400

SEP 1 4 1956

Humboldt Hotels
33 West Third Street
Winnemucca, Nevada

Re: Docket No. DMEA-4346, Horowry
Joe Group claims
Pershing County, Nevada

Gentlemen:

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

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

Careful study of our information indicates that, although mercury mineralization occurs on the property, the probability of disclosing minable ore reserves is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied. Such denial, however, is made without prejudice to the property. In the event further work on your part discloses new and more favorable evidence of ore deposition on the property, we shall be pleased to consider a new application, amply supported by geological mapping, sampling, and assaying.

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,

Frank E. Johnson

ACTING Administrator

cc: Docket
C Code 400
Oper. Committee
Adm. Reading File
T. Kiilsgaard, USGS
J. W. Pennington, USBM
FT, Reg. 2

ADMcMahon/ls 9/12/56

This is a duplicate because the original went into

8/3/56

Re: Docket No. DMEA 4345 - Hg. and DMEA 4346-Hg.
Humboldt Metals

Miss Heckman, Senator Bible's Office, Ext. 976, phoned to say she had a letter from Humboldt Metals wanting a reply as to whether their application was to be approved or denied.

Our records show the case went out to the FT early in July for a field exam, but I told Miss Heckman we had no information yet as to whether the examining engineers from Reno had seen the property. After that their report must be typed, maps made, assays made, etc., so that there was some delay in our receiving the recommendations. However, when our end-of-the-month report from Region 2 was received, it would no doubt indicate whether the field examiners had actually seen the property, and we would call and let her know; or if in the meantime the report of the examining engineers came in, we could let her know also.

Oct 1, called Miss H— and told her L. S.
both had been denied; this one without prejudice
Said it was just a slip-up that she was not advised
WSM

September 11, 1956

MEMORANDUM'

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of request for exploration assistance in the amount of $64,470
Docket No. DMEA-4346, Mercury
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

Denial of the subject application is recommended based on the following information:

(1) The applicant, Humboldt Metals, 33 West Third Street, Winnemucca, Nevada, requested exploration assistance in the amount of $64,470.00 for bulldozer stripping and trenching followed by shaft sinking, crosscutting, and drifting.

(2) The applicant controls, by a lease, the Joe Group of nine unpatented mining claims in secs. 21 and 22, T. 28 N., R. 38 E., M. D. B. & M., in Pershing County, Nevada. Said claims are recorded in the office of the County Recorder, Pershing County (Lovelock, Nevada) in Book 16, Pages 182-187, and Book 17, Page 98.

(3) The proposed program is to explore the property by surface stripping and trenching in three areas in Stage I. Two of the zones to be stripped are 200 feet long and 30 feet wide; the third zone is 300 feet long and 30 to 40 feet wide. Eleven cross trenches are planned to expose bedrock on the extended strike of the alleged veins. If Stage I discloses cinnabar-bearing zones, Stage II is designed to further explore them with 60 or more feet of shafts and 975 feet of crosscutting and drifting.

(4) The claims have been explored by a 75-foot open cut with a shallow shaft in one end, now almost filled; another 50-foot open cut and short adit about 2000 feet west of the shaft that do not penetrate bedrock, although the overburden contains some cinnabar. An area about 1,500 feet northwest of the shaft was scraped by a bulldozer, but the exposed bedrock contained no cinnabar-bearing structures. A bulldozer

cut to bedrock north of the shaft did not find an extension of the ore, and bedrock exposed south of the shaft did not reveal cinnabar mineralization.

Pannings from several gullies north and south of the brecciated zone yielded small amounts of cinnabar, but no ore was found in place. About 100 tons containing 3.0 pounds mercury per ton is inferred in a section of the brecciated zone, 25 feet long, 5 feet wide, and 10 feet deep.

(5) The Field Team concludes that the size and grade of ore bodies already found do not warrant exploration, and that Stage I of the program is prospecting rather than exploration, and, therefore, recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

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

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File

ADMcMahon/ls
9/11/56

IN REPLY REFER TO:

402

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

RECEIVED
SEP - 7 1956

Sept. , 195

Re: DMEA 4346
Humboldt Metals
Joe Claims (Coos)
Pershing Co., Nev
$50,330 - Mercury

Memorandum

To: [illegible] Martin, Defense Minerals Exploration Administration

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

Subject: Review of Field Team report

The applicant requested assistance in exploring by bulldozing and underground work an old time prospect. The proposed work was staged, the second stage, contingent on results of the first stage, to consist of among other things, a mine plant.

The examiners found considerable bulldozing had been done but little ore had been shown or indicated. A sample of an ore pile, 3 tons, obtained from a long open cut and a shaft assayed 0.2 5 % Hg/ton and another sample of material in place 0.15%.

The almost complete lack of ore grade material resulting from considerable stripping supports the denial recommendation of the examiners and the Field Team.

I concur with the recommendation.

W. E. Nelson

W. E. Nelson

NENelson:btr
G 9/6/56

cc: J. W. Pennington, 3623
Director's reading file (4212)
Branch reading file (4212)
DMEA (3)
Chron. file
Docket file

400

RECEIVED

SEP 11 1956

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

Date September 11, 1956

Copy retained 400

DMEA Docket No. 4346
DMEA Contract No.
Commodity Mercury
Name of applicant Humboldt Metals
Name of property Joe Group Claims
Location of property Pershing County, Nev.
Estimated cost of project $64,470.00

Memorandum

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

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document 8/17/56. 2. Date received by reviewer: 9/6/56.

3. Prior reports on this property known to reviewer: Yes [x], No [ ].

4. Prior reports on nearby properties known to reviewer: Yes [ ], No [ ].

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

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

7. Explain items marked yes above: Quicksilver deposits in Nevada, Edgar H. Bailey and Davis A. Phoenix, University of Nevada, Bulletin, Vol. 38, No. 5, December 1944.

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

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

10. Remarks: (Use back of page if necessary)

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

400

JUN 29 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Re: Docket No. DMEA 4345 - Mercury
Hot Group Claims
Pershing County, Nevada

Gentlemen:

The above docketed application for exploration assistance for mercury ores has been reviewed by the Washington office of the Defense Minerals Exploration Administration and referred to Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada, for an examination of the property.

Any assistance that you can give the members of the Field Team will be appreciated.

Sincerely yours,

G. O. Mittendorf

Administrator

ADMCMAHON/foc
6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. J. W. Pennington, USBM
T. H. Kiilsgaard, USGS

JUN 29 1956

Mr. Spangler Ricker, Executive Officer
DMEA Field Team, Region II
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 4345 - Mercury
Humboldt Metals
Hot Group Claims
Pershing County, Nevada

Dear Mr. Ricker:

The above-docketed application for exploration assistance is being referred to your office for a field examination of the property.

Copies of memoranda dated June 21 and June 26, 1956, by M. W. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures

ADMcMahon/fee 6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. Pennington, USBM
Kiilsgaard, USGS

400

RECEIVED
JUN 27 1956

June 26, 1956

Copy retained 400

Memorandum

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

From: Commodity Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4345 (mercury), Humboldt Metals, Hot Group Claims, Pershing County, Nevada, $38,090.00

Exploration of the property is proposed in two parts at an estimated total cost of $38,090.00. Part 1 consists of surface trenching at an estimated cost of $5,630.00 and Part 2 of drifting and crosscutting at an estimated cost of $32,460.00.

Undoubtedly mercury mineralization is present although few data are given. Examination of the property seems warranted.

Although the initial phase of the program, surface stripping, is exploration, the second phase appears to be development and should be changed to conform with exploration procedures.

Referral of the application to the Field Team is recommended.

J. W. Pennington

J. W. Pennington

Attachment

400

IN REPLY REFER TO:

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

June 21, 1956

Copy retained 400

Re: DMEA 4345
Humboldt Metals
Hot Group
Pershing Co., Nev.
$32,460.00 - Mercury

Memorandum

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

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

Subject: Review of application

This application requests assistance in exploring a cinnabar-bearing barite vein by stripping and tunnelling. If the above First Phase work is successful, buildings, equipment, etc., totalling $26,830 would be provided as the Second Phase of the project.

The showing to be explored is said to be newly discovered and as yet slightly prospected. A sample taken across 2 feet assayed 1.88% mercury.

This is one of two applications of the Humboldt Metals. The second is numbered 4346.

Referral of this application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

NENelson:btr
G 6/21/56

cc: Director's reading file (4212)
Branch reading file
DMEA (3)
Chron. file
Docket file
J. W. Pennington, 3623

RECEIVED
JUN 21 1956

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

RECEIVED
JUN 18 1956

1605 Evans Avenue
Reno, Nevada

June 14, 1956

4345

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Mercury)
Humboldt Metals
Hot Group Claims
Pershing County, Nevada

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

S. Ricker

Attach.

SRicker:gh
cc: R. M. Smith
File

400

DOCKET
Surname:
McMahon
Martin
Killsgaard
Lamb
Selfridge

SEP 14 1956

Humboldt Metals
33 West Third Street
Winnemucca, Nevada

Re: Docket No. DMEA-4346, Mercury
Joe Group claims
Pershing County, Nevada

Gentlemen:

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

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

Careful study of our information indicates that, although mercury mineralization occurs on the property, the probability of disclosing minable ore reserves is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied. Such denial, however, is made without prejudice to the property. In the event further work on your part discloses new and more favorable evidence of ore deposition on the property, we shall be pleased to consider a new application, amply supported by geological mapping, sampling, and assaying.

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,

Frank E. Johnson
(by esf)
ACTING Administrator

cc: Docket
C Code 400
Oper. Committee
Adm. Reading File
T. Killsgaard, USGS
J. W. Pennington, USBM
FT, Reg. 2

ADMcMahon/ls 9/12/56

R.C.S.

DOCKET
McMahon
Martin

September 11, 1956

MEMORANDUM'

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of request for exploration assistance in the amount of $64,470
Docket No. DMEA-4346, Mercury
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

Denial of the subject application is recommended based on the following information:

(1) The applicant, Humboldt Metals, 33 West Third Street, Winnemucca, Nevada, requested exploration assistance in the amount of $64,470.00 for bulldozer stripping and trenching followed by shaft sinking, crosscutting, and drifting.

(2) The applicant controls, by a lease, the Joe Group of nine unpatented mining claims in secs. 21 and 22, T. 28 N., R. 38 E., M. D. B. & M., in Pershing County, Nevada. Said claims are recorded in the office of the County Recorder, Pershing County (Lovelock, Nevada) in Book 16, Pages 182-187, and Book 17, Page 98.

(3) The proposed program is to explore the property by surface stripping and trenching in three areas in Stage I. Two of the zones to be stripped are 200 feet long and 30 feet wide; the third zone is 300 feet long and 30 to 40 feet wide. Eleven cross trenches are planned to expose bedrock on the extended strike of the alleged veins. If Stage I discloses cinnabar-bearing zones, Stage II is designed to further explore them with 60 or more feet of shafts and 975 feet of crosscutting and drifting.

(4) The claims have been explored by a 75-foot open cut with a shallow shaft in one end, now almost filled; another 50-foot open cut and short adit about 2000 feet west of the shaft that do not penetrate bedrock, although the overburden contains some cinnabar. An area about 1,500 feet northwest of the shaft was scraped by a bulldozer, but the exposed bedrock contained no cinnabar-bearing structures. A bulldozer

cut to bedrock north of the shaft did not find an extension of the ore, and bedrock exposed south of the shaft did not reveal cinnabar mineralization.

Pannings from several gullies north and south of the brecciated zone yielded small amounts of cinnabar, but no ore was found in place. About 100 tons containing 3.0 pounds mercury per ton is inferred in a section of the brecciated zone, 25 feet long, 5 feet wide, and 10 feet deep.

(5) The Field Team concludes that the size and grade of ore bodies already found do not warrant exploration, and that Stage I of the program is prospecting rather than exploration, and, therefore, recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

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

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File

ADMcMahon/ls
9/11/56

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

September 11, 1956

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division

Subject: Denial of request for exploration assistance in the amount of $64,470
Docket No. DMEA-4346, Mercury
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

Denial of the subject application is recommended based on the following information:

(1) The applicant, Humboldt Metals, 33 West Third Street, Winnemucca, Nevada, requested exploration assistance in the amount of $64,470.00 for bulldozer stripping and trenching followed by shaft sinking, crosscutting, and drifting.

(2) The applicant controls, by a lease, the Joe Group of nine unpatented mining claims in secs. 21 and 22, T. 28 N., R. 38 E., M. D. B. & M., in Pershing County, Nevada. Said claims are recorded in the office of the County Recorder, Pershing County (Lovelock, Nevada) in Book 16, Pages 182-187, and Book 17, Page 98.

(3) The proposed program is to explore the property by surface stripping and trenching in three areas in Stage I. Two of the zones to be stripped are 200 feet long and 30 feet wide; the third zone is 300 feet long and 30 to 40 feet wide. Eleven cross trenches are planned to expose bedrock on the extended strike of the alleged veins. If Stage I discloses cinnabar-bearing zones, Stage II is designed to further explore them with 60 or more feet of shafts and 975 feet of crosscutting and drifting.

(4) The claims have been explored by a 75-foot open cut with a shallow shaft in one end, now almost filled; another 50-foot open cut and short adit about 2000 feet west of the shaft that do not penetrate bedrock, although the overburden contains some cinnabar. An area about 1,500 feet northwest of the shaft was scraped by a bulldozer, but the exposed bedrock contained no cinnabar-bearing structures. A bulldozer

cut to bedrock north of the shaft did not find an extension of the ore, and bedrock exposed south of the shaft did not reveal cinnabar mineralization.

Pannings from several gullies north and south of the brecciated zone yielded small amounts of cinnabar, but no ore was found in place. About 100 tons containing 3.0 pounds mercury per ton is inferred in a section of the brecciated zone, 25 feet long, 5 feet wide, and 10 feet deep.

(5) The Field Team concludes that the size and grade of ore bodies already found do not warrant exploration, and that Stage I of the program is prospecting rather than exploration, and, therefore, recommends denial of the application. The Commodity Divisions of the Geological Survey and the Bureau of Mines concur in this recommendation.

W S Martin

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

Docket

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

RECEIVED
SEP 11 1956

Date September 11, 1956

Copy retained 400

DMEA Docket No. 4346
DMEA Contract No.
Commodity Mercury
Name of applicant Humboldt Metals
Name of property Joe Group Claims
Location of property Pershing County, Nev.
Estimated cost of project $64,470.00

Memorandum

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

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Field Team Report
(Application, Field Team Report, etc.)

1. Date of subject document 8/17/56. 2. Date received by reviewer: 9/6/56.

3. Prior reports on this property known to reviewers: Yes [x], No [ ].

4. Prior reports on nearby properties known to reviewer: Yes [ ], No [ ].

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

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

7. Explain items marked yes above: Quicksilver deposits in Nevada, Edgar H. Bailey and Davis A. Phoenix, University of Nevada, Bulletin, Vol. 38, No. 5, December 1944.

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

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

10. Remarks: (Use back of page if necessary)

Docket

IN REPLY REFER TO:

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

RECEIVED
SEP - 7 1956

Sept. 6, 1956

Copy retained 400

Re: DMEA 4346
Humboldt Metals
Joe Claims (Coos)
Pershing Co., Nev
$50,330 - Mercury

WSM

Memorandum

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

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

Subject: Review of Field Team report

The applicant requested assistance in exploring by bulldozing and underground work an old time prospect. The proposed work was staged, the second stage, contingent on results of the first stage, to consist of among other things, a mine plant.

The examiners found considerable bulldozing had been done but little ore had been shown or indicated. A sample of an ore pile, 3 tons, obtained from a long open cut and a shaft assayed 0.285 % Hg/ton and another sample of material in place 0.15%.

The almost complete lack of ore grade material resulting from considerable stripping supports the denial recommendation of the examiners and the Field Team.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

AC Zn Ea
Docket

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

RECEIVED
AUG 31 1956

1605 Evans Avenue
Reno, Nevada

August 29, 1956

Memorandum

WSM

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4346 (Mercury)
Humboldt Metals
Joe Group Claims
Pershing County, Nevada
(Your letter dated July 2, 1956)

Enclosed are four copies of a report by Glenn G. Gentry, Bureau of Mines and Robert G. Reeves, Geological Survey, in which it is recommended that the application for DMEA exploration assistance be denied.

Roscoe Smith and I concur in the recommendation.

S. Ricker

/Encl.

Reviewed by
DMEA OPERATING COMMITTEE
9-9-56
(date)

BUREAU OF MINES
WASHINGTON, D. C.
AUG 31 8 04 AM '56

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA 4346 (Mercury)
Humboldt Metals
Joe Group claims
Pershing County, Nevada

by

Glenn G. Gentry
U. S. Bureau of Mines

Robert G. Reeves
U. S. Geological Survey

August 17, 1956

Reviewed by
DMEA OPERATING COMMITTEE
9-7-56
(date)

Humboldt Metals, 33 West 3rd Street, Winnemucca, Nevada, a partnership of Ray R. Whiting, Jr., Milton P. Roumm, Albert M. Franco, Charles S. Fine, and Richard G. Campbell, applied to the Defense Minerals Exploration Administration for assistance to explore for quicksilver on the Joe Group of 9 unpatented mining claims (docket DMEA-4346). An examination was made July 11, 1956 by Glenn G. Gentry, U. S. Bureau of Mines, and Robert G. Reeves, U. S. Geological Survey, accompanied by Ray R. Whiting, Jr.

The claims are in secs. 21 and 22, T. 28 N., R. 38 E., M.D.B.&M., on the southwest flank of the Tobin range, Pershing County, Nevada, 46.4 miles south of Winnemucca, Nevada, and leased to Humboldt Metals.

The claims are explored by a 75-foot open cut with a shallow shaft in one end, now almost filled. Fig 2 Another 50-foot open cut and short adit about 2,000 feet west of the shaft does not penetrate bedrock, although the overburden contains cinnabar. An area about 1,500 feet northwest of the shaft at the head of a small east-trending gully that contains cinnabar was scraped by bulldozer, but the exposed bedrock contained no cinnabar-bearing

structures. A bulldozer cut to bedrock on the north side of the shaft did not find an extension of the ore, and bedrock exposed south of the shaft likewise did not reveal extension of the cinnabar-bearing zone.

The geology is described by Bailey and Phoenix[1/].

1/ Bailey, E. H., and Phoenix, D. A., 1944, Quicksilver Deposits in Nevada: Univ. of Nevada Bull. V. 38, No. 5 (Geol. and Mining Series No. 41), p. 171. (Oldtimer property)

Disseminated crystals and small veinlets of cinnabar occur with calcite veinlets in a brecciated zone at the intersection of two small faults, in limestone of the Natchez Pass formation of Middle Triassic age. Pannings from several gullies north and south of the brecciated zone yielded small amounts of cinnabar, but no ore was found in place.

About 3 tons of ore assaying 5.7 pounds mercury per ton is on the dump, and another 100 tons containing 3.0 pounds mercury per ton is inferred in the brecciated zone, in a body 25 feet long, 5 feet wide, and 10 feet deep.

The applicant proposed to explore the property by surface stripping in each of the 3 areas as phase I and if the first phase discloses cinnabar-bearing zones, to further explore them by shafts and/or adits.

The size and grade of the ore bodies already found does not warrant exploration, and phase I is prospecting rather than exploration. For these reasons, denial is recommended.

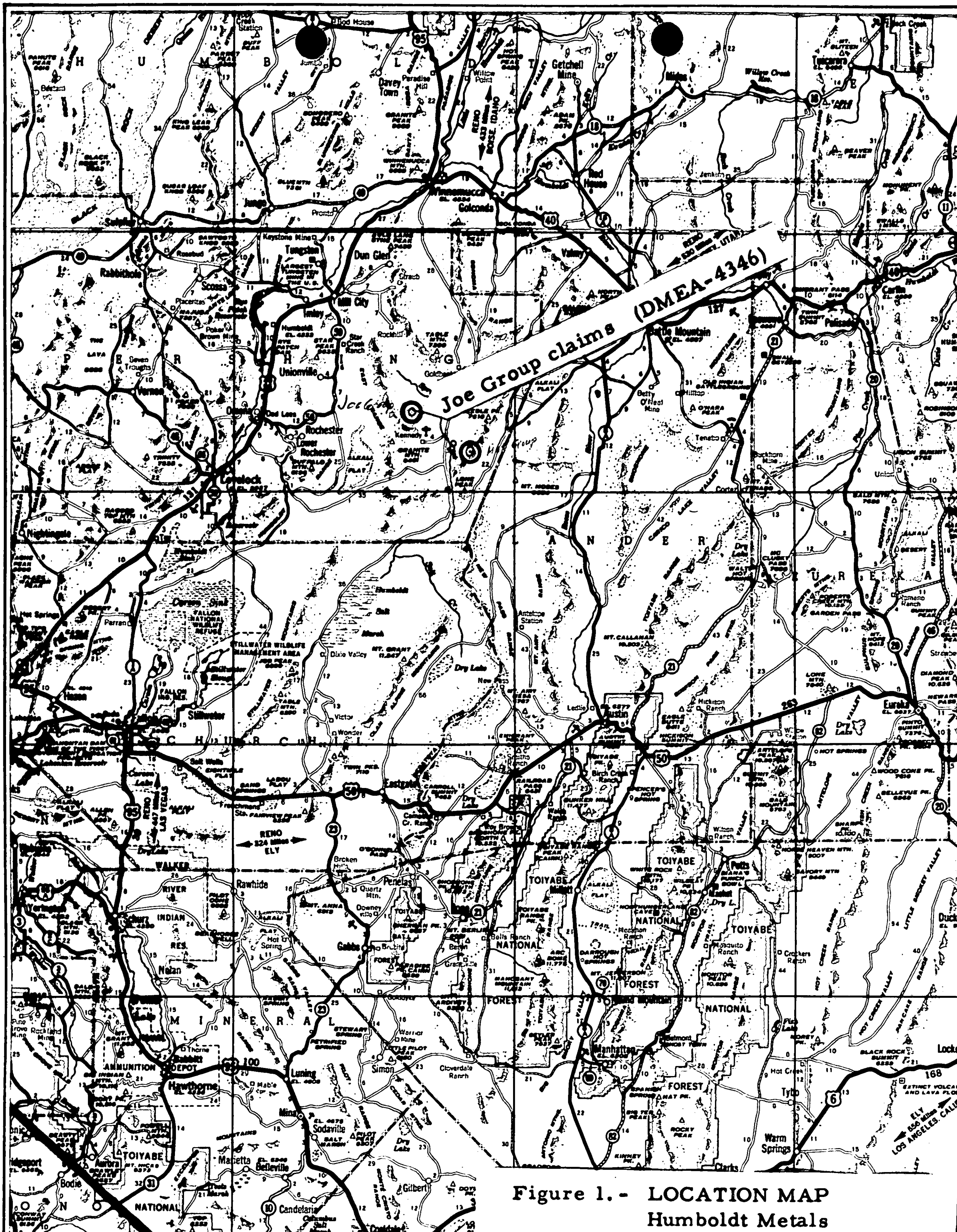
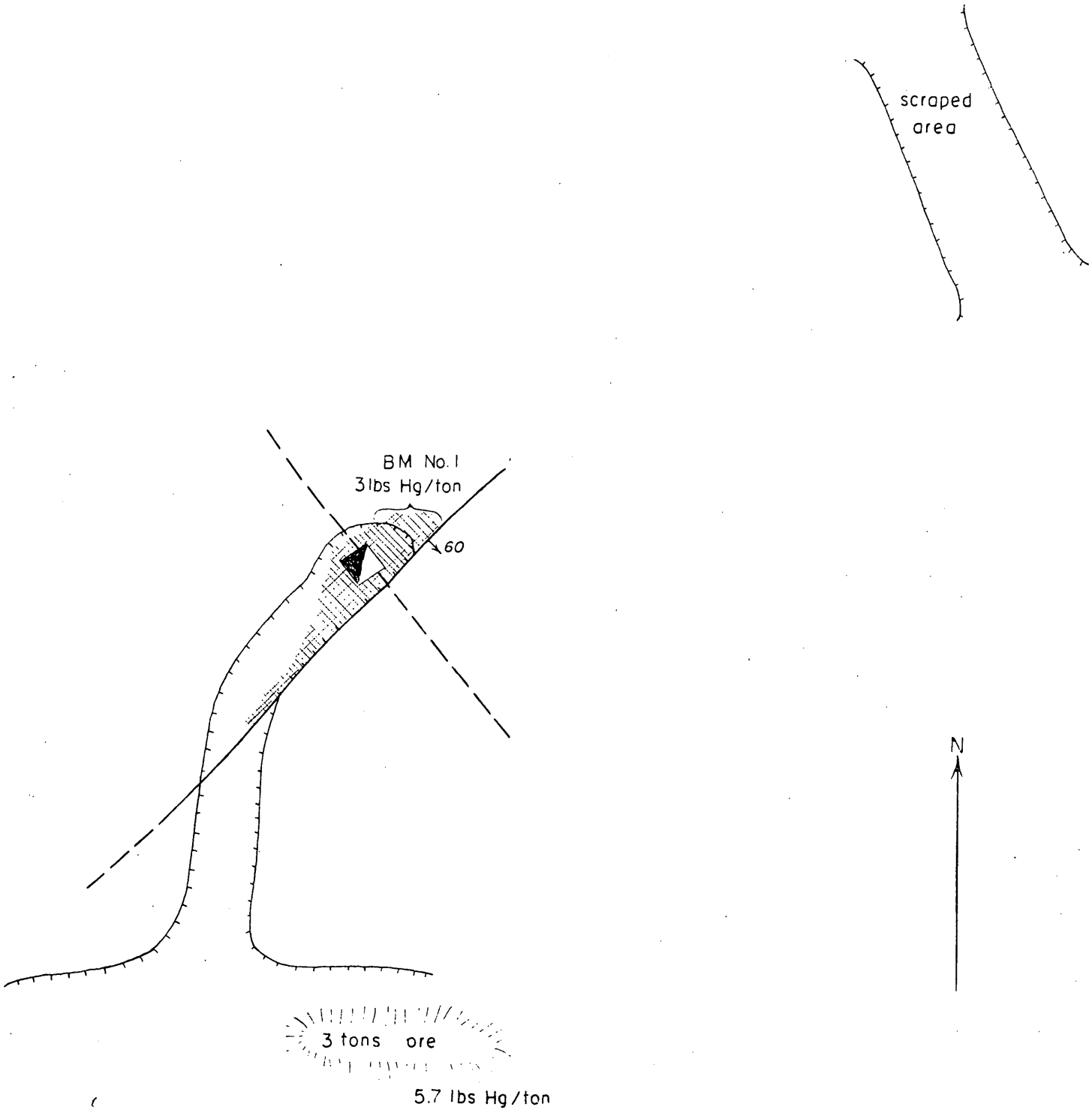


Figure 1. - LOCATION MAP
Humboldt Metals
Pershing County, Nevada

Figure I LOCATION MAP NEVADA



CUT AND SHAFT, JOE NO. 1 CLAIM
PERSHING COUNTY, NEVADA

0 20 40 80 Feet

Figure 2

RECEIVED
AUG 21 1956

400

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

1605 Evans Avenue
Reno, Nevada

August 29, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-4346 (Mercury)
Humboldt Metals
Joe Group Claims
Pershing County, Nevada
(Your letter dated July 2, 1956)

Enclosed are four copies of a report by Glenn G. Gentry, Bureau of Mines and Robert G. Reeves, Geological Survey, in which it is recommended that the application for DMEA exploration assistance be denied.

Roscoe Smith and I concur in the recommendation.

S. Ricker

Encl.

SRicker:gh
cc: R. M. Smith
File

Reviewed by
DMEA OPERATING COMMITTEE
9-7-56
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
FRED A. SEATON, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

APPLICATION REPORT

DMEA 4346 (Mercury)
Humboldt Metals
Joe Group claims
Pershing County, Nevada

by

Glenn G. Gentry
U. S. Bureau of Mines

Robert G. Reeves
U. S. Geological Survey

August 17, 1956

Reviewed by
DMEA OPERATING COMMITTEE
9-7-56
(date)

Humboldt Metals, 33 West 3rd Street, Winnemucca, Nevada, a partnership of Ray R. Whiting, Jr., Milton P. Roumm, Albert M. Franco, Charles S. Fine, and Richard G. Campbell, applied to the Defense Minerals Exploration Administration for assistance to explore for quicksilver on the Joe Group of 9 unpatented mining claims (docket DMEA-4346). An examination was made July 11, 1956 by Glenn G. Gentry, U. S. Bureau of Mines, and Robert G. Reeves, U. S. Geological Survey, accompanied by Ray R. Whiting, Jr.

The claims are in secs. 21 and 22, T. 28 N., R. 38 E., M.D.B.&M., on the southwest flank of the Tobin range, Pershing County, Nevada, 46.4 miles south of Winnemucca, Nevada, and leased to Humboldt Metals.

The claims are explored by a 75-foot open cut with a shallow shaft in one end, now almost filled. Fig 2 Another 5[illegible]-foot open cut and short adit about 2,0[illegible] feet west of the shaft does not penetrate bedrock, although the overburden contains cinnabar. An area about 1,5[illegible] feet northwest of the shaft at the head of a small east-trending gully that contains cinnabar was scraped by bulldozer, but the exposed bedrock contained no cinnabar-bearing

structures. A bulldozer cut to bedrock on the north side of the shaft did not find an extension of the ore, and bedrock exposed south of the shaft likewise did not reveal extension of the cinnabar-bearing zone.

The geology is described by Bailey and Phoenix[1/].

1/ Bailey, E. H., and Phoenix, D. A., 1944, Quicksilver Deposits in Nevada: Univ. of Nevada Bull. V. 38, No. 5 (Geol. and Mining Series No. 41), p. 171. (Oldtimer property)

Disseminated crystals and small veinlets of cinnabar occur with calcite veinlets in a brecciated zone at the intersection of two small faults, in limestone of the Natchez Pass formation of Middle Triassic age. Panning from several gullies north and south of the brecciated zone yielded small amounts of cinnabar, but no ore was found in place.

About 3 tons of ore assaying 5.7 pounds mercury per ton is on the dump, and another 100 tons containing 3.0 pounds mercury per ton is inferred in the brecciated zone, in a body 25 feet long, 5 feet wide, and 10 feet deep.

The applicant proposed to explore the property by surface stripping in each of the 3 areas as phase I and if the first phase discloses cinnabar-bearing zones, to further explore them by shafts and/or adits.

The size and grade of the ore bodies already found does not warrant exploration, and phase I is prospecting rather than exploration. For these reasons, denial is recommended.

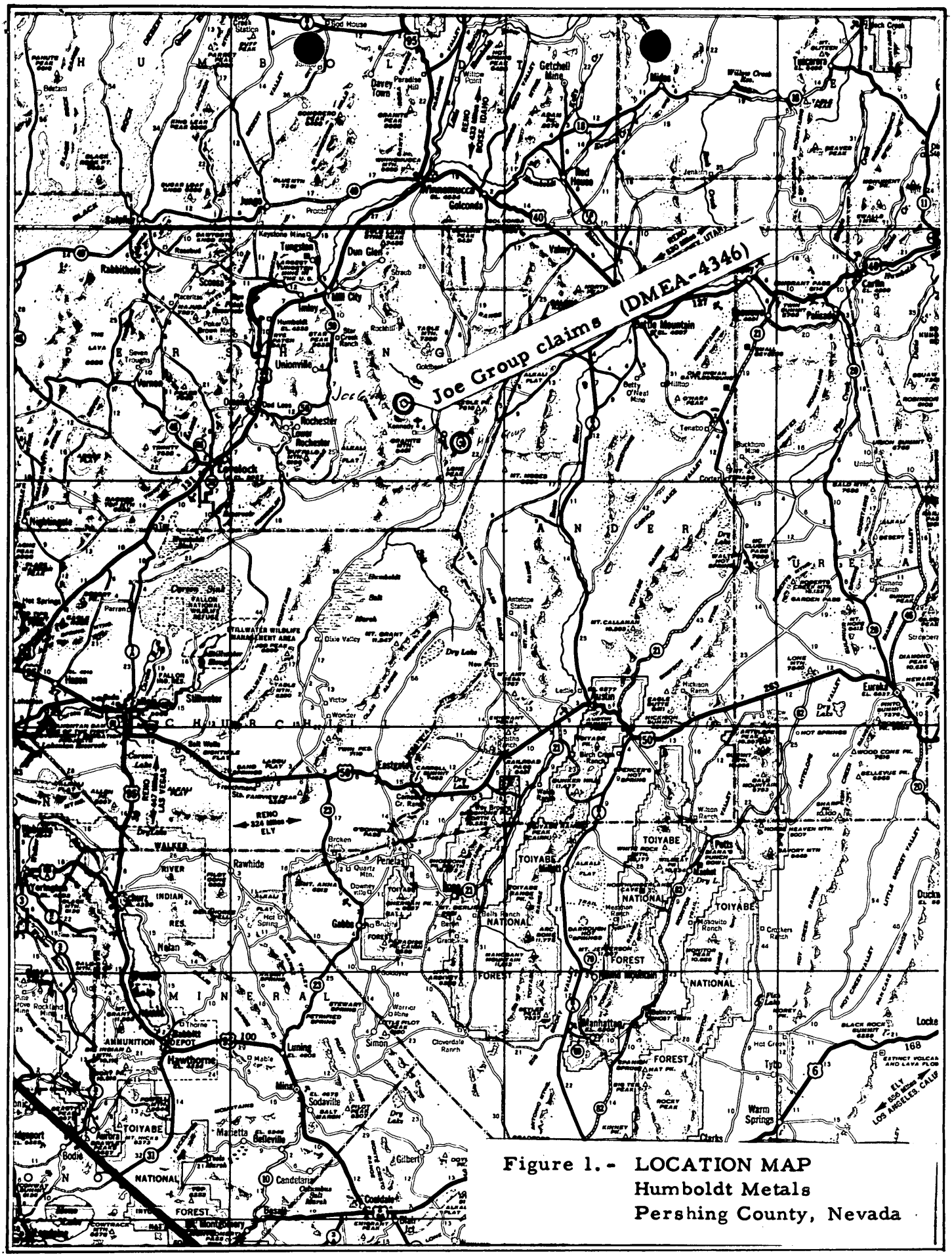


Figure 1.- LOCATION MAP
Humboldt Metals
Pershing County, Nevada

Figure 1 LOCATION MAP NEVADA

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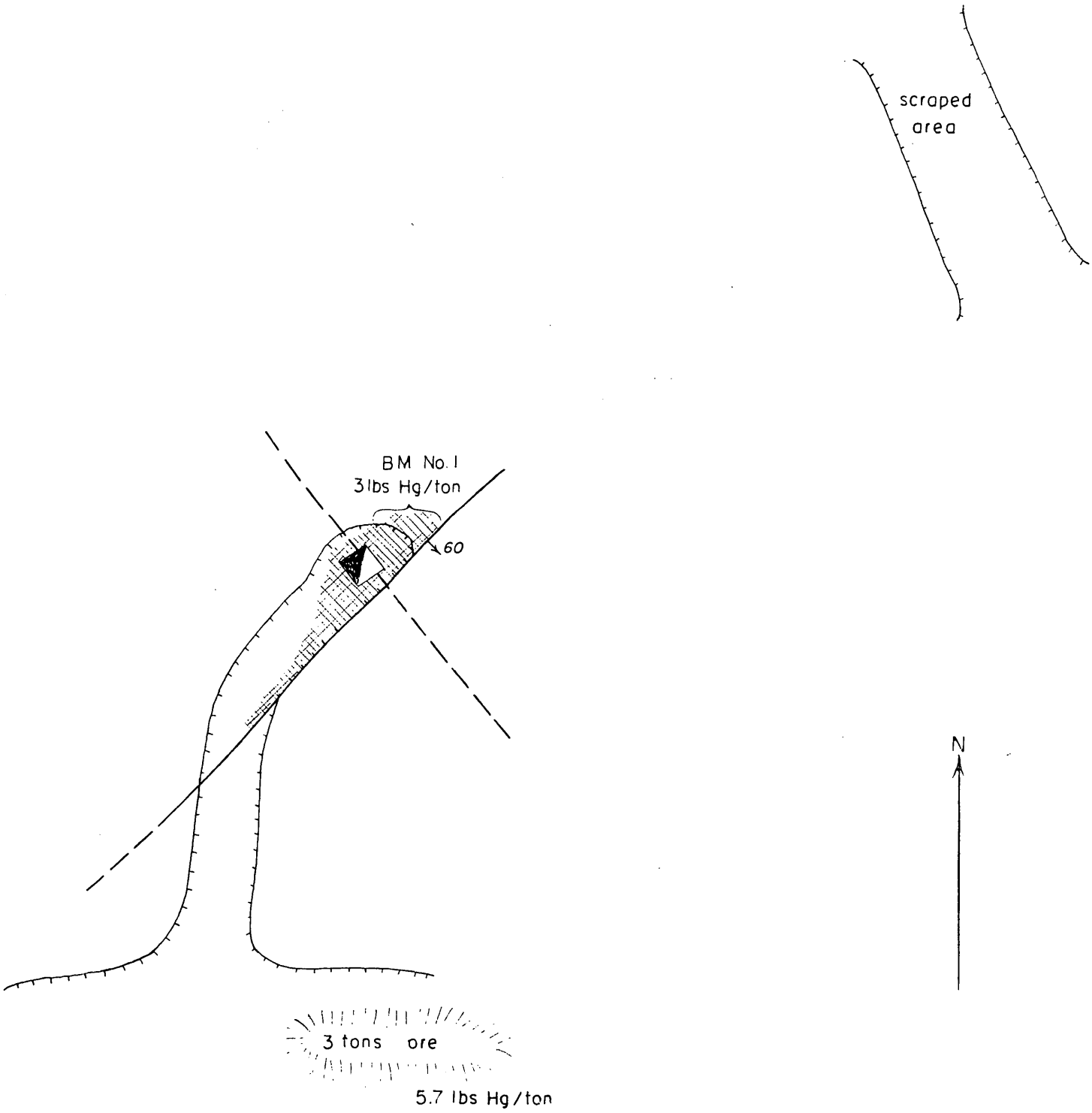
AUG 31 1955

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4346
(MERCURY)



CUT AND SHAFT, JOE NO. 1 CLAIM
PERSHING COUNTY, NEVADA

0 20 40 80 Feet

Figure 2

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AUG 31 1955

DOCKET
SURNAME
McMahon
Martin
Selfridge
Johnson
Mitterdorf

400

JUL 2 - 1956

Mr. Spangler Ricker, Executive Officer
DMEA Field Team, Region II
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA 436 - Mercury
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

Dear Mr. Ricker:

The above-docketed application for exploration assistance is being referred to your office for a field examination of the property.

Copies of memoranda dated June 21 and June 26, 1956, by N. E. Nelson, Geological Survey, and J. W. Pennington, Bureau of Mines, respectively, relating to the project, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

APPROVED:

P. F. Yopes (PFY)

Member, Bureau of Mines

Thor H. Kiilsgaard (THK)

Member, Geological Survey

ADMcMahon/fec 6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. J. W. Pennington, USBM
T. H. Kiilsgaard, USGS

Enclosures

R.C.S.

DOCKET
SURNAME
McMahon
Martin
Hoyle
Kiilsgaard
Selfridge
Fb Jelsan

400

JUL 2 - 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Re: Docket No. DMEA 4346 - Mercury
Joe Group Claims
Pershing County, Nevada

Gentlemen:

The above docketed application for exploration assistance for mercury ores has been reviewed by the Washington office of the Defense Minerals Exploration Administration and referred to Mr. Spangler Ricker, Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada, for an examination of the property.

Any assistance that you can give the members of the Field Team will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

ADMcMahon/foc
6/28/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT. REG. II
Messrs. James Pennington, USBM
Thor H. Kiilsgaard, USGS

R.C.S.

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

RECEIVED
JUN 27 1956

June 26, 1956

Copy retained 400

WSM

Memorandum

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

From: Commodity Industry Analyst, Branch of Base Metals

Subject: Review of application, Docket No. DMEA 4346 (mercury), Humboldt Metals, Joe Group Claims, Pershing County, Nevada, $64,470.00

Exploration of the Joe Group of Claims is proposed in two phases at an estimated total cost of $64,470.00. In phase 1, three zones will be investigated by surface stripping at an estimated cost of $7,070.00. Phase 2 will be conducted upon the results obtained in surface exploration and will consist of a 60 foot shaft and 975 feet of drifting and crosscutting at an estimated cost of $57,400.00.

Old workings - pits, open cuts, and tunnels should provide information on the mineralization although very little was supplied with the application.

The surface stripping of phase 1 may be warranted but phase 2 seems to be development.

Referral of the application to the Field Team is recommended.

J. W. Pennington

Attachment

Copy to: Division of Minerals
Branch of Base Metals 2
Files
R. W. Geehan
Thor Kiilsgaard, U.S.G.S.

Docket

IN REPLY REFER TO:

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

June 21, 1956

RECEIVED
JUN 22 1956

Re: DMEA 4346
Humboldt Metals
Coos or Joe property
Pershing Co., Nev.
$57,400 - Mercury

Copy retained 400

Memorandum

WSM

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

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

Subject: Review of application.

In this request the applicant asks aid in a 2-Phase exploration project involving as First Phase work bulldozing and underground work at an estimated cost of $7,070. If successful the property would be equipped and further work done at an estimated cost of $50,330.

This is the second of two applications of Humboldt Metals. The Coos property or Joe claims is an old time prospect on which trenching, open pitting and tunneling have been done. Three zones are indicated. No. 1 is a breccia zone in limestone and sandstone from which a selected sample was taken which assayed 1.08% mercury.

Zone 2 is a fault zone in limestone and No. 3 is called a clay zone. Both show cinnabar but no indicative samples are reported. A sample of float assayed 14.35% mercury.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

June 19, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA

- 4356 Humboldt Metals

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

June 19, 1956

Humboldt Metals
33 West 3rd Street
Winnemucca, Nevada

Subject: DMEA 4346
Re: Exploration Assistance
Joe Group Claims

Gentlemen

The receipt of your application dated June 11, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4346 and referred to the Iron & Ferro-Alloy Division.

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

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

R Zn Ea

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

RECEIVED
JUN 18 1956

1605 Evans Avenue
Reno, Nevada

June 14, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Loan Application (Mercury)
Humboldt Metals
Joe Group Claims
Pershing County, Nevada

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

S. Ricker

Attach.

DUKE DEPARTMENT OF STATE
WASHINGTON, D. C.
JUN 18 12 48 PM '56

RECEIVED
JUN 18 1956

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada
June 11, 1956

D. M. E. A.
Field Executive Officer
Burea of Mines
1605 Evans Ave.
Reno, Nevada

Dear Sir :

I would like at this time to express our feeling as to the second phase of our two applications.

Both Mr. Johnston, and myself, are aware of the duplication, and maybe the excessive cost involved in carrying out the completion of the second phase of the exploration contract. However, not knowing whether one of the other contracts, or both, will go into the second phase, we felt it necessary to make both complete programs within themselves.

It is our intention to do the job as economically to both the United States government and ourselves, and would appreciate the opportunity to be able to submit a revised cost sheet after determinating the results of the first phase of the program.

Sincerely yours,

Ray R Whiting Jr.

Ray R. Whiting, Jr.

RRW:CS

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

JUN 18 1956

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

Not to be filled in by applicant

Docket No. 4346
Metal or Mineral Mercury
Date Received JUN 18 1956
Estimated Cost ~~$10,000~~ $4,470
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: HUMBOLDT METALS,
33 West 3rd St.
Winnemucca, Nevada

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated June, 11, 1956

Humboldt Metals
(Applicant)

By Roy R Whitney Jr.

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

RECEIVED
JUN 18 1956

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

I NAME OF APPLICANT

A. Humboldt Metals
33 West 3rd St.
Winnemucca, Nevada

b. Partnership, organized under laws of the State of Nevada

c. Partnership

d. Ray R. Whiting, Jr.
6226-22nd N.E.
Seattle, Washington

Milton P. Roumm
1920 Calhoun
Seattle, Washington

Albert M. Franco
1711 Smith Tower Bldg.
Seattle, Washington

Charles S. Fine, M.D.
340 Stimson Bldg.
Seattle, Washington

Richard G. Campbell
33 West 3rd St.
Winnemucca, Nevada

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

RECEIVED
JUN 18 1956

3. Applicant's property rights

a. The Joe Group of nine (9) unpatented claims is located on the west side of Pleasant Valley about 8 miles Southwest of Goldbanks, Pershing County, Nevada. The claims are in Sections 21 and 22, Township 28, North, Range 38 East.

b. Joe group of claims - formerly Coos property.

c. Lessee

d. Lease attached.

e. Lease

f. Joe group of claims filed in County courthouse, Lovelock, Pershing County, Nevada

Joe No. 1 - Book 16, P. 182	Joe No. 6 - Book 16 P. 186
Joe No. 2 - Book 16, P. 183	Joe No. 7 - Book 16 P. 186
Joe No. 3 - Book 16, P. 183	Joe No. 8 - Book 16 p. 187
Joe No. 4 - Book 16, P. 184	Joe No. 9 - Book 17 P. 98

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

4. Physical description

a. In years past a prospector by the name of Coos dug open cuts and short tunnels as follows:

Joe No. 1 claim - Open cut 45 feet lon on N.45°W. bearing; 15 feet deep at northwest face.

Joe No. 4 claim - Open cut 35 feet and continued as tunnel 17 feet; bearing N. 45° W.

Open cut 15 feet and continued as tunnel 15 feet; bearing N. 50° W.

Two 10 foot open cuts

Joe No. 5 claim - Two pits about 3 feet deep

Numerous shallow cuts less than 2 feet deep have been made by a small bulldozer but these do not reach bedrock and are not on the mineralized zones.

b. There has been no production from this property. Mineral showings are not adequately exposed for estimation of ore reserves.

c. The country rock on the Joe claims is the Natchez Pass formation of Middle Triassic age consisting chiefly of thick-bedded limestone, one siliceous slate bed, and thin lenses of siliceous conglomerate. The general strike of the beds is northerly and dips observed range from 20 to 40 degrees east.

Mercury mineralization found in place is confined to three distinct zones on the property and will be described as Zones No. 1, 2, and 3.(see figures 1 and 2)

Zone 1 is a mineralized fault on the Joe No. 1 claim which has been developed at one point by a 45 foot open cut. The open cut exposes a 10 foot wide brecciated zone in limestone and sandstone. The breccia zone strikes north and dips steeply, cutting across the limestone and sandstone beds. The limestone and sandstone breccia fragments have been cemented and partly replaced by banded calcite. Cinnabar in small irregular blebs, bands, and veinlets has replaced calcite, for the most part at the contact of the breccia fragments. The cinnabar is a finely crystalline variety. Cinnabar in place can still be seen in the breccia zone walls in the open cut, but visitors have cleaned out much of the better material. However, an ore pile on the dump, undoubtedly selected material from the driving of the open cut through the breccia zone, gives an idea of the type of mercury mineralization. A selected grab sample from this ore pile assayed 1.08 percent mercury. This assay does not represent a known width or indicate a specific tonnage. The breccia zone is covered on the surface but can be followed by float for at least 200 feet along the strike.

(Physical description Continued)

Zone 2 is a mineralized fault zone in limestone exposed on Joe claims Nos. 5 and 6. The fault is poorly exposed but in one pit there is a 4 foot wide zone of bleached and recrystallized limestone. Cinnabar is exposed in the above-mentioned pit and in another small hole about 20 feet to the north as "paint" or coatings on fractures and as minor replacements along fractures. Mr. Ray Whiting found a piece of cinnabar float, 12 inches in greatest dimension, about 100 feet down the steep hill east of zone No. 2. This float was a limestone breccia replaced by cinnabar. Fragments from this float assayed 14.35 percent mercury. This type of ore has not been found in place along Zone No. 2.

Zone 3 is a clay zone on Joe No. 4 claim. The clay zone trends in a northerly direction on the east and downhill side of a hard rib of massive dark gray limestone. An open cut and short tunnel have exposed a 50 foot width of light gray to yellow clay and both sides are as yet unexposed. The origin of the clay is not known. Pannings from the clay in the open cut and tunnel give a remarkably persistent tail of cinnabar. In several pans taken there were several chunks of cinnabar ranging from one-sixteenth to one-eighth inch in long dimension plus a rich tail of much finer cinnabar.

Interesting panning tests can be obtained in many of the small gulches on the Joe claim group indicating other zones as yet undiscovered.

The Joe claim group is in east central Pershing County in an area of quicksilver mines with a past production record. The producing part of the Goldbanks district is about 8 miles to the northwest and the Mt. Tobin district is about 10 miles to the east. Exposures on the Joe claim group indicate that the mercury mineralization is either the interbedded sediment type and/or the limestone replacement type, and the clay deposit may possibly represent a volcanic type. The three distinct zones described above, indicating cinnabar in place on an essentially virgin property, would appear to warrant an exploration program.

d. The property is 48 miles by road south of Winnemucca, Nevada and 70 miles by road northeast of Lovelock, Nevada. The best approach is to take the graded Pleasant Valley road 43 miles south from Winnemucca to the old abandoned Siard ranch dwellings on the east side of the road and then turn west on an unimproved road for 5 miles to the lower or east part of the claims. Zone No. 1 is at the end of this road and Zones 2 and 3 can be reached by a half mile bulldozer road and less than 1000 feet of trail.

Shipping facilities are 48 miles away at Winnemucca where both the Western Pacific and Southern Pacific railroads are present. Winnemucca and Lovelock are the closest residence and supply points.

e. Manpower is available at Winnemucca, Lovelock or Reno. Groceries, small mining supplies, etc,, can be acquired at Winnemucca or Lovelock. Major mining equipment can be found at Reno. Abundant water is available in springs a mile north and also a mile west of the property. A power line is located about 16 airline miles south of the claims.

Humboldt Metals - Ray R. Whiting, Jr. Joe
33 West 3rd St.
Winnemucca, Nevada

5. The exploration Project

a. Exploration is for mercury and the mineral is cinnabar, although related minerals such as metacinnabar and native mercury might be found.

b. FIRST PHASE

Surface stripping of the three separate zones as described under 4c. and shown on figures 1 and 2 is recommended. The actual amount of stripping possible in depth is hard to determine due to an irregular bedrock surface. The surface area to be stripped on the zones is as follows:

Zone 1 - An area 200 feet along the breccia vein and 20 to 30 feet wide will be stripped. With local assistance by drilling with a jackhammer a depth of 15 to 20 feet should be attained. Four additional bulldozer cuts normal to the extended strike of the vein are planned as indicated on figure 1. Estimated time: 5 shifts with bulldozer (8 hours per shift).

Zone 2 - An area 200 feet along the strike of the vein and 30 feet wide will be stripped on this zone. Three additional cuts normal to the vein are planned as indicated on Figure 1. Estimated time: 3 shifts with bulldozer (8 hours/shift).

Zone 3 - Stripping in the clay zone in Zone 3 involves an area 300 feet long and 100 feet wide. It is possible that some 30 to 40 feet can be stripped off of this zone. Four additional cuts are planned as shown on figure 1. Estimated time: 14 shifts with the bulldozer (8hrs/shift).

A rented compressor and jackhammer will be used in conjunction with the bulldozer operation. As the bulldozer uncovers areas of interest, two men with the jackhammer, pick, and shovel will move in, clean off the vein, and drill it. This drilling will only be done down to 5 or 10 feet below the bedrock surface for sampling and evaluation purposes.

If the bulldozer work appears successful, 3 shifts (8 hrs./shift) should be spent on the 5 miles of road across the sagebrush flat to the graded Pleasant Valley road in anticipation of heavy travel in the second phase of the project.

SECOND PHASE

If the first phase successfully uncovers a reasonable show of cinnabar mineralization and approval is given, the following development work is recommended. It is realized that information gained in the first phase work will probably modify or change some of these recommendations. It is unlikely that second phase work will be undertaken on all three zones. The country rock is chiefly limestone which will be easy to drill and should require little or no timber. An exception is the clay area in Zone 3, but old tunnels show little indication of caving.

Drifts will be driven approximately 5 by 7 feet and one and a half compartment prospect shafts will be sunk (4 X 6 feet). Water is not expected in any of these shallow workings.

Zone 1 - Relief is such in this area that a small prospect shaft is recommended instead of tunnel work. A 60 foot vertical shaft, including sump, is planned as shown on the lower diagram, figure 2. Two hundred feet of drifting on the 50 foot level is recommended as shown on figure 2 but surface work in the first phase may indicate that all of it should be done north or south of the shaft.

Zone 2 - If success is attained in the first phase in this area, a crosscut tunnel and drift on the vein is planned as shown in the upper diagram on figure 2. The crosscut is 150 feet long and the strike drift is 175 feet. Another 50 feet of tunnel work is added for crosscutting along the vein zone (not shown on figure 2). About 60 feet of backs will be present above the drift under the known surface outcrop of cinnabar.

Zone 3 - A 200 foot crosscut tunnel and 200 feet of drifting is planned for this zone as shown on the middle diagram in figure 2. This work would give about 60 feet of backs above the strike drift if the bulldozer work in the first phase did not come below the floor of the old cut and tunnel (see Section B-B'). In the case that the bulldozer cut extends considerably below this level it will be more practical to develop this zone by a shallow shaft with drifts from the bottom. The cost of this type of development would probably be about the same as that estimated for the crosscut tunnel and drift.

Summary of development in Second Phase

Zone 1 -	60 foot shaft,	200 feet of drift
Zone 2 -		375 feet of tunnel work
Zone 3 -		400 feet of tunnel work
	60 foot shaft	975 feet of drift and tunnel work.

c. FIRST PHASE - The work will start 15 days after signing contract and will be completed within two months of original signing of contract.

SECOND PHASE - This work will commence as soon as the second phase is approved and will be completed within 18 months of original signing of contract. If second phase work is only approved on one or two zones, the completion time will be correspondingly less.

Humboldt Metals,
R. R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

d. Mr. Ray R. Whiting, Jr., will supervise the operations. Experience: three (3) years in the Primeville, Oregon Mercury district, working under the direction of Mr. R. R. Whiting, . Three (3) years at Horse Heaven Mine, Ashwood, Oregon. Driving original mine tunnels in discovery of ore. Construction mill facilities, and production of ore. 1952 supervision of D.M.E.A. loan on Indian Creek Mercury Mine, Yakima, Washington.

W. P. Johnston, Consulting Mining Geologist, 3200 West Plumb Lane, Reno, Nevada, will serve as consultant on the project. Education: B.S., Mining Geology, University of Arizona; Ph. D., Geology, University of Utah. Experience: 10 years with the New Jersey Zinc Company, in Western United States, as underground mining engineer, exploration project engineer, and senior field geologist. An additional 4 years has been spent in part time teaching and consulting on the Colorado Plateau and in Nevada. Registered Professional Engineer, License No. 1031, State of Nevada

Humboldt Metals
Ray[illegible]. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

Joe Group

6. Estimate of Costs FIRST PHASE

a. Independent contracts		
D-8 Caterpillar or equivalent $18/hour, 25 days(8 hrs./day)	$3600	
Moving on and off job	300	
		3900
b. Labor, supervision, consultants		
One miner, $16/day (est. 30 days)	480	
One laborer, $12/day (est. 30 days)	360	
Supervisor (est. 45 days)	750	
Consultant (one visit)	200	
		1790
c. Operating materials and supplies		
Small tools -picks, shovels, etc.	50	
Jackhammer bits & steel	50	
Explosives, (powder, fuse, and caps)	100	
Fuel for compressor (gasoline,oil, & grease)	100	
		300
d. Operating equipment		
Small air compressor & jackhammer rental		300
e. Rehabilitation and repairs - none		
f. New buildings, improvements, installations - none		
g. Miscellaneous		
Maintenance of equipment	100	
Assaying	100	
Accounting and office supplies	50	
Compensation insurance and payroll taxes	230	
Transportation- equipment & supplies	100	
		580
h. Contingencies		200
Grand Total		$7070

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Phase I

Humboldt Metals & Joe
Ra[illegible]R. Whiting, Jr.
33 [illegible]est 3rd St.
Winnemucca, Nevada

6. Estimate of costs - SECOND PHASE

a. Independent contracts - none

b. Labor, supervisor, and consultants

Supervisor ($500/month for 16 months)	8000	
Consultant (one visit every 2 months)	1600	
Labor (5-day week)		
Miner($16/day for 68 weeks)	5240	
Muckers($14/day, 2 men, 68 weeks)	9520	
Hoistman($14/day for 25 weeks)	1750	
Miner ($16/day, shaft, 8 weeks)	640	
		26750

c. Operating materials and supplies

Track (12# used, plus fittings, 2000 feet)	750	
Pipe 2"air line, Used, plus fittings, 1000'	600	
Pipe 1" water line, used, fittings, 1000'	400	
Small tool fund- pipe, blacksmith and maintenance tools	300	
Mucking sheets and pressure tank	100	
Carbide, lamps and parts	200	
Timber - ties, shaft & mine timbers, A-frame	1000	
Fuel - gasoline, lubricants, antifreeze for compressor, hoist & water truck	1800	
Explosives -powder, caps, & fuse	1600	
Drill steel and bits	500	
Orebucket and sheave wheel (used)	100	
First aid kit and stretcher	100	
		7450

d. Operating equipment

125 cubic foot gasoline compressor	4000	
Jackhammer	450	
Jackleg	250	
Mine car (used)	100	
Water truck (used 6 x 6 & 300 gallon tank)	400	
Pick-up truck	2200	
Single drum hoist and cable	500	
Air blower and vent tubing	300	
Storage tank, 500 gallons	300	
		8500

e. Rehabilitation and repairs - none

f. New buildings, improvements, installations

Galvanized sheet building, 10 X 20' to be used as compressor house, change house, and storeroom.	1000	
House trailers (used)		
bunk house (big trailer)	2000	
cook house (big trailer)	2000	
office and quarters for supervisor (small trailer)	1000	
		6000

Phase II

(Estimate of Cos[illegible] Continued)

Humboldt Metals
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

g. Miscellaneous

Maintenance & repairs for all operating equipment	1000	
Cookhouse subsidy $100/month	1600	
Accounting & office supplies $50/mo.	800	
Compensation insurance & payroll taxes	2250	
Transportation (supervisor) 7cents/mile	750	
Assaying and analyses	300	
Moving equipment and supplies on and off property	1000	
		7700

H. Contingencies 1000

Grand total..$57400

Note: The above work is for a total development program on Zones Nos. 1, 2, and 3, and is set up so that work is finished on one zone before starting on a second zone. In this manner there is no repetition of equipment. However, it is most likely that second phase work will only be approved on one zone or at most on two zones. In this event the cost data will have to be amended to fit the approved program.

Humboldt Metals,
Ray R. Whiting, Jr.
33 West 3rd St.
Winnemucca, Nevada

7. a. Yes, 25% of the cost of production

d. Money raised by the partners.

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R. R. CASTO

P. M. CRISMON

ORRIN FISHER

HAROLD E. CULVER

PHONE EM 3-7417

CRISMON & NICHOLS

ASSAYERS AND CHEMISTS

229-231 SOUTH WEST TEMPLE STREET

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P. O. BOX 1708

REPORT OF ASSAY

Ray B. Whiting Jr. SALT LAKE CITY, UTAH May 24, 1956

WE HAVE ASSAYED YOUR three SAMPLES AND FIND them TO CONTAIN AS FOLLOWS:

DESCRIPTION	NO.	Per-cent Mercury				
Joe	1	1.08				
Joe Group Float		14.35				
Hot Group 2 ft. vein in place		1.88				

REMARKS: Copy mailed to Mr. Johnson

CHARGES $ 6.00

CRISMON & NICHOLS

BY [signature]

M I N I N G L E A S E

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THIS LEASE, made and entered into this 21 day of May A. D. 1956, by and between Rene Amat and Fern Amat, his wife, of the County of Humboldt, State of Nevada, Lessors, and Ray Whiting Jr. of the same place, Lessee,

W I T N E S S E T H:

In consideration of the sum of One Dollar ($1.00) and other valuable consideration paid by Lessee to Lessor, the receipt whereof is hereby acknowledged, and of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed by Lessee to be faithfully kept and performed, the parties hereto mutually and severally covenant and agree as follows:

1.

RIGHTS GRANTED TO LESSEE

Lessor does hereby demise, let and grant to Lessee the exclusive right and privilege to mine and dispose of all minerals metals, or rare earths (hereinafter referred to as "leased deposits) in, upon or under the following described mining claims, hereinafter called "leased premises ", situate lying and being in the Mount Tobin Mining District, County of Pershing, State of Nevada, to-wit:

Joe Group No. 1 file No. 42510
Joe Group No. 2 file No. 42511
Joe Group No. 3 file No. 42512
Joe Group No. 4 file No. 42513
Joe Group No. 5 file No. 42514
Joe Group No. 6 file No. 42515
Joe Group No. 7 file No. 42516
Joe Group No. 8 file No. 42517
Joe Group No. 9 file No. 436616

All as is recorded in the Pershing County Recorders Office, Lovelock, Pershing County, Nevada.

together with the right to construct such works, buildings plants, structures and appliances as may be necessary or convenient for the mining operation and marketing of the leased deposits.

TO HAVE AND TO HOLD, the same unto the said Lessee from the date hereof, unless sooner terminated pursuant to the provisions hereof, until all quicksilver, and other metals or minerals which are recoverable from said land have been recovered.

11.

PROPER OPERATION REQUIRED

Lessee shall conduct all operations on the leased premises in the manner necessary to good, minerlike and economical mining so as to develop and take out leased deposits with due regard to the development of the leased deposits, the preservation of the workability of workings on the leased premises and to the special covenants herein provided.

rd G. Campbell
rney at Law
ldt Star Bldg.
nucca, Nevada

111.

LESSORS RIGHT OF INSPECTION

Lessee shall allow Lessors and the agents of Lessor, from time to time, to enter upon and into Lessee's workings on said leased premises for the purpose of inspection at such reasonable times as shall not interfere with the regular operations of the leased premises. It is understood and agreed that Lessee shall assume no responsibility for the safety of Lessor or the agents of Lessor when and while upon the leased premises for such purpose.

IV.

PROPERTY TO BE KEPT FREE OF LIENS

Lessee shall pay and satisfy all claims for materials, supplies and labor used or employed in connection with the development and operation of the mining claims and mining property hereby leased and shall keep said leased premises free of liens or encumbrances of any and every kind, except such as might result from State and County tax assessments not required to be paid by the Lessee or such as may result from the acts of others than the Lessee or those in privity with lessee, or such as may be created with the express written consent and agreement of the Lessor.

V.

PROTECTION AGAINST LIENS ARISING THROUGH LESSORS DEFAULT

In the event there are no liens or encumbrances against said leased premises, or in the event any liens or encumbrances shall hereafter accrue against the same by acts or neglect of Lessor, then Lessee may at Lessee's option pay and discharge same, and if Lessee elects so to do, then Lessor agrees to repay Lessee upon demand all such sums so paid by Lessee, and if Lessor fails to make such repayment on demand of Lessee, then Lessee may at its option deduct such sums from rental and for royalties due lessor from lessee as hereinafter provided.

VI.

TERMINATION

This lease is made upon condition that Lessee shall perform all of the covenants and agreements herein set forth to be performed by Lessee and if, at any time, there shall be any default on the part of Lessee due to other than acts of God, strikes, walkouts, storms, floods, a public enemy or unusual casualty or cause entirely beyond the control of Lessee and if such default shall continue for a period of thirty (30) days after written notice thereof being given by Lessor, then and in such event, this lease shall terminate and the leased premises shall revert to Lessors and Lessee shall deliver to Lessor the leased premises, and all money or royalties already paid by Lessee, shall be forfeited as agreed as liquidated damages and as such shall be retained by Lessors.

rd G. Campbell
rney at Law
ldt Star Bldg.
ucca, Nevada

V11.

LESSEE'S RIGHT OF SURRENDER

It is mutually understood and agreed that Lessee may at any time surrender and terminate and/or any part of this lease upon giving to Lessors thirty (30) days notice in writing.

V111.

REMOVAL OF EQUIPMENT

It is further understood and agreed that Lessee shall have subject to any extension of time granted by Lessor, a period of sixty (60) days after forfeiture, surrender or termination of the lease within which to remove all Lessees personal property, buildings, machinery, equipment and tools located within or upon the leased premises (other than the fixtures to become the property of the Lessors as above provided).

1X.

STATE AND FEDERAL ENACTMENTS - INDEMNIFICATION OF LESSOR

Lessee, in the operation and development of the leased premises shall be subject to all applicable Federal enactments, the laws of the State where leased premises are situate, and all Federal or State rules and regulations regarding Employers' Liability, Workmen's Compensation, Social Security and Unemployment Insurance, and said Lessee covenants and agrees to indemnify and hold harmless the Lessor from and against the payment of any and all damages, claims, costs and expenses due to the existance of such enactments and of any and all claims, costs and expenses in connection therewith under any claim of subrogation provided for by said enactments or otherwise; and Lessee shall further indemnify and hold harmless Lessor from and against any and all damages, claims, costs and expenses arising out of damage to property or any injuries to or death of the employees of Lessee, or any other person whomsoever other than Lessor and those acting under Lessors, where such injury, death or damage occurs because of or in connection with the use, operation or development in any manner of the leased premises whether such claims are based upon a right conferred by common law or by statute.

X.

ROYALTIES

Lessee shall pay on all leased deposits of ore extracted and shipped or sold from the leased premises a royalty of 10% of the gross returns from the sale of all leased deposits, minerals, or ores extracted hereunder from the leased premises, provided however, that the said Lessee agrees to pay unto the Lessors, 60 days from the day of the execution of this lease, a minimum monthly royalty payment of $150.00 per month. That in the event the said 10% royalty amounts to less than $150.00 per month, then the Lessee shall pay at least $150.00 each and every month of this lease. Royalty payments together with copies of settlement sheets shall be mailed to Lessors at the address hereinafter provided.

rd G. Campbell
rney at Law
ldt Star Bldg.
ucca, Nevada

X1.
ANNUAL ASSESSMENT LABOR

Lessee agrees to perform the annual assessment work which may be required under the Mining Laws of the United States as to any unpatented mining claims covered by this Lease. Surrender of any one or more of the mining claims included in this lease by Lessee as to any mining claims or mining claim shall thereafter relieve Lessee of the obligations to perform annual assessments Labor as to any so surrendered mining claim EXCEPT THAT if any such surrender shall be effective less than thirty (30) days prior to the expiration of an assessment year, such surrender shall not affect Lessee's obligation as to the performance of annual labor for that assessment year.

X11.
TAXES

Lessor shall pay all Federal, State and County taxes of any kind assessed against Lessor on account of the receipt of royalties by Lessor hereinabove provided to be paid to Lessor by Lessee.

Lessor shall also pay all State and County Tax assessments upon said leased premises except as hereinafter otherwise provided.

Lessee shall pay all State and County Tax assessments upon any and all structures and other improvements, machinery, equipment, tools, supplies and personal property whatsoever placed upon the leased premises by Lessee.

Lessee shall pay such State and County taxes, if any as may be assessed against the leased premises because of additional valuation placed upon the leased premises by reason of the leased deposits therein or because of the production of the leased deposits therefrom.

It is expressly understood and agreed, however, that Lessee and Lessor shall pay their proportional share of Bullion Taxes which may be assessed against said property during the term of this lease.

X111.
MANNER OF GIVING NOTICE

Any notice contemplated herein to be served upon Lessee shall be in writing and shall be sufficiently given if deposited in the United States Mail, postage prepaid and registered and addressed as follows:

TO LESSEE: Ray Whiting Jr.
c/o Richard G. Campbell
Winnemucca, Nevada

or in such other manner and at such other address as Lessee may from time to time in writing designate by written notice to Lessor.

Any notice contemplated herein to be served upon Lessor, shall be in writing and shall be sufficiently given if deposited in the United States mail, postage prepaid and registered and addressed

rd G. Campbell
orney-at-Law
ldt Star Bldg.
nucca, Nevada

as follows:

TO LESSORS: Rene Amat and Fern Amat
c/o First National Bank
Winnemucca, Branch, Winnemucca
Nevada

or in such other manner and at such other address as Lessor may from time to time in writing designate.

Service of notice by mail shall be deemed effective and complete upon the date of posting and mailing in accordance therewith. Personal service of notice upon the designated addressee shall be deemed sufficient service of notice and no mailing of notice shall be necessary in the case of such personal service.

XIV.
FORFEITURE

Any failure of the Lessor to declare forfeiture for the violation of any particular covenant or agreement herein contained shall not affect the right of said Lessor to declare a forfeiture for any further violation of the same of any other covenant herein contained.

XV.
ASSIGNMENT

The provisions hereof shall inure to the benefit of and shall be binding upon the successors in interest, legal representatives and assigns of the parties hereto.

XVI.
WARRANTY

Lessor warrants that lessor has not previously sold, assigned, burdened or encumbered the rights and interests hereby conveyed in and to the leased premises or any part thereof by any act or instrument of Lessor.

VII.
GOVERNMENT LOANS

The Lessors further agree to co-operate in signing a United States Government Loan and further to consent to a lein in lieu of the terms and conditions of said United States Government Loan, If such is contracted for and with, the said Government, upon the Cinibar deposits operation herein and above described as property under lease.

IN WITNESS WHEREOF, the Lessor and Lessee have hereunto set their hands the day and year in this instrument first above written.

Rene Amat

Fern Amat

Ray Whiting Jr.

rd G. Campbell
rney at Law
ldt Star Bldg.
nucca, Nevada

STATE OF NEVADA)
) SS.
COUNTY OF HUMBOLDT)

On this 21st day of May A. D. 1956, personally appeared before me, a Notary Public in and for said County and State, Ray Whiting Jr. , Rene Amat and Fern Amat, his wife, known to me to be the persons described in and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily, and for the uses and purposes described therein.

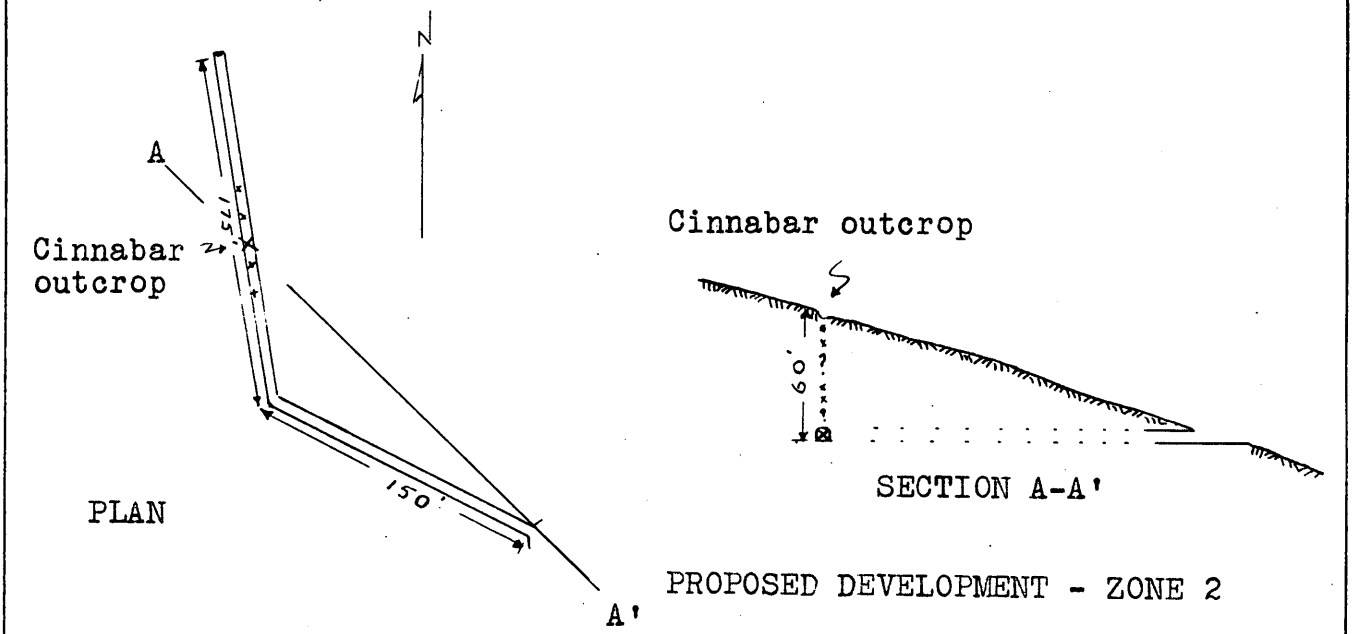
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my Office in said County and State, the day and year in this certificate first above written.

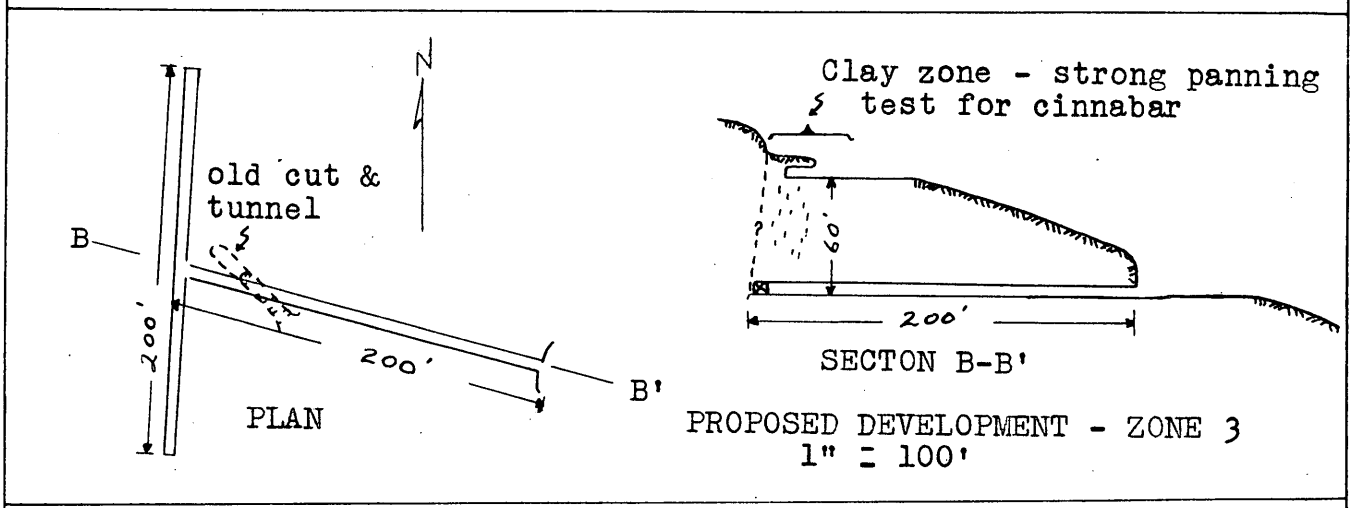
Richard G. Campbell
Notary Public in and for said County and State

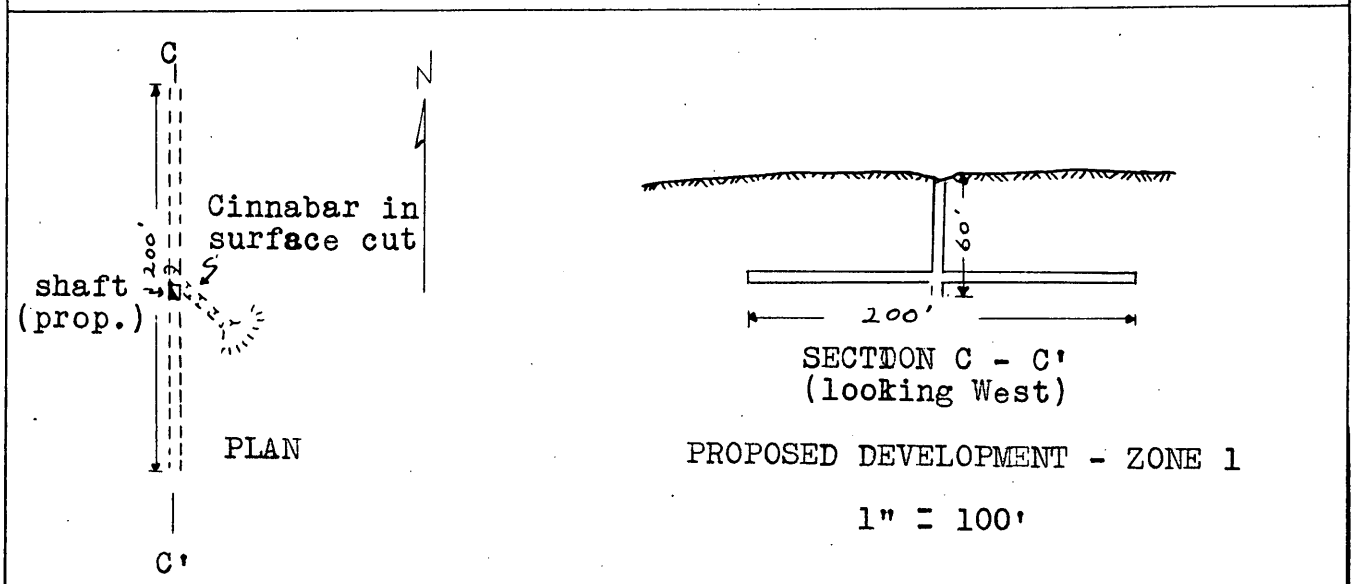
My Commission Expires:
Nov 29, 1958

hard G. Campbell
ttorney-at-Law
oldt Star Bldg.
emucca, Nevada

Figure No. 2







SKETCH - PROPOSED UNDERGROUND DEVELOPMENT ON ZONES 1. 2. & 3

Joe Group of Claims - Goldbanks Mining District
Pershing County, Nevada

5/23/56

WPJ

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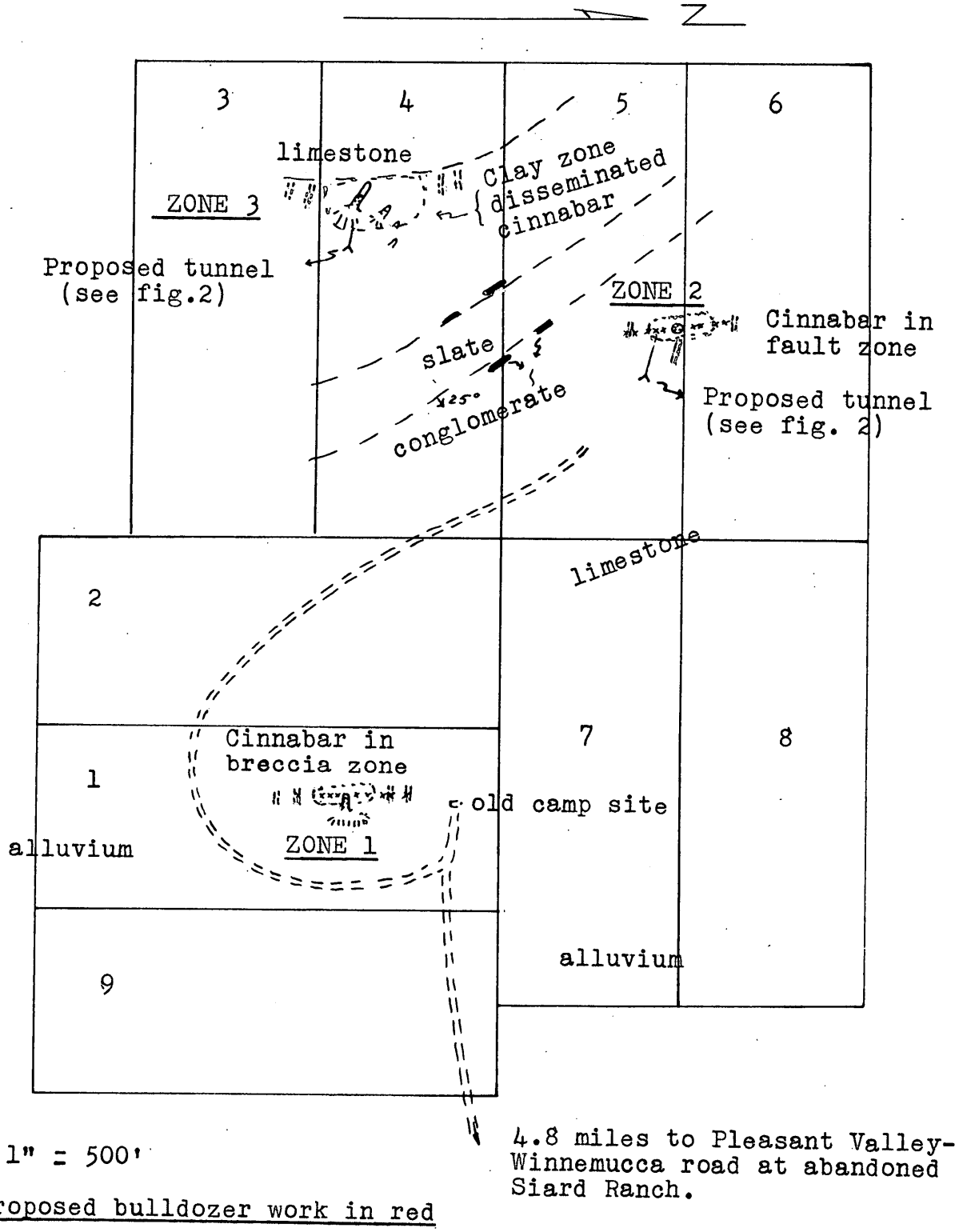
Figure No. 1



1" = 500'

Proposed bulldozer work in red

SURFACE SKETCH - JOE CLAIMS NOS. 1-9

Goldbanks Mining District

Pershing County, Nevada

5/23/56

WPJ