AUG 12 1954

Bacon Associates
% Dr. R. F. Bacon
500 Fifth Avenue
New York, N. Y.

Re: Docket No. DMEA 3368 - Tungsten
Big Wash Tungsten Claims
White Pine County, Nevada

Dear Doctor Bacon:

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

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite premise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

JHOPKINS:foc
8-11-54
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
Ft. Reg. III
R. W. Geehan, USBM
E. L. Newcomb, USGS

MEMORANDUM

August 11, 1954

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of an application for exploration assistance in the amount of $20,000.00
Docket No. DMEA 3368 - Tungsten
Bacon Associates
Big Wash Claims
White Pine County, Nevada

Our denial of the subject application is based on the following information:

The area comprising the Big Wash Tungsten group of claims is underlain by sedimentary rocks that are mostly thin bedded, fine to medium grained, dark gray to bleached, sometimes recrystallized and marbleized limestone.

A small granitic stock is exposed one mile northwest of the mine area and a 20-foot thick, nearly vertical aplite dike has been intruded about 500 yards north of the open pit on Big Wash Tungsten No. 2 claim.

The scheelite occurs mainly as fairly large (1/4 inch to 1 inch) crystals scattered along fractures in the limestone. Not all fractures contain scheelite and the scheelite does not appear to favor any particular bed in the limestone or any set of fractures.

Occasionally sporadic disseminations of finer grained scheelite occur in the limestone unassociated with either fractures or quartz.

The workings on the property consist of numerous small holes, an adit 100 feet long, and one large open cut 130 feet long, 5 to 15 feet in width and 3 to 10 feet in depth from which it is reported, but not confirmed, that production during the period 1916-17 was 500 tons of slightly less than 1.0% WO_3.

Samples were taken in areas in which scheelite mineralization was observed and from which the former miners had apparently

removed the major part of the ore. Examination showed that only a thin surface of scheelite remained on the limited exposures of quartz and that the penetration into the limestone was practically nil.

The corresponding analyses showed a wide range of values and served only to indicate the grade of ore mined and sorted during the 1917-18 operation. There are no indicated or inferred ore reserves.

The examining engineer and geologists conclude that the scheelite bearing fractures are too widely spaced to permit a small high grade operation and that the intervening material is too low grade to provide for a large scale low grade operation.

They, therefore, recommend that the application be denied.

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

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

JHOPKINS:foc
8-11-54
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.

IN REPLY REFER TO:

402

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

August 6, 1954

Re: Bacon Associates
Big Wash Claims
White Pine Co., Nev.
$20,000 - Tungsten
DMEA-3368

Memorandum

To: W. S. Martin
Defense Minerals Exploration Administration

From: E. L. Newcomb
U. S. Geological Survey

Subject: Concurrence with Field Team recommendation for denial

The applicant requests assistance to drift 800 feet, and raise 100 feet beneath a large open cut in order to test for a granite-limestone contact (?).

The Field Team has recommended the proposal be denied.

Scheelite mineralization on the Big Wash Claims is associated with narrow quartz lined fractures which are not persistent along the strike or dip. Very sparse amounts of scheelite are disseminated between the fractures. Present evidence on the property does not indicate that a mineralized limestone-granite contact will be cut by the proposed work.

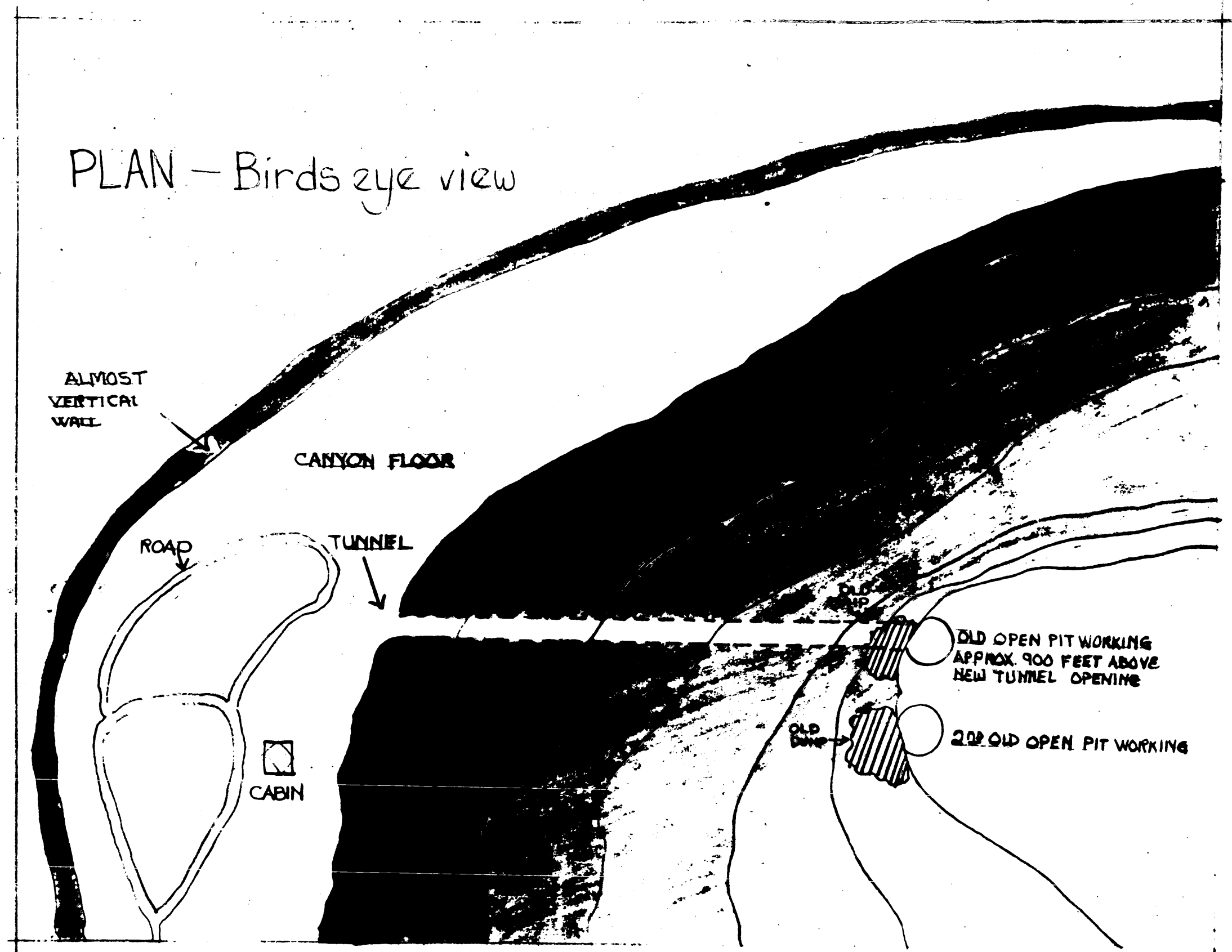
The nature of the tungsten occurrences in small fractures and sporadic disseminated bodies indicates a significant discovery is unlikely to be made by the proposed project.

I concur with the Field Team and recommend this application be denied.

E. L. Newcomb

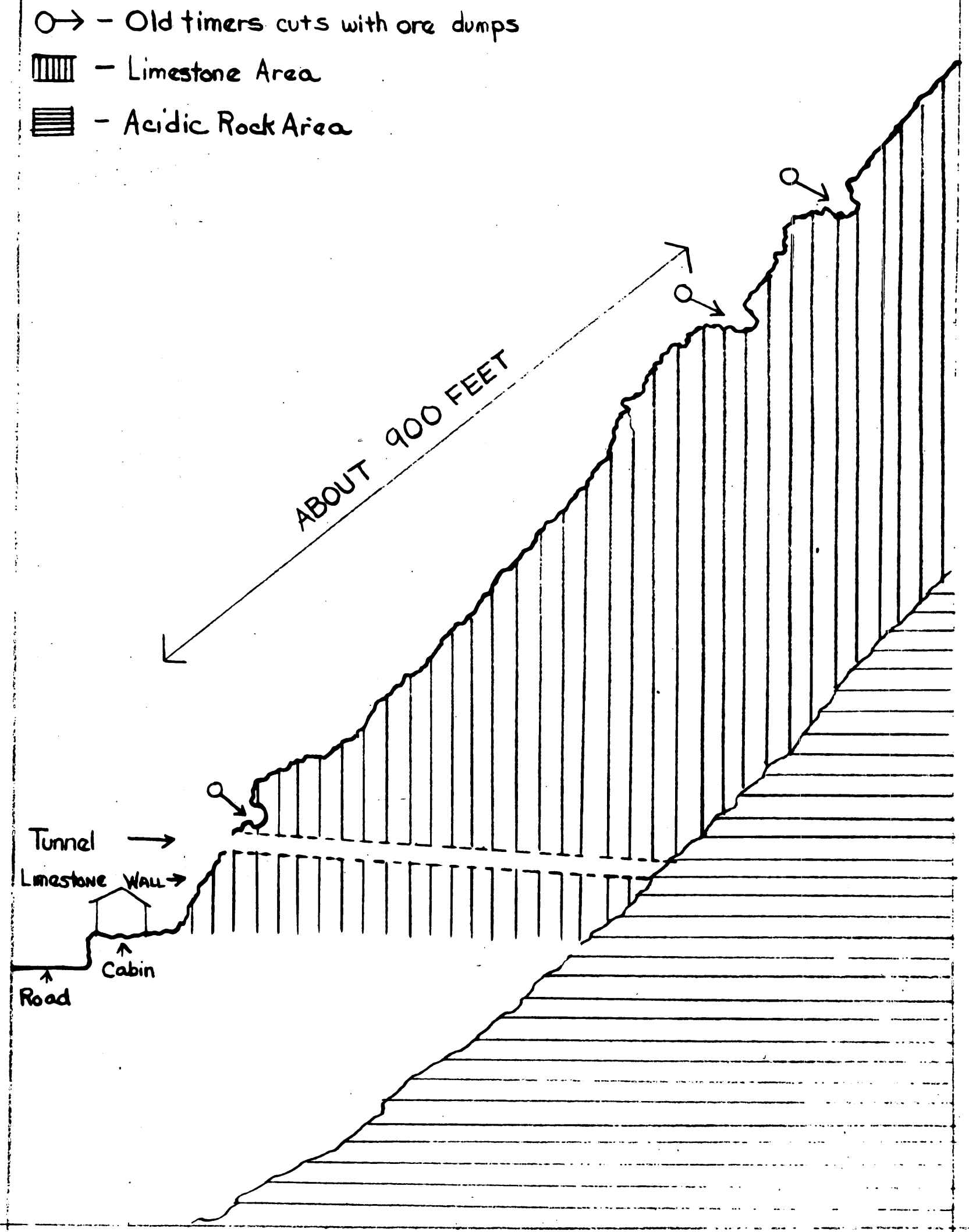
ELNewcomb:hlm
G-8/6/54

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
R. W. Geehan, 3513


PLAN – Birds eye view
ALMOST VERTICAL WALL
CANYON FLOOR
ROAD
TUNNEL
CABIN
OLD OPEN PIT WORKING APPROX. 900 FEET ABOVE NEW TUNNEL OPENING
2nd OLD OPEN PIT WORKING

DMEA
3368

ELEVATION



DMEA
3368

MEMO I.

As per photostat of Bacon Associates partnership agreement, attached to Memo III the applicant partners are:

Raymond F. Bacon - 500 Fifth Avenue, New York, New York

C. X. Bacon - Placerville, Idaho

Chauncey L. Landon - Alger Court, Westbourne, Bronxville, N.Y.

Gardner F. Landon - Pelham, New York

Betty W. Landon - Bronxville, New York

Jane L. Fairchild - Bronxville, New York

MEMO II.

This property comprises five (5) claims located in White Pine County, Nevada. They are recorded in Ely, Nevada in the name of John E. Osborne as follows:

Big Wash No. 1 -	recorded	in	Ely,	Nevada	-	Liber	No.	158 -	page	355
Big Wash No. 2 -	"	"	"	"	-	"	"	158 -	"	356
Big Wash No. 3 -	"	"	"	"	-	"	"	158 -	"	357
Big Wash No. 4 -	"	"	"	"	-	"	"	158 -	"	358
Big Wash No. 5 -	"	"	"	"	-	"	"	158 -	"	359

MEMO III

The terms and conditions of the Osborne Contract of Sale to R.F. Bacon and C.X. Bacon (attached) are in full force and effect.

This Contract has been assigned in its entirety to Bacon Associates per Partnership Agreement (attached). This agreement was recorded at the office of the County Clerk for White Pine County, Ely, Nevada, September 22, 1953 at 1:03 P.M., Book 168, Pages 373 - 177 Misc. Record - J.B. Geraghty Recorder.

Osborne will sign upon request any needed waivers, etc. which may be required for an "exploration project contract".

AGREEMENT made this day of July, 1953, by and among C. X. BACON, residing at Placerville, Idaho, hereinafter called "C.X.", RAYMOND F. BACON, of 500 Fifth Avenue, Borough of Manhattan, New York City, hereinafter called "R.F.", CHAUNCEY L. LANDON, of 535 Fifth Avenue, Borough of Manhattan, New York City, hereinafter called "C.L.L.", GARDNER F. LANDON, of Pelham, New York, hereinafter called "G.F.L.", BETTY W. LANDON, of Bronxville, New York, hereinafter called "B.W.L." and JANE L. FAIRCHILD, of Bronxville, New York, hereinafter called "J.L.F."

WITNESSETH, IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

1. The parties hereto hereby form a limited partnership for the purpose of conducting a general mining business, and the principal office shall be in Baker, Nevada.

2. C. X. and B.W.L. shall be general partners and R.F., C.L.L., G.F.L. and J.L.F. shall be limited or special partners in the said partnership.

3. The partnership shall be conducted under the firm name and style of BACON ASSOCIATES and shall commence on the 1st day of July, 1953, and shall continue for one year and thereafter from year to year consecutively in succession. This agreement shall be subject to termination at any time by written notice from any party hereto as hereafter specified of his or her election to terminate this agreement.

4. The capital of the partnership shall consist of all of the right, title and interest of R.F. and C.X., as Buyers, in and to a certain agreement with JOHN E. OSBORNE, of Garrison, Utah, as Seller, of certain mining claims located in White Pine County, Nevada, and known as "Big Wash

Tungsten Numbers 1-5 inclusive." R.F. and C.X. hereby acknowledge that they entered into the said agreement with JOHN E. OSBORNE independently and on behalf of all of the other parties hereto and that they do hereby assign to the partnership, BACON ASSOCIATES, all of their right, title, property and interest of every nature and description in and to the said agreement with JOHN E. OSBORNE.

5. The parties hereto shall each own and shall respectively be entitled to participate in the capital of this partnership (consisting of certain mining property) and to receive as his or her share of the profits of the partnership the following percentages thereof as set forth opposite their respective names:

C. X. 35%
R. F. 35%
C. L. L. 7½%
G. F. L. 7½%
B.W. L. 7½%
J. L. F. 7½%

6. Any losses suffered or incurred in or about the business of the partnership shall be borne by all of the parties in the same proportion in which they are entitled as aforesaid to share in the profits of the partnership, but no limited or special partner shall in any event be liable for or subject to any losses whatsoever in excess of the amount of his interest in the capital of this partnership, as aforesaid, nor shall any such limited or special partner be personally liable for any of the debts, obligations or losses of said partnership in any event or to any extent whatsoever.

7. Any of the parties hereto shall have the right to sell or assign to third parties the whole or any part of his or her respective interest in the capital and profits of the partnership upon such third parties executing and delivering to the other parties hereto a counterpart of this partnership agreement.

8. Any party hereto shall have the right to terminate this agreement on giving all of the remaining parties thirty (30) days' written notice sent by registered mail of intention so to terminate this partnership. All of the other parties shall have the absolute right within twenty (20) days from the receipt of said written notice within which to elect to purchase the interest of the parther who shall have given notice of intention to terminate the partnership. Such election to purchase shall be in writing and the terms thereof shall be on a "buy or sell" basis so that the purchase price to be paid therefor shall be in an amount and upon terms proportionate to the price at which the partners electing to purchase such interest shall have expressed their willingness to sell their own respective partnership interests. Such terms of purchase shall be set forth in the notice of election to purchase and such transaction shall be concluded within twenty (20) days after the mailing thereof unless otherwise agreed upon.

9. In the event of the death, retirement or disability of any party hereto, the parthership may be continued by the surviving partners and the capital contributed by such surviving partners shall be used in the conduct of the said business and shall be subjected to the payment of debts and liabilities contracted by the partnership since such death, withdrawal, retirement or disability,

and the estate of the deceased partner or the retired partner, as the case may be, shall be paid his or her share of the capital and profits of the partnership to said date, upon the "buy or sell" basis hereinabove in paragraph "8" described, and the partnership continued as though said partner had never been a member of the partnership. Anything herein contained to the contrary notwithstanding, the parties hereto hereby agree that in the event of the death or disability of any party hereto, the legal representatives of such deceased or disabled partner shall have the absolute right and option in their uncontrolled discretion to refrain from accepting payment of the aforesaid share of the capital and profits of the partnership, and shall have the right to be admitted to the partnership as of the date of death or disability of said partner so that the partnership business shall be deemed to be continued without interruption as if said legal representatives had been originally members of the partnership and shall become bound by all the terms and provisions hereof. The exercise by such legal representatives of the right and option herein set forth shall be evidenced by an election in writing which shall be sent by registered mail to all of the other partners not later than ninety (90) days after the appointment and qualification of such legal representatives in the jurisdiction in which such deceased or disabled partner shall be domiciled.

10. Upon the dissolution of the partnership, through operation of law or otherwise, the net assets of the partnership shall be applied in repayment of the capital contributed by the partners and any surplus shall be divided among the parties hereto in accordance with

their respective interest therein as above specified.

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

WITNESS

August 17-1953 Rhoda J. Terry
Aug. 17, 1953 O.M. Terry

C. X. Bacon (L.S.)
C. X. Bacon

Raymond F. Bacon (L.S.)
Raymond F. Bacon

Chauncey L. Landon (L.S.)
Chauncey L. Landon

Gardner F. Landon (L.S.)
Gardner F. Landon
Gardner

Betty Jorden
August 6, 1953

Betty W. Landon (L.S.)
Betty W. Landon

Jane L. Fairchild (L.S.)
Jane L. Fairchild

RIDER

It is hereby agreed that paragraph 8 hereof is hereby amended by the addition of the following:

All of the partners desiring to purchase any such interest to be sold shall have the right to do so in proportion to their interests in the partnership, and any partner who does not mail the notice of election to purchase within the time specified shall have no right to purchase the whole or any part thereof.

C. X. Bacon (L.S.)
C. X. Bacon

Gardner F. Landon (L.S.)
Gardner F. Landon

Raymond F. Bacon (L.S.)
Raymond F. Bacon

Betty W. Landon (L.S.)
Betty W. Landon

Chauncey L. Landon (L.S.)
Chauncey L. Landon

Jane L. Fairchild (L.S.)
Jane L. Fairchild

E. H. P.
RBB

CONTRACT OF SALE

This Contract of Sale entered into between JOHN E. OSBORNE of GARRISON, UTAH, hereinafter known as Seller and R. F. BACON of 500 FIFTH AVENUE, NEW YORK, NEW YORK and C. X. BACON of PLACERVILLE, IDAHO, hereinafter known as Buyers witnesseth that:

WHEREAS the Seller is the owner of the entire right, title and interest in and to the below listed mining claims;

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the parties hereto have hereby mutually agreed as follows:

Seller agrees to sell to Buyers the entire right, title and interest in and to certain mining claims located in White Pine County, Nevada near Garrison, Utah and known as

Big Wash Tungsten #1 recorded in Ely, Nevada Liber No. 158 Page 355
Big Wash Tungsten #2 recorded in Ely, Nevada Liber No. 158 Page 356
Big Wash Tungsten #3 recorded in Ely, Nevada Liber No. 158 Page 357
Big Wash Tungsten #4 recorded in Ely, Nevada Liber No. 158 Page 358
Big Wash Tungsten #5 recorded in Ely, Nevada Liber No. 158 Page 359

upon the following terms and conditions:

1. The total purchase price shall be THIRTY THOUSAND DOLLARS ($30,000.) payable by Buyers to Seller thus - FIVE HUNDRED DOLLARS ($500.) on the signing of this Contract, receipt of which is hereby acknowledged, and 10% royalty on all ore sold from these claims during the life of this Contract, with a minimum yearly royalty of FIFTEEN HUNDRED DOLLARS ($1,500.)
2. All royalty payments shall be made by Buyers to Seller within one month from the time the proceeds from the sale of the ore are received by Buyers, except that any unpaid portion of the minimum yearly royalty payment shall be due and payable on November 1st of each year, calculated to begin with the fiscal year commencing November 1, 1953 and ending November 1, 1954.
3. The ten percent (10%) royalty shall be based on the actual money received by Buyers from the sale of the ore less the transportation charge from the mine to the point of sale. For example, if the ore should be sold for ONE HUNDRED DOLLARS ($100.) per ton in Ely and the cost of transporting it

from mine to Ely were TEN DOLLARS ($10.) per ton, then the ten percent (10%) royalty would be figured on NINETY DOLLARS ($90.) per ton.

4. In case Buyers do not pay the minimum yearly royalty of FIFTEEN HUNDRED DOLLARS ($1,500.) on any due date as provided above or if Buyers shall fail to pay royalties on ore as above provided, this Contract shall then become null and void; whereupon any machinery, tools or non-permanent improvements made by Buyers on the property may be removed by Buyers in case they decide to abandon the property, but only after all royalty payments due at that time have been made.

5. This Contract shall remain in full force and effect so long as royalty payments are made by Buyers as above provided; and it shall terminate whenever Buyers shall fail to so pay these royalties, or, when the total of royalties paid to Seller shall equal the total purchase price of THIRTY THOUSAND DOLLARS ($30,000.)

6. Buyers shall have the right to pay, at any time during the life of this Contract, any balance due on the total purchase price of THIRTY THOUSAND DOLLARS ($30,000.)

7. So long as this Contract shall remain in force Buyers shall have the right to mine, remove and sell ore from the above listed claims.

8. Seller agrees that when the sum of the payments made by Buyers to Seller under this Contract shall equal the total purchase price; namely, THIRTY THOUSAND DOLLARS($30,000.) then Seller will immediately sign and deliver to Buyers whatever documents and take whatever actions as are required by law to transfer to and invest in Buyers the entire right, title and interest in and to the mining claims above listed, subject to any paramount interest of the United States Government.

J.E.C.

9. It is mutually understood and agreed that Buyers shall order and pay for any and all necessary expenses involved in, the preparation and procurement of such documents and the carrying out of such actions; it being likewise specifically understood and agreed that if and when the Buyers elect to seek Letters Patent on the claims aforesaid that the Buyer shall pay all expenses involved in procurement of such Letters Patent.

10. Seller agrees that he will during the life of this Contract file such yearly affidavits of work and do all other things required by law to maintain his rights in the mining claims above listed. If the Seller shall not file such affidavits promptly, Buyers may elect to do so.

11. It is mutually understood and agreed that so long as this Contract shall remain in force the Buyers will at their sole expense each year, perform or cause to be performed $100. worth of work or improvements on each of the claims above listed and in such manner as to fully meet such legal requirements of the United States Government as may govern "annual assessment work"; it being further understood and agreed that in case the Buyers do not chose to do this work or improvements in any given assessment year that the Buyers will so notify the Seller in writing at least sixty (60) days before the termination of that assessment year; namely, July first, and in case the Buyers fail to do or fail to cause such work or improvements to be done then this Contract shall be thereby terminated unless other mutually agreeable arrangements are made.

12. Seller acknowledges that R. F. Bacon is executing this Contract individually and also as agent and attorney-in-fact for C. X. Bacon who is unavailable for the signing of this Contract personally. Seller agrees that if C. X. Bacon should not be available or willing to proceed with the performance of this Contract within ninety (90) days from date then and in such event R. F. Bacon shall be the sole Buyer under this Contract and R. F. Bacon agrees that in such latter circumstances he will himself be liable for the full performance of every provision of this Contract on his own behalf.

J.E.O.

13. This Contract shall be binding in all respects upon the heirs, assignees and legal representatives of the parties hereto.

SIGNED IN TRIPLICATE

Harold Cline	John E. Osborne	
(Witness for John E. Osborne)	(John E. Osborne)	Date
C. H. Gandon	Raymond F. Bacon	4/29/53
(Witness for R. F. Bacon)	(R. F. Bacon)	Date
(Witness for C. X. Bacon)	(C. X. Bacon)	Date

MEMO IV.

This Tungsten property is located in White Pine County, Nevada, about 14 miles west of Garrison, Utah in a canyon known as Big Wash Canyon, and the claims involved are:

Big Wash No. 1	-	Recorded	in	Ely,	Nevada	-	Liber	No.	158	-	Page	355
Big Wash No. 2	-	"	"	"	"	-	"	"	158	-	"	356
Big Wash No. 3	-	"	"	"	"	-	"	"	158	-	"	357
Big Wash No. 4	-	"	"	"	"	-	"	"	158	-	"	358
Big Wash No. 5	-	"	"	"	"	-	"	"	158	-	"	359

The property is about 250 miles from Salt Lake and about 90 miles from Ely, almost all on paved roads.

Ref. No. 4 (a-b-c) - During World War I this property was worked by some people who drove a short tunnel, cobbed out the high grade ore and hauled it out on horseback. Nothing else had been done on the property until we took it over.

Easy access to the property is now provided by the Access Road built by the U.S. Government in the Spring of 1953 - and terminating at a log cabin on the property.

The ore on this property is a scheelite coming up in stringers through limestone from an acidic rock below. These stringers contain "spuds" of almost pure scheelite mixed in with ore of probably very low grade.

The mountainside above the log cabin is covered with a blanket of white limestone which extends up to the top of the mountain, a distance of perhaps 2,000 ft. Quartz stringers carrying the scheelite extend through this blanket at various points.

The main place where the old timers worked this deposit is some 900 ft. directly above the cabin. There is a small open cut here and a dump of possibly 500 tons. At other places there are smaller cuts - resulting from exploration done by us last summer. At all of these points the fluorescent lamp shows scheelite, especially in spud form.

From this main dump one can, at night (by lamping), follow the stringers all the way down to the U.S. Access Road, showing more or less continuous stringer veins.

At the time application was made for an Access Road it was believed that the dumps would justify shipping and that the stringers themselves were rich enough to justify a mining operation at that point. A large number of samples at both the dump and from the stringer "vein" had been taken and analyzed and it was believed (on the basis of those samples) that the dump might run at least 2% and that ore of the same grade or perhaps a little better could be mined from the stringer vein.

Further samples threw doubt on these figures. The spuds run 78- 79% WO_3. An area a foot away from the spuds might run 1/10th of 1% WO_3. It became evident that it was almost impossible to obtain a representative sample unless a very considerable tonnage should be taken, pulverized, quartered, etc.

The slope of the mountain is quite steep - perhaps 45° in places - so that if a mining operation were undertaken at the point where the old timers worked very considerable equipment would have to be installed to transport the ore down to the roadside area, adjacent to the cabin, where it could be sorted or handled in some other way.

A short distance up the mountain one can find a place where the limestone blanket overlies an acidic rock.

It is believed that these scheelite stringers come up from a point of contact between the limestone cover and the underlying acidic rock, and that at that contact there might be a considerable deposit of scheelite. Stringers are found at so many points in the surface of this limestone cover and the very richness of the spuds which they carry would seem to lend plausibility to this theory.

One way to test this theory would be to do diamond drilling. Another way would be to run a small tunnel through the limestone until it hit the point of contact between this limestone and the acidic rock underneath.

Tunneling seems to be clearly indicated in preference to diamond drilling - for these reasons: if at the point of contact the ore were still of a spud nature it would be found by the tunnel but could easily be missed in the small hole with a diamond drill. Furthermore, any ore found could be readily hauled out through the tunnel so as to be ready for shipment or other treatment. Hence, the tunnel could be used as a shipping means at least in the early days of the operation, assuming that commercial ore was found.

Several mining engineers have seen this property and all have expressed the opinion that there was a good chance of a rich ore body at the contact between the limestone and the acidic rock underneath.

Ref. No. 4d- Ore would be shipped by truck for processing at the custom mills in Salt Lake City (250 miles) and/or Toele Valley, Utah (approx. 100 miles).

Ref. No. 4e- A number of experienced local contractors have expressed desire to do the work and they have the mining equipment and tents, etc. needed for their crews. No new buildings except a few temporary sheds and loading stage for trucks are needed. Needed water is available from Spring on property. Power would be provided by portable unit in the early stages - later for extensive operation power line could be readily run from highway junction with Access Road (15 miles from mine site.)

MEMO V.

Ref. 5b - It is proposed to drive a small tunnel from a point on the Access Road to a point under the main workings from the old timers. Such a tunnel has already been started and a contract was let August 1953 for the first 200 ft. at $16. per linear foot. It is believed, however, that it may be necessary to contract as high as $20. per linear ft. for continuation of this tunneling. The limestone work is quite soft so that from 10 to 20 ft. can be driven daily.

Ref. 5c - The work would be started just as quickly as possible - within a few weeks after the granting of an "exploration project contract". It should be possible to complete the work by October 1954.

Ref. 6 - A loan of $20,000. is asked from the Government for this tunnel, and perhaps crosscuts at various points if necessary.

All work will be let out on contract. General supervision would be by R.F. Bacon and C.I. Bacon. None of the applicants intend to receive any salary from this project (either directly or indirectly) so long as any part of a Government Loan is unpaid. In addition applicants would expect to pay to the Government any and all net receipts from ore from this property - as they are acquired. Applicants would agree to the inclusion of these conditions as restrictions in the Government's Loan Contract.

Raymond F. Bacon, one of the partner applicants, while trained as a chemical engineer, has for the past ten years or more, been consulting chemical engineer to the Texas Gulf Sulphur Company, largest miners of sulphur in the world; to the molybdenum Corporation of America, miners of molybdenum and rare earth oxides - and to the Mercantile Metal & Ore Corporation, which handle ores in many parts of the world. He has also been associated with J.B. Eldridge, Placerville, Idaho, and together they have opened up small lead workings on Sheep Mountain, Idaho from which about $300,000. gross value in lead ore has been taken over the last several years.

C.I. Bacon, one of the applicants, has had extensive experience as a prospector in the west, and also as an operator of placer dredgers. He has opened up certain small mining prospects.

No permanent buildings or installations will be necessary to do this expleratory work; only temporary buildings such as perhaps a trailer or tents will be necessary.