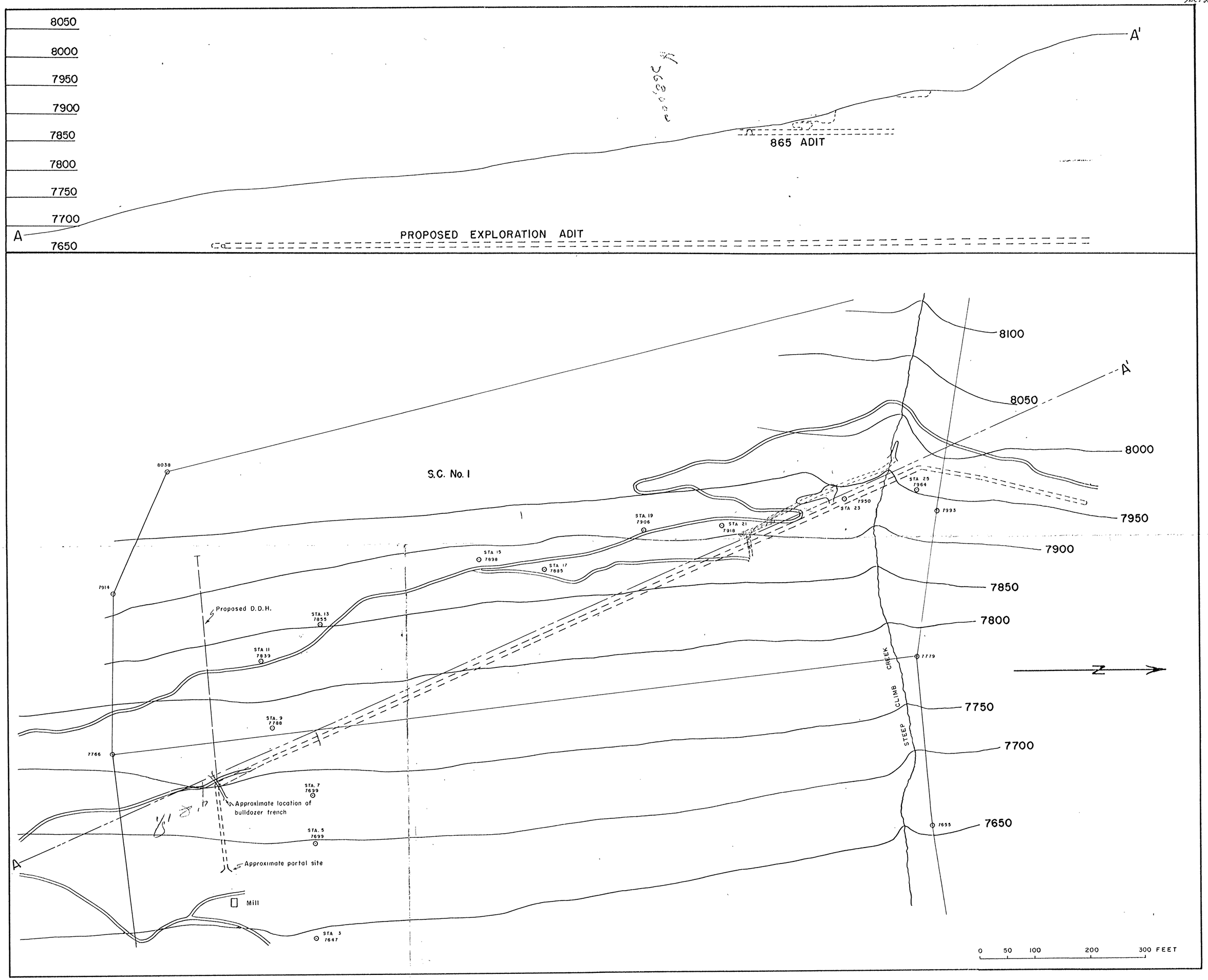


Plate 2. — WILDHORSE MINE "STEEP CLIMB" DEPOSIT — Cordero Mining Co., Custer County, Idaho

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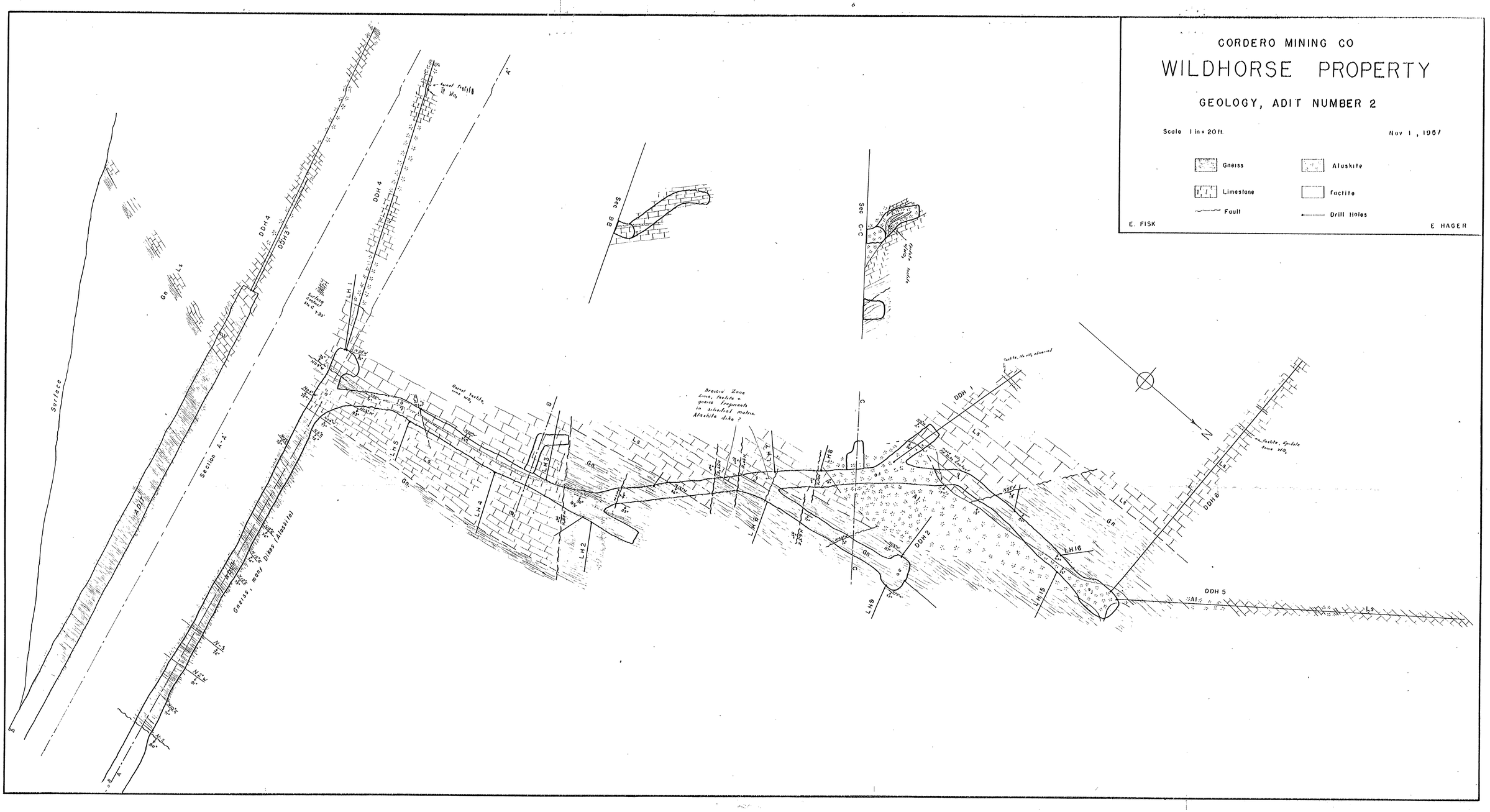
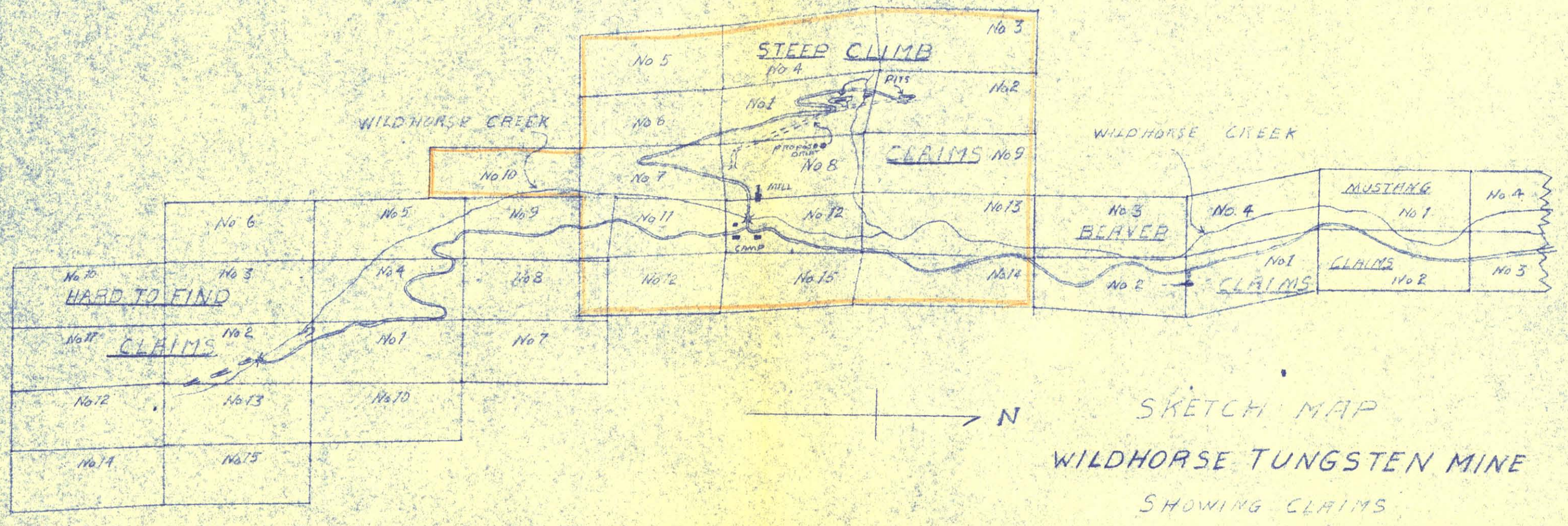
FROM CORDERO MINING COMPANY


CORDERO MINING CO
WILDHORSE PROPERTY
GEOLOGY, ADIT NUMBER 2
Scale 1 in = 20 ft.
Nov 1, 1967
Gneiss
Aluskite
Limestone
Facite
Fault
Drill Holes
E. FISK
E HAGER
Surface
Section A-A'
ADIT
DDH 4
DDH 3
DDH 1
DDH 2
DDH 5
LH 1
LH 2
LH 3
LH 4
LH 5
LH 6
LH 8
LH 9
LH 15
LH 16
Gn
Ls
Gneiss, many dikes (Aluskite)
Breccia Zone
Lime, facite - gneiss fragments in silicified matrix. Aluskite dike ?
Sec BB
Sec CC
N



SKETCH MAP

WILDHORSE TUNGSTEN MINE

SHOWING CLAIMS

SCALE 1" = 1000'

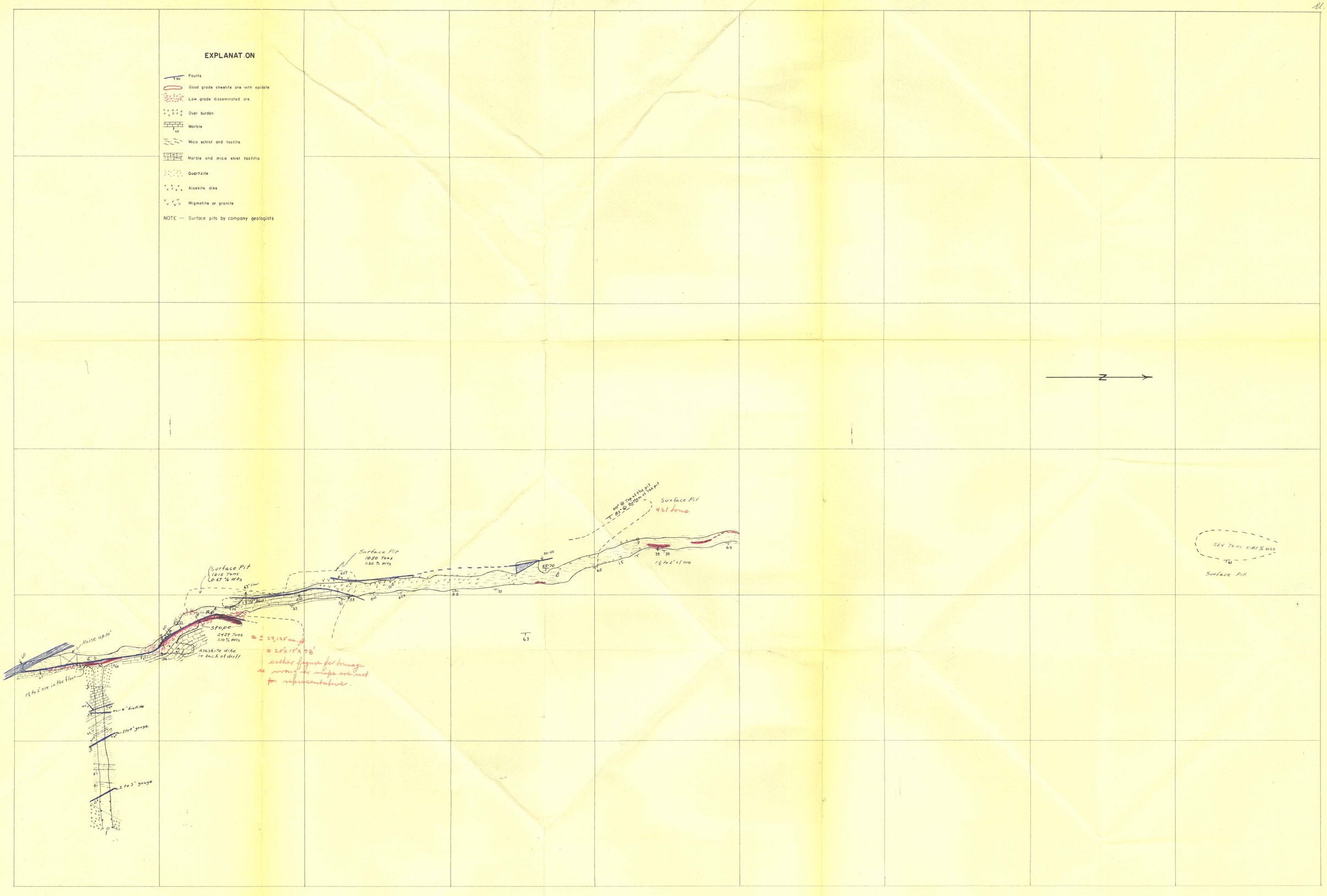


Plate I — WILDHORSE MINE STEEP CLIMB DEPOSIT CORDERO MINING CO, Custer County, Idaho

0 10 20 40 60 80 100 FEET.

BY H.B.N. — U.S.G.S. and D.W. — U.S.B.M.

10 — 56