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Routing Slip

To: Iron & Ferro-Alloy Date 5/5/52

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EXPLORATION LOAN

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

Code -340 3624

Routing Slip

To:	Tungsten Br.	Date	8-15-51
To:	Op Com	Date	4-11-52
To:	Oper. Com.	Date	5-12-52
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INT.-DUP. SEC., WASH., D.C. 98868

Hearing for L.L. Subordination Agreements.

DMEA - 1964 - Tungsten

Exploration program proposed by Field Team

1st Phase: Extend the present adit an additional 100 ft. Westerly direction
X-Cut from face of adit: 25 ft. North
25 ft. South
Total: 150 Linear ft.

Re-examination after first phase to determine if further exploration is justified and the location of such work.

Landlords Subordination agreements are necessary and have not, as yet, been Received from the Applicant.

L.L. Sub where?

The above type of exploration Program appears Justified
G.G.

Maps 1, 2, 4, 5

not in field Report

Berry is mining

mills to day 2/12

1 copy of each map (4) sent to Lemmon & Leeham Monday 3, 1952.

GEG

Mill suggests you handle, either
can you take care of it soon?
NOTE (28 days left before option expires)

Res. & trans. - labor.

Bisbee - Charlie Johnson.

Properties
Old Silver Mine,
M ◆ And-Mor Mg Co.

Single vein 12" to 22"
lies at 30° to horiz.
49 g/t in granite, 252' long
well sheared.
Mill ore fair, max
Did not melt specs. too
much lead.
Mine seemed to mind
out forbetty x

L. T.
Mc Elvenny

700 days/a
7000 tons. at Splendine.

400/day
100/in chem plant. 16000 tons treated
by chrome X

N
Sod. chromate.

appl. for Grant form - Amt
N S R B Form 116 - Date,

Code 320
Docket DMA 1170
Name & address,
Appl. for Grant form, Amt
N. S. R B Form 116 - Date.
Management Director,

803 Lee Bldg
10th Main
Ennis R. E.

FILE COPY
SURNAME: 400

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

Martin
Selfridge
Lemmon
Geehan
Johnson
Schmitt
H. Johnson

SEP 30 1952

Mr. Alexander Tucker
260 South Beverly Drive
Beverly Hills, California

Re: Docket No. DMEA 2567 - Tungsten
Marcam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Tucker:

Reference is made to your letter of May 3, 1952, requesting reconsideration of the Administration's decision denying exploration assistance for the subject property, then identified as Docket No. DMA 1964. Reference is also made to our reply of May 13, 1952, advising that we were arranging for re-examination of the mineralized zone in its entirety and in somewhat more detail.

The re-examination of the above property has been completed, confirming the existence of a large tonnage of scheelite-bearing actinolite-calcite rock having the tungsten mineralization so scattered that no well defined ore zones can be outlined, indicating to us that the probability of disclosing mineable ore reserves by the proposed program is not sufficiently promising to justify Government participation.

We regret, therefore, to inform you that after reconsideration we do not find justification for approval of the subject application. This conclusion is reached without prejudice, however, and if your further prospecting should find evidence more favorable to the property, we would be pleased to consider an application for an exploration project on a scale suited to the significance of the showings.

WSMartin'lm
9/29/52

Sincerely yours,

C. O. Mittendorf (for) J.H. 9-30-52

Administrator

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
Operating Committee
G. G. Selfridge
W. S. Martin

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Acting Administrator, DMEA DATE: August 19, 1952

FROM : Iron and Ferro-Alloy Division, DMEA

SUBJECT: Denial of exploration project in the amount of $50,000.00
(Later amended to $15,000.00)
Docket No. DMEA 2567 - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

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

1. The subject property was re-examined in the field because we received a request for reconsideration claiming among other grounds that subsequent prospecting had found additional mineralization. The previous denial had been justified by our memorandum of April 10, 1952, under the former Docket No. DMA 1964X - Tungsten.

2. In asking for a re-examination, by a different field team, we requested: (1) close examination of the entire mineralized zone; (2) sampling of the mineralized outcrop, where warranted; and (3) sampling of the entire 43-foot adit.

3. The new field team followed the mineralized zone for about a mile to the east of the adit and lamped the few exposed outcrops, finding them all barren. The same zone was found to extend to the west for at least 2,000 feet and was estimated, after lamping, to be similar in average grade to the ore exposed in the adit, that is, between 0.1 and 0.2 percent WO_3.

4. Two channel samples, one from the same actinolite-calcite lens in which the adit is driven, and one from a parallel lens, were taken from the outcrops but were not accepted for grade calculation because the assay results were lower than the lamped estimates made before cutting the samples. Similarly, a chip sample of the hand-picked ore and one of run of mine rock were assayed but were considered unacceptable for the same reason.

5. The adit had been advanced 7 feet between November 15, 1951 and July 3, 1952. Two channel samples cut in the newly exposed face of the adit gave a weighted average grade over

a 5-foot width of 0.14 percent WO_3, which was in substantial agreement with the grade estimated by lamping. The new field team also recalculated the grade estimate for the adit based on the two samples cut in the face by the former field team and arrived at a weighted average grade over a 5-foot width of 0.23 percent WO_3. The recalculation took no account of the back sample which was cut by the former team some 15 feet west of the face at that time, and which assayed less than 0.01 percent WO_3 over 4.0 feet, although it was described as "cut across the scheelite-bearing layer".

6. On the basis of the re-examination, it was concluded that the deposit contains a large tonnage of scheelite-bearing rock in a zone at least 2,000 feet long. The grade of the mineralized rock, however, is estimated to be less than 0.2 percent WO_3 and, therefore, the deposit is submarginal.

7. In requesting the re-examination, we also advised that if further work appeared to be necessary, after receipt of the assays of the new samples, a project should be drawn up and detailed information should be given us concerning the necessary costs. The field team, without submitting any project, recommends that exploration be restricted to surface trenching and sampling provided the Government is interested in appraising the property as a potential low-grade reserve in the event of a future national emergency.

8. The field team further recommends that the applicant's proposal to explore the deposit by drifting and crosscutting be denied.

G. C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Docket
FILE COPY 100
SURNAME:

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

Acting Administrator, DMEA

August 19, 1952

Martin
Selfridge
Lemmon
Guhon

Iron and Ferro-Alloy Division, DMEA

Denial of exploration project in the amount of $50,000.00
(Later amended to $15,000.00)
Docket No. DMEA 2567 - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

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

1. The subject property was re-examined in the field because we received a request for reconsideration claiming among other grounds that subsequent prospecting had found additional mineralization. The previous denial had been justified by our memorandum of April 10, 1952, under the former Docket No. DMA 1964X - Tungsten.

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4. Two channel samples, one from the same actinolite-calcite lens in which the adit is driven, and one from a parallel lens, were taken from the outcrops but were not accepted for grade calculation because the assay results were lower than the lamped estimates made before cutting the samples. Similarly, a chip sample of the hand-picked ore and one of run of mine rock were assayed but were considered unacceptable for the same reason.

5. The adit had been advanced 7 feet between November 15, 1951 and July 3, 1952. Two channel samples cut in the newly exposed face of the adit gave a weighted average grade over

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6. On the basis of the re-examination, it was concluded that the deposit contains a large tonnage of scheelite-bearing rock in a zone at least 2,000 feet long. The grade of the mineralized rock, however, is estimated to be less than 0.2 percent WO_3 and, therefore, the deposit is submarginal.

7. In requesting the re-examination, we also advised that if further work appeared to be necessary, after receipt of the assays of the new samples, a project should be drawn up and detailed information should be given us concerning the necessary costs. The field team, without submitting any project, recommends that exploration be restricted to surface trenching and sampling provided the Government is interested in appraising the property as a potential low-grade reserve in the event of a future national emergency.

8. The field team further recommends that the applicant's proposal to explore the deposit by drifting and crosscutting be denied.

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

WSMartin'lm
8/19/52

cc: Admn. Reading File
Docket
G. C. Selfridge
W. S. Martin

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

August 8, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2567 (formerly DMA 1964) - Tungsten - T-Bone Tungsten Property, Lander County, Nevada, Field Re-examination

Reference is made to your memorandum, dated May 13, 1952, requesting a re-examination of the subject property by a different field team from that which made the original examination.

The requested examination has been made and there are attached herewith four copies of a report - DMEA 2567, Marsam Enterprises, Inc., Lander County, Nevada (T-Bone Tungsten Property) by H. L. Sobel and W. P. Irwin, Geologists of the U. S. Geological Survey, dated August 5, 1952.

The examining geologists report that the deposit contains a large tonnage of scheelite-bearing rock in a zone at least 2,000 feet long. The grade of the mineralized rock, however, is estimated to be less than 0.2 percent WO_3 and, therefore, the deposit is submarginal.

It is recommended that the applicant's proposal to explore the deposit by drifting and crosscutting be denied. If the Government is interested in appraising the property as a potential low-grade reserve in the event of a future national emergency, it is recommended that exploration be restricted to surface trenching and sampling.

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

Copy to E. H. Bailey, USGS
A. C. Johnson, Reno (with copy of report)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA 2567, Marsam Enterprises, Inc.

Lander County, Nevada

(T-Bone Tungsten Property)

H. L. Sobel, Geologist
W. P. Irwin, Geologist
U. S. Geological Survey

August 5, 1952

Reviewed by
DMEA OPERATING COMMITTEE

8-15-52
(date)

Introduction

The T-Bone tungsten property is the subject of a request by Marsam Enterprises, Inc., for a DMA exploration loan. It was examined on November 14 and 15, 1951 by a team consisting of E. J. Matson of the Bureau of Mines, and R. M. Smith and Reed Craig of the Geological Survey. They estimated that the deposit contained 100 tons of indicated ore with a grade of 0.5 percent WO_3 and 2000 tons of inferred ore with a grade of 0.5 percent WO_3. They recommended that Marsam Enterprises, Inc., be granted a contract to explore the deposit by extending the present adit 100 feet and driving two 25-foot crosscuts. The total cost of the 150 feet of proposed workings was to be $15,000.

The field team's report was reviewed in Washington, and, contrary to the recommendation, the loan was denied. The denial was received unfavorably by Marsam Enterprises, Inc., inasmuch as the denial was inconsistent with the encouragement given by the field team during the examination. Marsam Enterprises, Inc., requested that the docket be reconsidered, and this request was referred to the Field Team. In response to that request, the T-Bone tungsten property was examined by W. P. Irwin and H. L. Sobel of the Geological Survey in the company of F. D. Shuck, mine manager, on July 3 and 4, 1952.

Judging from copies of letters and memos referring to the subject, the loan was denied because of three principal beliefs; (1) the grade of the ore is marginal to sub-marginal, (2) the tonnage is too small to warrant mining marginal to sub-marginal ore, and (3) the exploration cost of $100.00 per foot of proposed workings is unreasonably high. The following is a discussion of the points outlined above in view of the re-examination.

Grade

Matson and Smith cut two channel samples across mineralized lenses in the actinolite-calcite bed exposed in the face of the T-Bone adit. One sample was 2.0 feet wide and assayed 0.44 percent WO_3, the other was 0.3 feet wide and assayed 0.88 percent WO_3. The weighted average of the samples is 0.5 percent WO_3 across a width of 2.3 feet; the rock between and on either side of the samples presumably was barren. On the basis of these samples, Matson and Smith estimated that the block of ground extending 200 feet beyond the face of the adit, from the surface to the adit level, contained a reserve of 2000 tons of inferred ore with a grade of 0.5 percent WO_3 over 2.3 feet. This 2.3 foot sample width is not considered representative of the mineable ore inasmuch as the minimum practical mining width is about 5 feet. The mineralized rock should be evaluated over this width to give the expected grade of run-of-mine ore. Recalculated for a width of 5 feet the weighted average of the two samples is 0.23 percent WO_3. ?

Subsequent to the examination by Matson and Smith, the adit was advanced 7 feet along the mineralized bed. During re-examination by Irwin and Sobel two chip samples, each about 5.2 feet long, were cut across the newly-exposed face. One sample, cut 1 foot above the floor of the adit, assayed 0.02 percent WO_3; the other, taken 4 feet above the floor of the adit,

assayed 0.26 percent WO_3. The weighted average grade of the two samples over a 5-foot width is 0.14 percent WO_3, which is similar to the grade of the samples cut by Matson and Smith weighted over a 5-foot width. The approximate grade of the rock exposed in the face is substantiated further by a grade of between 0.15 and 0.20 percent WO_3 estimated by lamping.

The mineralized zone along the surface was found to extend up the ridge to the west of the adit for at least 2,000 feet (see plates 1,2 and 3), and lamping revealed it to be of a grade similar to that of the ore exposed in the adit. Individual outcrops lamped as high as 2.0 percent WO_3 but the average grade of all outcrops of actinolite-calcite rock was estimated to be between 0.1 and 0.2 percent WO_3. Matson and Smith also estimated that "the average grade of the tungsten-bearing rock in the outcrops will probably not exceed 0.2 percent WO_3".

Four other samples were cut by Irwin and Sobel in the vicinity of the adit. They are listed below with their locations, widths, and assay results. All four sample locations were lamped at night and the samples cut the following day under plain light. Because of the incongruous assay results, the grades estimated by lamping prior to sampling are listed.

No.	Width	Location	%WO_3	Lamped estimate % WO_3
3	-	chip sample from 20-ton pile of hand-picked ore	0.01	0.5
4	-	dump sample (run of mine rock)	0.01	0.1 to 0.2
5	2	actinolite-calcite bed 10 ft. south of portal of adit	0.06	0.1 to 0.2
6	4.5	actinolite-calcite bed 10 ft. above portal of adit (same bed adit is driven in)	0.08	0.1 to 0.2

These samples do not appear to be representative of the grade of the bulk ore. Sample 3, of hand-picked rock, obviously should be disregarded since it assayed less than the cuts in the face of the adit, yet lamped considerably higher than the face. Samples 4 and 6 when lamped were estimated to be representative of the rock exposed in the adit but also assayed far lower than the samples in the face. The incongruity between the lamping estimates and assay results of the samples is difficult to explain. The loss of fines might be a factor, but certainly does not account entirely for the discrepencies. The only rational explanation seems to be that although the sample locations apparently contain fairly evenly-distributed scheelite, the four samples, by chance, were taken in unusually barren areas. These four samples, therefore, have not been included in any grade calculation.

Geology and Tonnage

Disseminated scheelite is restricted to various parallel beds of actinolite-calcite rock within a 50-foot zone of interbedded schist and

actinolite-calcite rock, bounded on either side by fairly persistent beds of quartzite (see plate 2). The entire zone is vertical or dips steeply to the south. Individual beds of mineralized actinolite-calcite rock range from 1 to 10 feet in width. Owing to the extensive overburden, they cannot be traced for more than 10 to 20 feet along their strike. Judging from the distribution of outcrops, it is probable that individual beds are not continuous for the entire length of the zone but pinch and swell along the strike as well as down the dip. It seems likely, however, that at any point along the zone the composite thickness of the actinolite-calcite rock will be somewhat similar.

The adit was driven into a single bed at least 5 feet thick. Two other beds, 1 foot thick and 2 feet thick respectively are exposed within the 10 feet of schist south of the adit portal. The remainder of the zone to the north is covered. About 500 feet west of the adit five individual lenses of actinolite-calcite rock crop out within the 50-foot width of schist. The aggregate width of the five beds is about 20 feet. From these outcrops and from the relative amount of actinolite-calcite rock exposed throughout the area, it is estimated that from 20 to 40 percent of the rock within the zone consists of scheelite-bearing actinolite-calcite rock; the remaining 60 to 80 percent is barren.

The ridge west of the adit slopes +30° for about 1000 feet, then the slope decreases to an average of +20° for the next 1000 feet. Because of the great strike length of the deposit along the ridge, it is probable that the entire zone extends downdip at least to the adit level.

East of the adit the mineralized zone is less clearly defined owing to thick overburden. Samples from a group of outcrops of actinolite-calcite rock about 1000 feet east of the adit were lamped and were found to be nearly barren. About a mile east of the adit, apparently on the same zone on the Caruso No. 3 claim, an outcrop of actinolite-calcite rock that Mr. Shuck though contained scheelite in economic amounts was lamped and found to be barren. Further prospecting to the east to expose the zone is necessary before it can be evaluated.

The zone within the triangular block of ground outlined to the west of the adit has a slope length of 2000 feet, a horizontal length of 1800 feet, a maximum vertical height of 840 feet at the western end, and an average thickness of 50 feet. Assuming 12 cubic feet of rock to the ton, about 3,500,000 tons of rock is within the block. Of this amount it is estimated that 30 percent, or about 1,000,000 tons is mineralized actinolite-calcite rock with an estimated grade between 0.1 and 0.2 percent WO_3. Probably much of this tonnage, perhaps more than half, is contained in beds less than 5 feet thick.

Cost of Exploration

The revised exploration project proposed by Matson and Smith consisted of 100 feet of drifting and 50 feet of crosscutting. The project was to cost $15,000 or $100 per foot of work, and it would require 15 weeks to complete.

According to Mr. Shuck, the unreasonably high cost estimate was primarily due to the proposal that two shifts of miners be employed rather than one shift. The mine camp as it exists can adequately house one shift of miners without any rehabilitation or expenditure. To house a second

shift would require the expenditure of almost $1,800 for furnishings and would result in the loss of several weeks time to construct the camp, thereby greatly increasing the cost of labor and supervision.

Mr. Shuck explained that by utilizing one shift of miners, he could drive an average of 2.5 feet per shift, and by starting work immediately complete the 150 feet of work in about 60 working days, or three months. On this basis he roughly estimated the cost per foot would be only $40 for a total project cost of $6000. Probably the applicant would accept a contract on a unit cost basis of $40 per foot.

Mining Factors

Mr. Shuck seemed to agree that the mineralized actinolite-calcite rock averaged only about 0.2 percent WO_3. He thinks, however, that although this grade of ore is normally considered submarginal, it can be mined at a profit in this case because of two favorable factors.

First, the mineralized rock appears to be highly amenable to hand-sorting. Near the portal of the adit is a 20-ton pile of hand-picked ore, with a grade estimated by lamping to be about 0.5 percent WO_3. The average size of the blocks within the pile is about 0.5 feet in largest dimension, indicating that under efficient conditions, the rock could be picked rapidly and therefore at a low labor cost.

The second favorable factor is the erection of the Sunnyside tungsten mill on the east side of Smokey Valley, about 16 miles by road east of the T-Bone prospect. The mill is to employ tabling and flotation, and will have a capacity of 50 tons a day. According to Mr. Shuck, who is also manager of the mill, it is owned solely by Samuel Weiler, major stockholder of the Marsam Enterprises, Inc. Mr. Shuck estimates the mill will recover 85 percent of the WO_3 content of the T-Bone ore at a cost of $4.00 per ton. He plans to amortize the mill with profits from custom ores which will be charged at a rate of $8.00 a ton, thereby allowing the T-Bone ore to run at cost.

Conclusions

The mineralized zone on the T-Bone property is about 50 feet wide and extends on the surface for at least 2000 feet up the hill to the west of the adit without apparent change in grade or occurrence. It is probable the entire zone continues downdip at least to the adit level, and thus a block of ground which contains about 3,500,000 tons of schist and scheelite-bearing rock is inferred. Of this amount, it is estimated that 30 percent of the block, or about 1,000,000 tons, is scheelite-bearing actinolite-calcite rock. The actinolite-calcite beds range from 1 to 10 feet in width and pinch and swell along the strike as well as down the dip.

The samples cut in the adit by Matson and Smith, recalculated over a mining width of 5 feet, have a weighted average grade of 0.23 percent WO_3. Two samples cut in the face of the adit by Irwin and Sobel have a weighted average of 0.14 percent WO_3 over a width of 5 feet. On the basis of these samples and the lamping of about 2000 feet of the zone, the grade of all actinolite-calcite rock within the zone is estimated to be between 0.1 and 0.2 percent WO_3.

Although the actinolite-calcite rock is amenable to hand-sorting and the applicant is now constructing a mill in Smokey Valley, the deposit is sub-marginal. Extending the adit is not recommended as the grade of the rock is not expected to differ along the strike to any significant degree.

Because of the large tonnage of scheelite-bearing rock involved, however, it is possible the Government might be interested in knowing more of the deposit; in the event of future national emergency the deposit might constitute a significant low-grade reserve. If further data is ? desired it is recommended that exploration be restricted to surface trenching and sampling to determine accurately the grade and extent of the mineralized rock.

Plate 1. Looking westward from discovery monument of Caruso no. 3 claim. Dashed line represents trace of lmped 2000 foot length of scheelite-bearing zone. Adit is at lower end of dashed line. Note steep southerly dip of beds.

Plate 2. Looking westward along brace of nearly vertical beds. Portal of adit in gulch to left of building. Lamped portion of scheelite-bearing zone extends from portal of adit to beyond crest of hill.

Plate 3. Looking westward along scheelite-bearing zone from point about 1000 feet west of portal of adit. Beds dip steeply south. Scheelite-bearing zone lamped 1000 feet westward to highest point in background.

FILE COPY
SURNAME:

Selfridge
Johnson
Watt

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
GCSelfridge
5284 3538

June 25, 1952

M. G. MILLER, EXECUTIVE OFFICER, DMEA FIELD TEAM, REGION III
1012 WOOD BUILDING, 870 MARKET STREET, SAN FRANCISCO, CALIFORNIA

RETEL DMEA 2567 (DMA 1964) T-BONA TUNGSTEN PROPERTY. APPLICANT SHOULD SUBMIT FORM MF-100 WITH ONLY SECTION 8 COMPLETED IN DETAIL.

(signed) FRANK E. JOHNSON (FEJ)

FRANK E. JOHNSON, CHAIRMAN
OPERATING COMMITTEE, DMEA

F.E.J. 6-26-52

GCSelfridge:ls 6/25/52

CC: Docket
Admn. Reading File
G. C. Selfridge
Audits
Mr. Johnson
J. H. Hedges
T. P. Thayer
Operating Committee

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 6-25-52

REFERRED TO:

1. Code 400
2.
3.
4.

FOR:

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

REMARKS: .....

Check (X) before the items needing attention.

R. E. ADAMS

Initials of sender.

GPO 16—63815-1

55 WA SFS /I-BOM/

SAN FRANCISCO CALIF 6-24-52 846AM

FRANK E. JOHNSON, OPERATING COMMITTEE

DEFENSE MINERALS EXPLORATION ADMN INTERIOR BLDG WA

RELET MAY 13 DOCKET (DMA 1964 /TUNGSEN/ -BONE TUNGSTEN PROPERTY, LANDER COUNTY, NEVADA. APPLICANT DESIRES TO KNOW WHAT PROOF OF FINANCIAL RESPONSIBILITY AND ABILITY TO REPAY MAY SERVE AS SUBSTITUTE OR WAIVER OF SUBORDINATION AGREEMENT. EARLY REPLY WILL BE APPRECIATED BY THIS OFFICE.

H. C. MILLER EXEC OFFICER, DMEA FIELD TEAM REGION III

13 DMA 1964
BA 848AM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 24 1952

JUN 24 2 24 PM '52
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY Bureau of Mines

PBS TELETYPE

Originator:
Ext.: 472 Room: 1006
Flood Bldg., San Francisco

Appro.: U. S. Bureau of Mines
Date: June 24, 1952
Time: 9:30 a.m.
No.:
To: Frank E. Johnson, Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.
Subject:

Relet May 13 docket DMA 1964 (Tungsten) T-Bone Tungsten Property, Lander County, Nevada. Applicant desires to know what proof of financial responsibility and ability to repay may serve as substitute or waiver of subordination agreement. Early reply will be appreciated by this office.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

Authorized:
M. C. Miller

CONFIRMATION

Sign original message and transmit to Room _____ in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

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

Office of
Executive Officer
DMEA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 16 1952

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

June 11, 1952

Mr. F. D. Shuck
Marsam Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

Subject: Docket DMEA-2567 - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Shuck:

On May 16, I addressed a letter to Mr. Alexander Tucker, 260 South Beverly Drive, Beverly Hills, California re Docket DMA-1964, requesting him to notify me when the six signed copies of the Landlord's Subordination Agreement, covering the T-Bone Tungsten Property, had been sent to Washington as instructed in my letter, dated January 31, 1952. To date we have received no reply to the May 16 letter.

Our Washington Office has now informed me that your request for reconsideration of the denial action taken on your original application for exploration assistance under Docket DMA-1964 has been assigned a new docket number - DMEA-2567. Under the new docket number we are being requested to re-examine your property. Such examination, however, will not be made until we have been assured that Landlord's Subordination Agreements have been sent to Washington, or proof of financial responsibility and ability to repay the exploration assistance have been furnished that might make it possible to waive the requirement of the agreement.

An early reply will be appreciated.

Very truly yours,

H. C. MILLER

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

Copy to: E. H. Bailey, USGS
DMEA, Washington, D. C.

FILE COPY
SURNAME:

200

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

JUN 5 1952

Marsam Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

Gentlemen:

Reference is made to your request for reconsideration of the denial action taken on your application for exploration assistance originally filed under Docket No. DMA-1964.

Please be advised that the reconsideration of your exploration assistance application has been assigned a new docket number, DMEA-2567.

Please identify any future correspondence by Docket No. DMEA-2567.

Sincerely yours,

ROBERT E. ADAMS

R.N. 6-5-52

Robert E. Adams
Administrative Officer
Defense Minerals Exploration
Administration

REAdams/meb
6-4-52
cc to: Adm.Reading File
Mails & Files Br.
Region III (2)
Mr. Selfridge

FILE COPY
SURNAME:

Selfridge

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

Mr. H. C. Miller
Executive Officer, Region 3
1012 Flood Building
870 Market Street
San Francisco 2, California

MAY 13 1952

Re: Field re-examination
Docket No. DMA 1964 - Tungsten
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Miller:

Enclosed is a copy of a letter from Mr. Alexander Tucker who has submitted additional information and requested that the denial of the subject application be reconsidered.

Will you please arrange for a re-examination of the property which will include a close examination of the entire mineralized zone, some sampling of the mineralized outcrop, where warranted, and sampling of the entire 43-foot adit. We believe it advisable that the re-examination be made by a different field team and that it should keep in mind a possible program of surface trenching and sampling and possible diamond drilling or underground work. The latter may be tentatively considered in the field and only definitely acted upon after receipt of the assays of the samples. If it then appears that further work should be done, the project should be drawn up and detailed information concerning the necessary costs submitted. It would appear to us without knowing the circumstances that underground drifting should be done more cheaply than the $100 a foot quoted in the field report.

Please note that in the letter to the applicant we have informed him that the examination will be made only after receipt of the six signed copies of the landlord's subordination agreement which you instructed him by your letter of January 31, 1952, to send directly to Washington. If the company is unable to secure the landlord's subordination agreement and can furnish proof of financial responsibility and ability to repay the exploration assistance, then it is possible that we can waive the requirement of the agreement.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Member, Bureau of Mines

D M Lemmon
Member, Geological Survey

Copy to: Admn. Reading File
Docket
Field Team, Reg. 3
D. M. Lemmon, USGS
R. W. Geehan, USBM

FILE COPY
SURNAME:

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

Selfridge
Lemmon
Hodges
Johnson

MAY 13 1952

Mr. Alexander Tucker
260 South Beverly Drive
Beverly Hills, California

Re: Docket No. DMA 1964 - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Tucker:

This is to acknowledge receipt of your letter of May 3, 1952, in which you request reconsideration of the Administration's decision denying the above-referred-to application for exploration assistance.

As in all organizations, there is sometimes an honest difference of opinion regarding the interpretation of available data. In this particular case I believe that Mr. Johnson may have been somewhat skeptical as to the merits of the property and we definitely were. One cannot lose sight of the fact that not only metal content is important but that volume or tonnage is also. Neither one alone can contribute to a successful operation. If ore bodies are marginal in grade and narrow, dilution by mining must be taken into account with accompanying lower recoveries.

The results of the preliminary metallurgical tests on the Marsam ore which you have submitted with your letter indicate either high recovery and low grade concentrate or vice versa. This is a typical condition common to the beneficiation of many scheelite ores. Unless a concentrate meets Government specifications, it cannot command the $63.00 per unit price. Concentrates of the Marsam type seldom return more than $45.00 per unit of contained WO_3. They usually require digesting or acid treatment, all of which adds to total cost. From the field report we receive the impression that the property would be a high cost mine if $100.00 a foot for exploration is any indication of future operating costs.

Since the mineralized zone, as indicated by your letter, is much longer than originally thought and since there may be more favorably mineralized areas within it, I am requesting that the field team re-examine the zone in its entirety and in somewhat more detail. However, the examination will not be made until the company has submitted the six signed copies of the landlord's subordination agreement which Mr. Miller suggested, sometime in January, be sent directly to Washington. You should hear from Region III in the near future.

Sincerely yours,

C. O. Mittendorf (fw) 5/13

Acting Administrator
Defense Minerals Exploration
Administration

G. C. Selfridge
D. M. Lemmon, USGS
R. W. Geehan, USBM

Docket
Admn. Reading File
Field Team, Region 3

NOEL SINGER
FINANCIAL AND TAX MANAGEMENT

ALEXANDER TUCKER
ASSOCIATE

CABLE ADDRESS "NOEL"
260 SOUTH BEVERLY DRIVE
BEVERLY HILLS, CALIFORNIA
CRestview 1-5181

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 5 1952

May 3, 1952

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

Re: Docket No. DMA 1964X - Tungsten
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Mittendorf:

Receipt is acknowledged of a letter from the Defense Minerals Administration, dated April 15, 1952, in which it was stated by your department that some marginal ore was found in the above-entitled property, indicating little probability of making a significant mineral discovery on the basis of which our application for assistance in this exploratory project was denied.

It is the purpose of this letter to ask you to re-review that denial on the basis of the following information received from Mr. F. D. Shuck, who is the general manager in charge of such mine. In Mr. Shuck's letter to us, dated April 29, 1952, he makes the following statements:

"1. The Sunnyside Milling Co. is building a custom mill to be in operation in June, 1952. This mill is 11 miles from the T Bone Mine and will make what is now a marginal ore a profitable ore due to savings in hauling charges, a difference of $10.50 per ton of ore, plus any profit from the flotation concentrates which we do not get when shipping to U. S. Vanadium at Pine Creek. The flotation concentrates can be sold to the Nevada Scheelite near Fallon Nevada and gives a further saving in freight over the haul to Bishop. I am enclosing copies of the metallurgy on the Marsam ore.

Remunerative prices

"2. The revised loan in the amount of $15,000.00 was made out by Mr. Matson and F. D. Shuck and approved by Mr. Johnson of the U. S. Bureau of Mines, Reno office. The program was approved by Mr. Matson, Mining Division, and Mr. Reed Craig and Mr. Roscoe Smith of the U. S. Geological Survey according to Mr. Johnson of the U. S. Bureau of Mines DMA of Reno Nevada. The Washington denial is inconsistent with this statement.

a sum in excess of $35,000.00 in building a custom mill in the immediate mine area which will be in operation sometime in the month of June, 1952. You will note that because of the monies expended for the erection of this mill, there will be a saving of $10.50 per ton from ore mined in its immediate area. As noted, marginal ore under these circumstances becomes a profitable venture. Furthermore, the other mines in this area will be afforded an opportunity to operate profitably where heretofore they were unable to do so. In fact, it makes feasible the opening of other projects in this area. Viewing the entire project, that is, our client's mine together with the investment in the mill, plus the assistance this will furnish to other projects in the area, all together will tend to serve the best interests of the government in its desire to secure the greatest amount of tungsten ore for needed war purposes.

Under the circumstances, we feel that a reconsideration of the Department's decision is justified and the conclusion reached for the allowance of the loan requested.

Very truly yours,

Alexander Tucker

AT:cp
Enclosures

Test #3. Marsam Ore

Sample #3.

Minerals:
1. Quartz
2. Calcite
3. Garnet
4. Scheelite
5. Pyrite - Trace

Procedure: The ore was ground to 48 mesh and tabled. The middlings and tailings were combined and treated by flotation without further grinding.

Results of Test #3.

Products	Wt. Grams	$\%WO_3$	%Ext.	Reagents Lbs/Ton		Head Screen Anal. Mesh	Head Screen Anal. %	P H
Heads	2000	0.44		Soda Ash	10.0	48	8.2	11
Table Conc.	9.4	44.48	47.7	Sodium Silicate	3.0	65	13.3	
Flot. Conc.	20.1	11.40	26.3	Quebracho	0.5	100	18.3	
Tails	1970.5	0.12		Aerosol-18	0.4	150	19.4	
		Total	74.0	Oleic Acid	0.5	200	14.3	
				R.708	0.3	-200	26.5	
				B-23	0.2			

Remarks: 15.3% of the flotation concentrate was soluable in weak acetic acid due to contained calcite. Difficulty was experienced in obtaining a stable froth. In further testing, a set of reagents could probably be found that would give better results.

Test #4. Marsam Ore

Minerals: 1. Quartz
2. Calcite
4. Garnet
5. Pyrite - Trace

Procedure: The ore was ground to 48 mesh and tabled. The middlings and tailings were combined and treated by flotation without further grinding.

Results of Test #4.

Product	Wt. Grams	$\%WO_3$	%Ext.	Reagents Lbs/ton		Head Screen Anal. Mesh	%	P H
Heads	2000	0.52		Soda Ash	7.0	48	16	10
Table Conc.	5.05	34.54	16.8	Sodium Silicate	3.0	65	12	
Flot. Conc.	44.7	12.64	64.7	Quebracho	0.4	100	11	
Tails	1950.25	0.10		Aerosol-18	0.2	150	13	
		Total	81.5	Oelic Acid	0.1	200	17	
				R-708	0.2	-200	31	

Remarks: This test was run at lower PH than Test #3 to create a better froth and lower the reagent consumption. This procedure increased the extraction about 7% over that obtained in Test #3. The reagents still leave much to be desired in the way of producing a high grade concentrate by flotation. The flotation concentrate was 42.3% soluble in weak acetic acid.

MARSAM ORE Test #5

Minerals:

1- quartz
2- calcite
3- garnet
4- scheelite
5- pyrite (Trace)

Procedure: This ore was ground to 100 mesh, and treated by flotation with a ph of 9.5

Product	Wt. gms	WO_3	% Ext.
Heads	500	0.495	
Concen.	5460	4.50	98%
Tails	446	0.01	

Reagents	#/ton	Head Screen Ana. Mesh	%
Soda Ash	6.0	100	5
Sod.Sil.	3.0	150	10
Quebracho	0.4	200	26
Aerosol-18	0.2	-200	59
Oleic Acid	0.6		
R-708	1.2		

Remarks: This test was run to raise the extraction by flotation and no attempt was made to attain a high grade concentrate. The ore was ground very fine to insure the liberation of the scheelite from the gangue minerals. The flotation concentrate was then treated with weak acetic acid, and the concentrate was 62.8 % soluable in the acid.

The water used in this test was from the Spencer Hot springs wells.

Claude Hammond, Met. Eng.

FILE COPY
SURNAME:

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

Brewer
Selfridge
Hedges
Boyer
F. Johnson

APR 1 5 1952

Mr. F. D. Shuck
Maream Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

Re: Docket No. DMA 1964X - Tungsten
T-Bone Tungsten Property
Lander County, Nevada

Dear Mr. Shuck:

Your application for aid for an exploration project and other data concerning the above noted property available to us in Washington have been carefully reviewed.

The information, while noting some marginal ore distributed along a mineralized zone, indicates that, geologically, there is little probability of making a significant mineral discovery. We regret, therefore, to inform you that your application is denied.

We wish to thank you for your interest in the Defense Minerals Program and for your effort in this respect.

Sincerely yours,

(signed) FRANK E. JOHNSON (fw) F.N. 4-16-52

Acting Administrator
Defense Minerals Exploration
Administration

QLBrewer:lm
4/10/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
G. C. Selfridge
Q. L. Brewer
Operating Committee

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Acting Administrator, DMEA DATE: April 10, 1952

FROM : Iron and Ferro-Alloy Division, DMEA

SUBJECT: Denial of exploration project in the amount of $50,000.00
(Later amended to $15,000.00)
Docket No. DMA 1964X - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

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

1. Scheelite occurs in actinolite-calcite rocks which are a part of a metamorphosed sedimentary series of probable Ordovician age. The mineralization can be traced for about 3,000 feet, but, in general, is very low grade, averaging only .19 per cent WO_3 on 41 cut samples. The principal ore-bearing zone is about 30 feet wide, within which there are three mineralized "layers", each ranging from 6 inches to 10 feet in width. Those portions of the 3 "layers" which contain sufficient tungsten to be considered are very limited in longitudinal extent, thus requiring a large amount of drifting to locate them. The average grade of the "layers" is 0.20 per cent WO_3 and although the "shoots", or richer portions, may contain as much as 2.0 per cent WO_3, the average value assigned to the shoots is given by the field team as 0.44 per cent WO_3.

2. The field team notes that possible ore reserves are small; that there is a reasonable chance for the discovery of low grade ore in significant quantity; and they suggest a small drifting program, arranged in two stages, at <u>a cost of $100 per foot</u>.

3. The Commodity Division of the USGS recommends denial, noting that the mineralization is in thin beds, submarginal and that there is no likelihood of encountering sufficient tonnage to permit low cost mining and milling.

   The Commodity Division of the USBM notes that the property is marginal, but that 150 feet of drifting might be done if the proposed cost per foot were drastically reduced, but that they would, nevertheless, concur in a denial.

G. C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

FILE COPY
SURNAME:

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

Brewer
Selfridge

Acting Administrator, DMMA

April 10, 1952

Iron and Ferro-Alloy Division, DMMA

Denial of exploration project in the amount of $50,000.00
(Later amended to $15,000.00)
Docket No. DMA 1964X - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Lander County, Nevada

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

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QLBrewer'lm
4/10/52

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS

G. C. Selfridge

Q. L. Brewer

OFFICE OF THE ADMINISTRATOR

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2,Calif.

January 31, 1952

Memorandum

To: Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-1964 (Tungsten) - Mr. F. D. Shuck, Marsam Enterprises, Inc., 211 South Beverly Drive, Beverly Hills, California.

Reference is made to the letter dated October 31, signed by Tom Lyon, requesting additional information on subject property and a reworking of the applicant's original exploration proposal.

Attached are four copies of a report, "DMA-1964, Marsam Enterprises, Inc., T-Bone Tungsten Property, Lander County, Nevada", by R. M. Smith, geologist, U. S. Geological Survey, and E. J. Matson, mining engineer, U. S. Bureau of Mines, dated January 18, 1952.

According to the field team that examined the property, no ore has been shipped, and the ore reserves are small. However, they have recommended a small exploration program to determine the merits of the property. A small exploration program is probably warranted on this property. Mr. A. C. Johnson, however, is not fully in agreement that there is a possibility of developing a quantity of low-grade ore. If any ore is found, he writes, it will not be continuous but as small lenses along the strike of the deposit. It is possible, however, according to Mr. Johnson, that the ore found in these lenses may contain sufficient tonnages to repay the loan.

I am instructing the applicant to send six signed copies of the Landlord's Subordination Agreement to you directly.

The docket and correspondence pertaining to it are being returned herewith.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
FEB 4 1 13 PM '52

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

Attachments

Copy to E. H. Bailey, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

Reviewed by
DMEA OPERATING COMMITTEE
2-11-52
(date) RL

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

1944-1964, Marsam Enterprises, Inc.

T-Zone Tungsten Property

Lander County, Nev.

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

K. J. Hatson, Mining Engineer
U. S. Bureau of Mines

January 18, 1952

DOCKET DMA-1964

UNITED STATES DEPARTMENT OF THE INTERIOR - BUREAU OF MINES

MARHAM ENTERPRISES, INC.
T-Bone Tungsten Property
Lander County, Nev.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The T-Bone tungsten property is located about 20 miles by road south of Austin, Nevada. Development work on the property consists of a 43-foot adit and a few small pits.

The area is underlain by mica schist which contains layers of actinolite-calcite rock; these rocks strike west and dip steeply south. They are intruded by granodiorite, and are locally faulted. The layers of actinolite-calcite rock generally contain scheelite; the average grade of the outcrops is estimated to contain about 0.2 percent WO_3, but higher grade shoots occur locally. One of these shoots has been explored in the 43-foot adit. A sample 2 feet wide was cut at the face of the adit and assayed 0.44 percent WO_3.

No ore has been shipped, but about 50 tons of ore estimated to contain 0.4 percent WO_3 has been stockpiled near the workings. The indicated ore reserves in the adit are about 100 tons containing 0.4 percent WO_3; the inferred reserves beyond the face of the adit are 1000 tons containing 0.4 percent WO_3.

The applicant applied for government aid to complete an elaborate exploration program. After the DMA examination, the exploration program was modified and approved by the applicant.

The ore reserves are small, but as the scheelite-bearing zone is extensive and little is known about the actual size of the ore bodies, it is believed that some exploratory work is warranted. If it is in the national interest to explore such deposits, it is recommended that the application be approved.

The total cost as submitted by the applicant is $15,000 with the Government participating in the amount of $11,250. The applicant based his cost on an average advance of 2.5 feet per shift. It is believed, however, that with competent miners, the advance per shift will be nearer 4.0 feet, thus reducing the actual cost of the work.

INTRODUCTION

The T-Rose tungsten property of the Marsam Enterprises, Inc., was examined on November 14 and 15, 1951 by a joint DMA field team 1/ in regard to an application for aid for an exploration project pursuant to Mineral Order 5 under the Defense Production Act of 1950. The docket number of the application is DMA-1964 and the commodity is tungsten.

The field team was accompanied by F. D. Shuck, manager for the Marsam Enterprises, Inc.

LOCATION

The property is located in T. 17 N., R. 44 E., Lander County, Nevada. No section corners were found but it is believed to be in section 5 of the above township. It is reached by driving from Austin southeasterly on

---

1/ K. J. Matson, Mining Engineer, U. S. Bureau of Mines, Region III; R. M. Smith and H. Reid Craig, Geologists, U. S. Geological Survey.

U. S. Highway 50 (fig. 1), a distance of about 11 miles to the junction of State Highway No. 8A; thence traversing 4 miles southwesterly on State Highway No. 8A to a sign on the road reading Birch Creek. From the Birch Creek turn-off it is about 5 miles westerly to the mine. Both U. S. Highway 50 and State Highway No. 8A are paved. From the State Highway No. 8A, it is a sandy desert road with some steep grades within the last mile to the mine. Total distance from Austin to the property is about 20 miles. Austin is also the local supply center for supplies.

HISTORY

The property was located in 1942 by George W. Bong and Irma Bong, P. O. Box 15, Manhattan, Nevada. They located seven claims known as Cold Turkey, Hot Dog, Hamburger, Fried Chicken, T-Bone, Pork Chop and Sow Belly. They did only the necessary assessment work required to hold the claims.

In October 1950 three of the claims (fig. 2) namely, Pork Chop, T-Bone, and Fried Chicken were leased with option to purchase by the Marsan Enterprises, Inc., 211 So. Beverly Drive, Beverly Hills, California. Samuel Weiler is president of the corporation. Note, the name Marsan is derived from the first syllables of the first names of Mario Lanza, the noted singer, and Samuel Weiler, his manager, according to F. D. Shank, manager of the Marsan Enterprises, Inc.

DEVELOPMENT

The Marsan Enterprises, Inc., under the direction of F. D. Shank, drove an adit in for a distance of 43 feet on a mineralized lens of

scheelite. They also dug several small pits about one foot deep along the general strike of the mineralized belt.

In addition they built a 11 ft. by 17 ft. frame structure for use as a change house. It is equipped with a shower and coal burning stove for heating water; one 11 ft. by 16 ft. frame building for a warehouse; one 12 ft. by 20 ft. frame dwelling house; one 14 ft. by 12 ft. tent house and an 8 ft. by 7 ft. by 7 ft. store house partly excavated in the hillside for food storage use.

EQUIPMENT

The corporation has a 215 cu. ft./min. compressor, 2 drifters, mine car, 1 1/2-ton flat rack truck, 1/2-ton truck (Station Wagon), forge, and sundry tools.

PHYSICAL FEATURES

The property is on the south side of Spanish Creek and on the east side of the Toiyabe mountain range overlooking broad Smoky Valley. The terrain rises gradually from the valley floor and changes abruptly on the fringe of the mountains. The claims are at an estimated altitude of 8,000 feet at the mine adit with a continual rise in altitude of several hundred feet towards the crest of the ridges. The area is characterized by long ridges cut by deep ravines with drainage into Smoky Valley. Vegetation consists of pinon pine, junipers, and a variety of birch trees on the higher altitudes with willows and cottonwoods in the lower reaches. An abundant growth of sage and desert grass also covers the area.

Summers are hot and dry with little precipitation, typical of the desert regions. Winters in the higher regions and in the vicinity of the mine are sometimes very severe with heavy snow falls and freezing temperatures.

Ample water for domestic and mining purposes can be obtained from Spanish Creek. No transmitted electric power is available on the property.

GEOLOGY

The rocks of the mine area are mica schist and actinolite-calcite rock of probable Ordovician age, which are intruded by granodiorite (fig. 2). The metamorphic rocks strike east and dip steeply south or are overturned; they are cut by steep cross faults and bedding shears. The tungsten deposits are associated with the actinolite-calcite rock.

The mica schist is a unit about 1,500 feet thick; it was formed by the metamorphism of shale. The actinolite-calcite rock is interlayered with the mica schist and was evidently formed by the metamorphism of shaly dolomite interbedded with the shale. A few quartzite beds as much as 15 feet thick are also interbedded with the mica schist.

The metamorphism is probably related to the granodiorite that cuts the mica schist and actinolite-calcite rock about 1,000 feet north of the mine area. The granodiorite is a gray, medium- to coarse-grained rock, and forms bald outcrops.

The metamorphic rocks are cut by two sets of faults: One set strikes north and dips steeply; the other set parallels the bedding

which strikes east and dips steeply south in the mine area. The rocks are also cut by many quartz stringers in two sets of fractures: One set strikes north and dips gently west; the other parallels the bedding.

ORE DEPOSITS

The tungsten minerals are localized along three parallel layers of a greenish actinolite-calcite rock which contain locally quartz and calcite stringers. The three layers each range from 6 inches to 10 feet wide and are contained in a zone about 30 feet wide which is reported to continue for 3,000 feet along the strike. Two of the three mineralized layers are exposed in the adit; all three layers are exposed 200 feet east of the adit (fig. 3). All three layers are also exposed about 600 feet west of the adit.

The ore mineral is scheelite that is relatively low in molybdenum. It occurs principally disseminated throughout the actinolite-calcite rock, but was also observed in specimens taken from the quartzite beds.

The scheelite appears to occur mainly in lenticular shoots within the actinolite-calcite rock. The size of shoots is not known; the one partly explored in the adit contains scheelite erratically distributed along a strike length of about 40 feet, and has an average width of 2 feet. The average grade of the tungsten-bearing rock in the outcrops will probably not exceed 0.2 percent WO_3 but locally this rock contains as much as 2 percent WO_3. Three samples were cut across the scheelite-bearing layer in the adit. These were analyzed by the U. S. Bureau of Mines with the following results:

No.	Width (ft.)	Place	Percent WO_3
1	2.0	face	0.44
2	0.3	face	0.86
3	4.0	back	0.01*

*less than

The average grade of the three samples taken from the adit is about 0.2 percent WO_3 over a width of 3 feet (fig. 4).

The ore layer two feet wide exposed in the face assayed 0.44 percent WO_3; this assay is considered by the examining geologist to be representative of the grade of ore that has been mined from the adit.

There have been no shipments of ore from the deposit. About 125 tons of rock was mined from the adit and 60 tons from the portal approach. About 50 tons of this rock was sorted and stockpiled (fig. 3), and is reported by the owner to average 2.3 percent WO_3. This estimate of grade appears to be high; the geologist and engineer examined the stockpile by ultra violet light and estimate that the grade is more likely to average about 0.40 percent WO_3. The samples cut in the adit average only 0.20 percent WO_3 (fig. 4); it is inferred, however, that sample No. 3 was cut in a low grade or barren section of the ore layer and is not truly representative. Another group of samples cut at different places in the adit would probably be higher in grade, and it is considered that the grade of the ore may well average 0.40 percent WO_3.

ORE RESERVES

No measured ore reserves have been blocked out at the T-Bone mine, but scheelite-bearing material is indicated in the block above the adit, and is inferred beyond the face.

The triangular block above the adit is 43 feet long, 15 feet high at the west end, and the ore layer is considered to average 2 feet in width. Possibly 50 tons of ore containing 0.40 percent WO_3 may be found above the level and 50 tons below the level.

The block extending 200 feet west beyond the face shows scheelite-bearing layers on the surface which have been exposed in shallow pits; the intervening areas are covered by alluvium (fig. 3). It is difficult to calculate the ore reserves in this block, but it is inferred that the scheelite-bearing layer explored in the adit may have fair continuity in the block which is 200 feet long, 85 feet high at the west end, and 15 feet high at the east end; the ore layer is lenticular, but is estimated to average 2 feet in width. The inferred tonnage in this block is estimated to be about 1000 tons averaging 0.40 percent WO_3. Due allowance has been made for erratic distribution of scheelite within the actinolite-calcite rock.

The ore reserves are summarized as follows:

	Tons	Percent WO_3
Indicated	100	0.4
Inferred	1,000	0.4
	1,100	0.4

In addition, the two parallel layers may contain minable ore bodies. No specific tonnage is assigned to these layers, but they may aggregate an additional 1000 tons of ore containing about 0.4 percent WO_3.

SAMPLING

The tungsten showings were examined at night with the aid of an ultra violet light and observations made of the structures during the day. Two channel samples were taken in the face of the short adit on the mineralized areas or lenses. Another sample was taken 15 feet from the face on the back of the adit. Sample locations, widths, and analyses are shown on figure 4.

PROPOSED EXPLORATION BY THE COMPANY

The company at first proposed an elaborate exploration program consisting of driving an adit (already in 43 feet) for a distance of 340 feet on the mineralized zone, thence drive another adit 100 feet above this one, 170 feet in length with two 100-foot raises connecting the two adits; also a raise to surface about 100 feet long starting at the face of the upper adit.

After an examination by the DMA field team, the exploration program with the approval of R. D. Schuck, manager of the Marsam Enterprises, Inc., was modified. The best method of exploring the mineralized zone, in which the tungsten bearing rock is localized along three parallel layers, appears to be in two phases as follows:

First phase:

a. Drive the present adit an additional 100 feet west (already in 43 feet) following the mineralized lens in the face (fig. 5).

b. Thence drive a crosscut from the face of the adit for a distance of 25 feet north and 25 feet south. Purpose of the crosscuts are to explore the width of the tactite zone in search of parallel mineralized layers. Total drifting and crosscutting would amount to 150 linear feet.

Second phase:

If ore bodies of commercial size and grade are found in the main adit or the crosscuts at the conclusion of the first phase, then another examination would be required to determine whether it would be best to repeat the first phase as shown by figure 4 or drift on the best showing in the crosscuts.

CONCLUSIONS AND RECOMMENDATIONS

The ore reserves are small, but as the scheelite-bearing zone is extensive and little is known about the actual size and grade of the ore bodies, it is felt that some exploratory work is warranted. Although this property is still in the prospect stage, it is concluded that there is a reasonable chance for the discovery of a significant quantity of low grade tungsten ore. If it is in the national interest that exploration of such deposits be encouraged, it is recommended that the application be approved.

It is recommended that an exploration contract be granted the Marmon Enterprises, Inc., on the modified program as shown by figure 5. If no ore has been encountered at the end of the first phase, no further work is recommended.

The costs as shown by the applicant are relatively high per foot advance for drifting and crosscutting. The applicant claims that from the experience gained from driving the adit (43 feet) to date, he has averaged only 2.5 feet per shift, and requires two shifts to complete a round. That is, he can break 4 to 5 feet per round, but it takes 27 drill holes and two shifts to complete the cycle. According to Mr. Schuck, the ground is slow drilling. An experienced and competent miner could probably reduce the number of holes from 27 to at least 20 and complete a drift round per shift thus reducing the overall cost of the program.

The applicant based his costs, however, on an average advance of 2.5 feet per shift with a total cost of $15,000 for the first phase. On a matching fund basis, the Government's share would be $11,250.

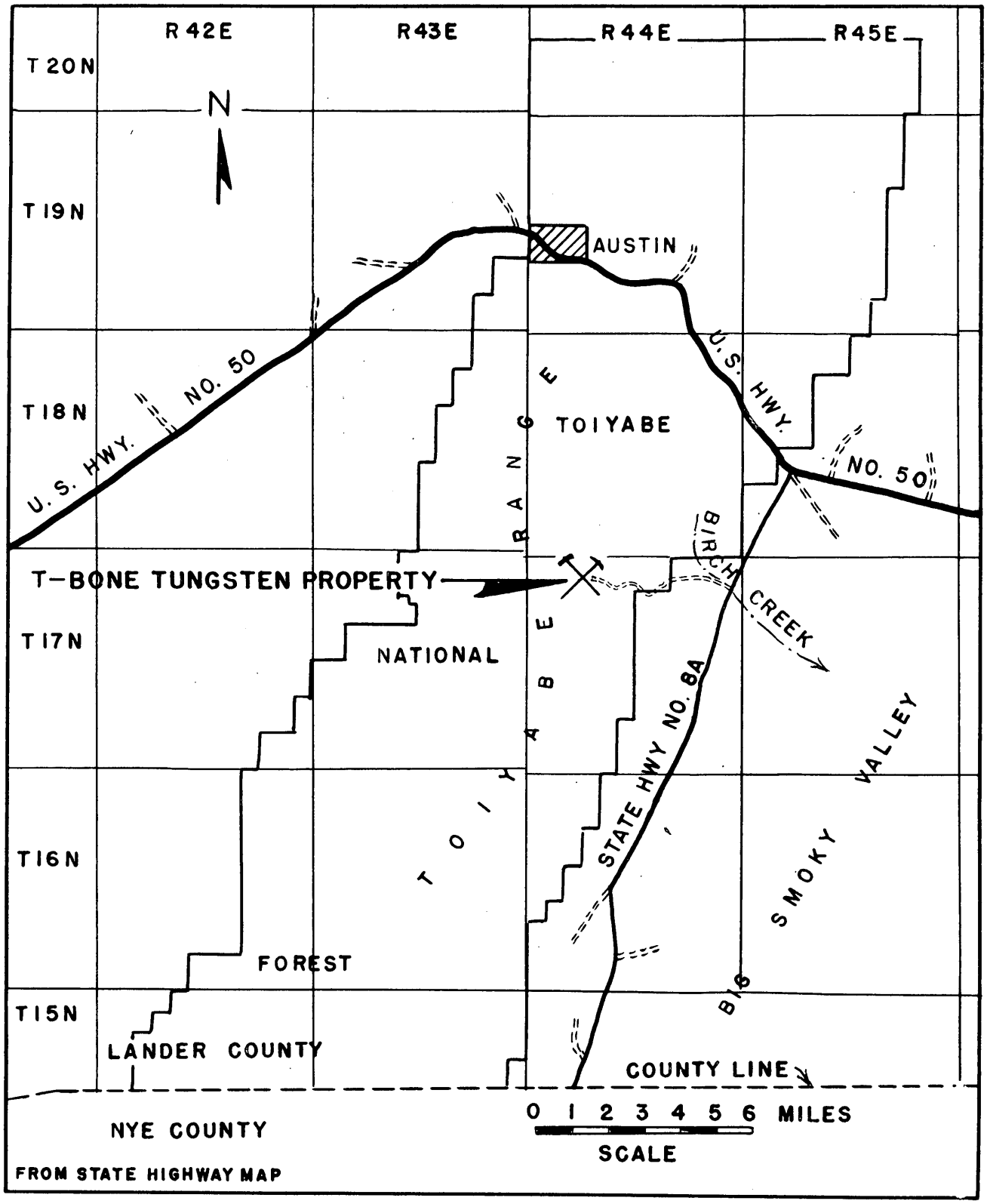


FIG. I.- LOCATION MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA

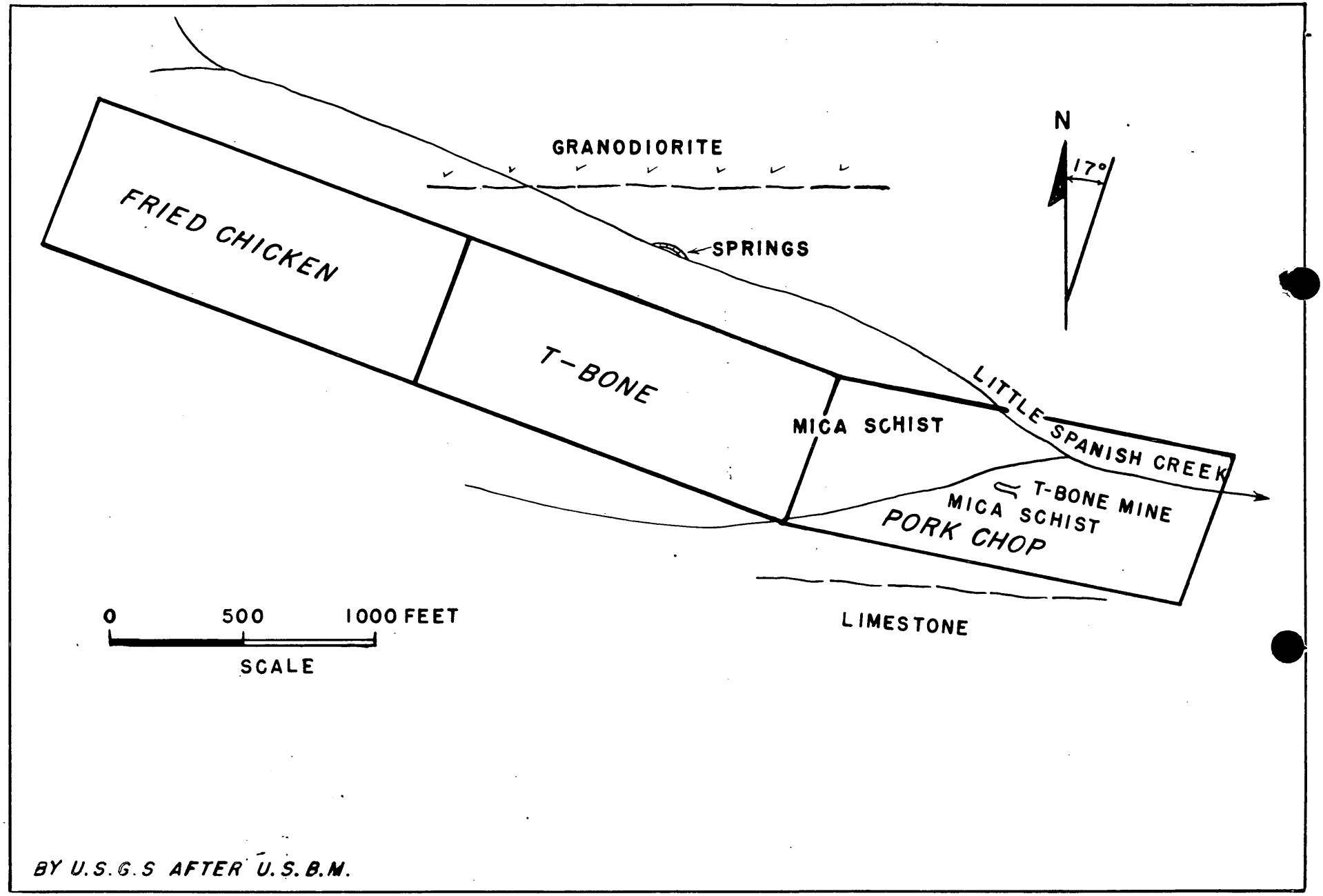


FIG. 2,-CLAIM MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY), LANDER COUNTY, NEVADA

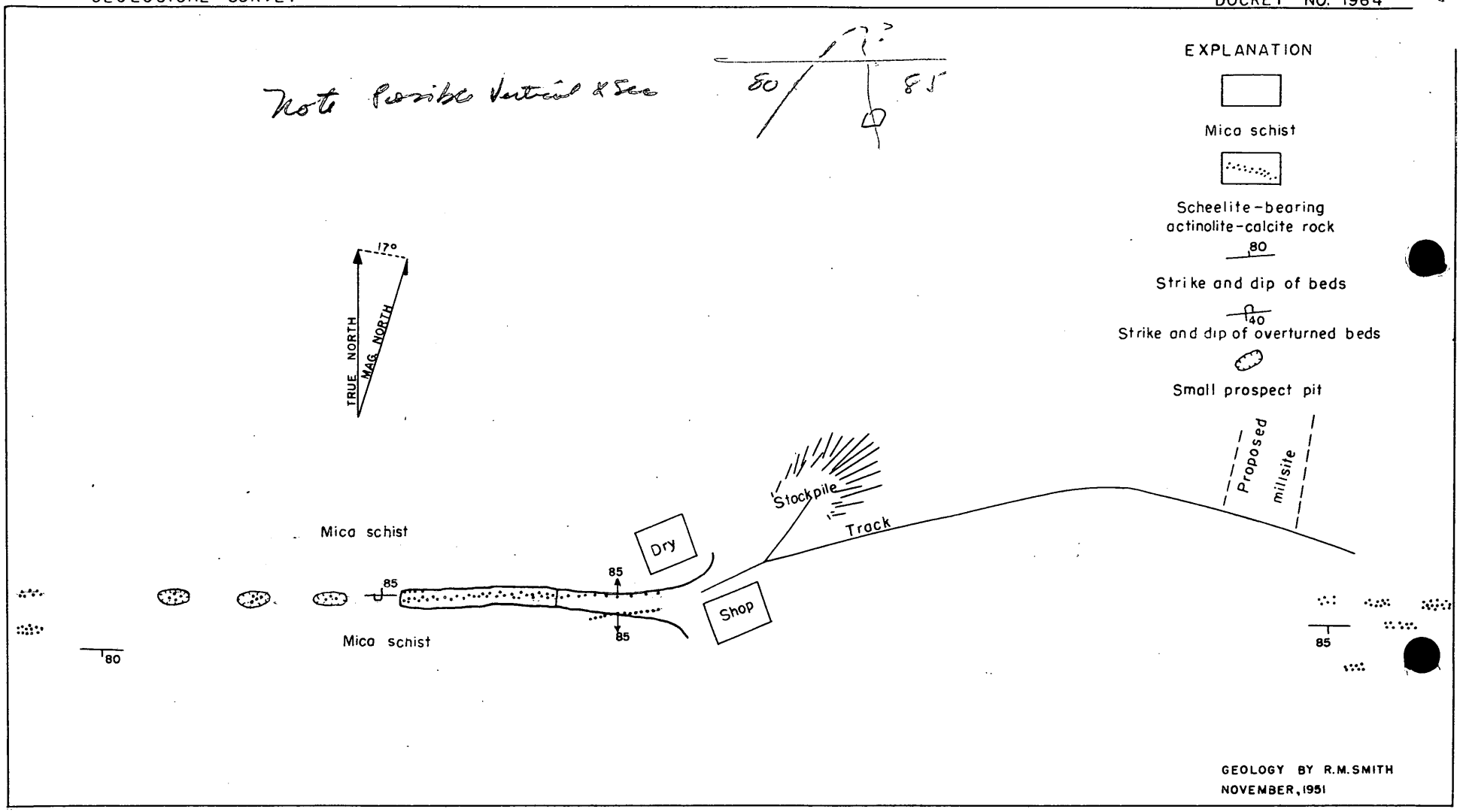
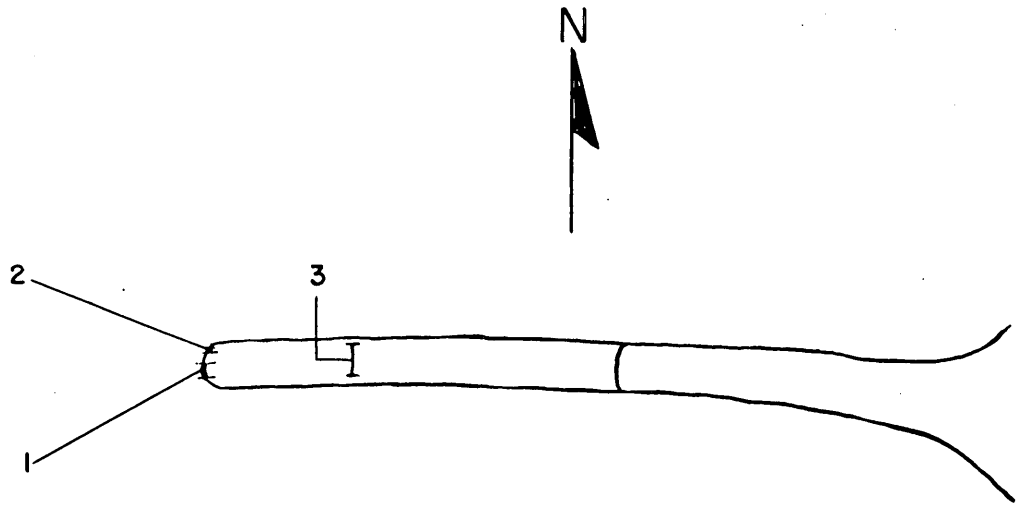


FIG. 3 GEOLOGIC MAP OF THE T-BONE TUNGSTEN MINE

BIRCH CREEK MINING DISTRICT

LANDER COUNTY, NEVADA

0 40 80 FEET
Scale



NO.	WIDTH (FT.)	PLACE	%	
			WO_3	Mo
1	2.0	FACE	0.44	0.01
2	0.3	FACE	.88	.02
3	4.0	BACK	.01*	.01*

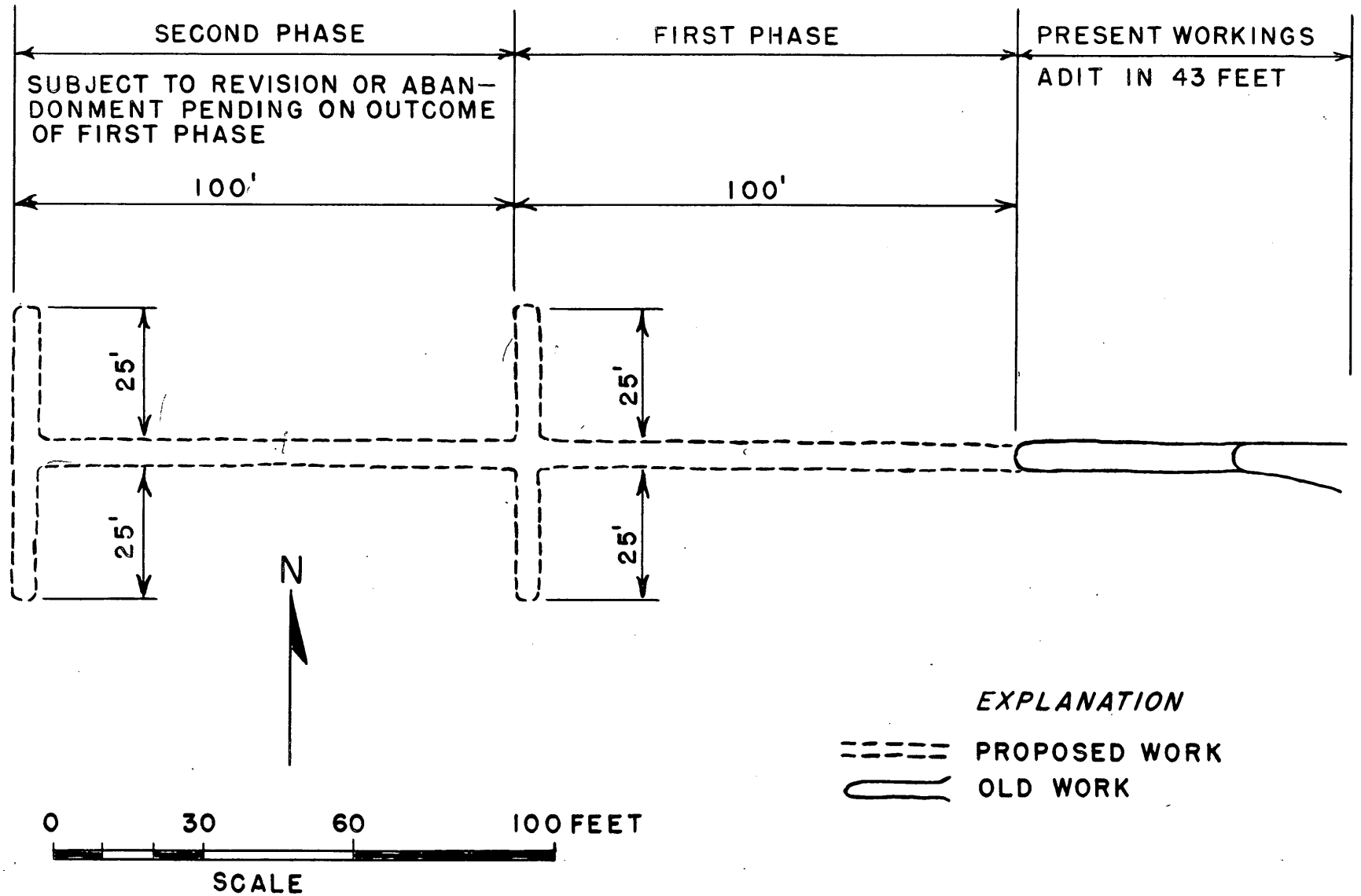
* LESS THAN

0 10 20 30 40 FEET

SCALE

BASE MAP FROM U.S.G.S.

FIG. 4.-ASSAY MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA



PREPARED WITH APPROVAL OF F.D. SHUCK, MGR., MARSAM ENTERPRISES, INC., BY DMA FIELD TEAM

FIG.5 – PLAN OF PROPOSED EXPLORATION PROGRAM – MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA

400

FILE COPY
SURNAME:

Brewer
Selfridge

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

JAN 29 1952

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

Re: Docket No. DMA 1964X - Tungsten
Marsam Enterprises, Inc.
T-Bone Mine
Lander County, Nevada

Dear Mr. Miller:

A field appraisal of the above noted property was requested of your office by letter dated October 31, 1951, and our local information is that the property has been visited.

Please advise us as to the status of your report at this time.

Sincerely yours,

1/29/52

George C. Selfridge

Acting Administrator
Defense Minerals Exploration
Administration

QLBrewer'lm
1/24/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. III
G. C. Selfridge
Q. L. Brewer

PN

MARSAM ENTERPRISES, INC.
211 South Beverly Drive
Beverly Hills, California

November 24, 1951

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

Dear Mr. Miller:

In reference to our application, DMA-1964, for an exploration loan on our tungsten property, Marsam Enterprises, Inc., (T-Bone Tungsten) in Spanish Canyon, Lander County, Nevada:

Mr. E. J. Matson of the Bureau of Mines examined our property on November 14 and 15. There was a question that in our original program that we had included to much development work under the exploration program. The program has been discussed with Mr. Johnson and Mr. Matson of the Mining Division and they are in agreement that the program of drifting and crosscutting in the amount of 150 feet is warranted to explore the possibilities of this property. This program will cost $15,000 to complete.

Mr. Roscoe Smith and Reed Craig of the U. S. Geological Survey examined the property with Mr. Matson and they are in agreement that this program is warranted.

The program suggested by the engineers of the Bureau of Mines and the U. S. Geological Survey is satisfactory to me.

Very truly yours,

F. D. Shuck

F. D. Shuck, Mgr.

3/14

Dma 1964
Juicystan -
Marsam Enterprises
T-Bone Mine
Lander Co, Nevada

Mr. Gerhans -

Herewith - The original application
Supplementary data
letter to Miller - on reversal
Thayers opinion (USGS - Oct 19)
Field Team Report 2/11
Letter from Miller 1/31
Lemmons opinion 3/12

This is a marginal property.
The various data herein show differing conclusions
I think Lemmons conclusions add up to a denial, altho he doesnt specifically say so - Certainly he shows no basis for a contract.

A little more definiteness will be appreciated

G F Brewer

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

April 4, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Robert W. Geehan, Bureau of Mines

Subject: Marsam Enterprises, Inc. - DMA 1964
T-Bone Tungsten Property
Lander County, Nevada

This is a marginal property. There is not a very good chance to locate ore that will be of commercial value at this deposit. However, the Field Team suggests "If it is in the national interest that exploration of such deposits be encouraged, it is recommended that the application be approved."

I feel that this deposit is on the margin where either approval or rejection can be justified. However, the applicant's proposal for drifting at a cost of $100 per foot is prohibitively high and would call for rejection. If this estimate is reduced to $50, or even $60, I recommend approval of 150 feet of work. However, if you feel that rejection is desirable, I will not object.

Robert W. Geehan

Robert W. Geehan

Attachment

Copy retained 400

IN REPLY REFER TO:

G-MD-DML

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

March 12, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, U.S.G.S.

Subject: Field Report on exploration application DMA 1964 - Tungsten
Marsam Enterprises, Inc.
T-Bone Tungsten Property
Sec. 5, T. 17 N., R. 44 E.
Toyabe Range, Lander County, Nevada

The T-Bone property was examined on November 14 and 15, 1951 by R. M. Smith of the Geological Survey and E. J. Matson of the Bureau of Mines. Their report, dated January 18, 1952, recommends consideration of a proposal to drift 100 feet west from the face of the present 43-foot adit, and to crosscut 25 feet north and south from the new face. This work will cost $15,000 ($100 per foot) according to the applicant.

The field examination showed that scheelite is present in 3 layers of actinolite-calcite rock in schist. The layers are 1/2 to 10 feet wide; in the adit, the layer exposed is 40 feet long, 2 feet thick, and averages about 0.4 percent of WO_3. The average content of WO_3 in the outcrops is about 0.2 percent.

The field team estimate of inferred ore reserves in the adit and for 200 feet west is 1,100 tons containing 0.4 percent of WO_3. In addition, 1,000 tons of similar grade may be present in parallel layers.

Conclusions

1) The mineralization described on the T-Bone claims contains 0.4 or less percent of WO_3, is in thin beds, and is submarginal at this locality because there is no likelihood of sufficient tonnage to permit low-cost mining and milling.

2) The proposed cost of the project is excessive for the amount of mineralization that might be found. The actual work proposed by the field team as stage 1 should be done for about a third of the estimated cost.

1 copy for 400 files

3) Trenching and sampling of mineralized zones at the surface should be done in much greater detail before underground workings are warranted.

4) The sampling and/or assaying done by the applicant is suspect.

Recommendation

The property might warrant a little exploration as suggested by the Field Team. However, it appears that the mineralization will be submarginal, and no significant discovery will be made. Therefore, it is recommended that the application be denied unless the applicant can bring his costs down to a reasonable basis.

Dwight M. Lemmon

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : George B. Holderer DATE: October 19, 1951

FROM : T. P. Thayer

SUBJECT: DMA-1964 - Marsam Enterprises

The sampling on the main vein indicates an average grade of about 0.2 percent WO_3, too low to be minable. The general sampling appears to contradict the high values (1.22 and 2.3 percent) said to have been found in the cut at the base of the hill. The probable explanation would be that the cut is in an ore shoot, the size of which appears to be the nub of the problem.

The assay reports on milling do not make sense, and I wonder if the applicant isn't as puzzled as I. I had supposed Smith Emery to be a good outfit, but if quoted accurately, someone certainly slipped on his calculations.

On the basis of the data submitted I see no justification for 500 feet of drifts and 300 feet of raises, at a total cost of $50,000.

The proposal will have to be referred to the field for checking as to grade and size of the possible ore shoot, and a reasonable exploration program.

OCT 3 1 1951

[illegible] Miller, Executive Officer
[illegible], Region III
[illegible] Federal Building
[illegible] Market Street
San Francisco, California

Subject: [illegible] - Application - [illegible] Lack
[illegible] Motor Corporation, Inc.
[illegible] South Beverly Drive
Beverly Hills, California

Dear Mr. Miller:

We are completing the above subject for additional information. The applicant has submitted a list of 4 locations, most of which include numbers to correspond. Our main objection would be the [illegible] drift. We would be agreeable with extending the [illegible] drift another 1[illegible] feet if the applicant so desires.

We would like some [illegible] taken, particularly since the [illegible] of October 14, 1951. The applicant [illegible] believe this should be done by an independent assay office. This would eliminate the assay office from the west coast.

[illegible] other cost items seem to be [illegible]. Some items have been [illegible] instead of [illegible], [illegible] steel, [illegible], [illegible]. [illegible] is a good example of this. [illegible] for [illegible] the applicant are [illegible] to buy a [illegible] truck for [illegible] for [illegible] truck [illegible] and [illegible] for the field team to [illegible] into the applicant's cost figures carefully.

We believe that two or three [illegible] explorations [illegible] be [illegible] from the [illegible] of a plot in lieu of the [illegible] exploration [illegible] is needed.

[illegible] your [illegible],

SIGNED

[illegible] Chairman
[illegible] Committee

[illegible]:bby: c
[illegible] Oct. [illegible], 1951
[illegible]: Adm. Heading File
[illegible] Market File
[illegible]
[illegible] Mr. Lynch
[illegible] Mr. Seehan
[illegible] Mr. Holmes

FILE COPY
SURNAME:

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

Holderer
Jacoby

SEP 7 1951

AIR MAIL

Marsam Enterprises Inc.
Mr. F. D. Shuck
211 South Beverly Drive
Beverly Hills, California

In reply please refer to
DMA-1964

Dear Mr. Shuck:

We have had your application under consideration and find that insufficient information has been submitted in answer to some of the questions. Before an additional action can be taken it will be necessary for you to supply us with this information.

In answer to question 21 you have not given us a clear concise proposal of work or the time schedule for the accomplishment of this work.

Question 22 asks for assay maps, report of assays and the reason why you believe ore might be found. If Mr. Robinson has made a report or has assay results on the samples he has taken, these would help us form an opinion. Maps of the area and geologic cross sections are needed.

You have given answers to a number of items in question 23 but the following need answering;

(23a) Salaries of men to be employed
(23b) Salary of supervisor
(23c) Cost of necessary repairs
(23d) Cost of necessary installations
(23e) Cost of necessary equipment
(23f) Cost of necessary rental equipment
(23g) Rental value of item owned by applicant to be used on the job
(23h) Cost of material and supplies
and item 24 needs a complete answer.

Upon receipt of the above mentioned information prompt action maybe expected on your application.

Very truly yours,
SIGNED
George B. Holderer, Chief
Ferro-Alloys Branch

JF 9/7

CHJacoby:ec
Sept. 6, 1951

CC: Adm. Reading File
Reports & Records Unit
Mr. Holderer

Supplemental Report
as of July 14, 1951.

16 & 22/

Mr. Sumner Robinson, a geologist recently graduated from the Washington School of Mines, spent some time on the T BONe group of claims and his report is included here. He cut 24 samples on exposures above the tunnel site and they were assayed by Deason and Nichols and the U.S.Vanadium Co. An assay sheet is attached. These samples were cut from the surface and included what rock could be broken off the exposed vein, and taken at 20 foot intervals. Since they are 800 feet above the place of operation, they have little or no bearing on the present project.

After the road was finished on June 16, 1951, the 2 veins exposed were sampled and assayed on the surface.

2 feet south vein - 0.20 WO_3
4 feet north vein - 0.30 WO_3

A cut was run to the north vein and across the north vein. A sample across the vein assayed 0.45% WO_3. This sample was 4 feet below the surface. The cross cut to the north vein was turned into the vein and about 12 feet of cut was made into the vein. Twenty two sixteen cubic foot cars of vein material was piled on the dump. About 22 cars were sorted and four cars thrown away as waste. Assays were taken from the two piles of ore and are included in this report.

	width	% WO_3	Value @ $63.00 unit
Sorted ore	6 ft	2.3	$1,54.90
Mine run	6 ft.	1.22	76.86

Work on this cut is continuing to a point where the face is high enough to start the drift. Ore will be saved and waste separated by dividing the dump into ore and waste piles.

At present two men are hand working in the cut hoping that I will finish this application and get some equipment to start machine drilling. They are enthusiastic and want to see a mill running and stop throwing ore over the dump.

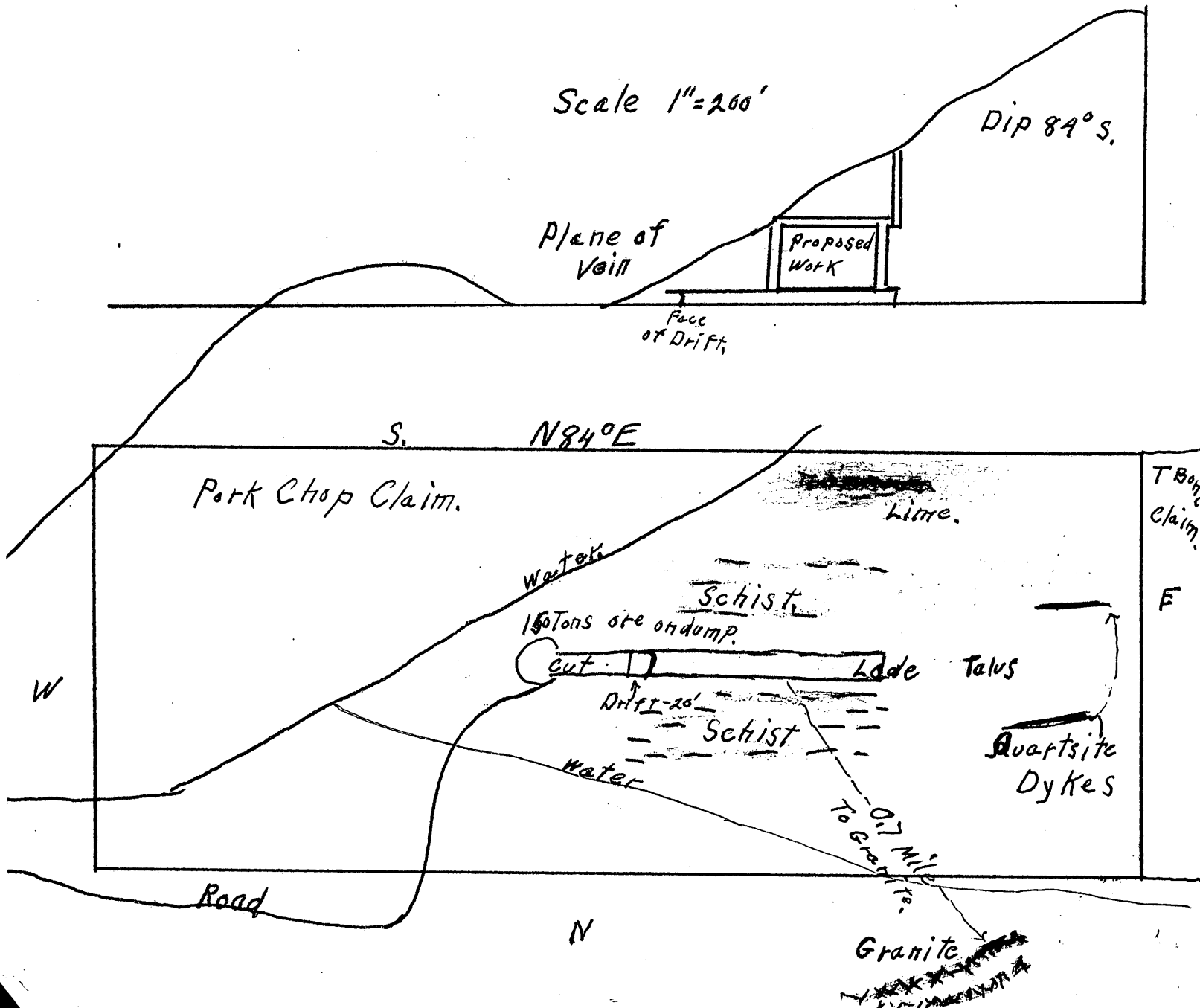
F. D. Shuck
Manager

22.

D.M.A 1964.

Marsam Enterprises.
211 S Beverly Dr
Beverly Hills Cal.

Birch Creek
Austin Nevada.



SPECTROGRAPHIC QUALITATIVE

ANALYSIS

Date May 14, 1949

Element	Estimated Quantity
Mark; "Sample #1"	
Silicon	Main Constituent
Calcium	1% - 10%
Iron	1% - 10%
Magnesium	1% - 10%
Aluminum	1% - 10%
Lead	1%
Tungsten	1%
Sodium	0.1% - 1%
Manganese	0.1% - 1%
Arsenic	0.01% - 0.1%
Zinc	0.01% - 0.1%
Copper	0.01% - 0.1%
Antimony	0.01% - 0.1%
Titanium	0.01% - 0.1%
Barium	0.01% - 0.1%
Zirconium	0.01%
Bismuth	0.001%-0.01%
Strontium	0.001%-0.01%
Chromium	0.001%-0.01%
Boron	0.001%-0.01%
Tin	0.001%
Gallium	0.001%
Vanadium	0.001%
Nickel	0.001%
Cadmium	0.0001%
Silver	Present

Estimated Quantities to the nearest factor of ten

Smith - Emery Co.

John Herman
Chemist

22

This is all I have of Robinson Report. The earlier report was sent to the Main Office to be included in the application. Must have been lost?

F.E. Hatch
Bird Creek
Austin
Nevada.

Docket No-DMC 1964.

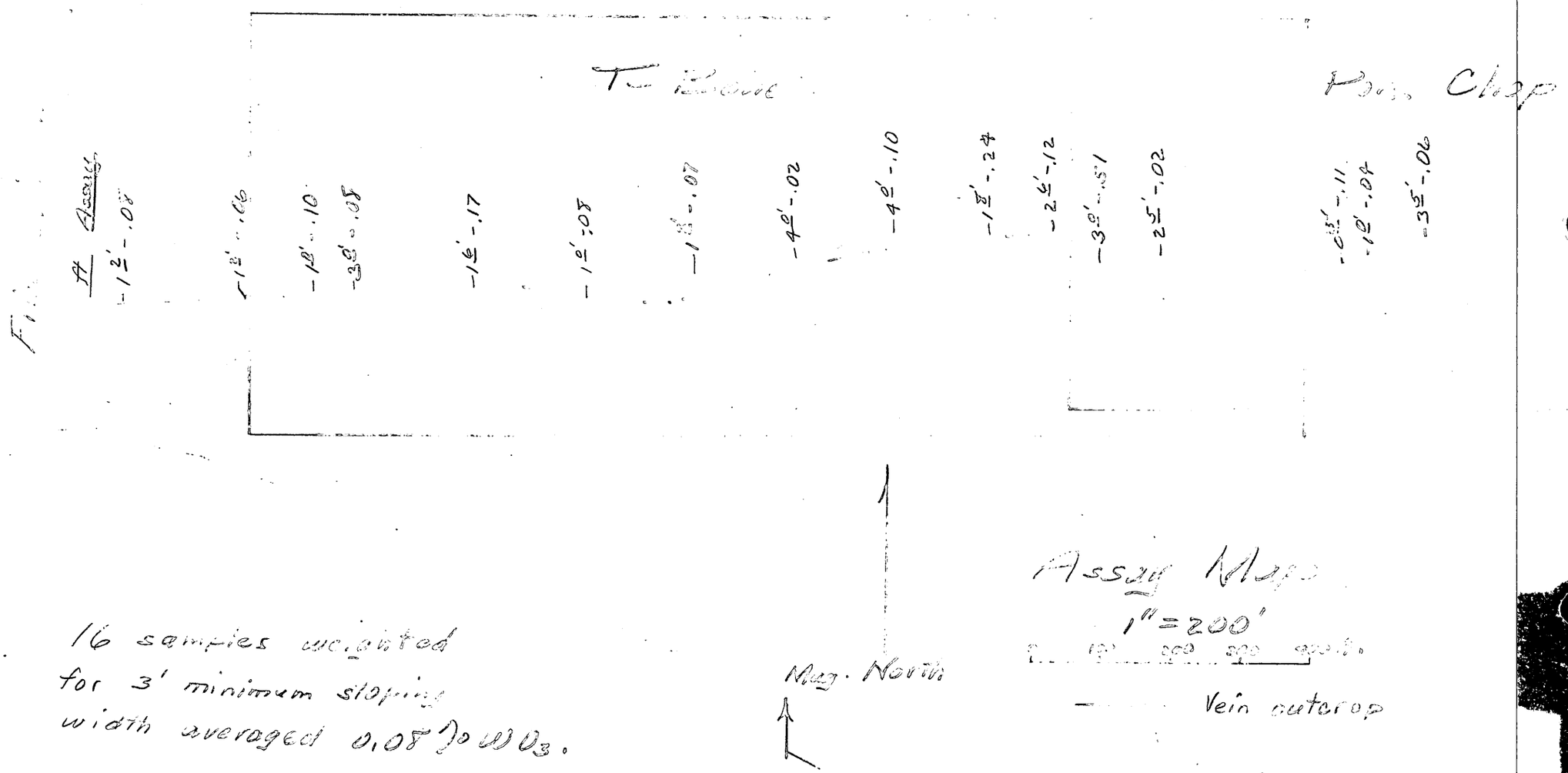
Fried Chicken

Fig 3

469 — 4.6' —
— no vein
— 1.2' —
— 3.8' —
— 4.9' —
— 3.9' —
— 3.2' —
— 4.8' —
— 4.0' —

Box Canyon

Mesoam Enterprises
211 S Beverly Dr.
Beverly Hills
Cal.



16 samples weighted for 3' minimum stoping width averaged 0.08% WO_3.

This section zone averaged 0.13%

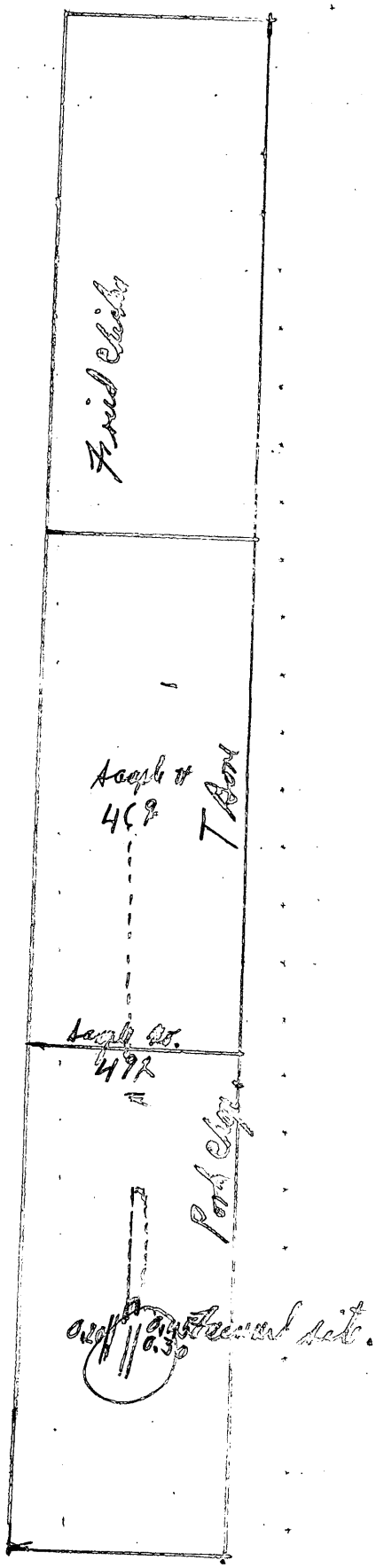
ROBINSON'S SAMPLES

Taken May, 1951.

Sample Tag No.	Robinson's No.	WO_3%	Value $ per ton	Distance from previous sample	Assay Office
469	1	0.07	$ 4.61	0	U? S. V
470	2	0.22	13.86	20'	D & N
471	3	0.02	1.26	20'	U. S. V
472	4	0.06	3.78	20'	U. S. V
473	5	0.08	5.04	20'	D & N
474	6	0.05	3.15	20'	U. S. V
475	7	0.17	10.71	20'	U. S. V
476	8	0.38	23.94	20'	D & N
477	9	0.11	6.93	20'	U. S. V
478	10	0.18	11.34	20'	U. S. V
478	?	0.22	13.86		D & N
479	11	0.12	7.56	20'	U. S. V
480	12	0.24	15.12	20'	D & N
481	13	0.12	7.56	20'	U. S. V
482	14	0.20	12.60	20'	D & N
483	15	0.28	17.64	20'	D & N
484	16	0.16	10.08	20'	D & N
485	17	0.22	13.86	20'	D & N
486	18	0.22	13.86	20'	D & N
487	19	0.02	1.26	20'	U. S. V
488	~~20~~	~~0.02~~	no sample		
489	20	0.42	26.46	40'	D & N
490	no assay				
491	21	0.50	31.50	40'	U. S. V
492	22	0.38	24.54	20'	D & N

Map on other side.

U. s Vanadium Corp. Deason & Nichols


Field Clerk
Sample No. 49B
T Boy
Sample No. 49A
Pork Shop
0.25
0.3
Second Sect.

Telephone 9-9962

Certificate of Assay
DEASON & NICHOLS
Assayers & Chemists
160 So. West Temple St
Salt Lake City 1, Utah

Leverett Davis E.M.
13020 1st Ave N.E. Seattle 55, Wash.

Assay per ton of 2000 pounds
Samples by S. A. Robinson

Description	No.	Tungsten (WO_3)	Moly (Mo.)
451	1	0.96	
452		0.08	
453		0.06	
454		0.10	
455		0.08	
456		0.17	
457		0.08	
458		0,07	
459		0.02	
460		0.10	
461		0.24	
462		0.12	
463		0.51	
464		0.02	
465		0.11	
466		0.04	
467		0.06	
468		0.56	0.070

18 @ $4.00

41 | 7.82 .19
41
372
369

Charges $ 56.00

Signed Wm J Deason

.07

.22
.02
.06
.08

.22

.22

.02

.42

.50
.38

469 - #1

no sample #2 - no vein

470 #3

471 #4

472 #5

473

475 - #7 [illegible]

[illegible]

[illegible] #[illegible]

no sample #[illegible] no vein

[illegible] - #20

not dug #21

no sample #22 no vein

[illegible] #[illegible]

[illegible] #[illegible]

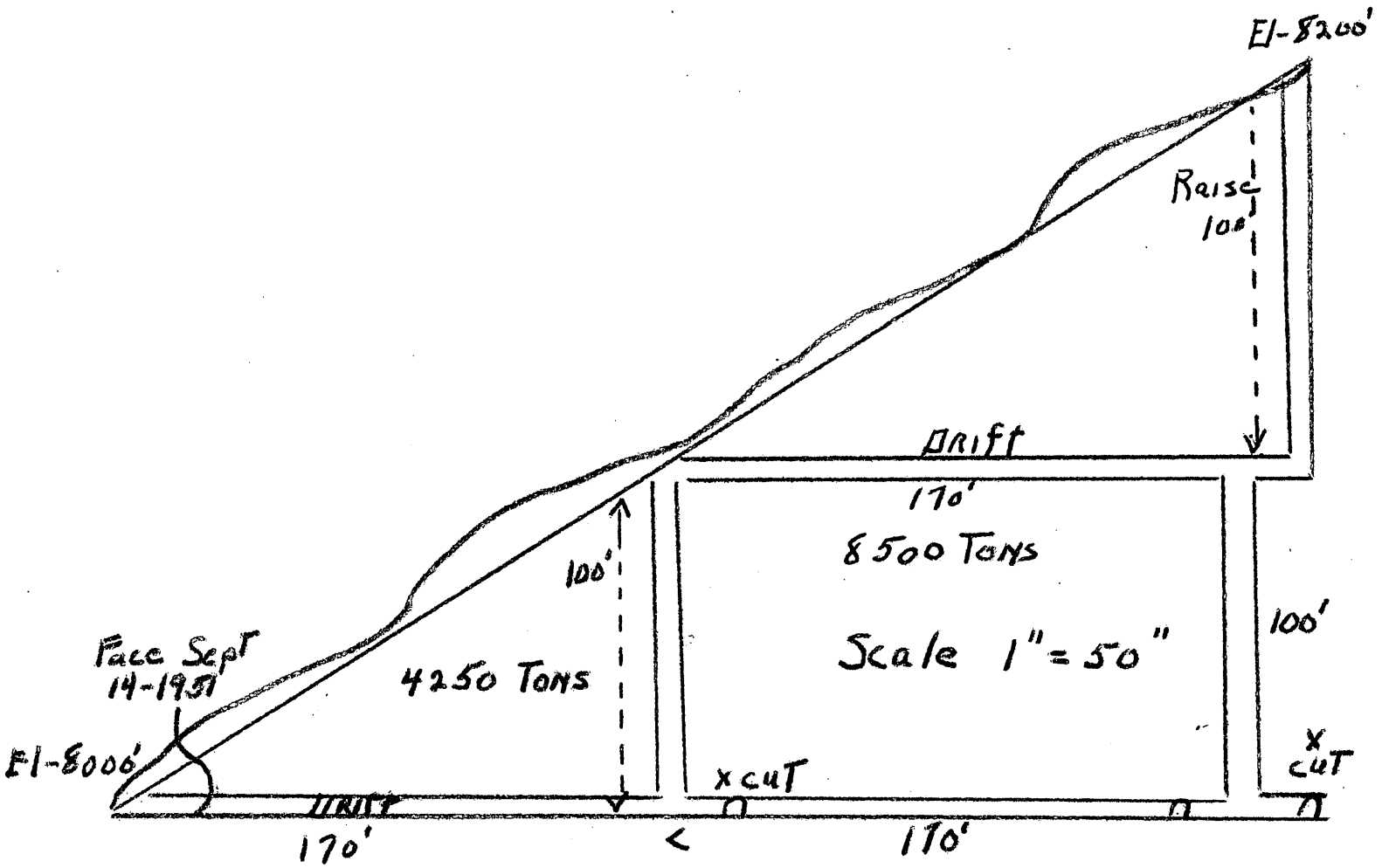
[illegible]

492 - #[illegible] last sample

21. Time schedule to complete the development work as per sketch, figures 8 working months after funds are available, to complete this development project. We cannot WORK during January, February and March due to snow making the road impassable and the water supply will be frozen.

PLAN SHOWING PROPOSED

EXPLORATION WORK



22. Assay reports.

Mill run of 35 lbs. ore from surface croppings on Pork Chop claim.

Fred Adams assays.

Heads - calculated from tails plus recovery ---	1.42% WO_3
Fine tailings - minus 30 mesh ----------	.28% WO_3
Coarse tailings - plus 14 mesh ----------	.82% WO_3
Concentrates ----------	51.28% WO_3

Smith Emery Co. Assays on same pulp as Fred Adams

Heads - calculated from tails plus recovery --	0.549% WO_3
Fine tailings ----------	1.43% WO_3
Coarse tailings ----------	.53% WO_3
Concentrates ----------	38.14% WO_3

I do not have a copy of Robinson's report on the geology. I enclosed it and four copies with the original application. Apparently they were lost. Am enclosing all of Robinson's data that I have. Robinson did not complete his examination as Mr. Davis, his employer, called him to Oregon totest a mercury deposit.

I have no maps of the area and have enclosed a sketch of the geology of the lode and wall formation, also samples of walls and ore. Also an analysis of ore.

Nevada Mineral Laboratories

Surface south vein 2' wide ----------	0.20% WO_3
Surface north vein 6' wide ----------	0.30% WO_3
4' deep on north vein 6' wide ----------	0.45% WO_3

All samples taken from cut at tunnel site.

This ore has continued to improve as the cut advanced and the ore is now like the grab sample from yesterday's round 20 feet underground. Said sample is being mailed under separate cover.

The reasons I believe ore might be found are as follows:

We have a strong continuous lode bearing scheelite traceable for 3000 feet. Lamping shows scheelite on all the croppings. Assays show commercial values in sorted ore.

Ore improved as soon as we got below the surface erosion and leaching and has continued to improve.

The drift which we are driving is in ore. See sample.

The granite being 3/4 mile away gives a chance for a deep seated ore body.

22. (cont)

We have ore - we have water - we have a millsite at the mine. For all these reasons I believe the ore will continue to be good and will develop a mine.

We have 150 tons mill ore on the dump and are putting out about 10 tons a day from the drift.

22. Shuck(s report - Sept. 1950 and July 1951. (sent in and lost?)
Robinson's report - May 1951. (sent in with original applic.Lost?
Analysis - Mill test of samples
The assays on the surface at the tunnel site were 0.20 for the south vein 2 ft wide and 0.30 for the norht vein 6 ft wide.
At a depth of 4 feet the assay was 0.45 WO_3 on the north vein and 6 ft wide.
12 feet ahead of the last samples shown the ore lamped better than the best samples ever seen and a sample of sorted orewas taken and one of mine run.

Sorted ore 2.3%
Mine run 1.22%

The drift will be started in ore.
The known length of this lode is 3000 ft on this property.
The difference in elevation of 1100 ft between the lower and upper exposures and the distance to the granite plus the surface values in Tungsten indicate ore bodies of considerable size.

23.a&b Six miners at $12.00 per shift - 24 shifts a month, 1½ time for sixth day
One foreman at $400.00 per month - also acts as top man, blacksmith, and timber framer.
Manager at $500.00 per month - also does assaying, surveying, mechanic, purchasing, business and contacts.
Book keeper at $100.00 per month.
Insurance, social security, unemployment insurance - 15.2 % of payroll.
Approximately $825.00 per week for labor.
Project to take 24 weeks after start of drift. Total for labor approximately $19,800.

c. Repairs to compressor estimated $300.00

d. Camp and housing $5000.00.
Change room, compressor house, powder magazine, assay office, equipment and supplies for assay office blacksmith shop $6600.00.

e. Blower and engine $400.00
Water pump for upper level $350.00.
Stoper, steel, hoses, bits, $850.00.
Drifter, steel, bits, hoses, $850.00.
Drill column, arm and clamp, $125.00
2 tuggers, cable and sheaves at $500 each - $1,000.00.

f. Standby compressor rental at $185.00 per month.

g. $300 per month.

h. Powder 9,600 lbs at 25¢ per lb - $2400.00.
Primers, 3436 at 2¼¢, $77.31.
Fuse, 10 reels at $32.00 - $320.00.
Carbide 3456 lbs at 7½¢ - $245.00.
Timber and chutes for raises 11,000 ft at 10½¢ - $1155.00.
Nails and wedges - $42.00.

23 h (cont)

Timber for ten drift sets in case we need them 5000 feet @ 10½¢ ---------- $ 525.00
Wedges and blocks---------- 25.00
The above timber was figured in detail.
Track, 1020 feet 12 lb. rails, 170 ties, 100 fish plates, 680 spikes, no price quoted on rails, fish plates and spikes but @ $200 a ton the estimate for the track is ---------- 500.00
Water pipe , 900 feet of 1" pipe @ 24¢ -------- 216.00
900 ft. of 2" air pipe ¢ 60¢ ---------- 540.00
710 ft. of ventilation pipe @ 40¢ ---------- 264.00
Wire to hang pipe ---------- 10.00
Three quarter ton four wheel drive pickup------ 1600.00
Hand tools ---------- 250.00
Freight and hauling estimated ---------- 1000.00

i Power. 2 gallons of gasolene per hour @ 26¢
12 gallons per shift,3456 gallons ¢ 26¢-------- 879.56
Oil and grease ---------- 50.00

Total cost of project estimated without contingencies, $44,401.87
5,598.13 - contingencies which I have been unable to think of
$50,000.00 - Total for project.

24

Time schedule of project.

Start one shift - 3 men working in drift as soon as funds are available. At the same time start building housing for 7 men to be completed in 60 days.

Lower drift to be completed in 50 days work or two months.

1st raise to take 30 days, to be started when lower drift is in 190 ft and to be completed about the time lower drift is finished at 341 ft.

Second drift to take 40 days and
Second raise 40 days.

$60 + 50 + 40 + 40 = 190$ working days.

$\frac{190}{6} =$ 32 weeks or 8 months of work to complete the project. January, February and March are idle months due to snow closing road and frozen water supply.

24. (cont.)

$5000	- Housing
6600	- Shop and mine buildings
400	- Blower and engine
850	- Drifter
125	- Bar arm and clamp
185	- compressor rental
525	- Drift timber
25	- Wedges and blocks
1600	- Three quarter ton four wheel drive pickup
250	- hand tools
1000	- Freight
$16560	- Needed immediately.

The balance of $33370 will be used for equipment and labor during the next six months of work until completion of the project.

We wont need a pump or tugger or stoper until we start the first raise, nor will we need the raise timbers.

This places a time money schedule as follows:

First two months - $16560.00
Third month - 5561.00
Same for other 5 months except that supplies of timber will be bought for raises at once.

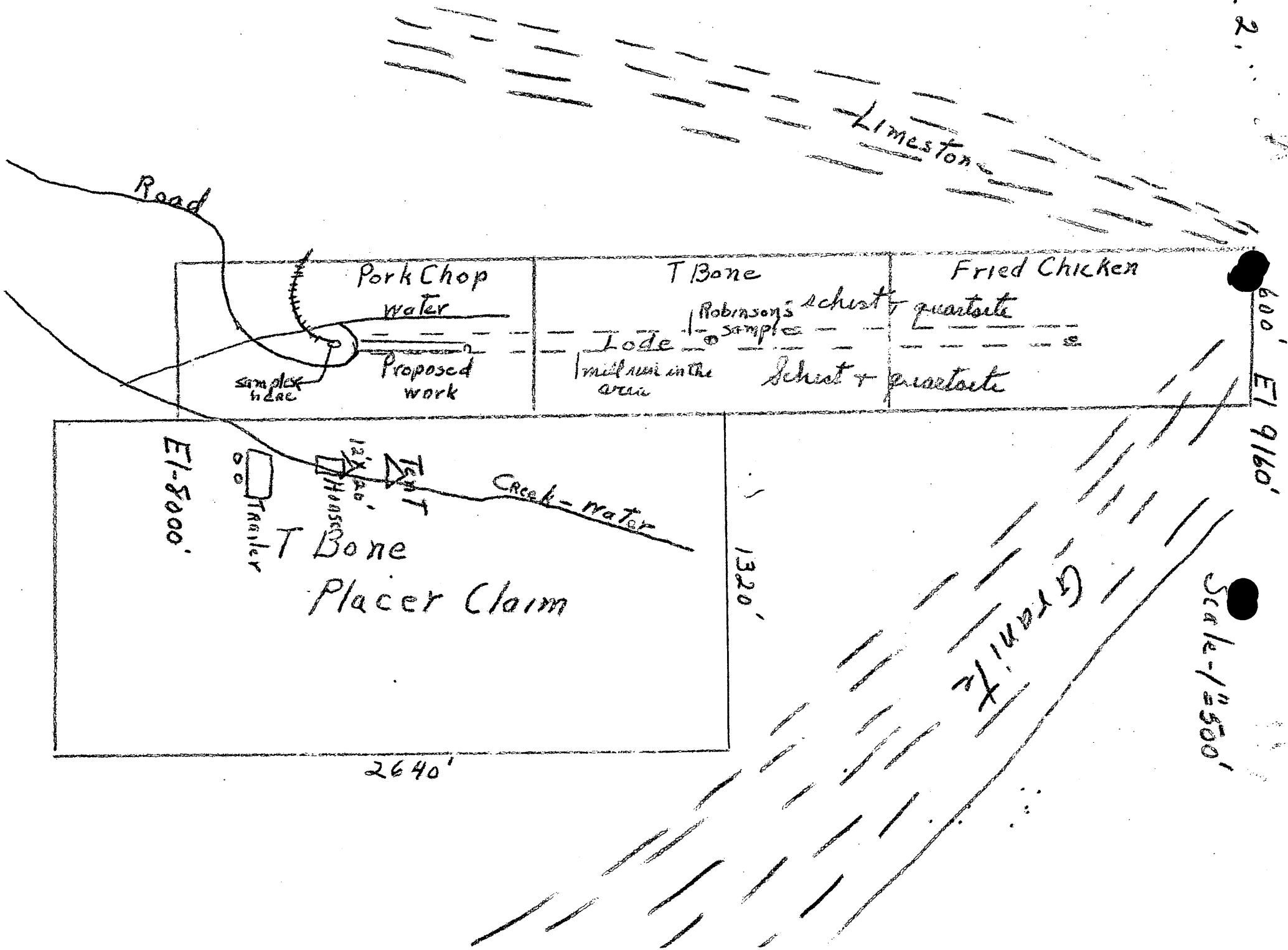
Summary:

We will have exposed the vein to a depth of 200 feet and sampled 17,000 tons of vein material at a cost of $50,000 or about $3.00 per ton. This will indicate what the other remaining 2640 feet of vein amounts to and can lead to the production of 282,000 to 875,000 tons of commercial tungsten ore above the drift and an unknown quantity of ore below the drift.

I hereby certify that to the best of my knowledge and belief, the answers to questions 10 to 24 inclusive are true and complete. Any inconsistencies which may appear are due to observation of different people and the same people at different times. Due to the nature of this deposit, it is possible to cut all samples in barren vein material and also to cut them in high grade material.

F. D. Shuck

F. D. Shuck


Limestone
Road
Pork Chop
water
Proposed work
samples here
T Bone
Lode
Robinson's samples
mill run in the area
schist + quartzite
Fried Chicken
schist + quartzite
600'
El 9160'
Scale - 1" = 500'
Granite
Creek - water
Test
12' x 20'
House
Trailer
T Bone
Placer Claim
El-8000'
1320'
2640'

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA 1964

Date received 8-14-051

Marsam Enterprises Inc.
211 So. Beverly Dr.
Beverly Hills, Calif.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUN 21 1951
SAN FRANCISCO, CALIFORNIA

Name and address of applicant

Date June 19 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size of productive capacity.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☑ Lessee.
   - ☐ Contractor.
5. Number of years in production T Bone - developing - ~~Eureka 2 years~~
   If not in production or operation, estimated date when production will begin ~~T Bone June 1951.~~
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Samuel Weiler	President	None					-
Selma Weiler	Secretary	None					
F.R. Schecht	Manager	4,200.00					
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	No Stock	No Stock	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production: See Form MF-103 attached hereto

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Cal. W03	~~None~~	20 Tons ore ~~None~~	or ~~None~~	~~None~~
2. Quantity of product processed (specify unit of measure and type of process)	None	None	None	None	None
3. Quantity and grade of product sold or shipped (specify units of measure)	None	None	None	None	None

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Addendum to MP-100. Page 1
Marcom Enterprises Inc.
Austin, Nevada.

1. a - Ore containing Scheelite $CaWO_4$.
2. T Bone Mine.
   T Bone Tungsten Mine is a scheelite lode being developed by drifts. Road is roughed out and tunnel site is roughed out. Mine is not flooded. Has adequate water rights and water for mining ~~and~~ and milling.

3. a - T Bone Mine - 20 miles from Austin Nevada and 112 miles from Fallon, Nevada, the nearest railroad over good highways.
   Marcom Enterprises, Austin, Nevada.
   b - T Bone - Reese River District.

   c - Assumed to be in 20 T 17 N R 44 E but no section corners have been found.

   d - Lander County, Nevada

4. a - T Bone now in operation - Marcom Enterprises Inc.
   b - Lessee - developing.
   b-1 Marcom Enterprises - Lessee

6. Marcom Enterprises conducted a mining operation in Red Rock Canyon, Kern County, Calif. Were unable to develop sufficient water for production. 1950.

   Have taken over the T Bone Mine for producing strategic metals. F. H. Chuck, manager, has been mining all his life, was born in Cripple Creek Colorado, 1890. Has High School diploma and 3 years I C S course and has continued studying and practicing mining all the time.
   Was owner manager Eureka Mine, manager Gold Roller Mine, Mill Supt. Big Blue Mine, Kernville, Calif. Has worked as mucker, miner, timberman, hoistman, sampler, mechanic, master mechanic, chainman, pumpman. Has driven shafts, drifts, raises, shrinkage, cut and fill, square set stopes. Placer mined, using sluice boxes, jigs, power shovels & dozers, Ground sluicing. Handled R.F.C. Development loan R-MP 8740.
7.
   History
   a - T Bone. .9 of a mile of road was built toward the mine during December 1950 & January 1951. Work was suspended due to snow and frozen ground. Resumed may 15, 1951. The T Bone Mine has only 3 location holes and some sampling at present.
   b - The Peer Mine now shipping 10 tons daily to Pine Creek mill - U.S. Vanadium. Peer Mine is open pit and is 11 miles from T Bone & in a different formation.
   c - Mine was recently examined & partially sampled by Sumner Robinson - geologist. Samples were sent to U.S. Vanadium Pine Creek Mill for metallurgical tests.

12. a- The T Bone is an undeveloped lode bearing scheelite 3000 feet in length and 4 veins cropping. Veins vary in width.

12. a - Largest is from 3' wide to 7' - 8" wide. Samples indicate about 30% of vein as good ore 1.42% and 70% as waste. Can be sorted under flourescent lamp and ore milled and waste discarded.
    No proven ore yet.
    b - No data as yet.
    c - Not applicable.

13. 8 miles of rough steep dirt road from highway 8 A to mine. Oiled road to Tonopah and Austin. Austin, 20 miles - residences. Fallon Nevada supply - 112 miles.

14. About 45 gallons per minute in Spanish Creek at mine August 1950. June 1951 - 100 gallons per minute.

15. 1- 40 H.P. compressor. Gasoline driven, 2 gallons per hour.

16. Mine and manager, and two miners.

17. 1 old reconditioned compressor - 1 1½ ton Ford 1940 truck, 1 jackhammer, hoses and steel, picks, shovels, hammers, forge anvil and vice, some hand tools, track and cars.

(b) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)	None				
Indicated (probable)	875 000 Tons	Cut .5 gr	31,50	—	—

(c) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Marsam Enterprises (Name of company)

By F.D. Shuck (Signature of authorized official)

June 19 1951 (Date)

Manager (Title)

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—63792-1

Form MF-103 (August 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1964

Date received 8-14-51

Participation

Marsam Enterprises Inc.
211 S. Beverly Drive
Beverly Hills, California

Name and address of applicant

Date July 30, 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $50,000.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Spanish Canyon
Lander County, Nevada

Date of filing MF-100 5-5-51

DMA Docket Number, if available ~~9-1238~~ 1964

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

SEE ATTACHED SCHEDULE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (a) the applicant, and (b) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

---------- By ----------
(Name of company) (Signature of authorized official)

---------- ----------
(Date) (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

SCHEDULE - FORM MF-103

1. Corporation

2. no answer

3. Officers, directors and five largest stockholders are as follows:

President: Samuel Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.
Vice-Pres.: Jules Berliner - 11908 Hartsook Street, North Hollywood, Calif.
Secretary-Treasurer: Selma Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.

4. See Form MF-100 attached hereto and made a part hereof.

5. Lessee

6. no answer

7. A copy of the lease is attached hereto and it is in good standing.

8. A financial statement, disclosing assets and liabilities as well as a profit and loss statement, is enclosed hereto.

9. a) $12,500.00
B) Yes

10. a) See Form MF-100
b) " " "

11. See Form MF-100

12. " " "

13. " " "

14. " " "

15. " " "

16. " " "

17. " " "

18. " " "

19. no answer

20. Tungsten (See Form MF-100)

21. See Form MF-100. (The proposed time for completion will be considerably under two years.)

22. See Form MF-100.

23. " " "

24. " " "

8.

8

MARSAM ENTERPRISES

Financial Statement July 31, 1951

Direct Capital Investment to date		$10,500.00

Assets

Equipment	$2544.96
5 miles of road	3501.41
Tunnel site	500.00
1 placer claim - 80 acres	?
2 building foundations	?
Water rights to all of Spanish Canyon	?
	$6546.37

Liabilities

Lease - per month	$ 100.00
Balance payments on truck engine @ $16.40 per month	98.40
No indebtedness except current accounts not yet due	

Total direct expenditures on mine	$ 9,108.51
Balance in bank July 31, 1951	1,391.49
	$10,500.00

C O P Y

MINING LEASE

WITH

OPTION TO PURCHASE

THIS AGREEMENT OF LEASE, made this 21st day of October, 1950, by and between GEORGE W. RONG and IRMA RONG, owners, Box 15, Manhattan, Nevada, hereinafter called "Lessors", and MARSAM ENTERPRISES, INC., a Nevada Corporation, hereinafter called "Lessee":

W I T N E S S E T H:

I PROPERTY LEASED:

That for and in consideration of the Lessee complying with the terms, provisions and conditions of this lease and paying the royalties and rentals as hereinafter set forth, Lessors do hereby lease and let to the Lessee the following described real property and and unpatented mining claims (including any claims described in ARTICLE XII) situated in Lander County, at Austin, Nevada, described and recorded in Page and Book of Mines in the office of the County Recorder of Lander County, Nevada, to-wit:

NAME	PAGE	BOOK OF MINES
PORK CHOP	390	J
T-BONE	399	J
FRIED CHICKEN	399	J

The aforesaid records of said County Recorder are by

this reference incorporated herein and made a part hereof as constituting a full and complete description of said mining claims.

II TERM OF LEASE:

The term of this lease shall begin on the first day of May, 1951, and shall continue for a period of fifty (50) years thereafter, and shall end on the 31st day of April, 2001.

III ROYALTIES AND RENTAL:

(A) For the right of Lessee to conduct mining operations on the leased property Lessors hereby reserve as a rent or royalty on all ores extracted, mined or otherwise removed from said mining claims, the following sums to be paid as hereinafter also provided:

1. In the event the Lessee sells the products of the said mining claims to a mill or other purchaser, a sum equal to ten percent (10%) of the total monies received by Lessee for the product of the mine so sold, after deducting the cost of milling, transportation and marketing charges to the extent Lessee is required to pay same. In the event milling, transportation or marketing charges are deducted from the monies received by Lessee, nothing herein contained shall be construed

to permit another deduction by Lessee in computing the sum due to Lessors.

2. In the event the Lessee operates its own mill, ten percent (10%) of the total monies received by the Lessee from the sales of products of the mines, after deducting the milling, transportation and marketing costs.

3. Notwithstanding anything in this Article III to the contrary, Lessee agrees to pay to Lessors as a minimum rent and royalty the following:

(a) during the months of May, June, July, August, September, October, November and December, the sum of Two Hundred Dollars ($200.00);

(b) during the months of January, February, March and April, the sum of One Hundred Dollars ($100.00);

(c) provided, however, it is specifically agreed that in any month in which the operating of the mining claims by the Lessee results in a net loss to Lessee, the minimum rent and royalty for each such month shall be One Hundred Dollars ($100.00). The term "Net loss" shall be deemed to mean net loss computed in accordance with sound accounting principles and practices as

applied to mining operations.

4. The rent and royalty reserved and payable pursuant to subparagraphs 1 and 2 of this Article, shall be paid forthwith upon the return of the mill settlement returns, and/or purchaser returns as the case may be, and Lessee will, if Lessors should so request, instruct such purchaser or mill to pay said sums directly to Lessors. Lessee agrees that it will supply or cause to be supplied to Lessors concurrently with each payment a true copy of the settlement sheet pertaining to the shipment and/or sale of the product of the mine on which said payment is made.

5. The minimum rent and royalty payable pursuant to subparagraph 3 of this Article III shall be paid immediately upon the close of the month for which the payment applies.

(B) Lessors reserve the right at any time to reduce the percentage of royalty in this Article hereinabove reserved. However, the voluntary reduction shall in no way affect the obligations of the Lessors under all the terms of this lease.

IV. TAXES:

Lessee agrees to forthwith pay all taxes which may hereafter be during the term of this lease levied on or

against the said mining claims or property, or the production therefrom.

V. ASSESSMENT WORK.

In addition to paying the royalties to the Lessors and paying taxes, the Lessee also agrees to perform at its own cost and expense such assessment work as may be required by law in order to retain title to the above described mining claims and to file proof thereof not later than May first of each year during the life of this lease commencing with the assessment year ended July 1, 1950. Lessee further agrees to furnish Lessors with satisfactory evidence that the title has been thus protected not later than June 1st of each year during the life of this lease.

VI. SURRENDER OF MINING PROPERTIES:

Lessee agrees to surrender up to the Lessors the said mining properties at the expiration or earlier termination of this lease in as good condition as when received, ordinary wear and tear and depletion by mining excepted. All tools, machinery and equipment placed upon the said properties by Lessee shall be, or be deemed, the personal property of Lessee, and Lessee shall have the right if it so desires to remove from the properties all or any of such tools, machinery and equipment within ninety (90) days after the expiration, abandonment or sooner termination of this lease; provided, however, that all underground timbering, pipe and rails placed

in the mine by Lessee or those claimed by, through or under it, shall remain and form a part of the properties.

VII. POSSESSION AND OPERATION.

Lessee is hereby granted and given immediate possession of said premises and property with the right to work the same and to extract any and all ores therefrom in a miner-like fashion. Lessee hereby agrees to enter and work said property at least to the equivalent of sixty (60) shifts per month during the months of May, June, July, August, September, October, November and December of each year of this lease, unless prevented by acts of God, public enemy, legal process, labor strikes, or other similar or dissimilar conditions beyond the control of Lessee. Lessee further agrees to market the ore so extracted to the best of Lessee's ability.

VIII. ACCESS TO RECORDS.

Lessee agrees that throughout the life of this lease Lessors, or their duly authorized agent, shall have the right to inspect the records of said mine and to inspect said mining properties and mining operations at all reasonable times.

IX. NOTICE OF NON-LIABILITY.

At no time during the life of this lease shall Lessee incur any debts or suffer any liens incurred by Lessee to accrue against said property or any part thereof, and it shall at all times keep the same free and clear, and shall immediately record and post notice of non-liability, which notice will be furnished by Lessor.

X. INDUSTRIAL INSURANCE

Lessee shall at all times, at its own expense, carry Workmen's Compensation Insurance on all men employed by it in and about said property and shall also comply with all legal requirements and regulations of the Nevada Industrial Commission and the Nevada State Mine Inspector.

XI. OPTION TO PURCHASE

In consideration of the payment of the rent and the performance of the covenants and conditions of this lease on the part of the Lessee, the Lessors do hereby give and grant unto the Lessee the exclusive right, privilege and option to purchase the leased premises at any time throughout the term of this lease for the full price of Eighty-Five Thousand Dollars ($85,000.00) and forthwith upon receipt thereof, Lessors agree to make, execute and deliver to Lessee, its heirs and assigns a good and sufficient mining deed conveying said premises and property to Lessee, its heirs and assigns (it being understood that said mining claims are unpatented).

Lessors further agree, in the event Lessee exercises this option to purchase, that they will credit Lessee on said purchase price with all rent and royalties theretofore paid hereunder (exclusive of any sums paid by Lessee for taxes or assessment work).

XII. ADDITIONAL LOCATIONS.

It is further understood and agreed that any additional claims located, purchased or in any wise acquired

by Lessee or Lessors, and which adjoin or are appurtenant to the premises herein leased and which can or may be developed jointly with the premises herein leased shall be considered appurtenant claims to the premises leased. In the event Lessee locates, purchases or acquires any such claims, Lessors shall be entitled thereto upon the termination of this lease. In the event Lessors locate, purchase or acquire any such claims, such claims shall immediately become subject to all the terms of this lease and Lessors lease and let accordingly and agree that Lessee may take possession immediately for that purpose, and Lessors specifically agree that any such claim shall be considered as part of this lease for the purpose of the option of Article XI hereof, and shall form a part of the leased premises within the meaning of the said Article agreed to be sold and deeded to the Lessee for the total purchase price therein contained.

XIII. DEFAULT.

In the event Lessee shall default in the payment of royalties hereunder or violate the terms and conditions hereof, said Lessors may, at their option, terminate this contract on thirty (30) days written notice to Lessee, and if Lessee fails to make good such default, or any other violation hereof, before the expiration of thirty (30) days, then this agreement shall thereupon become null and of no further effect and all monies theretofore paid hereunder shall be and remain the property of the Lessors as rent, liquidated damages and the consideration for which this agreement is executed.

Said notice shall be given to Lessee in person or by registered mail at Lessee's last address and said thirty (30) day period shall run from the date of receipt of said notice by the Lessee.

XIV. TERMINATION BY LESSEE.

Lessors specifically agree that Lessee may terminate this lease at any time upon thirty (30) days written notice. Said notice shall be given to the Lessor in person or by registered mail at Lessors' last address, and said thirty (30) day period shall run from the date of receipt of said notice by Lessors.

XV. WARRANTIES OF LESSOR.

Lessors hereby warrant that they have the right, title and interest in and to said unpatented mining claims and the right to make this lease and that Lessee shall not be disturbed in its peaceful possession under this lease of said claims during the term hereof.

XVI. BINDING ON SUCCESSORS IN INTEREST.

Time is the essence hereof and the terms and conditions herein contained extend to and are binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

XVII. PRIVILEGE TO SUBLET.

Lessee is given the right to assign its interest or to sublet hereunder, but agrees in such event to notify Lessors in writing, giving the name of the party to whom assigned or sublet.

IN WITNESS WHEREOF the parties hereto have set their hands in triplicate the day and year first above

written.

GEORGE W. RONG /s/
GEORGE W. RONG

IRMA RONG /s/
IRMA RONG

LESSORS

MARSAM ENTERPRISES, INC.,
a Nevada corporation,

By SAMUEL WEILER, Pres.

LESSEE

written.

GEORGE W. RONG /s/
GEORGE W. RONG

IRMA RONG /s/
IRMA RONG

LESSORS

MARSAM ENTERPRISES, INC.,
a Nevada corporation,

By SAMUEL WEILER, Pres.

LESSEE

STATE OF NEVADA)
) ss:
COUNTY OF NYE)

On October 21st, 1950, before me, a Notary Public in and for said county and State, personally appeared GEORGE W. RONG and IRMA RONG, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same.

THOMAS W. SMITH /s/
Notary Public in and for said
County and State

(Stamped: JUSTICE OF THE PEACE - ROUND MOUNTAIN NEV)

STATE OF CALIFORNIA)
) SS:
COUNTY OF LOS ANGELES)

On October 18th, 1950, before me, a Notary Public in and for said County and State, personally appeared Samuel Weiler, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

DAVID J. GRIFFITH Jr. /s/
Notary Public in and for
said County and State

(Stamped: My Commission Expires Apr. 15, 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
P. O. BOX 1551
RENO, NEVADA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 18 1952

February 14, 1952

Memorandum

To: Frank E. Johnson, Acting Deputy Administrator, DMEA

From: Chief, Mining Division, Region III

Subject: Docket DMA-1964 (Tungsten) - Mr. F. D. Shuck, Marsam Enterprises, Inc., 211 So. Beverly Drive, Beverly Hills, California.

Enclosed are the following figures to go with the report that was furnished you by Smith and Matson on the Marsam Enterprises, Inc. application for an exploration loan on the T-Bone property:

Fig. 1- Location Map, Marsam Enterprises, Inc. (T-Bone Tungsten Property), Lander County, Nevada.

Fig. 2- Claim Map, Marsam Enterprises, Inc. (T-Bone Tungsten Property), Lander County, Nevada.

Fig. 4- Assay Map, Marsam Enterprises, Inc. (T-Bone Tungsten Property), Lander County, Nevada.

Fig. 5- Plan of proposed Exploration Program - Marsam Enterprises, Inc. (T-Bone Tungsten Property), Lander County, Nevada

This is in compliance with your teletype of February 12 to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III.

A. C. Johnson

A. C. Johnson, Chief
Mining Division
Region III

Encls.

rec'd 2/18 VTA

FILE COPY
SURNAME:

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

Defense Production Staff

Frank Johnson, Operating Com., DMEA
4624

5369

1420137 Salaries and Expenses, Defense Production Activities, Interior, 1952
February 12, 1952

H. C. Miller, Executive Officer, DMEA Field Team, Reg. III, San Francisco, Calif.

Marsam Enterprises, Inc. report, DMA-1964.

Please forward Figures Nos. 1, 2, 4, and 5 to Field report on subject application.

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration

2/12/52

FEJohnson/hb

Copy to: Adm. ReadingFile
✓Docket
DMEA Operating Com. File
Mr. Selfridge
Mr. T. P. Thayer
Mr. J. H. Hedges

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

Reviewed by
DMEA OPERATING COMMITTEE
2-11-52
(date) JB

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMA-1964, Marsam Enterprises, Inc.

T-Bone Tungsten Property

Lander County, Nev.

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

E. J. Matson, Mining Engineer
U. S. Bureau of Mines

January 18, 1952

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
FEB 4 1 13 PM '52

DOCKET DMA-1964

UNITED STATES DEPARTMENT OF THE INTERIOR - BUREAU OF MINES

MARSAM ENTERPRISES, INC.
T-Bone Tungsten Property
Lander County, Nev.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The T-Bone tungsten property is located about 20 miles by road south of Austin, Nevada. Development work on the property consists of a 43-foot adit and a few small pits.

The area is underlain by mica schist which contains layers of actinolite-calcite rock; these rocks strike west and dip steeply south. They are intruded by granodiorite, and are locally faulted. The layers of actinolite-calcite rock generally contain scheelite; the average grade of the outcrops is estimated to contain about 0.2 percent WO_3, but higher grade shoots occur locally. One of these shoots has been explored in the 43-foot adit. A sample 2 feet wide was cut at the face of the adit and assayed 0.44 percent WO_3.

No ore has been shipped, but about 50 tons of ore estimated to contain 0.4 percent WO_3 has been stockpiled near the workings. The indicated ore reserves in the adit are about 100 tons containing 0.4 percent WO_3; the inferred reserves beyond the face of the adit are 1000 tons containing 0.4 percent WO_3.

The applicant applied for government aid to complete an elaborate exploration program. After the DMA examination, the exploration program was modified and approved by the applicant.

The ore reserves are small, but as the scheelite-bearing zone is extensive and little is known about the actual size of the ore bodies, it is believed that some exploratory work is warranted. If it is in the national interest to explore such deposits, it is recommended that the application be approved.

The total cost as submitted by the applicant is $15,000 with the Government participating in the amount of $11,250. The applicant based his cost on an average advance of 2.5 feet per shift. It is believed, however, that with competent miners, the advance per shift will be nearer 4.0 feet, thus reducing the actual cost of the work.

INTRODUCTION

The T-Bone tungsten property of the Marsam Enterprises, Inc., was examined on November 14 and 15, 1951 by a joint DMA field team 1/ in regard to an application for aid for an exploration project pursuant to Mineral Order 5 under the Defense Production Act of 1950. The docket number of the application is DMA-1964 and the commodity is tungsten.

The field team was accompanied by F. D. Shuck, manager for the Marsam Enterprises, Inc.

LOCATION

The property is located in T. 17 N., R. 44 E., Lander County, Nevada. No section corners were found but it is believed to be in section 5 of the above township. It is reached by driving from Austin southeasterly on

---

1/ E. J. Matson, Mining Engineer, U. S. Bureau of Mines, Region III; R. M. Smith and H. Reid Craig, Geologists, U. S. Geological Survey.

U. S. Highway 50 (fig. 1), a distance of about 11 miles to the junction of State Highway No. 8A; thence traversing 4 miles southwesterly on State Highway No. 8A to a sign on the road reading Birch Creek. From the Birch Creek turn-off it is about 5 miles westerly to the mine. Both U. S. Highway 50 and State Highway No. 8A are paved. From the State Highway No. 8A, it is a sandy desert road with some steep grades within the last mile to the mine. Total distance from Austin to the property is about 20 miles. Austin is also the local supply center for supplies.

HISTORY

The property was located in 1942 by George W. Rong and Irma Rong, P. O. Box 15, Manhattan, Nevada. They located seven claims known as Cold Turkey, Hot Dog, Hamaneggs, Fried Chicken, T-Bone, Pork Chop and Sow Belly. They did only the necessary assessment work required to hold the claims.

In October 1950 three of the claims (fig. 2) namely, Pork Chop, T-Bone, and Fried Chicken were leased with option to purchase by the Marsam Enterprises, Inc., 211 So. Beverly Drive, Beverly Hills, California. Samuel Weiler is president of the corporation. Note, the name Marsam is derived from the first syllables of the first names of Mario Lansa, the noted singer, and Samuel Weiler, his manager, according to F. D. Shuck, manager of the Marsam Enterprises, Inc.

DEVELOPMENT

The Marsam Enterprises, Inc., under the direction of F. D. Shuck, drove an adit in for a distance of 43 feet on a mineralized lens of

scheelite. They also dug several small pits about one foot deep along the general strike of the mineralized belt.

In addition they built a 11 ft. by 17 ft. frame structure for use as a change house. It is equipped with a shower and coal burning stove for heating water; one 11 ft. by 16 ft. frame building for a warehouse; one 12 ft. by 20 ft. frame dwelling house; one 14 ft. by 12 ft. tent house and an 8 ft. by 7 ft. by 7 ft. store house partly excavated in the hillside for food storage use.

EQUIPMENT

The corporation has a 215 cu. ft./min. compressor, 2 drifters, mine car, 1 1/2-ton flat rack truck, 1/2-ton truck (Station Wagon), forge, and sundry tools.

PHYSICAL FEATURES

The property is on the south side of Spanish Creek and on the east side of the Toiyabe mountain range overlooking broad Smoky Valley. The terrain rises gradually from the valley floor and changes abruptly on the fringe of the mountains. The claims are at an estimated altitude of 8,000 feet at the mine adit with a continual rise in altitude of several hundred feet towards the crest of the ridges. The area is characterized by long ridges cut by deep ravines with drainage into Smoky Valley. Vegetation consists of pinon pine, junipers, and a variety of birch trees on the higher altitudes with willows and cottonwoods in the lower reaches. An abundant growth of sage and desert grass also covers the area.

Summers are hot and dry with little precipitation, typical of the desert regions. Winters in the higher regions and in the vicinity of the mine are sometimes very severe with heavy snow falls and freezing temperatures.

Ample water for domestic and mining purposes can be obtained from Spanish Creek. No transmitted electric pwoer is available on the property.

GEOLOGY

The rocks of the mine area are mica schist and actinolite-calcite rock of probable Ordovician age, which are intruded by granodiorite (fig. 2). The metamorphic rocks strike east and dip steeply south or are overturned; they are cut by steep cross faults and bedding shears. The tungsten deposits are associated with the actinolite-calcite rock.

The mica schist is a unit about 1,500 feet thick; it was formed by the metamorphism of shale. The actinolite-calcite rock is interlayered with the mica schist and was evidently formed by the metamorphism of shaly dolomite interbedded with the shale. A few quartzite beds as much as 15 feet thick are also interbedded with the mica schist.

The metamorphism is probably related to the granodiorite that cuts the mica schist and actinolite-calcite rock about 1,000 feet north of the mine area. The granodiorite is a gray, medium- to coarse-grained rock, and forms bold outcrops.

The metamorphic rocks are cut by two sets of faults: One set strikes north and dips steeply; the other set parallels the bedding

which strikes east and dips steeply south in the mine area. The rocks are also cut by many quartz stringers in two sets of fractures: One set strikes north and dips gently west; the other parallels the bedding.

ORE DEPOSITS

The tungsten minerals are locallized along three parallel layers of a greenish actinolite-calcite rock which contain locally quartz and calcite stringers. The three layers each range from 6 inches to 10 feet wide and are contained in a zone about 30 feet wide which is reported to continue for 3,000 feet along the strike. Two of the three mineralized layers are exposed in the adit; all three layers are exposed 200 feet east of the adit (fig. 3). All three layers are also exposed about 600 feet west of the adit.

800 out of 3000

The ore mineral is scheelite that is relatively low in molybdenum. It occurs principally disseminated throughout the actinolite-calcite rock, but was also observed in specimens taken from the quartzite beds.

The scheelite appears to occur mainly in lenticular shoots within the actinolite-calcite rock. The size of shoots is not known; the one partly explored in the adit contains scheelite erratically distributed along a strike length of about 40 feet, and has an average width of 2 feet. The average grade of the tungsten-bearing rock in the outcrops will probably not exceed 0.2 percent WO_3 but locally this rock contains as much as 2 percent WO_3. Three samples were cut across the scheelite-bearing layer in the adit. These were analyzed by the U. S. Bureau of Mines with the following results:

No.	Width (ft.)	Place	Percent WO_3
1	2.0	face	0.44
2	0.3	face	0.88
3	4.0	back	0.01*

*less than

The average grade of the three samples taken from the adit is about 0.2 percent WO_3 over a width of 3 feet (fig. 4).

The ore layer two feet wide exposed in the face assayed 0.44 percent WO_3; this assay is considered by the examining geologist to be representative of the grade of ore that has been mined from the adit.

There have been no shipments of ore from the deposit. About 125 tons of rock was mined from the adit and 60 tons from the portal approach. About 50 tons of this rock was sorted and stockpiled (fig. 3), and is reported by the owner to average 2.3 percent WO_3. This estimate of grade appears to be high; the geologist and engineer examined the stockpile by ultra violet light and estimate that the grade is more likely to average about 0.40 percent WO_3. The samples cut in the adit average only 0.20 percent WO_3 (fig. 4); it is inferred, however, that sample No. 3 was cut in a low grade or barren section of the ore layer and is not truly representative. Another group of samples cut at different places in the adit would probably be higher in grade, and it is considered that the grade of the ore may well average 0.40 percent WO_3.

why didn't sample

ORE RESERVES

No measured ore reserves have been blocked out at the T-Bone mine, but scheelite-bearing material is indicated in the block above the adit, and is inferred beyond the face.

The triangular block above the adit is 43 feet long, 15 feet high at the west end, and the ore layer is considered to average 2 feet in width. Possibly 50 tons of ore containing 0.40 percent WO_3 may be found above the level and 50 tons below the level.

The block extending 200 feet west beyond the face shows scheelite-bearing layers on the surface which have been exposed in shallow pits; the intervening areas are covered by alluvium (fig. 3). It is difficult to calculate the ore reserves in this block, but it is inferred that the scheelite-bearing layer explored in the adit may have fair continuity in the block which is 200 feet long, 85 feet high at the west end, and 15 feet high at the east end; the ore layer is lenticular, but is estimated to average 2 feet in width. The inferred tonnage in this block is estimated to be about 1000 tons averaging 0.40 percent WO_3. Due allowance has been made for erratic distribution of scheelite within the actinolite-calcite rock.

The ore reserves are summarized as follows:

	Tons	Percent WO_3
Indicated	100	0.4
Inferred	1,000	0.4
	1,100	0.4

In addition, the two parallel layers may contain minable ore bodies. No specific tonnage is assigned to these layers, but they may aggregate an additional 1000 tons of ore containing about 0.4 percent WO_3.

SAMPLING

The tungsten showings were examined at night with the aid of an ultra violet light and observations made of the structures during the day. Two channel samples were taken in the face of the short adit on the mineralized areas or lenses. Another sample was taken 15 feet from the face on the back of the adit. Sample locations, widths, and analyses are shown on figure 4.

PROPOSED EXPLORATION BY THE COMPANY

The company at first proposed an elaborate exploration program consisting of driving an adit (already in 43 feet) for a distance of 340 feet on the mineralized zone, thence drive another adit 100 feet above this one, 170 feet in length with two 100-foot raises connecting the two adits; also a raise to surface about 100 feet long starting at the face of the upper adit.

After an examination by the DMA field team, the exploration program with the approval of R. D. Schuck, manager of the Marsam Enterprises, Inc., was modified. The best method of exploring the mineralized zone, in which the tungsten bearing rock is locallized along three parallel layers, appears to be in two phases as follows:

First phase:

a. Drive the present adit an additional 100 feet west (already in 43 feet) following the mineralized lens in the face (fig. 5).

b. Thence drive a crosscut from the face of the adit for a distance of 25 feet north and 25 feet south. Purpose of the crosscuts are to explore the width of the tactite zone in search of parallel mineralized layers. Total drifting and crosscutting would amount to 150 linear feet.

Second phase:

If ore bodies of commercial size and grade are found in the main adit or the crosscuts at the conclusion of the first phase, then another examination would be required to determine whether it would be best to repeat the first phase as shown by figure 4 or drift on the best showing in the crosscuts.

CONCLUSIONS AND RECOMMENDATIONS

The ore reserves are small, but as the scheelite-bearing zone is extensive and little is known about the actual size and grade of the ore bodies, it is felt that some exploratory work is warranted. Although this property is still in the prospect stage, it is concluded that there is a reasonable chance for the discovery of a significant quantity of low grade tungsten ore. If it is in the national interest that exploration of such deposits be encouraged, it is recommended that the application be approved.

It is recommended that an exploration contract be granted the Marsam Enterprises, Inc., on the modified program as shown by figure 5. If no ore has been encountered at the end of the first phase, no further work is recommended.

The costs as shown by the applicant are relatively high per foot advance for drifting and crosscutting. The applicant claims that from the experience gained from driving the adit (43 feet) to date, he has averaged only 2.5 feet per shift, and requires two shifts to complete a round. That is, he can break 4 to 5 feet per round, but it takes 27 drill holes and two shifts to complete the cycle. According to Mr. Schuck, the ground is slow drilling. An experienced and competent miner could probably reduce the number of holes from 27 to at least 20 and complete a drift round per shift thus reducing the overall cost of the program.

The applicant based his costs, however, on an average advance of 2.5 feet per shift with a total cost of $15,000 for the first phase. On a matching fund basis, the Government's share would be $11,250.

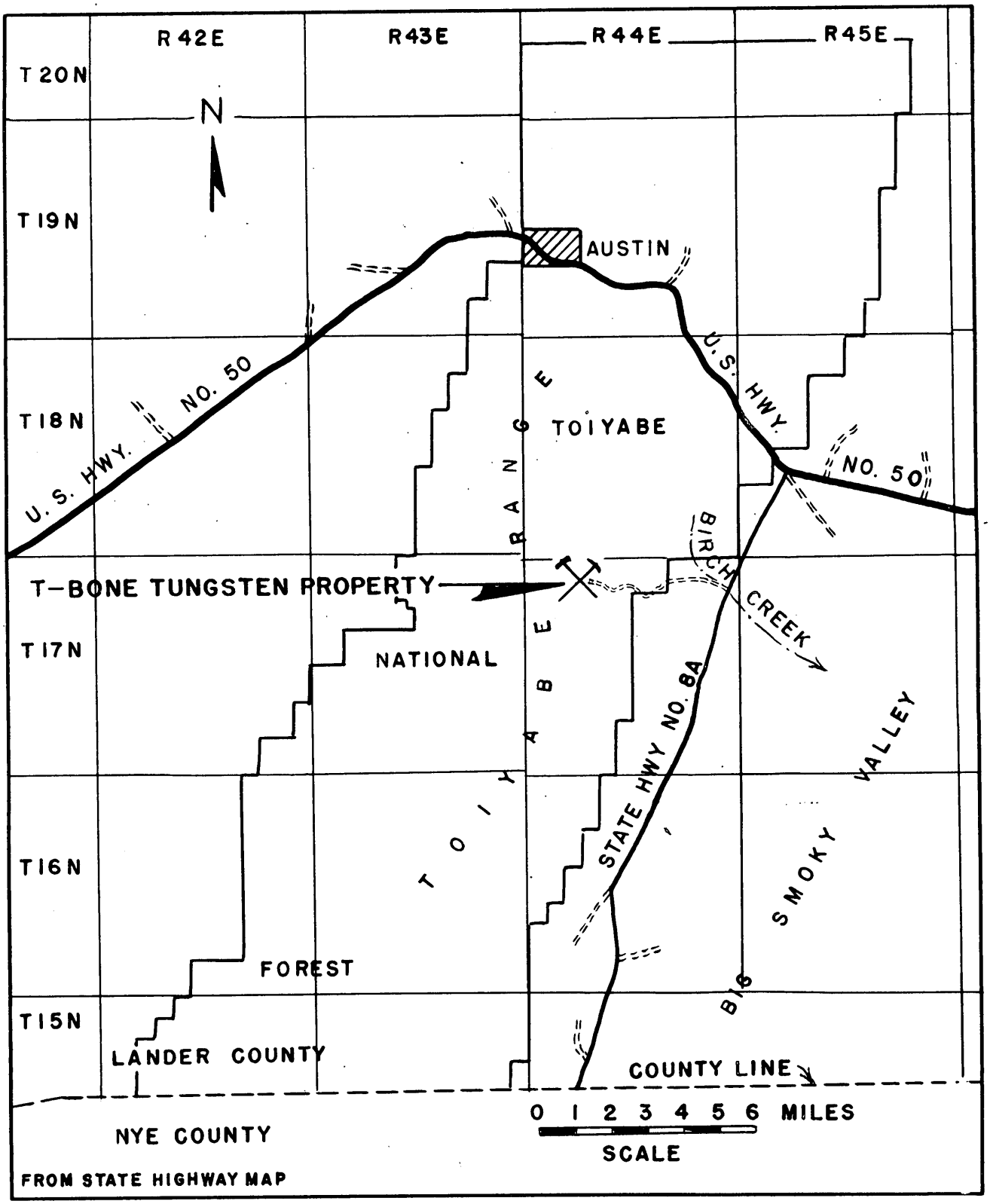


FIG. I.- LOCATION MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA

Dwea 1964

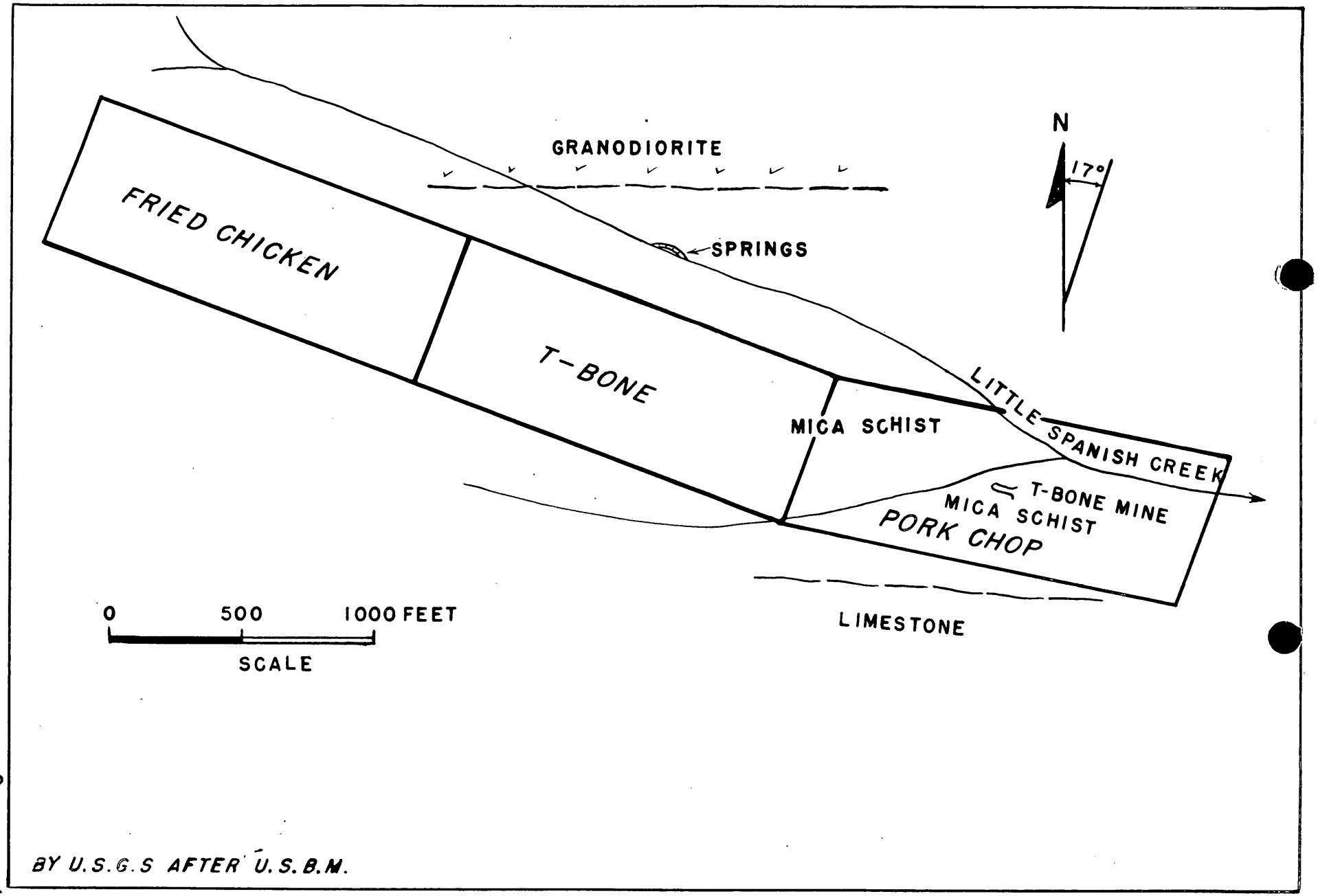


FIG. 2,-CLAIM MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY), LANDER COUNTY, NEVADA

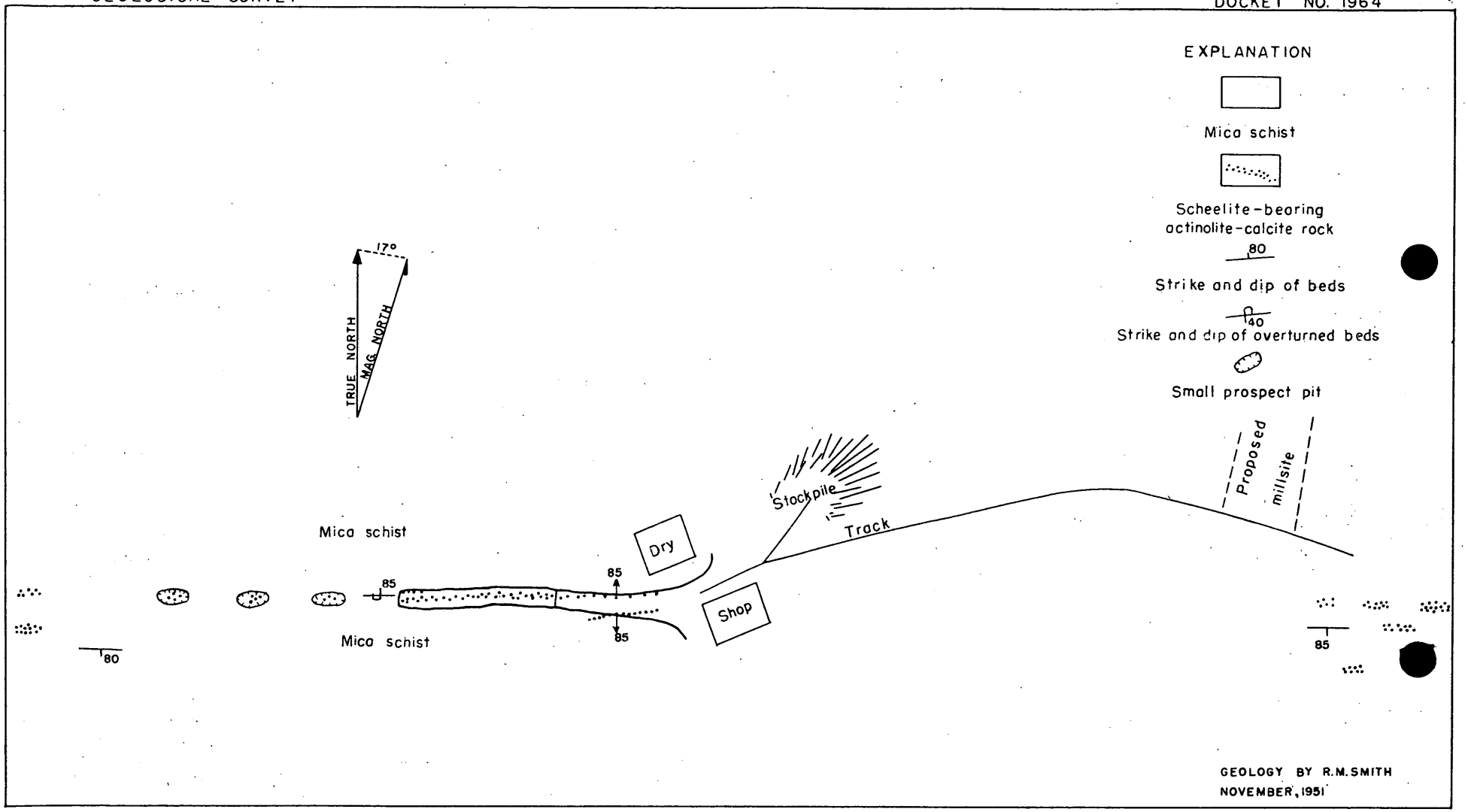
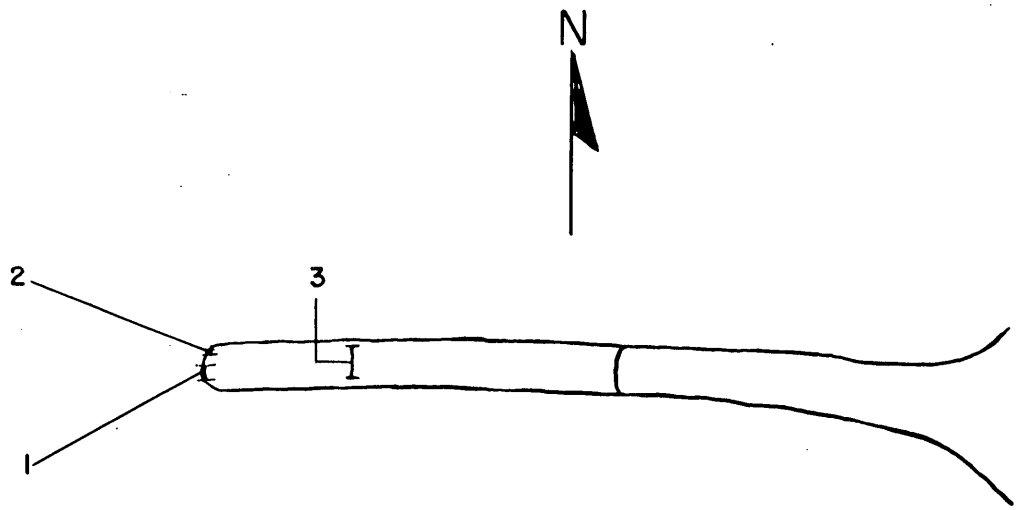


FIG. 3 GEOLOGIC MAP OF THE T-BONE TUNGSTEN MINE
BIRCH CREEK MINING DISTRICT
LANDER COUNTY, NEVADA

0 40 80 FEET
Scale



NO.	WIDTH (FT.)	PLACE	% WO_3	% Mo
1	2.0	FACE	0.44	0.01
2	0.3	FACE	.88	.02
3	4.0	BACK	.01*	.01*

* LESS THAN

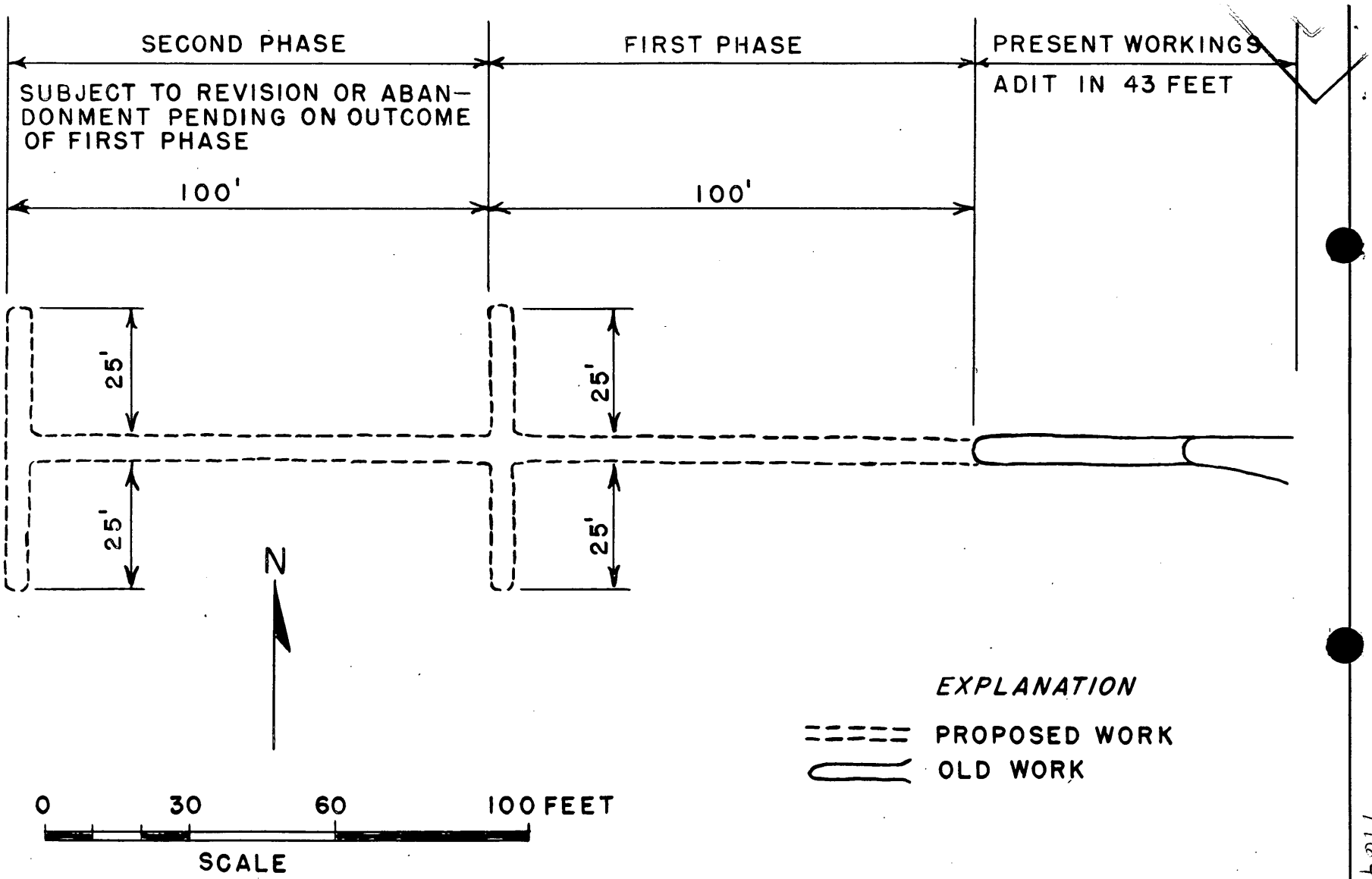
0 10 20 30 40 FEET

SCALE

BASE MAP FROM U.S.G.S.

FIG. 4.-ASSAY MAP, MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA

Dmea-1.9.64



PREPARED WITH APPROVAL OF F.D. SHUCK, MGR., MARSAM ENTERPRISES, INC., BY DMA FIELD TEAM

FIG. 5 – PLAN OF PROPOSED EXPLORATION PROGRAM – MARSAM ENTERPRISES, INC. (T-BONE TUNGSTEN PROPERTY)
LANDER COUNTY, NEVADA

OFFICE OF THE ADMINISTRATOR

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

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Office of
Executive Officer
DMEA Field Team
Region III

February 4, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-1964X (Tungsten) Marsam Enterprises, Inc., T-Bone Mine, Lander County, Nevada

Reference is made to your subject letter dated January 29.

The report on the subject property was mailed to Washington on January 31, 1952.

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

Copy to E. H. Bailey, USGS

2/8/52

Four copies of field team report received in Reports and Records 2/4/52. Material sent to Operating Committee on 2/4/52. When two copies of field team report are received from the Operating Committee, they will be forwarded to Iron & Ferro-Alloys Division.

Reports & Records
(Miss Lanahan)

Berry is writing today for missing figs 1, 2, 4 + 5
2/12
Hold — JB

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 8 1952

340
FILE COPY
SURNAME:

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

Holderer
Jacoby
Throop
Thayer

OCT 31 1951

Mr. F. D. Shuck
Carson Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

In reply please refer
to DMA-194 - Tungsten

G.E.C.

Dear Mr. Shuck:

We have referred your application to the field for additional information. It is suggested that you contact Mr. H. C. Miller, 1012 Flood Building, 870 Market Street, San Francisco 2, California, and offer him whatever assistance he may require.

Very truly yours,

SIGNED

Acting Director,
Supply Division

By 10/31

CHJacoby;XXX ec
Oct 24, 1951

CC: DMA Docket File
Adm. Reading File
Field Team Region III
Mr. Holderer

OCT 31 1951

Mr. T. D. Chuck
[illegible] Enterprises, Inc.
[illegible] South Crescent Drive
Beverly Hills, California

In reply please refer to [illegible]-[illegible] - Corrosion

Dear Mr. Chuck:

We have referred your [illegible] letter to the field for additional information. It is suggested that you contact Mr. [illegible] Miller, [illegible] Building, [illegible] Street, San Francisco 2, California, and [illegible] for any further assistance you may require.

Very truly yours,

SIGNED

Chief Inspector,
Safety Division

CHJacoby;[illegible] ec
Oct 24, 1951

CC: DWA Docket File
Adm. Reading File
Field Team Region III
Mr. Holderer

Mr. F. [illegible] Buck
[illegible] Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

In reply please refer
to [illegible] - Director

Dear Mr. Buck:

We have referred your application to the State for additional information. It is suggested that you contact Mr. F. S. Miller, [illegible] Building, 70 Market Street, San Francisco 1, California, and offer him whatever assistance he may require.

Very truly yours,

Director,
Utility Division

CHJacoby;[illegible] ec
Oct 24, 1951

CC: TVA Docket File
Adm. Reading File
Field Team Region III
Mr. Holderer

FILE COPY
SURNAME:

Holderer
Jacoby
Thayer

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

OCT 31 1951

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

Subject: DMA-1964 - Tungsten - Mr. F. A. Shuck
Marsam Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

Dear Mr. Miller:

We are enclosing the above docket for additional information. The applicant has submitted a plan of exploration work which includes considerable development. Our main objection would be the upper drift. We would be agreeable with extending the main drift another 170 feet if the applicant so desires.

We would like some samples taken, particularly along the face, as of September 14, 1951. The applicant proposes to do his own assay work. We believe this should be done by an independent assay office. This would eliminate the assay office from the cost sheet.

Various cost items appear to be high. Some items have been grouped instead of broken down, as requested (stoper, steel, hose, bits, etc.). Section 33d is a good example of this. $.60 per foot is too high for air line pipe. The applicant proposes to buy a pick-up truck for $1,600 for 8 months work. Can a truck be rented for less? We would like for the field team to go into the applicant's cost figures carefully.

We believe that a two or three phase exploration program might be more advantageous from the Government's standpoint in view of the outcrop assays. A Landlord's Subordination Agreement is needed.

Very truly yours,

SIGNED B7 10/31

Acting Chairman
Coordinating Committee

Enclosure

CHJacoby:ec
Oct. 24, 1951
CC: Adm. Reading File
DMA DOcket File
Coord. Comm.
Mr. Lemmon
Mr. Geehan
Mr. Holderer

Geological Survey

Bureau of Mines

Index of File to Field Team Region III

DMA-1964 - Tungsten

1. 1 Copy letter to Holderer from Shuck dated 9/19/51
2. 1 Copy report by Shuck dated 7/14/51
3. 1 Copy Geological map and cross section
4. 1 Copy Spectragraphic Analysis
5. 1 Copy list of samples
6. 1 Copy assay map.
7. 2 Copies assay map of Fried Chicken, T Bone, & Pork Chop with list of assays.
8. 1 Copy answer to questions 21,22,23 and 24
9. 1 Copy Geologic sketch
10. 1 Copy letter to Shuck from Holderer 9/6/51
11. 1 Copy Form MF-100 with attached sheets
12. 1 Copy Form MF-103 with attached sheets
13. 1 Copy Lease agreement

9/24/51

FILE COPY
SURNAME: 3/0

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

Holderer

OCT 17

a.e.e.

Mr. Alexander Tucker
260 South Beverly Drive
Beverly Hills, California

In reply please refer to
DMA-1964

Dear Mr. Tucker:

In answer to your letter of October 11, 1951, we wish to advise you that on September 6, 1951, a letter was sent to Mr. Shuck requesting additional information. This letter was answered on September 19, 1951, supplying us with additional data.

Our geologists are now studying the application. The results of our findings should be available to the company shortly.

Very truly yours,

George B. Holderer 10/17

George B. Holderer
Chief, Tungsten Branch

CHJacoby:ll 10/16/51
CC: DMA Docket File
Adm. Reading File
Mr. Holderer

Mr. Alexander Tucker
260 South Beverly Drive
Beverly Hills, California

In reply please refer to
DMA-1964

Dear Mr. Tucker:

In answer to your letter of October 11, 1951, we wish to advise you that on September 6, 1951, a letter was sent to Mr. Shuck requesting additional information. This letter was answered on September 19, 1951, supplying us with additional data.

Our geologists are now studying the application. The results of our findings should be available to the company shortly.

Very truly yours,

George B. Holderer

George B. Holderer
Chief, Tungsten Branch

CHJacoby:ll 10/16/51
CC: DMA Docket File
Adm. Reading File
Mr. Holderer

D Ma 964

NOEL SINGER
FINANCIAL AND TAX MANAGEMENT

ALEXANDER TUCKER
ASSOCIATE

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D. C.
OCT 15 9 32 AM '51

CABLE ADDRESS "NOEL"

260 SOUTH BEVERLY DRIVE
BEVERLY HILLS, CALIFORNIA
CRestview 1-5181

October 11, 1951

U. S. Department of Interior
Defense Minerals Administration
Washington, D. C.

Re: MF-103 Application

Gentlemen:

A Form MF-103 application was made to your office on or about August 3, 1951, on behalf of Marsam Enterprises Inc., 211 South Beverly Drive, Beverly Hills, California (F. D. Shuck, Birch Creek, Austin, Nevada). Nothing further has been heard therefrom since that time; consequently, this inquiry.

It will be appreciated if we may be advised as to the exact status of such application.

Very truly yours,

Alexander Tucker

Alexander Tucker

at/sf

OFFICIAL FILE COPY

To	Init.	Date
340	G.E.C.	10-10-
210		

SEP 27 1951
Recd by
Mr. Holderer

Birch Creek
Austin, Nevada
Sept. 19, 1951.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
SEP 24 1 35 PM '51

Mr. Geo. B. Holderer, Chief
Ferro-Alloys Branch
U. S. Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

DMA - 1964

Dear Mr. Holderer:

Many thanks for your letter of Sept. 7, which was forwarded to me, in regard to deficiencies in our application for development loan DMA - 1964. I hope the information enclosed will supply the information needed.

I have mailed you a grab sample of the round blasted Septl 17 Also samples of the wall rock. It takes three weeks for me to get an assay return so I dont have assay returns from the drift but am using the pan and lamp for estimating ore values from day to day.

It is our sincere desire to aid in every way possible with the defense effort and the speeding up of this loan will enable us to get into production of scheelite. I am sure that this mine can become a producer of 75 units of scheelite per day if properly financed and equiped.

Yours very truly,

F. D. Shuck

F. D. Shuck
Manager
Marsam Enterprises

OFFICIAL FILE COPY

To	Init.	Date
340	A.E.C.	9-24
210		

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
FEB 4 1 13 PM '52

Marsam Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

August 21, 1951

Mr. Robert E. Adams, Chief
Reports and Records Unit
U.S. Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Re: Exploration Loan
T-Bone Mine
Docket Number DMA-1964

Dear Sir:

This will acknowledge receipt of your communication regarding the above subject, which I forwarded to Mr. Shuck.

Please be advised the name of the Manager is Mr. F. D. SHUCK (not Sheeck). Please change your records accordingly.

ok — A.E.C. 8-23-51

Sincerely yours,

Eugenia Mays

Eugenia Mays
(Office Secretary)

eam

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 23 1951

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

July 18, 1951

Marsam Enterprises Inc.
211 So. Beverly Dr.
Beverly Hills, California

We cannot take final action on your application for serial number for the reason(s) checked below:

__ 1. You have not submitted four copies of MF-100 as requested. We are returning your original submission, together with _____ copies of MF-100 for your use in submitting a complete application.

__ 2. Certification unsigned by authorized official.

✓ 3. Question(s) 10 of MF-100 not ~~completely~~ answered.

__ 4. Please indicate kind and quantity of product mined or processed during 1948, 1949 and 1950, and present monthly average.

__ 5. Your operation exceeds limitations for "Small Producer" as set forth in Sec. 5 of MO-7. We enclose a set of Form MF-100 for your use in making proper application.

__ 6. Your letter application does not give all the information requested in Sec. 5 of MO-7, copy of which is enclosed.

__ 7. Your letter indicates your operations would class you as a "Producer" as defined in Sec. 2 of MO-7. If you will need any priorities assistance, it would be well to file application for a serial number.

__ 8. Not in operation. Please resubmit when operation is resumed and priorities assistance is required.

✓ 9. This office will appreciate it if you will break down your operations by states, filing a separate application for your operations in each state. Metallic and non-metallic mines should not be grouped under one application. 11 additional sets of MF-100 are enclosed for your use in making this breakdown.

Any reply to this request should be addressed to:

Defense Minerals Administration
Requirements Division -- MO-7
New Interior Building
Washington 25, D. C.

99310

Form MF-100
(May 1951)

U.S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA 1964

Date received 8-14-51

Marsam Enterprises Inc.
211 So. Beverly Dr.
Beverly Hills, Calif.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
JUN 21 1951
SAN FRANCISCO, CALIFORNIA

Name and address of applicant

Date June 19-1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).
   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   ☐ Owner.
   ☐ Lessee.
   ☐ Contractor.
5. Number of years in production T Bone - developing - Eureka 2 years
   If not in production or operation, estimated date when production will begin ~~T Bone June 1951.~~
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

16—63792-2

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Samuel Wieler	President	None					
Selma Wieler	Secretary	None					
F. D. Sheets	Manager	4200.00					
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$	None	
Preferred stock	$	$	$		

*Indicate period covered.

10. Production: See Form MF-103

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	$CaWO_4$	20 Tons on on dump			
2. Quantity of product processed (specify unit of measure and type of process)	None	processed			
3. Quantity and grade of product sold or shipped (specify units of measure)	None	shipped or sold			

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Addendum to MF-100. Page 1
Marsam Enterprises Inc.
Austin, Nevada.

1. a - Ore containing Scheelite $CaWO_4$.
2. T Bone Mine.
   T Bone Tungsten Mine is a scheelite lode being developed by drifts. Road is roughed out and tunnel site is roughed out. Mine is not flooded. Has adequate water rights and water for mining ~~and~~ and milling.

3. a - T Bone Mine - 20 miles from Austin Nevada and 112 miles from Fallon, Nevada, the nearest railroad over good highways.
   Marsam Enterprises, Austin, Nevada.
   b - T Bone - Reese River District.

   c - Assumed to be in SE T 17 N R 44 E but no section corners have been found.

   d - Lander County, Nevada

4. a - T Bone now in operation - Marsam Enterprises Inc.
   b - Lessee - developing.
   b-1 Marsam Enterprises - Lessee

6. Marsam Enterprises conducted a mining operation in Red Rock Canyon, Kern County, Calif. Were unable to develop sufficient water for production. 1950.

   Have taken over the T Bone Mine for producing strategic metals. F. D. Shuck, manager, has been mining all his life, was born in Cripple Creek Colorado, 1890. Has High School diploma and 3 years I C S course and has continued studying and practicing mining all the time.
   Was owner manager Eureka Mine, manager Gold Dollar Mine, Mill Supt. Big Blue Mine, Kernville, Calif. Has worked as mucker, miner, timberman, hoistman, sampler, mechanic, master mechanic, chainman, pumpman. Has driven shafts, drifts, raises, chrinkage, cut and fill, square set stopes. Placer mined, using sluice boxes, jigs, power shovels & dozers, Ground sluicing. Handled R.F.C. Development loan B-ND 3740.
7.
   History
   a - T Bone. .9 of a mile of road was built toward the mine during December 1950 & January 1951. Work was suspended due to snow and frozen ground. Resumed May 15, 1951. The T Bone Mine has only 3 location holes and some sampling at present.
   b - The Peer Mine now shipping 10 tons daily to Pine Creek mill - U.S. Vanadium. Peer Mine is open pit and is 11 miles from T Bone & in a different formation.
   c - Mine was recently examined & partially sampled by Sumner Robinson - geologist. Samples were sent to U.S. Vanadium Pine Creek Mill for metallurgical tests.

12. a- The T Bone is an undeveloped lode bearing scheelite 3000 feet in length and 4 veins cropping. Veins vary in width.

12. a - Largest is from 3' wide to 7' - 8" wide. Samples indicate about 30% of vein as good ore 1.42% and 70% as waste. Can be sorted under flourescent lamp and ore milled and waste discarded.
    No proven ore yet.
    b - No data as yet.
    c - Not applicable.

13. 5 miles of rough steep dirt road from highway 8 A to mine. Oiled road to Tonopah and Austin. Austin, 20 miles - residences. Fallon Nevada supply - 112 miles.

14. About 45 gallons per minute in Spanish Creek at mine August 1950. June 1951 - 100 gallons per minute.

15. 1- 40 H.P. compressor. Gasoline driven, 2 gallons per hour.

16. Mine and manager, and two miners.

17. 1 old reconditioned compressor - 1 1½ ton Ford 1940 truck, 1 jackhammer, hoses and steel, picks, shovels, hammers, forge anvil and vice, some hand tools, track and cars.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections, showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated ~~(probable)~~ Possible	875000	0.59 W03			

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Marsam Enterprises (Name of company) By F. D. Schach (Signature of authorized official)

June 19 — 1951 (Date) Manager (Title)

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—63792-1

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

Subject: Exploration Loan
Re: T-Bone Mine

Mr. F. D. Sheeck, Manager
Marsam Enterprises, Inc.
211 South Beverly Drive
Beverly Hills, California

My dear Mr. Sheeck:

This will acknowledge receipt of your application dated August 8, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-1964 and referred to the Tungsten Branch.

Kindly refer to DMA-1964 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1964

Date received 8-14-51

Participation

Name and address of applicant

Marsam Enterprises Inc.
211 S. Beverly Drive
Beverly Hills, California

Date July 30, 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $50,000.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Spanish Canyon
Lander County, Nevada

Date of filing MF-100 5-5-51

DMA Docket Number, if available ~~9-1238~~ 1964

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

SEE ATTACHED SCHEDULE

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

---------- (Name of company)	By ---------- (Signature of authorized official)
---------- (Date)	---------- (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

SCHEDULE - FORM MF-1[illegible]

1. Corporation

2. no answer

3. Officers, directors and five largest stockholders are as follows:

President: Samuel Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.
Vice-Pres.: Jules Berliner - 11908 Hartsook Street, North Hollywood, Calif.
Secretary-Treasurer: Selma Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.

4. See Form MF-100 attached hereto and made a part hereof.

5. Lessee

6. no answer

7. A copy of the lease is attached hereto and it is in good standing.

8. A financial statement, disclosing assets and liabilities as well as a profit and loss statement, is enclosed hereto.

9. a) $12,500.00
B) Yes

10. a) See Form MF-100
b) " " "

11. See Form MF-100

12. " " "

13. " " "

14. " " "

15. " " "

16. " " "

17. " " "

18. " " "

19. no answer

20. Tungsten (See Form MF-100)

21. See Form MF-100. (The proposed time for completion will be considerably under two years.)

22. See Form MF-100.

23. " " "

24. " " "

8.

MARSAM ENTERPRISES

Financial Statement July 31, 1951

Direct Capital Investment to date		$10,500.00

Assets

Equipment	$2544.96
5 miles of road	3501.41
Tunnel site	500.00
1 placer claim - 80 acres	?
2 building foundations	?
Water rights to all of Spanish Canyon	?
	$6546.37

Liabilities

Lease - per month	$ 100.00
Balance payments on truck engine @ $16.40 per month	98.40
No indebtedness except current accounts not yet due	

Total direct expenditures on mine	$ 9,108.51
Balance in bank July 31, 1951	1,391.49
	$10,500.00

COPY

MINING LEASE

WITH

OPTION TO PURCHASE

THIS AGREEMENT OF LEASE, made this 21st day of October, 1950, by and between GEORGE W. RONG and IRMA RONG, owners, Box 15, Manhattan, Nevada, hereinafter called "Lessors", and MARSAM ENTERPRISES, INC., a Nevada Corporation, hereinafter called "Lessee":

W I T N E S S E T H:

I PROPERTY LEASED:

That for and in consideration of the Lessee complying with the terms, provisions and conditions of this lease and paying the royalties and rentals as hereinafter set forth, Lessors do hereby lease and let to the Lessee the following described real property and and unpatented mining claims (including any claims described in ARTICLE XII) situated in Lander County, at Austin, Nevada, described and recorded in Page and Book of Mines in the office of the County Recorder of Lander County, Nevada, to-wit:

NAME	PAGE	BOOK OF MINES
PORK CHOP	390	J
T-BONE	399	J
FRIED CHICKEN	399	J

The aforesaid records of said County Recorder are by

this reference incorporated herein and made a part hereof as constituting a full and complete description of said mining claims.

II TERM OF LEASE:

The term of this lease shall begin on the first day of May, 1951, and shall continue for a period of fifty (50) years thereafter, and shall end on the 31st day of April, 2001.

III ROYALTIES AND RENTAL:

(A) For the right of Lessee to conduct mining operations on the leased property Lessors hereby reserve as a rent or royalty on all ores extracted, mined or otherwise removed from said mining claims, the following sums to be paid as hereinafter also provided:

1. In the event the Lessee sells the products of the said mining claims to a mill or other purchaser, a sum equal to ten percent (10%) of the total monies received by Lessee for the product of the mine so sold, after deducting the cost of milling, transportation and marketing charges to the extent Lessee is required to pay same. In the event milling, transportation or marketing charges are deducted from the monies received by Lessee, nothing herein contained shall be construed

to permit another deduction by Lessee in computing the sum due to Lessors.

2. In the event the Lessee operates its own mill, ten percent (10%) of the total monies received by the Lessee from the sales of products of the mines, after deducting the milling, transportation and marketing costs.

3. Notwithstanding anything in this Article III to the contrary, Lessee agrees to pay to Lessors as a minimum rent and royalty the following:

(a) during the months of May, June, July, August, September, October, November and December, the sum of Two Hundred Dollars ($200.00);

(b) during the months of January, February, March and April, the sum of One Hundred Dollars ($100.00);

(c) provided, however, it is specifically agreed that in any month in which the operating of the mining claims by the Lessee results in a net loss to Lessee, the minimum rent and royalty for each such month shall be One Hundred Dollars ($100.00). The term "Net loss" shall be deemed to mean net loss computed in accordance with sound accounting principles and practices as

applied to mining operations.

4. The rent and royalty reserved and payable pursuant to subparagraphs 1 and 2 of this Article, shall be paid forthwith upon the return of the mill settlement returns, and/or purchaser returns as the case may be, and Lessee will, if Lessors should so request, instruct such purchaser or mill to pay said sums directly to Lessors. Lessee agrees that it will supply or cause to be supplied to Lessors concurrently with each payment a true copy of the settlement sheet pertaining to the shipment and/or sale of the product of the mine on which said payment is made.

5. The minimum rent and royalty payable pursuant to subparagraph 3 of this Article III shall be paid immediately upon the close of the month for which the payment applies.

(B) Lessors reserve the right at any time to reduce the percentage of royalty in this Article hereinabove reserved. However, the voluntary reduction shall in no way affect the obligations of the Lessors under all the terms of this lease.

IV. TAXES:

Lessee agrees to forthwith pay all taxes which may hereafter be during the term of this lease levied on or

against the said mining claims or property, or the production therefrom.

V. ASSESSMENT WORK.

In addition to paying the royalties to the Lessors and paying taxes, the Lessee also agrees to perform at its own cost and expense such assessment work as may be required by law in order to retain title to the above described mining claims and to file proof thereof not later than May first of each year during the life of this lease commencing with the assessment year ended July 1, 1950. Lessee further agrees to furnish Lessors with satisfactory evidence that the title has been thus protected not later than June 1st of each year during the life of this lease.

VI. SURRENDER OF MINING PROPERTIES:

Lessee agrees to surrender up to the Lessors the said mining properties at the expiration or earlier termination of this lease in as good condition as when received, ordinary wear and tear and depletion by mining excepted. All tools, machinery and equipment placed upon the said properties by Lessee shall be, or be deemed, the personal property of Lessee, and Lessee shall have the right if it so desires to remove from the properties all or any of such tools, machinery and equipment within ninety (90) days after the expiration, abandonment or sooner termination of this lease; provided, however, that all underground timbering, pipe and rails placed

in the mine by Lessee or those claimed by, through or under it, shall remain and form a part of the properties.

VII. POSSESSION AND OPERATION.

Lessee is hereby granted and given immediate possession of said premises and property with the right to work the same and to extract any and all ores therefrom in a miner-like fashion. Lessee hereby agrees to enter and work said property at least to the equivalent of sixty (60) shifts per month during the months of May, June, July, August, September, October, November and December of each year of this lease, unless prevented by acts of God, public enemy, legal process, labor strikes, or other similar or dissimilar conditions beyond the control of Lessee. Lessee further agrees to market the ore so extracted to the best of Lessee's ability.

VIII. ACCESS TO RECORDS.

Lessee agrees that throughout the life of this lease Lessors, or their duly authorized agent, shall have the right to inspect the records of said mine and to inspect said mining properties and mining operations at all reasonable times.

IX. NOTICE OF NON-LIABILITY.

At no time during the life of this lease shall Lessee incur any debts or suffer any liens incurred by Lessee to accrue against said property or any part thereof, and it shall at all times keep the same free and clear, and shall immediately record and post notice of non-liability, which notice will be furnished by Lessor.

X. INDUSTRIAL INSURANCE

Lessee shall at all times, at its own expense, carry Workmen's Compensation Insurance on all men employed by it in and about said property and shall also comply with all legal requirements and regulations of the Nevada Industrial Commission and the Nevada State Mine Inspector.

XI. OPTION TO PURCHASE

In consideration of the payment of the rent and the performance of the covenants and conditions of this lease on the part of the Lessee, the Lessors do hereby give and grant unto the Lessee the exclusive right, privilege and option to purchase the leased premises at any time throughout the term of this lease for the full price of Eighty-Five Thousand Dollars ($85,000.00) and forthwith upon receipt thereof, Lessors agree to make, execute and deliver to Lessee, its heirs and assigns a good and sufficient mining deed conveying said premises and property to Lessee, its heirs and assigns (it being understood that said mining claims are unpatented).

Lessors further agree, in the event Lessee exercises this option to purchase, that they will credit Lessee on said purchase price with all rent and royalties theretofore paid hereunder (exclusive of any sums paid by Lessee for taxes or assessment work).

XII. ADDITIONAL LOCATIONS.

It is further understood and agreed that any additional claims located, purchased or in any wise acquired

by Lessee or Lessors, and which adjoin or are appurtenant to the premises herein leased and which can or may be developed jointly with the premises herein leased shall be considered appurtenant claims to the premises leased. In the event Lessee locates, purchases or acquires any such claims, Lessors shall be entitled thereto upon the termination of this lease. In the event Lessors locate, purchase or acquire any such claims, such claims shall immediately become subject to all the terms of this lease and Lessors lease and let accordingly and agree that Lessee may take possession immediately for that purpose, and Lessors specifically agree that any such claim shall be considered as part of this lease for the purpose of the option of Article XI hereof, and shall form a part of the leased premises within the meaning of the said Article agreed to be sold and deeded to the Lessee for the total purchase price therein contained.

XIII. DEFAULT.

In the event Lessee shall default in the payment of royalties hereunder or violate the terms and conditions hereof, said Lessors may, at their option, terminate this contract on thirty (30) days written notice to Lessee, and if Lessee fails to make good such default, or any other violation hereof, before the expiration of thirty (30) days, then this agreement shall thereupon become null and of no further effect and all monies theretofore paid hereunder shall be and remain the property of the Lessors as rent, liquidated damages and the consideration for which this agreement is executed.

Said notice shall be given to Lessee in person or by registered mail at Lessee's last address and said thirty (30) day period shall run from the date of receipt of said notice by the Lessee.

XIV. TERMINATION BY LESSEE.

Lessors specifically agree that Lessee may terminate this lease at any time upon thirty (30) days written notice. Said notice shall be given to the Lessor in person or by registered mail at Lessors' last address, and said thirty (30) day period shall run from the date of receipt of said notice by Lessors.

XV. WARRANTIES OF LESSOR.

Lessors hereby warrant that they have the right, title and interest in and to said unpatented mining claims and the right to make this lease and that Lessee shall not be disturbed in its peaceful possession under this lease of said claims during the term hereof.

XVI. BINDING ON SUCCESSORS IN INTEREST.

Time is the essence hereof and the terms and conditions herein contained extend to and are binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

XVII. PRIVILEGE TO SUBLET.

Lessee is given the right to assign its interest or to sublet hereunder, but agrees in such event to notify Lessors in writing, giving the name of the party to whom assigned or sublet.

IN WITNESS WHEREOF the parties hereto have set their hands in triplicate the day and year first above

written.

GEORGE W. RONG /s/
GEORGE W. RONG

IRMA RONG /s/
IRMA RONG

LESSORS

MARSAM ENTERPRISES, INC.,
a Nevada corporation,

By SAMUEL WEILER, Pres.

LESSEE

STATE OF NEVADA)
) ss:
COUNTY OF NYE)

On October 21st, 1950, before me, a Notary Public in and for said county and State, personally appeared GEORGE W. RONG and IRMA RONG, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same.

THOMAS W. SMITH /s/
Notary Public in and for said
County and State

(Stamped: JUSTICE OF THE PEACE - ROUND MOUNTAIN NEV)

STATE OF CALIFORNIA)
) SS:
COUNTY OF LOS ANGELES)

On October 18th, 1950, before me, a Notary Public in and for said County and State, personally appeared Samuel Weiler, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

DAVID J. GRIFFITH Jr. /s/
Notary Public in and for
said County and State

(Stamped: My Commission Expires Apr. 15, 1951)

.03
51)

S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1964

Date received 8-15-51

Participation

Marsan Enterprises Inc.
211 S. Beverly Drive
Beverly Hills, California

Name and address of applicant

Date July 30, 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $50,000.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Spanish Canyon
Lander County, Nevada

Date of filing MF-100 5-5-51

DMA Docket Number, if available ~~S-1238~~ 1964

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with exploration project contract on Form MF-200, for your signature.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

THE APPLICANT

SEE ATTACHED SCHEDULE

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

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    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
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*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
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21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

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---------- By ----------
(Name of company) (Signature of authorized official)

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16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

SCHEDULE - FORM MF-[illegible]3

1. Corporation

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3. Officers, directors and five largest stockholders are as follows:

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4. See Form MF-100 attached hereto and made a part hereof.

5. Lessee

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7. A copy of the lease is attached hereto and it is in good standing.

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B) Yes

10. a) See Form MF-100
b) " " "

11. See Form MF-100

12. " " "

13. " " "

14. " " "

15. " " "

16. " " "

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18. " " "

19. no answer

20. Tungsten (See Form MF-100)

21. See Form MF-100. (The proposed time for completion will be considerably under two years.)

22. See Form MF-100.

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Financial Statement July 31, 1951

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No indebtedness except current accounts not yet due	

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C O P Y

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WITH
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(a) during the months of May, June, July, August, September, October, November and December, the sum of Two Hundred Dollars ($200.00);

(b) during the months of January, February, March and April, the sum of One Hundred Dollars ($100.00);

(c) provided, however, it is specifically agreed that in any month in which the operating of the mining claims by the Lessee results in a net loss to Lessee, the minimum rent and royalty for each such month shall be One Hundred Dollars ($100.00). The term "Net loss" shall be deemed to mean net loss computed in accordance with sound accounting principles and practices as

applied to mining operations.

4. The rent and royalty reserved and payable pursuant to subparagraphs 1 and 2 of this Article, shall be paid forthwith upon the return of the mill settlement returns, and/or purchaser returns as the case may be, and Lessee will, if Lessors should so request, instruct such purchaser or mill to pay said sums directly to Lessors. Lessee agrees that it will supply or cause to be supplied to Lessors concurrently with each payment a true copy of the settlement sheet pertaining to the shipment and/or sale of the product of the mine on which said payment is made.

5. The minimum rent and royalty payable pursuant to subparagraph 3 of this Article III shall be paid immediately upon the close of the month for which the payment applies.

(B) Lessors reserve the right at any time to reduce the percentage of royalty in this Article hereinabove reserved. However, the voluntary reduction shall in no way affect the obligations of the Lessors under all the terms of this lease.

IV. TAXES:

Lessee agrees to forthwith pay all taxes which may hereafter be during the term of this lease levied on or

against the said mining claims or property, or the production therefrom.

V. ASSESSMENT WORK.

In addition to paying the royalties to the Lessors and paying taxes, the Lessee also agrees to perform at its own cost and expense such assessment work as may be required by law in order to retain title to the above described mining claims and to file proof thereof not later than May first of each year during the life of this lease commencing with the assessment year ended July 1, 1950. Lessee further agrees to furnish Lessors with satisfactory evidence that the title has been thus protected not later than June 1st of each year during the life of this lease.

VI. SURRENDER OF MINING PROPERTIES:

Lessee agrees to surrender up to the Lessors the said mining properties at the expiration or earlier termination of this lease in as good condition as when received, ordinary wear and tear and depletion by mining excepted. All tools, machinery and equipment placed upon the said properties by Lessee shall be, or be deemed, the personal property of Lessee, and Lessee shall have the right if it so desires to remove from the properties all or any of such tools, machinery and equipment within ninety (90) days after the expiration, abandonment or sooner termination of this lease; provided, however, that all underground timbering, pipe and rails placed

in the mine by Lessee or those claimed by, through or under it, shall remain and form a part of the properties.

VII. POSSESSION AND OPERATION.

Lessee is hereby granted and given immediate possession of said premises and property with the right to work the same and to extract any and all ores therefrom in a miner-like fashion. Lessee hereby agrees to enter and work said property at least to the equivalent of sixty (60) shifts per month during the months of May, June, July, August, September, October, November and December of each year of this lease, unless prevented by acts of God, public enemy, legal process, labor strikes, or other similar or dissimilar conditions beyond the control of Lessee. Lessee further agrees to market the ore so extracted to the best of Lessee's ability.

VIII. ACCESS TO RECORDS.

Lessee agrees that throughout the life of this lease Lessors, or their duly authorized agent, shall have the right to inspect the records of said mine and to inspect said mining properties and mining operations at all reasonable times.

IX. NOTICE OF NON-LIABILITY.

At no time during the life of this lease shall Lessee incur any debts or suffer any liens incurred by Lessee to accrue against said property or any part thereof, and it shall at all times keep the same free and clear, and shall immediately record and post notice of non-liability, which notice will be furnished by Lessor.

X. INDUSTRIAL INSURANCE

Lessee shall at all times, at its own expense, carry Workmen's Compensation Insurance on all men employed by it in and about said property and shall also comply with all legal requirements and regulations of the Nevada Industrial Commission and the Nevada State Mine Inspector.

XI. OPTION TO PURCHASE

In consideration of the payment of the rent and the performance of the covenants and conditions of this lease on the part of the Lessee, the Lessors do hereby give and grant unto the Lessee the exclusive right, privilege and option to purchase the leased premises at any time throughout the term of this lease for the full price of Eighty-Five Thousand Dollars ($85,000.00) and forthwith upon receipt thereof, Lessors agree to make, execute and deliver to Lessee, its heirs and assigns a good and sufficient mining deed conveying said premises and property to Lessee, its heirs and assigns (it being understood that said mining claims are unpatented).

Lessors further agree, in the event Lessee exercises this option to purchase, that they will credit Lessee on said purchase price with all rent and royalties theretofore paid hereunder (exclusive of any sums paid by Lessee for taxes or assessment work).

XII. ADDITIONAL LOCATIONS.

It is further understood and agreed that any additional claims located, purchased or in any wise acquired

by Lessee or Lessors, and which adjoin or are appurtenant to the premises herein leased and which can or may be developed jointly with the premises herein leased shall be considered appurtenant claims to the premises leased. In the event Lessee locates, purchases or acquires any such claims, Lessors shall be entitled thereto upon the termination of this lease. In the event Lessors locate, purchase or acquire any such claims, such claims shall immediately become subject to all the terms of this lease and Lessors lease and let accordingly and agree that Lessee may take possession immediately for that purpose, and Lessors specifically agree that any such claim shall be considered as part of this lease for the purpose of the option of Article XI hereof, and shall form a part of the leased premises within the meaning of the said Article agreed to be sold and deeded to the Lessee for the total purchase price therein contained.

XIII. DEFAULT.

In the event Lessee shall default in the payment of royalties hereunder or violate the terms and conditions hereof, said Lessors may, at their option, terminate this contract on thirty (30) days written notice to Lessee, and if Lessee fails to make good such default, or any other violation hereof, before the expiration of thirty (30) days, then this agreement shall thereupon become null and of no further effect and all monies theretofore paid hereunder shall be and remain the property of the Lessors as rent, liquidated damages and the consideration for which this agreement is executed.

Said notice shall be given to Lessee in person or by registered mail at Lessee's last address and said thirty (30) day period shall run from the date of receipt of said notice by the Lessee.

XIV. TERMINATION BY LESSEE.

Lessors specifically agree that Lessee may terminate this lease at any time upon thirty (30) days written notice. Said notice shall be given to the Lessor in person or by registered mail at Lessors' last address, and said thirty (30) day period shall run from the date of receipt of said notice by Lessors.

XV. WARRANTIES OF LESSOR.

Lessors hereby warrant that they have the right, title and interest in and to said unpatented mining claims and the right to make this lease and that Lessee shall not be disturbed in its peaceful possession under this lease of said claims during the term hereof.

XVI. BINDING ON SUCCESSORS IN INTEREST.

Time is the essence hereof and the terms and conditions herein contained extend to and are binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

XVII. PRIVILEGE TO SUBLET..

Lessee is given the right to assign its interest or to sublet hereunder, but agrees in such event to notify Lessors in writing, giving the name of the party to whom assigned or sublet.

IN WITNESS WHEREOF the parties hereto have set their hands in triplicate the day and year first above

written.

GEORGE W. RONG /s/
GEORGE W. RONG

IRMA RONG /s/
IRMA RONG

LESSORS

MARGAM ENTERPRISES, INC.,
a Nevada corporation,

By SAMUEL WEILER, Pres.

LESSEE

STATE OF NEVADA)
) ss:
COUNTY OF NYE)

On October 21st, 1950, before me, a Notary Public in and for said county and State, personally appeared GEORGE W. RONG and IRMA RONG, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same.

THOMAS W. SMITH /s/
Notary Public in and for said
County and State

(Stamped: JUSTICE OF THE PEACE - ROUND MOUNTAIN NEV)

STATE OF CALIFORNIA)
) SS:
COUNTY OF LOS ANGELES)

On October 18th, 1950, before me, a Notary Public in and for said County and State, personally appeared Samuel Weiler, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

DAVID J. GRIFFITH Jr. /s/
Notary Public in and for
said County and State

(Stamped: My Commission Expires Apr. 15, 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1964

Date received 8-16-51

Participation

Name and address of applicant

Harsam Enterprises Inc.
211 S. Beverly Drive
Beverly Hills, California

Date July 30, 1951

FILL IN THIS BLOCK

Date of application

Estimated cost $50,000.00

Mineral or metal Tungsten

Percentage of Government participation 75%

Location of mine Spanish Canyon
Lander County, Nevada

Date of filing MF-100 5-5-51

DMA Docket Number, if available ~~9-1238~~ 1964

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 14 1951

THE APPLICANT

SEE ATTACHED SCHEDULE

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any claim, mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

---------- By ----------
(Name of company) (Signature of authorized official)

---------- ----------
(Date) (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

SCHEDULE - FORM MF-103

1. Corporation

2. no answer

3. Officers, directors and five largest stockholders are as follows:

President: Samuel Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.
Vice-Pres.: Jules Berliner - 11900 Hartsook Street, North Hollywood, Calif.
Secretary-Treasurer: Selma Weiler - 211 So. Beverly Drive, Beverly Hills, Calif.

4. See Form MF-100 attached hereto and made a part hereof.

5. Lessee

6. no answer

7. A copy of the lease is attached hereto and it is in good standing.

8. A financial statement, disclosing assets and liabilities as well as a profit and loss statement, is enclosed hereto.

9. a) $12,500.00
B) Yes

10. a) See Form MF-100
b) " " "

11. See Form MF-100

12. " " "

13. " " "

14. " " "

15. " " "

16. " " "

17. " " "

18. " " "

19. no answer

20. Tungsten (See Form MF-100)

21. See Form MF-100. (The proposed time for completion will be considerably under two years.)

22. See Form MF-100.

23. " " "

24. " " "

8

MARSAM ENTERPRISES

Financial Statement July 31, 1951

Direct Capital Investment to date		$10,500.00
Assets		
Equipment	$2544.96	
5 miles of road	3501.41	
Tunnel site	500.00	
1 placer cliam - 80 acres	?	
2 building foundations	?	
Water rights to all of Spanish Canyon		
	$6546.37	
Liabilities		
Lease - per month	$ 100.00	
Balance payments on truck engine @ $16.40 per month	98.40	
No indebtedness except current accounts not yet due		
Total direct expenditures on mine		$ 9,108.51
Balance in bank July 31, 1951		1,391.49
		$10.500.00

COPY

MINING LEASE
WITH
OPTION TO PURCHASE

THIS AGREEMENT OF LEASE, made this 21st day of October, 1950, by and between GEORGE W. RONG and IRMA RONG, owners, Box 15, Manhattan, Nevada, hereinafter called "Lessors", and MARSAM ENTERPRISES, INC., a Nevada Corporation, hereinafter called "Lessee":

W I T N E S S E T H:

I PROPERTY LEASED:

That for and in consideration of the Lessee complying with the terms, provisions and conditions of this lease and paying the royalties and rentals as hereinafter set forth, Lessors do hereby lease and let to the Lessee the following described real property and and unpatented mining claims (including any claims described in ARTICLE XII) situated in Lander County, at Austin, Nevada, described and recorded in Page and Book of Mines in the office of the County Recorder of Lander County, Nevada, to-wit:

NAME	PAGE	BOOK OF MINES
PORK CHOP	390	J
T-BONE	399	J
FRIED CHICKEN	399	J

The aforesaid records of said County Recorder are by

this reference incorporated herein and made a part hereof as constituting a full and complete description of said mining claims.

II TERM OF LEASE:

The term of this lease shall begin on the first day of May, 1951, and shall continue for a period of fifty (50) years thereafter, and shall end on the 31st day of April, 2001.

III ROYALTIES AND RENTAL:

(A) For the right of Lessee to conduct mining operations on the leased property Lessors hereby reserve as a rent or royalty on all ores extracted, mined or otherwise removed from said mining claims, the following sums to be paid as hereinafter also provided:

1. In the event the Lessee sells the products of the said mining claims to a mill or other purchaser, a sum equal to ten percent (10%) of the total monies received by Lessee for the product of the mine so sold, after deducting the cost of milling, transportation and marketing charges to the extent Lessee is required to pay same. In the event milling, transportation or marketing charges are deducted from the monies received by Lessee, nothing herein contained shall be construed

to permit another deduction by Lessee in computing the sum due to Lessors.

2. In the event the Lessee operates its own mill, ten percent (10%) of the total monies received by the Lessee from the sales of products of the mines, after deducting the milling, transportation and marketing costs.

3. Notwithstanding anything in this Article III to the contrary, Lessee agrees to pay to Lessors as a minimum rent and royalty the following:

(a) during the months of May, June, July, August, September, October, November and December, the sum of Two Hundred Dollars ($200.00);

(b) during the months of January, February, March and April, the sum of One Hundred Dollars ($100.00);

(c) provided, however, it is specifically agreed that in any month in which the operating of the mining claims by the Lessee results in a net loss to Lessee, the minimum rent and royalty for each such month shall be One Hundred Dollars ($100.00). The term "Net loss" shall be deemed to mean net loss computed in accordance with sound accounting principles and practices as

applied to mining operations.

4. The rent and royalty reserved and payable pursuant to subparagraphs 1 and 2 of this Article, shall be paid forthwith upon the return of the mill settlement returns, and/or purchaser returns as the case may be, and Lessee will, if Lessors should so request, instruct such purchaser or mill to pay said sums directly to Lessors. Lessee agrees that it will supply or cause to be supplied to Lessors concurrently with each payment a true copy of the settlement sheet pertaining to the shipment and/or sale of the product of the mine on which said payment is made.

5. The minimum rent and royalty payable pursuant to subparagraph 3 of this Article III shall be paid immediately upon the close of the month for which the payment applies.

(B) Lessors reserve the right at any time to reduce the percentage of royalty in this Article hereinabove reserved. However, the voluntary reduction shall in no way affect the obligations of the Lessors under all the terms of this lease.

IV. TAXES:

Lessee agrees to forthwith pay all taxes which may hereafter be during the term of this lease levied on or

against the said mining claims or property, or the production therefrom.

V. ASSESSMENT WORK.

In addition to paying the royalties to the Lessors and paying taxes, the Lessee also agrees to perform at its own cost and expense such assessment work as may be required by law in order to retain title to the above described mining claims and to file proof thereof not later than May first of each year during the life of this lease commencing with the assessment year ended July 1, 1950. Lessee further agrees to furnish Lessors with satisfactory evidence that the title has been thus protected not later than June 1st of each year during the life of this lease.

VI. SURRENDER OF MINING PROPERTIES:

Lessee agrees to surrender up to the Lessors the said mining properties at the expiration or earlier termination of this lease in as good condition as when received, ordinary wear and tear and depletion by mining excepted. All tools, machinery and equipment placed upon the said properties by Lessee shall be, or be deemed, the personal property of Lessee, and Lessee shall have the right if it so desires to remove from the properties all or any of such tools, machinery and equipment within ninety (90) days after the expiration, abandonment or sooner termination of this lease; provided, however, that all underground timbering, pipe and rails placed

in the mine by Lessee or those claimed by, through or under it, shall remain and form a part of the properties.

VII. POSSESSION AND OPERATION.

Lessee is hereby granted and given immediate possession of said premises and property with the right to work the same and to extract any and all ores therefrom in a miner-like fashion. Lessee hereby agrees to enter and work said property at least to the equivalent of sixty (60) shifts per month during the months of May, June, July, August, September, October, November and December of each year of this lease, unless prevented by acts of God, public enemy, legal process, labor strikes, or other similar or dissimilar conditions beyond the control of Lessee. Lessee further agrees to market the ore so extracted to the best of Lessee's ability.

VIII. ACCESS TO RECORDS.

Lessee agrees that throughout the life of this lease Lessors, or their duly authorized agent, shall have the right to inspect the records of said mine and to inspect said mining properties and mining operations at all reasonable times.

IX. NOTICE OF NON-LIABILITY.

At no time during the life of this lease shall Lessee incur any debts or suffer any liens incurred by Lessee to accrue against said property or any part thereof, and it shall at all times keep the same free and clear, and shall immediately record and post notice of non-liability, which notice will be furnished by Lessor.

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Lessee shall at all times, at its own expense, carry Workmen's Compensation Insurance on all men employed by it in and about said property and shall also comply with all legal requirements and regulations of the Nevada Industrial Commission and the Nevada State Mine Inspector.

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In consideration of the payment of the rent and the performance of the covenants and conditions of this lease on the part of the Lessee, the Lessors do hereby give and grant unto the Lessee the exclusive right, privilege and option to purchase the leased premises at any time throughout the term of this lease for the full price of Eighty-Five Thousand Dollars ($85,000.00) and forthwith upon receipt thereof, Lessors agree to make, execute and deliver to Lessee, its heirs and assigns a good and sufficient mining deed conveying said premises and property to Lessee, its heirs and assigns (it being understood that said mining claims are unpatented).

Lessors further agree, in the event Lessee exercises this option to purchase, that they will credit Lessee on said purchase price with all rent and royalties theretofore paid hereunder (exclusive of any sums paid by Lessee for taxes or assessment work).

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It is further understood and agreed that any additional claims located, purchased or in any wise acquired

by Lessee or Lessors, and which adjoin or are appurtenant to the premises herein leased and which can or may be developed jointly with the premises herein leased shall be considered appurtenant claims to the premises leased. In the event Lessee locates, purchases or acquires any such claims, Lessors shall be entitled thereto upon the termination of this lease. In the event Lessors locate, purchase or acquire any such claims, such claims shall immediately become subject to all the terms of this lease and Lessors lease and let accordingly and agree that Lessee may take possession immediately for that purpose, and Lessors specifically agree that any such claim shall be considered as part of this lease for the purpose of the option of Article XI hereof, and shall form a part of the leased premises within the meaning of the said Article agreed to be sold and deeded to the Lessee for the total purchase price therein contained.

XIII. DEFAULT.

In the event Lessee shall default in the payment of royalties hereunder or violate the terms and conditions hereof, said Lessors may, at their option, terminate this contract on thirty (30) days written notice to Lessee, and if Lessee fails to make good such default, or any other violation hereof, before the expiration of thirty (30) days, then this agreement shall thereupon become null and of no further effect and all monies theretofore paid hereunder shall be and remain the property of the Lessors as rent, liquidated damages and the consideration for which this agreement is executed.

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XV. WARRANTIES OF LESSOR.

Lessors hereby warrant that they have the right, title and interest in and to said unpatented mining claims and the right to make this lease and that Lessee shall not be disturbed in its peaceful possession under this lease of said claims during the term hereof.

XVI. BINDING ON SUCCESSORS IN INTEREST.

Time is the essence hereof and the terms and conditions herein contained extend to and are binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

XVII. PRIVILEGE TO SUBLET.

Lessee is given the right to assign its interest or to sublet hereunder, but agrees in such event to notify Lessors in writing, giving the name of the party to whom assigned or sublet.

IN WITNESS WHEREOF the parties hereto have set their hands in triplicate the day and year first above

written.

GEORGE W. RONG /s/
GEORGE W. RONG

IRMA RONG /s/
IRMA RONG

LESSORS

MARSAM ENTERPRISES, INC.,
a Nevada corporation,

By SAMUEL WEILER, Pres.

LESSEE

STATE OF NEVADA)
) ss:
COUNTY OF NYE)

On October 21st, 1950, before me, a Notary Public in and for said county and State, personally appeared GEORGE W. RONG and IRMA RONG, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same.

THOMAS W. SMITH /s/
Notary Public in and for said
County and State

(Stamped: JUSTICE OF THE PEACE - ROUND MOUNTAIN NEV)

STATE OF CALIFORNIA)
) SS:
COUNTY OF LOS ANGELES)

On October 18th, 1950, before me, a Notary Public in and for said County and State, personally appeared Samuel Weiler, known to me to be the President of the corporation that executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.

DAVID J. GRIFFITH Jr. /s/
Notary Public in and for
said County and State

(Stamped: My Commission Expires Apr. 15, 1951)

Survey appears to have no info.
No map, no sample data,
no outline or statement
of proposed exploration.

Get more data from
application before field
referral

TPT

D.M.A. 1964.

Hillside Below Mine

D.M.A. 1964.

Starting Drift.