MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE

Contract No. 14-23-2300 Docket No. MME-1456

Application
- [x] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 6-11-71
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

52615

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4-25	Weeks	RWeeks
4/25/72	Kirkemo	
5/2/72	[illegible]	

UNITED STATES OF AMERICA
CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

MAY 3 1972

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury)
Mr. C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

Pursuant to Article 6 of the referenced contract, the Government hereby certifies that mineral or metal production may be possible as a result of the exploratory work.

Inasmuch as the Government's contribution to the work has been fully repaid with interest, the Government retains no claim or lien against the property or any production therefrom. We are, therefore, closing our records on this contract. Your attention, however, is called to Article 5 of the contract which requires you to preserve certain records for three years. The Government, however, waives the requirement in Article 5(c) of the contract which provides for the submission of a final report on the project by the Operator.

We appreciate your interest and participation in the OME program and are pleased that the work was successful.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's reading file
Mineral Resources
OME reading file
Budget & Finance
Region I
Mr. Kirkemo
Sol.
Mr. Weeks
130 (2)

HKirkemo/cac 4/24/72

Government's copy

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

Termination Agreement

It is agreed this 2nd day of May, 1972, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, Office of Minerals Exploration, hereinafter called the "Government," and C. F. Taylor, hereinafter called the "Operator," parties to that certain exploration Contract No. 2300 (OME-6456), dated June 24, 1971, as amended December 15, 1971, hereinafter called the "Contract," that:

1. Effective May 1, 1972, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the allowable costs incurred prior to October 1, 1971.

3. The Operator shall promptly complete all winding-up and settlement actions provided for in the Contract.

4. All rights of the Government provided for in the Contract with respect to a certification of possible production, royalty on production, and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirberno
Chief, Office of Minerals Exploration
U. S. Geological Survey

C. F. TAYLOR

By C. F. Taylor

Title Operator

RECEIVED
MAY 25 1972
O. M. E.
SPOKANE, WASH.

4/27/72 Martin
Appr'd. Sol. Off.
Gair 5/2/72
Kirberno
Weeks

RECEIVED
DEC 17 1971
O. M. E.
SPOKANE, WASH.

Government's copy

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

AMENDMENT NO. 1

It is agreed this 15th day of December, 1971, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and C. F. Taylor, an individual hereinafter called the "Operator," that Exploration Contract 2300, dated June 24, 1971, is amended effective December 1, 1971, as follows:

1. (a) Work under the Contract may be suspended during the period beginning October 1, 1971, and ending not later than May 1, 1972.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to or be liable for any costs of rehabilitation or repair or any other costs which would not have occurred if there had been no suspension of the work, or which may arise out of this suspension.

(d) The Operator shall preserve and protect the project work at its own cost and expense, and without contribution by the Government during the period of suspension.

2. The date fixed by Article 1 (a) of the Contract for completion of the work is extended from seven (7) to seventeen (17) months from the date of the Contract, or until November 24, 1972.

3. The maximum period for royalty payments as provided in Article 6 (b) of the Contract and for the lien to secure payment thereof is extended from ten (10) to eleven (11) years from the date of the Contract.

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

4. Except as herein amended, Exploration Contract 2300 (OME-6456), dated June 27, 1971, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration

C. F. TAYLOR

By C. F. Taylor

Title Operator

Martin 12/14/71
Jindal 12/14/71

Asst. Sol. Off.
Kirkemo 12/15/71
Gaw 12/15/71

Government's copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME -6456	Mercury	2300	Crook	Oregon

It is agreed JUN 24 1971 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

C. F. Taylor

whose mailing address is 1128 Phelps Avenue, San Jose, California 95117, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before Sept. 1, 1971 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $43,080.00. The Government will contribute 75 percent of the total fixed unit costs of the work performed, not in excess of $32,310.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

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

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

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

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

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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

(d) The determinations of the Government are subject to appeal under Article 11.

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

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

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in ~~duplicate~~ quadruplicate the day and year first above written.

C. F. TAYLOR
(Operator)

By C. F. Taylor

Title

THE UNITED STATES OF AMERICA

By

Acting Assistant Director, U. S. Geological Survey
for Administration

Martin
Jones 6/17
Kiokamo 6/22
6/23 Kilogamo
Porew 6/23/70
Allen 6/23

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

CORPORATE SEAL

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of eight (8) unpatented claims in secs. 10 and 15, T. 17 S., R. 19 E., W.M., Crook County, Oregon. These claims are shown on Figure 1, entitled "Property map - Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon," attached and made part hereof.

The eight unpatented lode mining claims are recorded in the Crook County Courthouse, Prineville, Oregon, as follows:

Claim Name	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	305
Grandview Fraction	5	516
Maury Mountain No. 5	5	516
Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No. 3	5	146

The Operator is in possession of these claims by right of location.

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

EXHIBIT A

The purpose of the project is to explore by surface trenching and underground drifting, crosscutting, and raising for mercury-bearing ore shoots in or associated with a vein cutting volcanic rocks in the Clarno formation of Eocene age.

General Provisions

A backhoe no smaller than a Case Model 480 or equivalent unit of any other make shall be used for trenching and backfilling.

All trenches and excavations shall be backfilled so as to restore the surface of the land to approximately its original configuration.

All drifts, crosscuts, and raises shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary using standard 8- by 8-inch drift sets or equivalent round timber. Raises shall be timbered to provide a chute and manway with lagging in the chute compartment and ladders in the manway compartment.

Mine rails shall be not less than 12-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 10-inch diameter.

All significantly mineralized areas traversed by the trenches, drifts, crosscuts, or raises shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. A representative bulk sample shall be collected from each round broken in mineralized rock.

All samples from whatever source, shall be split as necessary and one split assayed for mercury. The Operator shall store one split of each sample in a suitable container properly identified as to source and location for Government inspection and possible use. With prior Government approval, the Operator may dispose of the stored samples.

True copies of assay certificates and maps or sketches showing the work completed, the location, width, and assay value of samples, and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

No work under this contract shall be performed within 100 feet of the outer boundary of the project area.

The Operator shall provide such supervision, labor, equipment, and technical services as may be required to complete the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

Description of the Work

The Operator shall first explore the mercury-bearing vein on the surface by backhoe trenching at about 100-foot intervals across the trend of the vein east and west of the Discovery Pit to the extent shown on Figure 2 entitled "Proposed exploration - Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon," attached and made part hereof.

All trenches shall be mapped and the mineralized structures sampled. With prior Government approval, the trenches shall be backfilled.

An aggregate of 50 hours shall be allowed for backhoe operations.

A shed about 12 by 20 feet shall be constructed to house an air compressor and a miners' change room.

From a prepared site located about 300 feet northwest of and 75 feet below the level of the Discovery Pit, an adit drift or crosscut shall be driven to and along the mercury-bearing vein approximately 475 feet on an easterly course previously determined by the surface trenching.

Raises may be driven on the vein from the adit level to the Discovery Pit and the East Pit if warranted by the results of drifting.

The approximate locations of the adit portal, proposed drift and raises are shown on Figure 2.

The aggregate footage of crosscuts, drifts and raises is estimated at about 650 feet.

Estimated Costs of the Work

Fixed Unit Costs 1/

Mobilizing and demobilizing backhoe	$ 40.00
Trenching and backfilling, 50 hours at $13.00/hr	650.00
Preparing access road and portal site 2/	300.00

Constructing 12- x 20-ft. compressor shed and change room 2/	$ 1,000.00
Mobilizing mining equipment 2/	80.00
Demobilizing mining equipment 2/	80.00
Drifting, crosscutting and raising, 650 feet at $51.20/ft. 3/	33,280.00
Timbering drifts, crosscuts, raises 250 feet at $18.20/ft.	4,550.00
Assaying, 100 samples for mercury at $6.00/sample	600.00
1 - Outside engineering-geologic consultant, 20 days at $100.00/day	2,000.00
Per diem for consultant, 20 days at $25.00/day	500.00
Total Estimated Costs	$43,080.00
Government Participation at 75%	$32,310.00

1/ The Government retains no equity in any of the materials used.

2/ The completed job is the unit of work.

3/ Includes all costs of labor, materials, equipment purchased and rented, and materials, supervision, insurance and office expense.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

U. S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6456 (MERCURY)

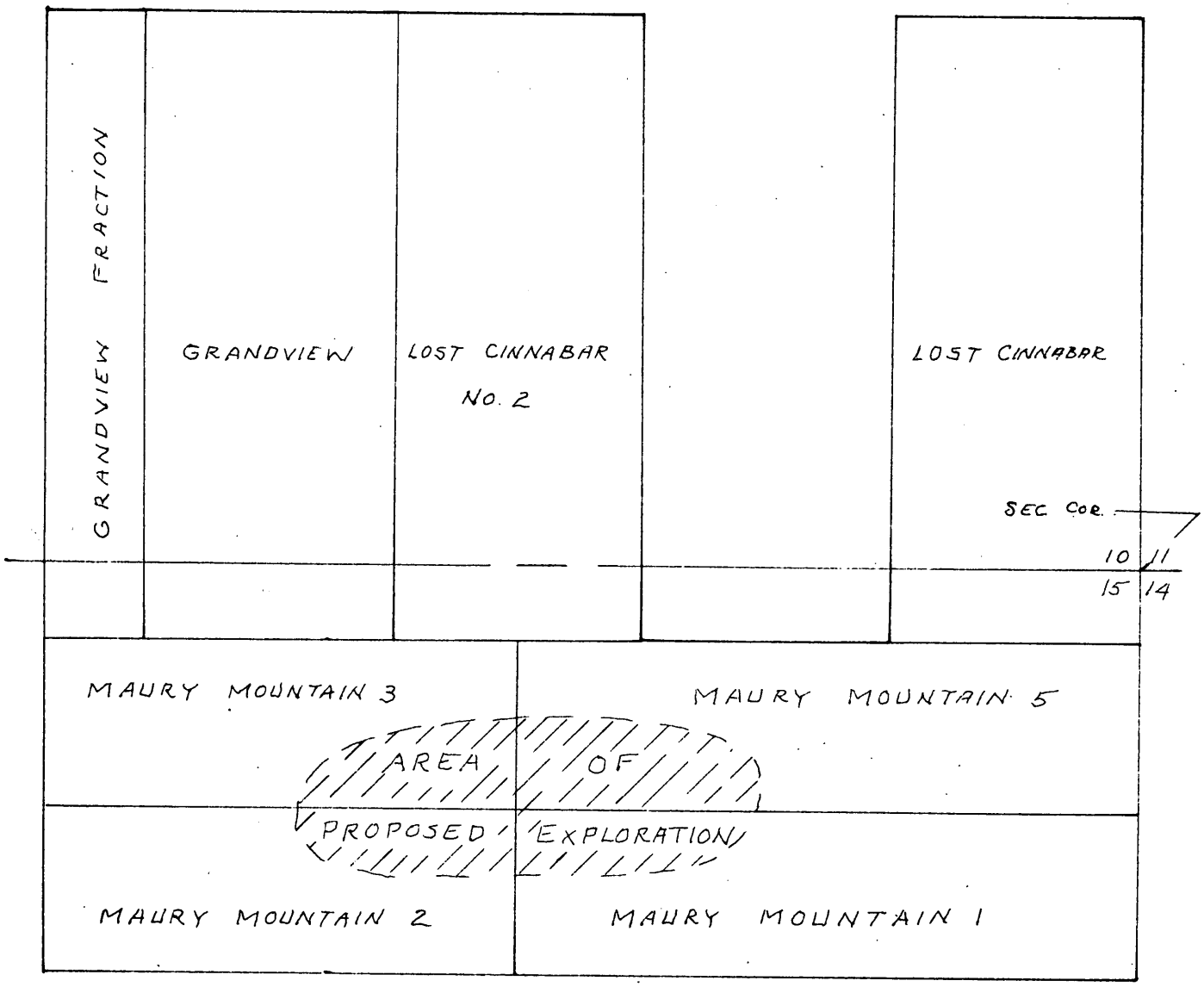

FIGURE 1- PROPERTY MAP- MAURY MOUNTAIN MINE, T.17S., R.19E., CROOK COUNTY, OREGON

U. S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6456 (MERCURY)

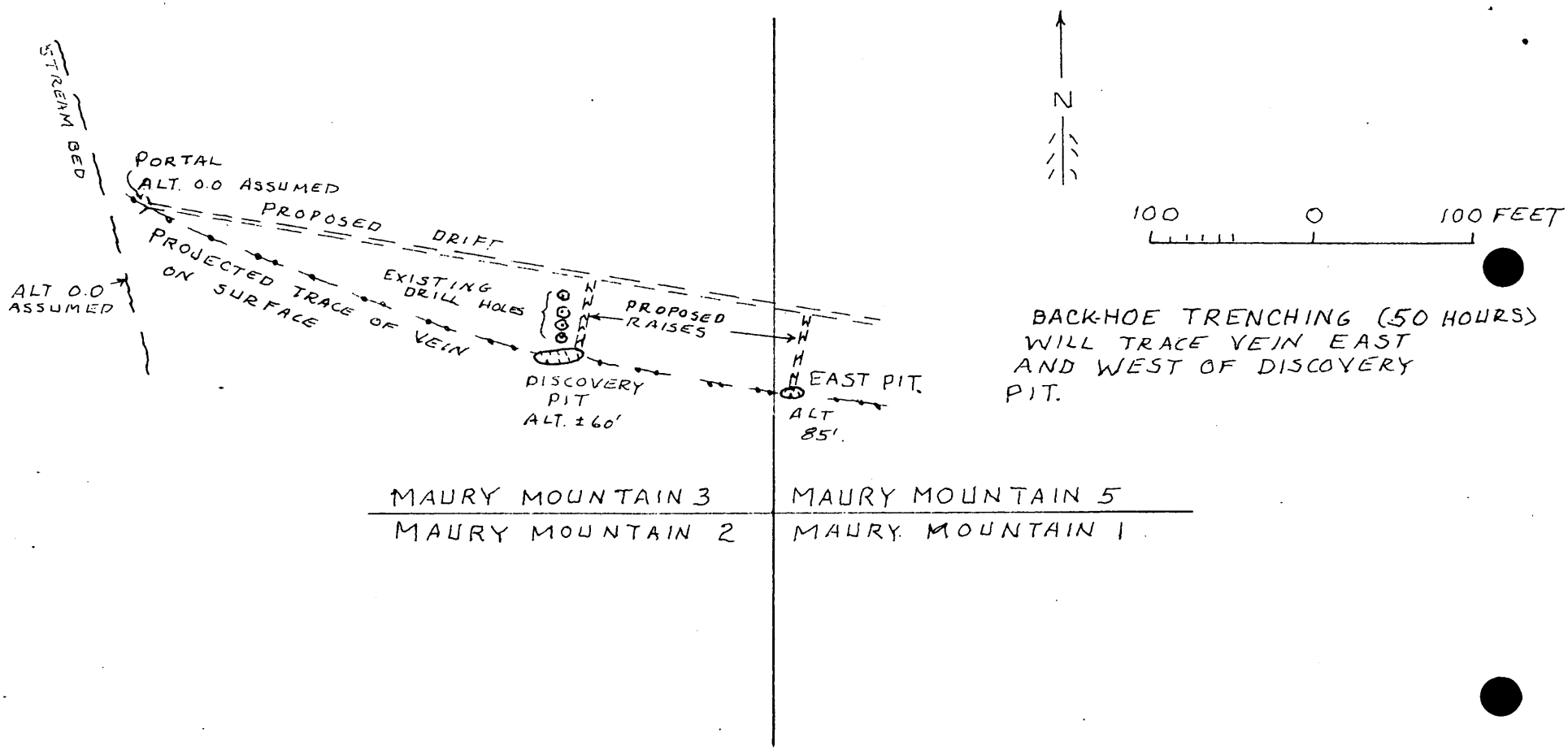

FIGURE 2- PROPOSED EXPLORATION- MAURY MOUNTAIN MINE, T.17S., R.19E., CROOK COUNTY, OREGON

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

June 3, 1971

OFFICIAL
COPY
O. M. E.
RECEIVED
JUN 8 1971

Mr. Harold Kirkemo
Chief, O.M.E.
U. S. Dept. of Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6456
(Mercury)

Dear Mr. Kirkemo:

At the request of Mr. Willard Puffett, Field Officer, Region 1, O.M.E., I am enclosing my financial statement for your consideration regarding my application for assistance in exploring the Maury Mtn. Mine in Oregon.

I hope the application meets with your approval, and that we may expect to hear from you soon.

Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst

Copy to Mr. Willard Puffett

C. F. Taylor, 1128 [illegible]lps Ave., San Jose, Calif. 951[illegible]

FINANCIAL STATEMENT June 1, 1971

ASSETS		LIABILITIES	
Maury Mtn. Mine, Post, Oregon 480 acres deeded land, 140 acres claims, improvements, mining & retorting equipment, furniture & furnishings	$50,000.00		
1965 Jeep Pickup	1,200.00		
Hossfeld Drill Rig	1,000.00		
San Jose Residence	30,000.00	Cal.Vet.Mtg. on S. J. residence	$ 9,019.00
Furniture, Furnishings, El.Tools, and personal in San Jose	7,000.00		
Two automobiles	2,000.00		
First trust deed - orchard in Hollister, Calif	22,000.00		
Armour preferred stock	6,200.00		
Mutual Funds stock	5,493.00		
Utility Co. Bonds	10,500.00		
Oil Royalties	17,000.00		
American Savings account	13,173.13		
Great Western Savings account	16,520.65		
S. J. Munic. Credit Union	8,571.75		
Bank of Calif. Checking acct.	965.00		
Net Worth			182,604.53
	$191,623.53		$191,623.53

ROUTING AND TRANSMITTAL SLIP

1 TO (Name, office symbol or location)		INITIALS	CIRCULATE
Chief, OME	OFFICIAL COPY O. M. E.	DATE	COORDINATION
2	RECEIVED MAY 20 1971	INITIALS	FILE
		DATE	INFORMATION
3	INITIALS CODE gfa 1 30 1 20	INITIALS	NOTE AND RETURN
		DATE	PER CONVERSATION
4		INITIALS	SEE ME
		DATE	SIGNATURE

ACTION

REMARKS

OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Attached are a bid for back hoe work and another for u underground work. Also attached are two letters to me from Mr. Taylor relating the problems in getting Mr. Avery to visit the property and make a bid to do underground work. Some equipment prices are attached in a letter to Mr. Taylor from George M. Philpott Co., Inc.

I'm beginning to have my doubts that we can get the necessary information here in time to get a report out and get approval of a contract before June 30, 1971. For example, we will still need more concrete data, such as location, length, etc. for the underground work if it is to include only crosscutting and drifting instead of sinking.

DO NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location) Willard P. Puffett Field Officer, REgion I WPP	DATE 5/18/71 PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

COPY

4-12-71

Prineville, Oregon

Mr. C. F. Taylor:

In regards to your request of a bid for backhoe work

Our price is $13.00 per Hr. plus $20.00 for moving time

Thank you

Powell & Steenson
Rt. 1, Box 1378
Prineville

RECEIVED
MAR 3 1971

RECEIVED
MAY 3 1971
O. M. E.
SPOKANE, WASH.

HENRY H. HARRIMAN
2423 Dolphin Drive
San Jose, Calif. 95124
(408)356-5440

RECEIVED
MAY 17 1971
O. W. E.
SPOKANE, WASH.

May 10, 1971

To: Mr. C. F. Taylor

I submit the following bid for labor only for drifting and sinking at the Maury Mtn. Mine, Post, Oregon.

For drifting, complete:

$25.00 per foot, bald headed drift, 6'x7'.

$30.00 per foot, timbered drift, 6'x 7'.

For sinking, complete:

$180.00 per foot, timbered, two-compartment, 60% incline, shaft, 5'x 9', complete, including ladders and landings in the man-way, and ventilation.

Henry H. Harriman

Henry H. Harriman

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

RECEIVED
MAY 17 1971
O.M.E.
SPOKANE, WASH.

May 13, 1971

Mr. Willard P. Puffett
656 U. S. Court House
W. 920 Riverside Avenue
Spokane, Washington 99201

Dear Mr. Puffett:

Since your calls on May 3rd, I called Burt Avery that evening and he said he could not make it to the mine the following week-end but wanted to go this week-end. I called him again last night and he wanted to put it off again until May 22nd, but when I pointed out the short time remaining to complete this thing by June 30th, he thought that he might be able to make it this week-end and he will give me a definite answer tonight. If he can go, I will leave here early tomorrow morning and hope to meet him at the mine Saturday forenoon, examine the property that afternoon and write up his bid on Sunday morning and get it in the mail to you by next Monday. If he cannot go, I guess we will just have to postpone it for another week.

In the meantime, I have contacted Henry Harriman, formerly with New Idria at New Almaden and am enclosing his bids on labor only for drifting and sinking, along with a price list from Philpott on used equipment, hopefully to help in figuring costs for a compressor, leg drill, and mucking machine. I hope to get some additional figures on equipment and materials from Avery.

Since it would seem that we could go in with a drift at around the 50' level and penetrate 500' to the East, along the footwall, for less money than it would cost to sink 100'of inclined shaft, I would like to amend the work proposal to start with up to 50 hours of back-hoe trenching, followed by 500' or more of drifting, and then sinking or exploratory drilling based on information acquired in the drifting, with all of this work to be done in the vicinity of the high grade ore discovery on the Maury Mtn. #3 claim, then, if this work could be completed without using all of the money, any remaining funds used for exploration in other areas on the property.

I hope this meets with your approval, and I am sorry that it is taking so long to get the required bids.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

May 14, 1971

RECEIVED
MAY 13 1971
SPOKANE, WASH.

Mr. Willard P. Puffett
656 U. S. Court House
W. 920 Riverside Avenue
Spokane, Washington 99201

Dear Mr. Puffett:

I called Burt Avery last night and he said that he had reached an agreement with a group of mining people to go into a mercury mining venture near Sutherlin, so he would not be able to take on our property at this time. I'm sorry that we've lost him but he did say that he would send you his estimates of costs for drifting and sinking, this week-end.

I am making an effort to get in touch with Ray Whiting. He doesn't have a telephone so I am writing to him today to ask whether he would be interested in submitting a bid for the work, and if he does, I will forward it to you as soon as I receive it.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

GEORGE M. PHILPOTT CO., INC.
EQUIPMENT — SERVICE • SALES • RENTALS
CABLE: PHILPOTTCO
TELEX: 34 - 9437
TEL: (415) 589-1010
MAIN OFFICE: EAST GRAND AVE. & HARBOR WAY, SO. SAN FRANCISCO, CALIF. 94080

May 10, 1971

RECEIVED
MAY 17 1971
O.M.E.
SPOKANE, WASH.

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California

Subject: Equipment for MAURY Mountain Mine
At Post, Oregon

Dear Mr. Taylor:

Per our conversation, we are pleased to furnish the following quotation:

One (1) Model SP600D GARDNER-DENVER Rota-Screw Portable Air Compressor: 600 cfm free air at 100 PSI, powered by 6 cylinder Model D333T Caterpillar or GMC 6-71 diesel engine with fail-safe mechanical system; if fault occurs, unit will automatically shut down, connected to compressor with shock absorbing coupling, no clutch, de-aerating radiator removes all air from water supply, water temperature thermostatically controlled, compressor oil cooled through radiator type oil cooler and temperature controlled by thermostat mixing valve, all mounted on heavy-duty running gear with automotive type steering and four heavy-duty truck type tires, size 7:50 x 15, 8 ply.

Approximate Shipping Weight: 9,090 lbs.
Cube: 585 Cubic Feet
Rent per Month, F.O.B. So. San Francisco, CA..... $ 850.00
Rental Purchase Price
New Machine, F.O.B. Quincy, Illinois $25,720.00
Rental Purchase Price
Used Machine, F.O.B. So. San Francisco, CA $12,500.00

One (1) Used Model RP365DB GARDNER-DENVER Rotary Portable Air Compressor: 365 cfm free air at 100 PSI, powered by 4 cylinder GMC 4-71 diesel engine de-aerating radiator that removes all air from water. Engine water temperature controlled by thermostat, compressor oil cooled by radiator-type air cooler with temperature controlled by thermostat mixing valve, mounted on heavy-duty running gear with automotive type steering, 4 pneumatic tires, heavy duty truck type, size 7:00 x 15, 8 ply. Equipped with fail-safe mechanical system; if fault occurs, unit will automatically shut down.

Rental Purchase Price
F.O.B. South San Francisco, CA ..... $ 7,500.00
Rental Rate per Month
F.O.B. South San Francisco, CA ..... $ 550.00

Tunnel Excavators - Mucking Machines

Model 12B EIMCO Rocker Shovel Loader with Eimco five cylinder air motor drives; standard rock bucket with pointed lip, operator's controls on left side, all deck heights, all track gauges from 15" to 36" inclusive.
Approximate Shipping Weight: 4,200 lbs.
Approximate Cube: 110 Cubic Feet
Rental Purchase Price
New Machine, F.O.B. Salt Lake City, Utah ..... $ 5,200.00
Rental Purchase Price
Used Machine, F.O.B. South San Francisco, CA ..... $ 3,450.00
Rental Rate per Month
F.O.B. South San Francisco, CA ..... $ 635.00

Feed Leg Drills

Model FL-53 GARDNER-DENVER Feed Leg Drill, 2-9/16" bore, 2-5/8 stroke, with Model FL-6 Direct Feed Leg for 24", 36", 42", 48", 60" or 66" travel.
Available with 7/8" or 1" Hex Chuck.
Approximate Shipping Weight: 130 lbs.
Cube: 4.3 Cubic Feet
Rental Purchase Price
New Machine, F.O.B. South San Francisco, CA ..... $ 1,440.00
Rental Purchase Price
Used Machine, F.O.B. South San Francisco, CA ..... $ 1,150.00

Model FL-63 GARDNER-DENVER Feed Leg Drill, 2-11/16" bore, 2-5/8" stroke, with Model FL-6 #2 Direct Feed Leg for 24", 36", 42", 48", 54", 60" or 66" travel.
Available with 7/8" or 1" Hex Chuck.
Approximate Shipping Weight: 140 lbs.
Cube: 5.8 Cubic Feet
Rental Purchase Price New Machine
F.O.B. South San Francisco, CA ..... $ 1,530.00
Rental Purchase Price
Used Machine, F.O.B. South San Francisco, CA ..... $ 1,225.00

Model FL-58 GARDNER-DENVER Feed Leg Drill, 2-5/8" bore with FL-6 Direct Feed Leg for 48" travel, 1" x 4-1/4" Hex Chuck.
Rental Purchase Price
Used Machine, F.O.B. South San Francisco, CA $865.00

Brunner and Lay
Carbide Intraset
Drill Steel

				Price each	
7/8" x 4-1/4"	x 2'	U. C.	.....	$18.15	Net
" "	x 4'	"	.....	19.50	"
" "	x 6'	"	.....	20.85	"
" "	x 8'	"	.....	22.20	"
"	x 10'	"	.....	23.50	"
" "	x 12'	"	.....	24.85	"
or					
1" x 4-1/4"	x 2'	U. C.	.....	$20.55	"
" "	x 4'	"	.....	21.90	"
" "	x 6'	"	.....	23.25	"
"	x 8'	"	.....	24.60	"
" "	x 10'	"	.....	25.95	"
" "	x 12'	"	.....	27.30	"
" "	x 14'	"	.....	28.65	"

Rental/Purchase Terms: 100% of the first 3 months paid rentals and 80% of the paid rentals thereafter will apply to the above quoted rental/purchase price.
On an outright purchase, we will allow a 10% discount for payment within 30 days. Steel prices are net.
Terms of payment are Net on Receipt of Invoice on rentals, and Net 30 Days on sales.

Above quoted prices do not include any applicable taxes, which are for your account. Prices are firm for thirty (30) days after which time they are subject to our approval. Used units offered, subject to prior sale.

Thank you for giving us the opportunity of quoting on your equipment needs, and hope we may be of some assistance in your requirements.

If you have any questions, or need any further information on the above quotation, please let us know.

Very truly yours,

GEORGE M. PHILPOTT CO., INC.

Ken Alsterlind

KA/es

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

January 26, 1971

OFFICIAL
COPY
O. M. E.
RECEIVED
JAN 28 1971
INITIALS CODE
30
120

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Preliminary appraisal of application
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Enclosed is an addendum prepared by the applicant for attachment to the application I forwarded to you on January 15, 1971. Mr. Taylor details in the addendum the planned exploration and estimates costs of the proposed work. He states, in a covering letter, that he is trying to obtain bids from contractors for some of the exploration.

The applicant has discovered a new vein of mercury ore from which he reports a production in 1970 of 16 flasks of quicksilver from a cut 8 to 10 feet long and 10 feet deep; the vein is 1-12 inches thick and dips about 60° NE. Drilling 4 holes in a line at right angles to the vein proved the vein extends to an inclined depth of 55 feet, and found some "colors" at an inclined depth of 80 feet. A sample from the East Cut (see sheet #2 with application) about 150 feet SE from the main cut and perhaps on the same vein, yielded 9.2 pounds of mercury per ton.

The applicant proposes to sink an inclined shaft 100 feet and then drift as much as 300 feet along the vein. Other exploration will be to test surface exposures of ore at two locations on a different part of the applicant's property.

The production and the assay data from drill hole cuttings prove that the new vein contains promising amounts of quicksilver, and should be further explored. Exploration of other areas should not be considered now. There should be more testing of the new vein along strike before shaft sinking is planned. Holes should be offset from 75 to 125 feet northwest and southeast of the small productive cut. These holes, to test the vein at depths of about 75 feet, will aggregate 150 to 200 feet, and at the applicant's estimate, will cost $1,200 to $1,600. This seems like a reasonable expenditure to insure the persistence of the vein before starting a shaft whose total cost is estimated to be $20,000.

A field examination is desirable to obtain samples of the vein, to discuss modifications of the exploration proposal with the applicant, and to learn the local wage-rates for miners in the district.

Willard P. Puffett

Willard P. Puffett

Enclosures

RECEIVED

JAN 25 1971

O. M. E.
SPOKANE, WASH.

[illegible]

[illegible]

[illegible]

Dear Mr. [illegible]

[illegible] additional information [illegible] tion work, [illegible] tacted [illegible] was advised that [illegible] have to meet all the [illegible] the mine safety [illegible] expected.

It may require considerable time before I can provide the required bids from contractors, but I am working on it. If [illegible] are required [illegible] examine the property again before contractors approval, which, in this case, Mr. [illegible] was not sure of, I could meet you there or in Prineville at your convenience, and meet [illegible] and show conditions permitting.

The property is located about five miles off a paved state highway and accessible throughout the year, except when blocked very rarely, by deep snow. There is a modern mobile home on there and adequate modern cabin facilities for four miners.

[illegible]

Sincerely yours,

[illegible]

RECEIVED
JAN 25 1971
O.M.E.
SPOKANE, WASH.

January, 1971 Addendum to O.M.E.- 6456 Application originally filed in May, 1965
Maury Mtn. Mine, Post, Oregon

5. Exploration Work:

(a) Proposed sinking of an inclined, 5'x9', two compartment shaft at approximately 60 degrees down dip on the face of the footwall on the exposed vein of cinnabar at the center of the Main Cut on the Maury Mtn. #3 claim, as shown on Sheet#2, to a depth of up to 100 feet. Underground drifting, at the most favorable level on the vein as exposed in the shaft, of up to 300 feet of 4'x7'side drifts to the East and to the West on the strike of the vein. Construction of a headframe, hoist, bin, rails, ladders, pipe, and necessary timbering of the shaft and side drifts. At locations, based on information made available by disclosures of the vein in the sinking and drifting operations, core drilling of two or more test holes up to 300 feet in depth. Surface bulldozer scalping and/or backhoe trenching of 1000 feet or more of 3'x6' cuts in the vicinity of the Grandview claim cut as shown on Sheet #2, and at two other locations, one in the SE 1/4 NE 1/4 of Sect.10 and the other in the SW 1/4 SW 1/4 of Sect. 10 to determine the source of the float found at these locations.

(b) A rough graded access road has been built to the prospect on the Maury Mtn. #3 claim.

(c) If an O.M.E. contract is executed in the Spring of 1971, work would be started in late Spring or early Summer of 1971, and hopefully, completed prior to December, 1972. We would anticipate a minimum daily average of 2 feet per day of sinking, 4 feet per day of drifting, 10 feet of drilling, and 100 feet of trenching.

RECEIVED
JAN 25 1971

7. Estimate of Costs:

(a) Independent contracts would be sought for sinking, drifting, drilling, trenching, and equipment and operator rentals.

(1) Sinking 100 feet of a 5'x9', two compartment inclined shaft, including construction and operation of a headframe, hoist, bin, rails, ladders, pipe, timbering, rock removal, and all necessary labor and equipment and supplies, at $200.00 per foot	$20,000.00
(2) Drifting 300 feet of 4'x7' side drifts, including timbering, rock removal, and all necessary labor and equipment and supplies at $40.00 per foot	12,000.00
(3) Drilling 600 feet of test holes, including core or cutting samples. log, all necessary labor, equipment and supplies at $8.00 per foot	4,800.00
(4) Bulldozing and/or backhoe trenching, 1000 feet, equipment rental including operators, 200 hours at $16.00 per hour	3,200.00
Total	$40,000.00

If independent contracts cannot be made, then

(b) Personal services

(1) Supervision by applicant and employees, 800 hours at $8.00 per hour	$ 6,400.00
(2) Labor, 3 miners or operators for 800 hours. 2400 hours at $5.00 per hour	12,000.00
(3) Geological services would be sought from O.M.E. and the Oregon Dept. of Geology.	

(c) Operating materials and supplies. Many hand tools and hardware items are on hand. Powder, power, fuel, and other necessary items	4,600.00

(d) Operating equipment.

(1) Air compressor, 365 cu.ft. or larger, rental 100 days at $25.00 per day	2,500.00

RECEIVED JAN 25 1971 SPOKANE, WASH.

(2)	Jackleg, rental or purchase	0.00
(3)	Motor-Generator, 10 KW, $15.00 per day (or extension of existing power line to site)	1,500.00
(4)	Headframe, hoist, and shaft equipment, purchase	2,000.00
(5)	Bulldozer, D-4 or equivalent, rental,& operator 100 hours at $16.00 per hour	1,600.00
(6)	Backhoe, small, rental, including operator, 100 hours at $16.00 per hour	1,600.00
(7)	Dump truck, 1 1/2 T., old Ford, on hand	500.00
(8)	Jeep, 1965, 1/2 T. Pickup, 4 wheel drive, on hand	1,500.00
(9)	Hossfeld drill rig, 100 feet of rod, on hand	1,000.00
(10)	Air compressor, I.R. 105 cu.ft.+ air lines, 2 hammers, steel, etc., on hand	1,000.00
(e)	Initial rehabilitation and repairs. Improvements, maintenance, parts, and repairs to existing bldgs. and equipment	500.00
(f)	New buildings, fixtures, installations. Headframe and bin included in 7 (d). Adequate Junipers for timber available on property.	
(g)	Miscellaneous.	
(1)	Repairs and maintenance to operating equipment, not included in 7(e)	2,000.00
(2)	Bookkeeping and accounting. (Note - costs of Workmen's Compensation Insurance, payroll taxes, etc., included in 7(b)	800.00
	Total	$40,000.00

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Office of Minerals Expl		
2. Re: New application ~~C. F. Taylor~~		
3. Maury Mountain Mine ~~Crook County, Oregon~~		
4. formerly OME-6456 (Mercury)		
5. Willard P. Puffett	1/15/71	WPP
FROM: Field Officer, Region I		

OFFICIAL COPY O. M. E. RECEIVED JAN 17 1971

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions x Your information

REMARKS: Attached is new application . I've asked mr. Taylor (via telephone) to send in cost data for his proposed work in addition to an updated list of equipment and supplies at the mine. The new geologic data indicates that the applicant has discovered a fairly promising cinnabar vein that might merit some exploration. I'll prepare an appraisal after receiving the new cost data.

INT.-DUP. SEC., WASH., D.C. M56300-62

MME Form 40
(Revised Nov. 68)

Budget Bureau No. 42-R1368
Approval expires Dec. 1971

RECEIVED
JAN 15 1971
O. M. E.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*	APPLICANT DO NOT USE THIS BLOCK
C. F. Taylor 1128 Phelps Avenue San Jose, Calif. 95117 Tel: 408 243 3468	DOCKET NUMBER: 6456 DATE RECEIVED: 1-18-71 REGION: I DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*	LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE — NAME / ADDRESS / TITLE
INDIVIDUAL [X] CORPORATION [ ] PARTNERSHIP [ ] OTHER *(Specify)* [ ]	
STATE IN WHICH FIRM IS ORGANIZED	

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE	PROPERTY NAME	LOCATION COUNTY	STATE
Cinnabar	Maury Mtn. Mine	Crook	Oregon
ESTIMATED COST OF PROJECT: $40,000.00			

GENERAL INSTRUCTIONS

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

CERTIFICATION

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

January 12, 1971
DATED

C. F. Taylor
BY *(Signature)*

Owner
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

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

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

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

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

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

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

(d) Describe known ore reserves, giving quantities and grades.

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

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

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

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

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

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

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

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

6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

RECEIVED
JAN 15 1971
O. M.
SPOKANE, WASH.

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

December 29, 1970

The Bank of California, National Association
Loan Officer
838 Town & Country Village
San Jose, Calif. 95150

Gentlemen:

I am the owner of the Maury Mtn. Mine, consisting of 480 acres of deeded land and eight mining claims of 140 acres, located 32 miles S.E. of Prineville in central Oregon. The property in unencumbered and improved with several old, but substantial, buildings including a house and cabin, with all modern living facilities, and a rotary retort, etc. and has a production record of approximately 600 flasks of Quicksilver, from shallow underground workings.

We have discovered a new vein of high grade cinnabar on the surface, and would like to obtain a long term, low interest, loan of $30,000.00 for financing the sinking of an inclined shaft and other exploratory work on the vein.

I would appreciate a letter from you indicating the availability of such a loan from your bank.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

RECEIVED
JAN 15 1971
SPOKANE, WASH.

Offices in all three Pacific Coast states

THE BANK OF CALIFORNIA *National Association*

SAN JOSE: Stevens Creek-Winchester Office: 838 Town and Country Village
San Jose, California 95128 • (408) 248-8820

December 30, 1970

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Dear Mr. Taylor:

Thank you for your letter of December 29, 1970 requesting a loan in the amount of $30,000.00 for financing the exploration of a vein of cinnabar located on your property in Oregon.

We are precluded from extending credit due to the speculative purpose of your request.

We wish you success in your endeavor.

Very truly yours,

Robert C. Eckart

Robert C. Eckart
Assistant Manager

RCE/cjj

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

December 29, 1970

First National Bank of Oregon
Loan Officer
Prineville Branch,
220 W. Third Street
Prineville, Oregon 97754

Gentlemen:

I am the owner of the Maury Mtn. Mine, consisting of 480 acres of deeded land and eight mining claims of 140 acres, located 32 miles S.E. of Prineville in central Oregon. The property is unencumbered and improved with several old, but substantial, buildings including a house and cabins, with all modern living facilities, and a rotary retort, etc. and has a production record of approximately 600 flasks of Quicksilver, from shallow underground workings.

We have discovered a new vein of high grade cinnabar on the surface and would like to obtain a long term, low interest, loan of $30,000.00 for financing the sinking of an inclined shaft and other exploratory work on the vein.

I would appreciate a letter from you indicating the availability of such a loan from your bank.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

FIRST NATIONAL BANK OF OREGON

PRINEVILLE BRANCH, 220 W. THIRD STREET, PRINEVILLE, OREGON 97754, TELEPHONE: 447-5611

RECEIVED JAN 15 1971 SPOKANE

January 8, 1971

C. F. Taylor
1128 Phelps Ave.
San Jose, California 95117

Dear Mr. Taylor;

Thank you for your letter of December 29, 1970 in which you inquired about a $30,000. long term, low interest loan.

Due to the speculative nature of your request, we will be unable to grant the loan. At the present time we are interested in making mortgage loans only for the construction or purchase of a home. Before we could consider any other type of loan, we would require more detailed financial information.

If we can be of any assistance in any of your banking needs in this area, please do not hesitate to call on us.

Very truly yours,

Jim Armstrong
Assistant Cashier

JA/bl

SHEET 4.

RECEIVED
JAN 15 1971
O. M. E.
SPOKANE, WASH.

STATE OF OREGON DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES
1069 State Office Building - Portland, Oregon 97201

REQUEST FOR SAMPLE INFORMATION

The State law governing free analysis of samples sent to State Assay Laboratories requires that certain information be furnished the laboratory regarding samples sent for assay or identification. A copy of the law will be found on the back of this blank. Please fill in the information requested completely, and submit it along with your sample. Keep a copy of the information on each sample for your own reference.

C. F. Taylor
Maury Mtn. Mine
Post, Oregon 97752

Please print your name and address in space above

Date sample is sent: August 12, 1970

Name of claim sampled: Maury Mtn. #3

Name of property owners C. F. Taylor

Are you hiring labor? yes Are you milling or shipping ore? Not at present

Location of property or source of sample. (If legal description is not known, give location with reference to known geographical point.)

County Crook Mining district Maury Mtn.

Township 17S. Range 19E. Section 15 Quarter section N.E.

How far from passable road and name of road 3 miles south of Shotgun Road on private road

ASSAY #11

	Channel (length)	Grab	Assay for	Description
Sample No. 1	4'		Hg., etc.	drill cuttings from T.H. #3 at depth of 41' to 45'
Sample No. 2				

(Samples for assay should be at least 1 lb. in weight; clay samples for ceramic testing at least 5 lbs.) IMPORTANT: A vein sample should be taken in an even channel across the vein from wall to wall. Location of sample in the workings, together with the width measured, should be recorded.

(Signed) C. F. Taylor

DO NOT WRITE BELOW THIS LINE - FOR OFFICE USE ONLY - USE OTHER SIDE IF DESIRED

Description Drill cuttings

Sample Number	GOLD oz./T.	GOLD Value	SILVER oz./T.	SILVER Value	Mercury Hg			
P-35274	----	----	----	----	39.1#/ton	----	----	----
	----	----	----	----	----	----	----	----

Report mailed 8/17/70

Assays run for us by New Almaden Mine on April 22, 1970.

Description		Lbs/Ton
Maury Mtn. #3	Sample off bottom of East Cut, Maury Mtn. #3, 2' wide	9.2
" " #4	Sample off East rib of Main Cut, Maury Mtn. #3, Footwall vein, 10" wide	23.6
" " #5	Sample off East rib of Main Cut, Maury Mtn.#3, Hang.wall vein, 13" wide	24.9
" " #6	Sample off center rib of Main Cut, Maury Mtn. #3, 17" wide	25.3
" " #7	Sample off West rib of Main Cut, Maury Mtn. #3, 14" wide	51.2
" " #8	Sample of Aluvial, 5' west of Main Cut, Maury Mtn.#3,footwall vein 24" wide	37.4
" " #9	Sample of Aluvial, 5' west of Main Cut, hang.wall vein, 20" wide	3.8
" " #10	Sample off N.W. rib of Grandview cut, 5' wide	0.9

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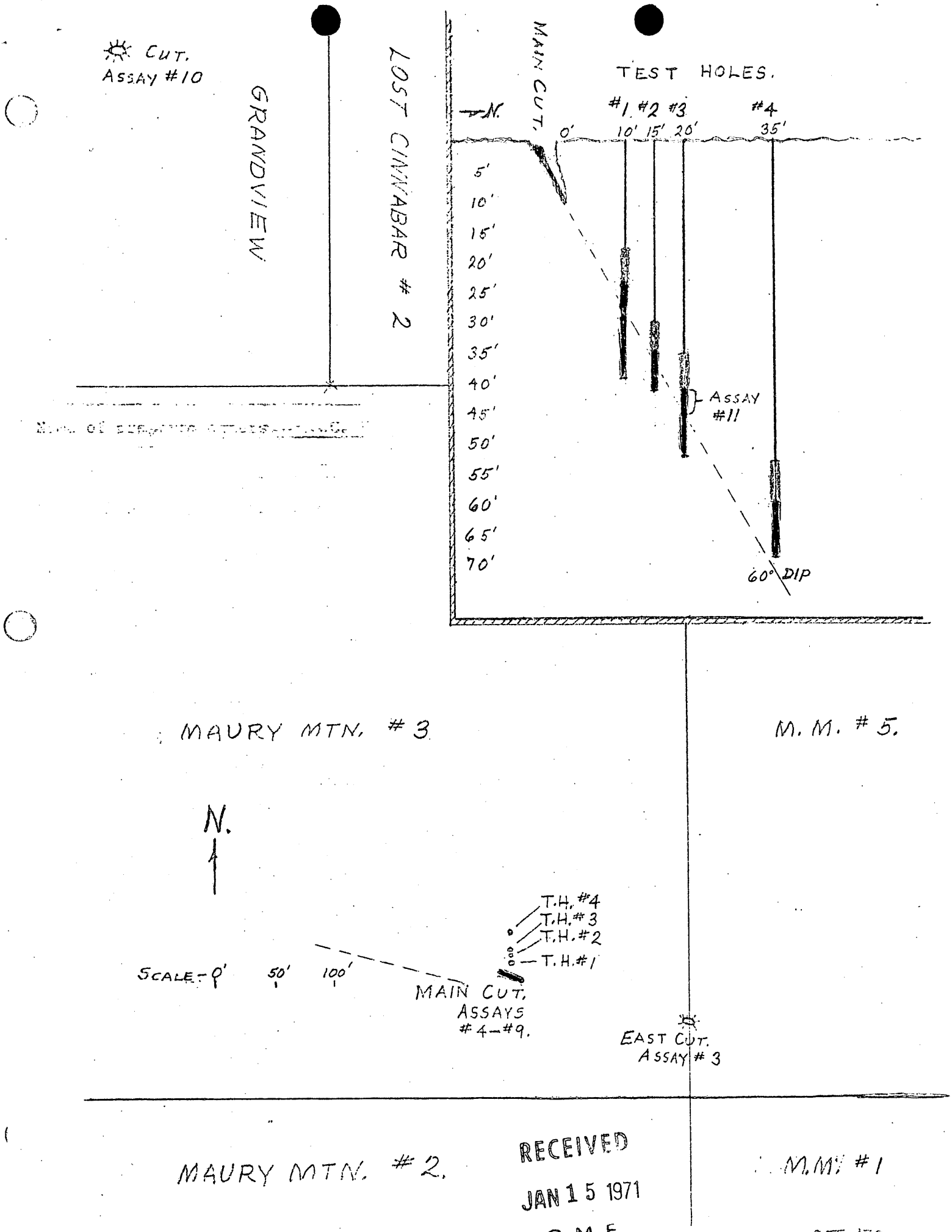
SPOKANE, WASH



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O. M. E.
SPOKANE, WASH.

OCT. '70

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JAN 15 1971
O. M. E.
SPOKANE, WASH.

Maury Mtn. Mine, Post, Oregon

Drilling Information:

High grade cinnabar was found, by panning, less than one foot below the surface at the location designated, on Sheet #2, as the Main Cut on the Maury Mtn. #3 claim in October, 1969. During a period of about three weeks following in the Fall, and another three weeks in the Spring of 1970, the narrow cut was dug by hand, with some blasting, to a depth of about ten feet on a vein of cinnabar, varying from one to twelve inches in width, against the footwall, striking roughly East and West and dipping approximately 60° to the North. From hand-sorted ore out of this cut, eight to ten feet in length, sixteen flasks of quicksilver was recovered.

During the Summer and Fall of 1970 no more sinking was done on the Main Cut but four, approximately 2 inch diameter, test holes were drilled with a Hossfeld prospecting drill on a line across the center of the cut, down dip to the North at a distance of 10, 15, 20 and 35 feet respectively, from the bottom of the cut, to depths of 39, 41, 52 and 69 feet as shown on Sheet #2.

The Hossfeld is a rotating, percussion, churn type drill using water for circulation. The cuttings, collected in a wire mesh screen and settling tanks, disclosed alluvial and shattered to solid, dark gray basalt from the surface to a depth of approximately 18, 30, 35, and 53 feet, where a light tan or buff colored rhyolite rock or tuff was encountered. More or less solid red, high grade cinnabar was drilled through from approximately 24 to 27 feet in test hole #1, 35 to 38 feet in test hole #2, and from 41 to 45 feet in test hole #3. In test hole #4 the solid cinnabar was not encountered but specks of cinnabar, visible with the glass, were found in the cuttings from

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O. M. E.
SPOKANE, WASH.

the rhyolite zone between 53 and 60 feet in depth in this hole. In all the holes, a sticky bentonite clay was encountered directly below the cinnabar zone. It is predominantly a mustard yellow color but shades to brown, blue-gray, red and purple, and is very difficult to penetrate with the Hossfeld, wet drilling, due to plugging off the circulation.

In November, 1969, a small cut was dug to a depth of about two feet on the strike about 150 feet East of the Main Cut, which exposed a narrow stringer of high grade cinnabar. This is designated as the East Cut on Sheet #2 and is located directly on the claim line about 65 feet North of the intersection of the four Maury Mtn. claims. Also, in the Fall of 1969, some large, angular chunks of float were found just below the surface on the South East portion of the Grandview claim. A cut was dug there, as shown on Sheet #2, but no in-place vein was found. Approximately 750 lbs. of this float and ore from the cut yielded 78 lbs. of quicksilver.

Assays run on samples taken from these cuts, and from Test hole #3, are shown on Sheets #3 and #4. In the Summer of 1970, three dozer cuts and some shallow hand-dug trenches were made West of the Main Cut on the Maury Mtn. #3 claim with rather inconclusive results other than indicating an offset in the rhyolite dike of perhaps 15 feet to the South, occuring within 30 feet West of the Main Cut, and then continuing for at least 165 feet to the West along the same bearing, i. e. approximately West 15° North, of the strike indicated by the Main and East cuts. More exploration work should be done in this area and along the strike to the East, and also in the vicinity of the cut on the Grandview, preferably some deep trenching with a backhoe.

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JAN 15 1971
O. M. E.
SPOKANE, WASH.

Our primary interest would be concerned with sinking an inclined shaft down dip on the footwall in the Main Cut on the Maury Mtn.#3 claim to explore the vein, possibly, followed by some deep core drilling. We would also like to do some subsequent exploration work on several other prospects on the property at locations up to 1/2 mile to the North and to the West of the Maury Mtn. #3 claim.

An investment of $40,000 should be sufficient to prove the extent and feasibility for development of these deposits, and I would like to apply for an O.M.E. loan of up to $30,000.00 for this purpose with the additional funds of up to $10,000.00 supplied from my own personal savings.

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, Div. of Exploration Operations	5/27/65	
2.		
3.		
4.		
5. D. R. MacLaren		
FROM: Acting Fld. Officer, Reg. I		

FOR: Check items for action desired

X Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: Transmittal of Application for Assistance
C. F. Taylor (Mercury), Maury Mtn. Mine
Crook County, Oregon

Application will be reviewed when time permits.

INT.-DUP. SEC., WASH., D.C. M56300-62

C. F. TAYLOR
1127 Phelps Avenue
San Jose, Calif. 95117

May 14, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 1 1965
INITIALS CODE

Mr. D. R. MacLaren
U. S. Department of the Interior
Office of Mineral Exploration
S. 157 Howard Street
Spokane, Washington 99204

Dear Mr. MacLaren:

Enclosed herewith is my application for an O. M. E. contract for exploration assistance on the Maury Mtn. Mine near Post, Oregon.

Item 7 (a) - On April 24th, I sent a sketch map of the mine location to Doyle Bros. Drilling Co., 3404 E. Main Street, Spokane 24, Washington, at their request, in a reply to my previous request for a bid on the same drilling, in which they stated that they would be most pleased to give me their proposal after an on site inspection. On April 24th, I also requested a bid from The Hakon Foster Drilling Co., 2424 S. E. Main St., Portland, Oregon. On May 11th, I received a long distance telephone call from them in which they quoted a $1,500.00 fee for moving in and out, plus $8.25 to $8.75 per foot for the drilling, with a Joy B-11 rig using NX bits, plus $10.00 per hour for any unusual or excessive time spent in moving between drilling locations, etc. They promised to send a proposal, in duplicate, within a few days. I will forward copies of bids from both contractors as soon as I receive them.

I hope the balance of the application proves adequate, and that we can arrange a meeting, on the property, in the near future.

Sincerely yours,

/s/ C. F. Taylor

C. F. Taylor

CFT7fst

RECEIVED
JUN 1 1965

MME Form 40
July 1962

RECEIVED
MAY 16 1965

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau
Approval expires

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 1 1965
SPECIAL CODE

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

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

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

C. F. TAYLOR
1128 Phelps Avenue
San Jose, California 95117

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6456

DATE RECEIVED: 6-1-65

REGION: I

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	X
CORPORATION	
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Mercury

ESTIMATED COST OF PROJECT: $ 30,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Maury Mtn. Mine,	Crook	Oregon

GENERAL INSTRUCTIONS

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CERTIFICATION

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

May 14, 1965
DATED

C. F. Taylor
BY *(Signature)*

owner - operator.
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

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

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

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

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

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

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

3. Physical Description:

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

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

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

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

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

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

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

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

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

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

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6. Experience:

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

7. Estimate of Costs:

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

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

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

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

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

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

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

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

INT.-DUP. SEC.

No. 42—R1368
Dec. 31, 1963

APPLICATION FOR O. M. E. By C. F. Taylor (Individual).
1128 Phelps Avenue, San Jose, Calif.
for exploration for Cinnabar at
Maury Mtn. Mine, Crook County, Oregon.

Application Forms (In duplicate) enclosed.

1. Financial Eligibility:
   (a) 2 bank refusal letters, enclosed.

   (b) Not applicable. List of affiliated companies - None.

   (c) I propose to furnish my share of the cost of the exploration work from Cash Savings Accounts. Financial statement enclosed.

2. Applicant's rights in land:
   (a) I am the sole owner of the land and eight (8) mining claims, and there are no liens or encumbrances, except the annual assessment work to hold the claims.

   (b) Legal description of lands owned or controlled - enclosed.
   Claim location notices recorded - (Book and Page where recorded).

   (c) Not applicable. (No encumbered lands)

3. Physical Description:
   (a) Mining operations were started in 1930. A 4-hearth 10' diameter Herreshoff furnace was installed in 1932 and 51 flasks of Hg produced. Idle through 1933 due to low price of Hg. In 1934, after producing 16 flasks, the furnace was sold and a rotary retort installed, and another 8 flasks was recovered by the Eickemeyer Bros. Production from 1934 through 1937 was from workings on the Lost Cinnabar (Staley) Claim. In 1938, the Eickemeyer Bros. discovered high grade ore on deeded land 1/4 mile N. W. of the early workings. In 1942 an R. F. C. loan was obtained and work begun on the Drainage Adit or Lower Workings. Total underground development was approximately 5000'. The upper workings (including the adjacent Towner Claim) consists of 4 adits, with connecting raises and winzes, a glory hole stope and an open cut. The lower workings consist of 2 principal adit levels with sub-levels, raises, winzes, and stopes connected by an inclined shaft, a vertical shaft, and several non-productive adits and open cuts. Production facilities consist of a 24" x 72" rotary retort and condenser system, a small jaw crusher, machine shop, Ingersoll Rand 105 Air Compressor, 2 jack hammers, air hoses, 3 mining cars, drill steel and bits, hand tools, old Ford dump truck, 5 room and bath house, two-3 room cabins, R.E.A. electric power to house and machine shop, gravity spring water to cabins, house and furnace.

   (b) I am the sole owner of the above workings and facilities.

   (c) Past production of Hg. in flasks, as published in Bulletin #55, State of Oregon, Dept. of Geology & Mineral Industries, "Quicksilver in Oregon" by Howard C. Brooks (1963), was 589 flasks (all sources) and 575 flasks (U.S.B.M.)

   (d) No known ore reserves.

3. Physical Description (Continued)

(e) Geological features consist of an Andesite or Basaltic intrusive plug, more or less circular and 750' in radius, bordered and partially overlain by Clarno tuffs and tuffaceous sediments, surrounded by overlying Andesite flows. The Cinnabar occurs in small, scattered pockets, lenses, and kidneys in the fault junctions, intersections, fractures, etc., bordering the plug. The ore is extremely high grade and has averaged 12% Hg.

(f) My reasons for expecting to find more ore are based on a 43 page detailed unpublished Geological Report entitled "The Quicksilver Deposits of the Maury Mtn. Mines, Crook County, Oregon" by R. E. Brown, A. C. Waters and G. W. Walker. The report is filed in the Portland office of the Oregon State Department of Geology. "Possibilities for more ore are thus very good, etc." Also upon an opinion written by O. A. Bartell, E.M., of Portland, Oregon, on Jan. 6, 1960, after examining the mine - "There are many indications that substantially more ore will be found".

(g) 2 copies of all reports, maps, and technical information (To be returned). I have approximately 20 or more of these, some of the maps are quite large. They will be available to your representative for inspection at any time.

4. Accessibility of Property:

(a) C. F. Taylor, 1128 Phelps Avenue, San Jose, Calif., 95117, will meet O.M.E. representative at the mine, which is reached by turning south off the highway from Prineville to Paulina, approximately 1½ miles east of Post. Across bridge on Crooked River and about ½ mile south, turning East on County road, paralleling highway and river for about 1 mile, then turning South at small sign on left side of road indicating turnoff to Maury Mtn. Mines. Then through gate in wire fence and over access road across private property and through second gate in wire fence, continuing South on mining property private road to workings. (Approximately 5½ miles S.E. of store and post office at Post, Oregon). These are graded and surfaced private roads and readily accessible by conventional cars. There are also many rough graded, steep roadways connecting the claims and workings, accessible by jeep or truck.

(b) Shipping and Supply Points - Prineville - 32 miles; Post - 5 miles.

5. Exploration Work:

(a) Geo-chemical prospecting to determine favorable locations for an estimated 5000' (100 - 50' holes) of surface drilling, and possible trenching and sinking over perimeter of intrusive plug. First, in vicinity of existing workings where ore was found, and later, possibly around the entire circumference of the intrusion to the extent deemed advisable by the results as the exploration work progresses. I would also propose some deep exploratory drilling in the faces and along faults in the underground workings.

(b) Rough graded access roads over most of the property are existing.

(c) If an O.M.E. contract is executed, work would be started the summer of 1965 and should be finished in two years. Anticipated progress would be 25' or more, of exploratory drilling per working day. (Exploration map enclosed).

6. Experience: I have a B. A. Degree with a major in Civil Engineering, seven years experience as a public works inspector, 20 years of farm owner and operator experience, including drilling and testing of water wells. Previous limited actual work in gold prospecting, and oil field rotary well drilling. I will supervise the exploration work.

7. Estimate of Costs:

(a) Independent Contracts : None. (Note - Bids from Contractors pending. See letter enclosed).

(b) Personal Services: Hope to receive geological services from O.M.E. and State Department of Geology. Supervision and Engineering - Self, 200 days @ $40.00 = $8,000.00; Labor - 2 men - 200 days @ $20.00ea.=$8,000.00 available in Bend, Prineville or neighboring ranches.

(c) Operating materials and supplies: Power, Domestic 1¢ to 7¢/kwh. 200 kwh per mo = $9.50 mo., for 2 years = $228.00; Water: No cost, except maintenance - $100.00; Fuel: Gasoline, small drill rig ½ gal/hr., 5 gal./day @35¢ = $1.75 - 200 days @ $1.75 = $350.00; Truck: moving rig, 1 gal./day 200 gal = $70.00; Pickup: Services and supplies, 150 mi./week for 2 yrs. 15,000 miles @ 15 mi./gal. = 1,000 gal. @ 35¢ = $350.00; Oil and grease, etc., $100.00; Hand tools and equipment $100.00; Diamond core bits, 7/8" 5000' @100'/bit = 50 @ $30.00 = $1500.00.

(d) Operating Equipment: Geo-chemical kit and supplies (Purchase) $200.00; Boyles Bros. X-Ray drill and accessories (Purchase) $2,000.00; Bulldozer or trenching machine (Purchase) $2,000.00; Air compressor - Ingersoll-Rand 105 - and accessories - $1,000.00 (furnished); Ford truck, 1½ ton dump)old) $200.00 (furnished).

(e) Initial rehabilitation and Repairs: Roofing, siding and plumbing repairs to existing buildings $1,100.00; 1½ ton Ford truck rehabilitation and mount rig $500.00.

(f) New building, fixtures and installations: None.

(g) Miscellaneous: Repairs and maintenance of operating equipment: Trucks, $302.00; Water supply, pumps, rotary mud and drill rig $1,000.00; Bookkeeping and clerical work and supplies $2,000.00; Workmens Compensation Insurance, Payroll taxes, etc. $1,000.00.

Summary of Estimated Costs and Expenses:

7.	(b)	Supervision	$8,000.00
		Labor	8,000.00
	(c)	Materials, etc.	2,698.00
	(d)	Operating Equip.	5,400.00
	(e)	Rehabilitation	1,600.00
	(g)	Miscellaneous	4,302.00
			$30,000.00

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

FINANCIAL STATEMENT

January 1, 1965

	ASSETS	LIABILITIES
Maury Mtn. Mine	$20,000.00	
Residence	24,000.00	$13,400.00
Personal Property	6,000.00	
Automobiles	1,500.00	
Trust Deed	28,000.00	
Oil Royalties	12,000.00	
Cash-Savings Accounts	22,000.00	
Equities in Funds	3,800.00	
Net Worth		103,900.00
	$117,300.00	$117.300.00

COPY

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

April 17, 1965

Crocker-Citizens National Bank
Westgate Center Office
1650 Saratoga Avenue
San Jose, Calif.

Gentlemen:

I am the sole owner of an unencumbered 480 acres of deeded land and a Bargain and Sale deed to eight mining claims of approximately 160 acres, located in Central Oregon. On this property is an inactive Mercury mine discovered in 1930 and developed by approximately 5000' of drifts, shafts, winzes, etc. A rotary retort, 5 room house, 2 - 3 room cabins, machine shop, electric power service, water supply, tools, etc. The mine has produced 575 flasks of Quicksilver, and I have opinions from reputable Geologists "That possibilities for more ore are thus very good".

I would like to undertake some exploration work in an effort to find new ore deposits by means of Geo-chemical prospecting and deep core drilling at an estimated total cost of around $40,000.00, and I wonder if the Bank would consider giving me a long term loan of 50% of this amount, or $20,000.00.

I have a checking and a savings account with your bank as well as rental of a Safety Deposit box.

Sincerely yours,

CFT/fst

C. F. Taylor

COPY

CROCKER-CITIZENS NATIONAL BANK

Westgate Center Office
1650 Saratoga Avenue San Jose, Calif. 95129

April 19, 1965

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Dear Mr. Taylor:

Reference is made to your application for a long term $20,000 loan for the purpose of doing exploratory work on a Mercury mine located in Central Oregon.

This is to advise that we will be unable to assist you on this request due to the speculative nature of this venture and the long term repayment program required. I wish to further advise you that we are unable to process real estate loan requests on out of state properties.

Thank you for presenting your application to us.

Very truly yours,

S. E. Bishop (s)
Assistant Manager

SEB/bl

COPY

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

April 17, 1965

First National Bank of Oregon
Prineville Branch
Prineville, Oregon

Gentlemen:

I am the sole owner of an unencumbered 480 acres of deeded land and a Bargain and Sale deed to eight mining claims of approximately 160+ acres, the Maury Mtn. Mines, located 32 miles S. E. of Prineville on the Prineville to Paulina Highway, and 5 mi. S. E. of Post.

On this property is an inactive Mercury mine, discovered in 1930, and developed by approximately 5000' of drifts, shafts, winzes, etc. A rotary retort, 5 room house, 2 - 3 room cabins, machine shop, electric power service, water supply, tools, etc. The mine has produced 5575 flasks of Quicksilver, and I have opinions from reputable geologists "That possibilities for more ore are thus very good."

I would like to undertake some exploration work in an effort to find new ore deposits by means of Geo-chemical prospecting and deep core drilling at an estimated total cost of around $40,000.00. I wonder if your bank would consider giving me a long term loan of 50% of this amount, or $20,000.00

An early reply would be appreciated.

Sincerely yours,

C. F. Taylor (s)

CFT/fst

COPY

FIRST NATIONAL BANK OF OREGON

Prineville Branch, 220 W. Third Street

Prineville, Oregon 97754

April 22, 1965

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Dear Mr. Taylor:

In reference to your letter of April 17, it is quite difficult to consider a loan application by mail. However, at this time we are not taking applications for loans on the terms which you mentioned in your letter.

We look forward to visiting with you if you come to this area and perhaps we can be of service to you in some other manner.

Very truly yours,

Harold E. Gray (s)
Assistant Manager

HEG/lg

the following described [illegible] property,

situate in the Count[illegible]f Crook, State of Oregon, to-[illegible]t:

Claim and Location Notices filed at Crook County Court house, Prineville Oregon.

Book	Page	
5	6	LOST CINNABAR: Commencing at a post marked No. 1 at the N. E. corner, which is located 1,320 feet north from S. E. corner of Sec. 10, T 17 S, R 19 E. W. M.; from thence 300 feet in a westerly direction to a center end post marked No. 2; thence 300 feet in a westerly direction to a corner post marked No. 3; thence 1,500 feet in a southerly direction to a corner post marked No. 4; thence 300 feet in an easterly direction to a center end post marked No. 5; thence 300 feet in an easterly direction to a corner post marked No. 6; thence 1,500 feet north to a place of beginning.
5	7	LOST CINNABAR NO. 2: Commencing at a post marked No. 1 at the NE corner, which is located 1,200 feet west of the N. E. corner of the SE$\frac{1}{4}$ SE$\frac{1}{4}$ of Sec. 10, T 17 S, R 19 E. W. M.; thence 300 feet west to a center end post marked No. 2; thence 300 feet west to a corner post marked No. 3; thence 1,500 feet south to a corner post marked No. 4; thence 300 feet east to a center end post marked No. 5; thence 300 feet east to a corner end post marked No. 6; thence 1,500 feet north to the point of beginning.
11	305	GRANDVIEW: Commencing at a post marked No. 1 at the N. E. corner, which is 1,800 feet west from the N. E. corner of the SE$\frac{1}{4}$ SE$\frac{1}{4}$ of Sec. 10, T 17 S, R. 19 E. W. M., thence 300 feet west to a center end post marked No. 2; thence 300 feet west to a corner post marked No. 3; thence 1,500 feet south to a corner post marked No. 4; thence 300 feet east to a center end post marked No. 5; thence 300 feet east to a corner post marked No. 6; thence 1,500 feet north to the point of beginning.
5	516	GRANDVIEW FRACTION: Commencing at a post marked No. 1 at the N. W. corner, which is 1,320 feet north from S. quarter corner of Sec. 10, Twp. 17 S, Range 19 E; from thence 125 feet in an easterly direction to a center end post marked No. 2, thence 125 feet in an easterly direction to a corner post marked No. 3; thence 1,500 feet in a southerly direction to a corner post marked No. 4; thence 125 feet in a westerly direction to a center end post marked No. 5; thence 125 feet in a westerly direction to a corner post marked No. 6; thence 1,500 feet to a place of beginning.
5	516	MAURY MOUNTAIN NO. 5: Commencing at a post marked No. 1 at the N. E. corner, which starting point is 180 feet South of the N. E. corner of Sec. 15, Township 17 S., Range 19 E. W. M.; thence 300 feet in a southerly direction to a center end post marked No. 2; thence 300 feet in a southerly direction to a corner post marked No. 3; thence 1,500 feet in a westerly direction to a corner post marked No. 4; thence 300 feet in a northerly direction to a center end post marked No. 5; thence 300 feet in a northerly direction to a corner post marked No. 6; thence 1,500 feet to the place of beginning; situated in the NE$\frac{1}{4}$ of the NE$\frac{1}{4}$ of Sec. 15, T 17 S, R 19 E. W. M.
5	145	MAURY MOUNTAIN NO. 1: Commencing at a post marked No. 1 at the NE corner, which is 780 feet south from NE corner of Sec. 15 Twp 17 S, Range 19 E; from thence 275 feet in a southerly direction to a center end post marked No. 2 East Center end, thence 275 feet in a southerly direction to a corner post marked No. 3; thence 1500 feet in a westerly direction to a corner post marked No. 4; thence 275 feet in a northerly direction to a center end post marked No. 5; thence 275 feet in a northerly direction to a corner post marked No. 6; thence 1500 feet to a place of beginning.
5	147	MAURY MOUNTAIN NO. 2: Commencing at a post marked No. 1 at the NW corner, which is 780 feet south from N quarter corner of Sec. 15, Twp. 17 S., Range 19 E; from thence 275 feet in a southerly direction to a center end post marked No. 2, thence 275 feet in a southerly direction to a corner post marked No. 3; thence 1150 feet in an easterly direction to a corner post marked No. 4; thence 275 feet in a northerly direction to a center end post marked No. 5; thence 275 feet in a northerly direction to a corner post marked No. 6; thence 1150 feet to a place of beginning.
5	146	MAURY MOUNTAIN NO. 3: Commencing at a post marked No. 1 at the NW corner which is 180 feet south from N quarter corner of Sec. 15, Twp 17 S., Range 19 E; from thence 300 feet in a southerly direction to a center end post marked No. 2; thence 300 feet in a southerly direction to a corner post marked No. 3; thence 1150 feet in an easterly direction to a corner post marked No. 4; thence 300 feet in a northerly direction to a center end post marked No. 5; thence 300 feet in a northerly direction to a corner post marked No. 6; thence 1150 feet to a place of beginning, intending to claim 1150 feet in length and 600 feet in width.

South Half of the Southeast Quarter (S$\frac{1}{2}$SE$\frac{1}{4}$), Section 3, Township 17 South, Range 19 E. W. M.

South Half of the Southeast Quarter (S$\frac{1}{2}$Se$\frac{1}{4}$) Section 9, Township 17 South, Range 19 E. W. M.

Indexed Mining Record Book 12 Page 66

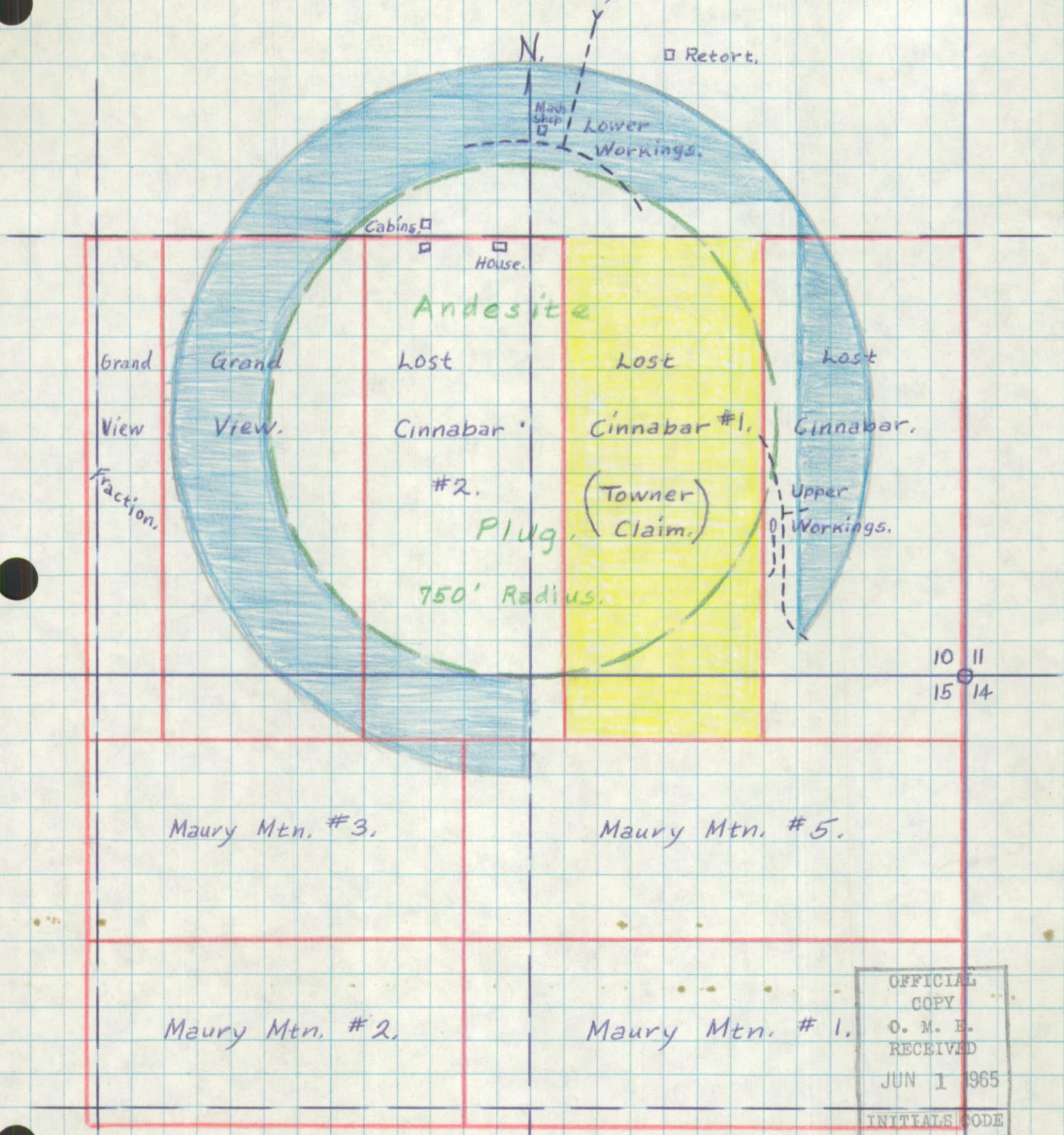
Northwest Quarter of the Northeast Quarter (NW$\frac{1}{4}$NE$\frac{1}{4}$), South Half of the Northeast Quarter (S$\frac{1}{2}$NE$\frac{1}{4}$), Northeast Quarter of the Northwest Quarter (NE$\frac{1}{4}$NW$\frac{1}{4}$), West Half of the Southwest Quarter (W$\frac{1}{2}$SW$\frac{1}{4}$), North Half of the Southeast Quarter (N$\frac{1}{2}$SE$\frac{1}{4}$) all in Section 10, Township 17 South, Range 19 E. W. M.

Subject to a right of way easement granted by Fred C. Eickemeyer and Grace Eickemeyer, husband and wife, and Herbert W. Eickemeyer, a single man, to the United States of America, dated August 23, 1957 and recorded October 10, 1957 in Book 79 of Deeds at page 95, Records of Crook County, Oregon,

T. 17 S.
R. 19 E. W. M.

Maury Mtn. Mines, Crook Co., Oregon.

N. ½ S.E. ¼ Sect. 10, Deeded Land.



- Exploration Zone.

Submitted By:
C. F. Taylor
1128 Phelps Ave.
San Jose, Calif.
May, 1965.

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 1 1965
INITIALS CODE

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

June 9, 1972

OFFICIAL COPY
O. M. E.
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glo | 130
HK | 130
RWJ | 600 Books
220

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Summary final report
OME-6456 (mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

INTRODUCTION

This report summarizes an exploration project for mercury ore about 2,000 feet south of the old Maury Mountain mine, some 25 miles southeast of Prineville, Oregon. The contract, dated June 24, 1971, for a total estimated cost of $43,080.00 of which the Government would contribute 75 percent or $32,310.00, was amended once. Work, started in July 1971 and finished in September 1971, consisted of 42 hours of backhoe trenching plus two days of consulting. The contract was terminated May 2, 1972; a Certification of Possible Production was issued May 3, 1972, and the Operator repaid the Government its share of the cost on April 25, 1972. The total cost of the completed work was $836.00, of which the Government contributed $627.00. The repayment to the Government by the Operator, including interest at 8½% until May 1, 1972, was $657.79. The work was successful in extending the known length of the cinnabar-mineralized zone. The contract was terminated at the request of the Operator because of the drastic decrease in mercury's market price plus the uncertain future environmental restrictions to be put on the mining of mercury. The mine is now idle.

OPERATOR

C. F. Taylor, an individual
1128 Phelps Avenue
San Jose, California 95117

FINAL FIELD REPORT

PROPERTY

The property consists of eight unpatented claims in Secs. 10 and 15, T. 17 S., R. 19 E., W.M., Crook County, Oregon (Figure 1-Plan map of OME trenches and property map, Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon). The claims are recorded in the Crook County Courthouse, Prineville, Oregon, as follows:

Claim Name	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	305
Grandview Fraction	5	516
Maury Mountain No. 5	5	516
Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No. 3	5	146

The claims are on the north slope of Maury Mountain and in part cover a bench capped with basalt. Slopes are generally moderate and altitudes range from 4,000 to 4,500 feet (fig. 1). No buildings are on the Maury Mountain claims but habitable buildings are near the vicinity of the old Maury Mountain mine on deeded land north of the unpatented claims (fig. 1).

ACCESS

To reach the property from Prineville, Oregon, drive southeast on a paved road about 25.5 miles to 1 mile east of Post, Oregon. Turn south, cross the Crooked River, then turn east at the first road junction; follow this road for about two miles to a mailbox marked Maury Mountain mine. Turn right (south) and follow the unsurfaced road to the mine, a distance of about 2 miles. The new discovery is about one-half mile south of the camp at the mine. All roads are passable except during wet weather.

GEOLOGY

Clarno tuffs and tuffaceous sediments of Eocene age comprise most of the rocks in the vicinity of the Maury Mountain mine. Basalt caps some of the hills; some of this rock might be part of intrusive andesite that is reported to be associated with ore in some of the old mine workings. The tuffs are grays and browns, stained in part by oxidized iron products. Silicification is widespread and most pronounced near cinnabar-mineralized zones. The regional structure seems to be simple; Wilkinson (1940) reports the mine is on the southwest flank of a northwest-trending anticline whose crest is 2 miles east of the mine.

According to Brooks (1963, p. 155) the Maury Mountain ore bodies are unique among Oregon quicksilver deposits in being small but extremely high-grade.

They formed in small, widely scattered pockets, lenses, and kidneys at fault junctions, fault intersections, changes in dips and strikes of faults, and in brecciated zones along faults. No quicksilver has been found in the intrusive andesite and little ore occurs in altered tuffs adjacent to the faults. The altered tuffs commonly are impregnated with calcite. Pyrite and pyrobitumen occur locally. The ore has averaged about 12 percent quicksilver.

Mr. Taylor, in October 1969, found some rich cinnabar ore in an easterly-trending fracture zone about 2,000 feet south of the old mine workings (fig. 1). He recovered 16 flasks of quicksilver from hand-sorted ore in an open-cut about 12 feet long and 10 feet deep (discovery pit on fig. 1). Four drill holes tested the vein down dip north of the pit and proved cinnabar extended to at least 45 feet in depth. The vein is from one to 12 inches thick, strikes E. and dips 60° N. Unctuous clay apparently forms the footwall of the mineralized zone. Pieces of solid cinnabar an inch or two in diameter were in the pit and OME work found masses of cinnabar as much as 8 inches thick. Bedrock near the vein assayed only 2.4 pounds of mercury per ton.

The OME work proved that the cinnabar-bearing zone extended 150 feet west and 140 feet east of the discovery site. The east and west extensions are not as richly mineralized as in the Discovery Pit, but ore grade material is present. A sample cut across a true thickness of 30 inches about 100 feet west of the discovery assayed 15.2 pounds mercury per ton (0.76% Hg).

The relationship of the cinnabar-bearing zone to the andesite or basalt is not clear. Basalt boulders are in the soil on the hangingwall side of the vein and in some places basalt bedrock is cut by the trenches. Perhaps the cinnabar-bearing vein terminates downward against basalt or perhaps it has been emplaced in a shear zone bounding the basalt. Although others have stated that the basal or andesite is intrusive, its occurrence as a capping on top of the higher hills in the area suggests to me that it is a flow. If I am right, it is difficult to relate the cinnabar mineralization to the basalt. Perhaps the basalt covers a major structural feature along which the mineralizing solutions moved.

PURPOSE OF PROJECT

The purpose of the project was to explore by surface trenching and underground drifting, crosscutting, and raising for mercury-bearing ore shoots in or associated with a vein cutting volcanic rocks in the Clarno Formation of Eocene Age.

CONTRACT

The contract, No. 2300, dated June 24, 1971, required that work start on or before September 1, 1971 and be complete within 7 months from the date of the contract. The work was to consist of backhoe trenching at about 100-foot intervals across the trend of the vein east and west of the Discovery pit and to drift and crosscut approximately 475 feet on a level about 75 feet lower than the Discovery pit. Two raises, each 75 feet long, were to explore the vein between the drift and the surface.

Estimated Costs of the Work

Fixed Unit Costs

Mobilizing and demobilizing backhoe	$40.00	
Trenching and backfilling - 50 hours at $13.00/hr	650.00	
Preparing access road and portal site	300.00	
Constructing 12 x 20-ft. compressor shed and change room	1,000.00	
Mobilizing mining equipment	80.00	
Demobilizing mining equipment	80.00	
Drifting, crosscutting, and raising 650 feet at $51.20/ft	33,280.00	
Timbering drifts, crosscuts, raises 250 feet at $18.20/ft	4,550.00	
Assaying, 100 samples for mercury at $6.00/sample	600.00	
1 outside engineering-geologic consultant, 20 days at $100.00/day	2,000.00	
Per diem for consultant, 20 days at $25.00/day	500.00	
Total estimated costs:		$43,080.00
Government participation at 75 percent		32,310.00

The contract was amended Dec. 15, 1971 to permit a suspension of work between Oct. 1, 1971 and May 1, 1972, extend time for completion of contract from 7 to 17 months, and extend the royalty period from 10 to 11 years.

PROJECT WORK

Backhoe trenching started July 14, 1971, and continued until about noon on July 20, 1971. This work was recessed while the Operator waited for approval to drill shallow test holes to test down-dip extensions of the vein before starting the adit.

Victor V. Botts, consulting geologist, examined the trenches on Sept. 2 and 3, 1971, and recommended some drilling before driving the adit. The Government refused to participate in the drilling.

Backhoe trenching was resumed on Sept. 21, 1971, and the cut was made for the portal site of the adit in addition to some more trenches that crossed the vein trend. The access road was not built to the portal site and the Government did not participate in the costs of adit portal preparation. The project work ended Sept. 28, 1971.

The Operator requested and was granted an amendment to suspend work from Oct. 1, 1971 to no later than May 1, 1972.

The Operator, on March 20, 1972, requested a year's extension of the suspension of contract work because of the depressed mercury price and the uncertainty of future restraints on mercury mining to be instituted by the Environmental Protection Agency. The Government advised the Operator to request termination of his contract to minimize the administrative and budgetary responsibilities for continuing an inactive contract. At some later date, if the mercury price improved and the environmental restraints became well established, the contract could become reactivated or a new one prepared.

The Operator signed a Termination Agreement dated May 2, 1972, according to which the Government would contribute to allowable costs incurred prior to Oct. 1, 1971.

Units of completed work and their costs are as follows:

Mobilization and demobilization of backhoe	$ 40.00	
Backhoe trenching (John Deere Model 2010 with operator) 42 hours at $13.00/hr	546.00	
Geologic consultant, 2 days at $100.00/day	200.00	
Per diem for consultant, 2 days at $25.00/day	50.00	
Total cost:		$ 836.00
Government participation		627.00

The Government retains no equity in any supplies or materials remaining on the property as a result of the contract work.

REPORTS

The Operator's narrative report for August and September 1971, coupled with the report and map prepared by his consultant, Mr. Botts, were considered adequate as a final Operator's report on the project. The reports were received in the Region I office on October 4, 1971.

No Report of Review has been requested as the work was done under terms of a short form contract.

No royalty reviews have been necessary.

PROJECT RESULTS

The project work proved lateral persistence of cinnabar-bearing rock along the vein strike for at least 270 feet, although ore-grade material is not continuous throughout this distance. The surface cuts were not systematically sampled but some of the rock is known to contain 15.2 pounds of mercury per ton and there are some very rich zones as well as barren zones. Drilling prior to the contract proved that the cinnabar persisted to at least 45 feet in depth. If one can reasonably assume a strike length of 270 feet, an average thickness of 2.5 feet, and project this down-dip half the strike length, the resultant block will contain 7,600 tons. If this block should average 10 pounds of mercury per ton (a conservative figure, I think), the block will contain about a thousand flasks of mercury.

The project work did not completely explore the cinnabar-bearing zone and further work should be to drive the adit at depth along the vein and perhaps to drill some vertical holes from the surface.

CERTIFICATION

The Government issued a Certification of Possible Production on May 3, 1972, which stated that as the Government's contribution to the work has been fully repaid with interest, the Government retains no claim or lien against the property or any production therefrom.

PRODUCTION AND ROYALTY

The Operator did not produce any ore during or since the contract. He did, however, repay the Government's contribution to the project with interest at the rate of 8¼ percent per annum computed to May 1, 1972. Repayment included $627.00 plus interest of $30.79, for a total of $657.79. The mine is now idle.

SUMMARY

The completed OME work proved that the cinnabar found in the discovery pit could be traced both to the east and west along the strike of the mineralized structure. Controls of the mineralization are imperfectly known, but it does occur above a rather thick unctuous clay and below and adjacent to basalt. Wall-rock is barren.

The Operator ably supervised the work that was done but the depressed price of mercury and unknown restraints on mercury mining planned by the Environmental Protection Agency discouraged him from completing the work outlined under the OME contract. If mercury prices improve and reasonable but firm requirements for mercury mining are promulgated, continued work as part of an OME contract is justified.

REFERENCES CITED

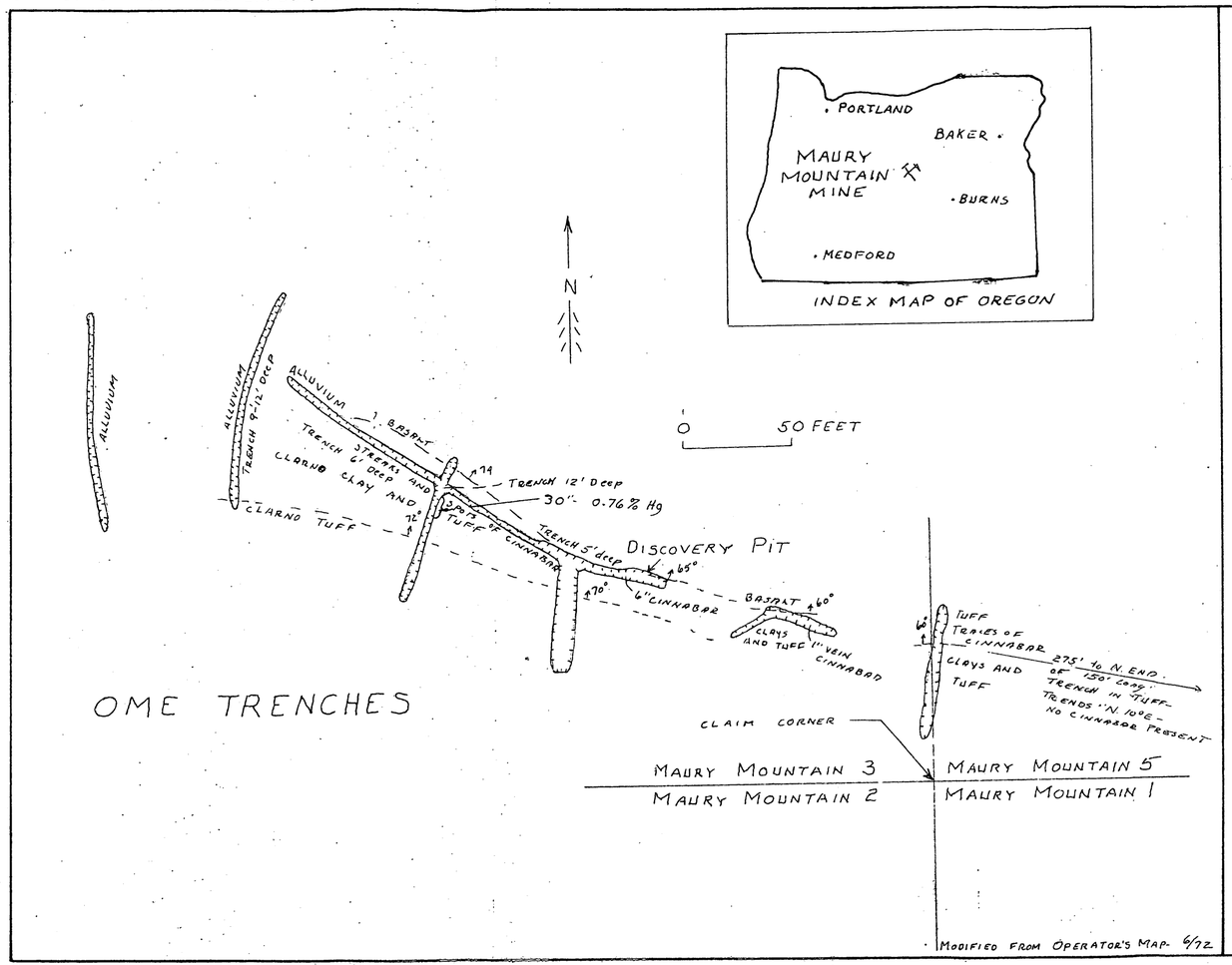
Brooks, H. C., 1963, Quicksilver in Oregon: Oregon Dept. Geol. and Mineral Ind., Bull. 55, 223 p.

Wilkinson, W. D., 1940, Geology of the Round Mountain quadrangle, Oregon: Oregon Dept. Geol. and Mineral Industries Map 7.

Willard P. Puffett

Willard P. Puffett

Enclosures: Fig. 1-Plan map of OME trenches and property map, Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon.



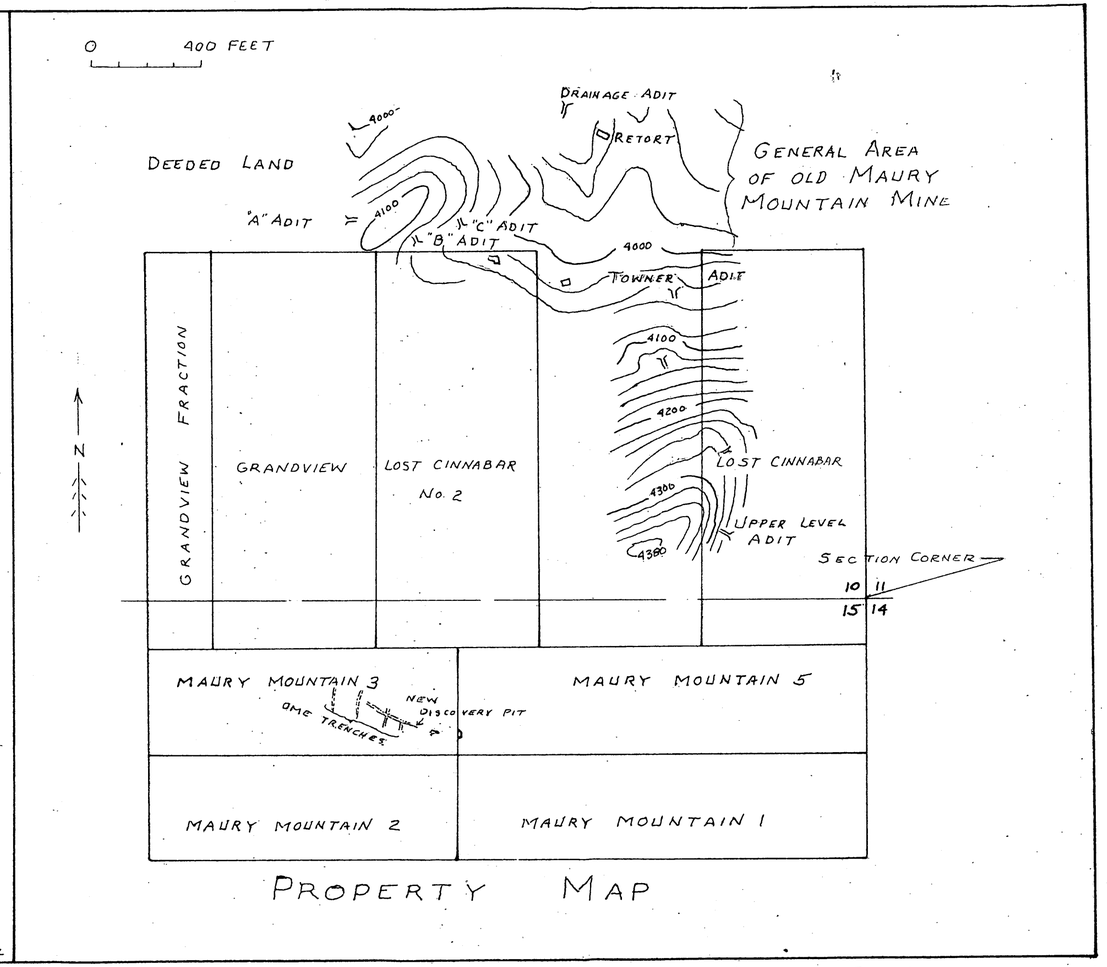


FIGURE 1- PLAN MAP OF OME TRENCHES AND PROPERTY MAP, MAURY MOUNTAIN MINE, T. 17S., R. 19E., CROOK COUNTY, OREGON

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O. M. E.
RECEIVED
MAY 30 1972
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K20

Maury Mtn. Mine, Post, Oregon 97752
May 21, 1972

Dear Mr. Pussett,

I delayed signing the enclosed, signed Termination Agreement because I felt that Paragraphs 3 & 4 probably should have been deleted since I have repaid the Gov'ts. share in full but finally decided to go ahead and sign it anyway and trust that there will be no further complications.

Came up last week to see is the place was still here and found everything just as we left it. With Hg. @ $170 last week, up from it's low of $145 on April 26th, maybe there's a chance it will reach a profitable figure again sooner or later.

I plan on being here, off & on, during the Summer & Fall. When you are over this way, drop in and see us.

Sincerely, C. F. Taylor

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

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O. M. E.
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MAY 8 1972

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HK	120
Rm	B Weeks

May 4, 1972

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

Enclosed are the original and three copies of a proposed Termination Agreement (one page) to the subject contract, signed for the Government.

If the agrement is satisfactory to you, please sign all copies, retain that one marked Operator's copy, and return the rest of the copies to me.

If you do not approve of any part of the agreement, please return all copies, unsigned, to me with your suggestions for proposed changes.

Sincerely,

Willard P. Puffett
Field Officer, Region I

Enclosures

cc: OME
DRF

WPuffett/at

OFFICIAL COPY
O. M. E.
RECEIVED
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glo | 130
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Ron Pumelson
230

OFFICE OF MINERALS EXPLORATION
U. S. GEOLOGICAL SURVEY

TO: Chief, Branch of Budget and Finanace

FROM: Willard P. Puffett
Field Officer, Region I, OME

ABSTRACT OF REMITTANCES

Date	Amount	Bank, City and State	Name of Remittor	Docket & Contract Numbers	Purpose
4/25/72	$657.79	Bank of California 838 Town and Country Village San Jose, Calif. 95150	C. F. Taylor	OME06456 Contract 2300	Repayment to Government in full with interest at 8¼% per annum to May 1, 1972, of monies furnished for OME exploration work.

REMARKS: (List smelter or mill lot numbers covered by royalties)

Amount furnished by Government = $ 627.00

Interest 8¼% to 5/1/72 = 30.79

$ 657.79

April 27, 1972
Date Prepared

Willard P. Puffett
Person Preparing Abstract

5/1/72
Date Received

Lorraine E. Edwards
Person Receiving Remittance
Collection Officer

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

RECEIVED
APR 26 1972
O.M.E.
SPOKANE, WASH.

April 25, 1972

Mr. Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration
656 U. S. Court House
Spokane, Washington 99201

Re: OME-6456(Mercury)
C.F.Taylor
Maury Mtn. Mine
Crook County, Oregon
Contract 2300

Dear Mr. Puffett:

On April 17th, I received a telephone call from Mr. Robert Weeks, Washington, D. C. He said that the amount of the Government participation was $627.00, the interest @ 8 1/4% was $30.79 to May 1, 1972, making a total of $657.79, and that the termination forms would be mailed to me this week.

Yesterday, April 24th, I received a telephone call from Mr. Harold Kirkemo, Washington, D. C. confirming the amount of $657.79 as of May 1, 1972 and advising me that the termination papers could be simplified by the elimination of repayment plans out of royalties and liens on the claims, future annual forms and inspections, etc. if I would forward a check, payable to the U. S. G. S., to you, before the termination forms are completed.

With the price of quicksilver at $155.00 and the gloomy prospects for its future, the above amount may well be more money than I will ever be able to realize on the eight claims involved; however, let's hope it may not turn out that bad. I am enclosing my check for $657.79 for repayment in full of the Government's share, plus interest to May 1, 1972, in order to terminate the O.M.E. contract and eliminate any further expenditures on the Government;s part and my own.

Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5-2	Weeks	BWeeks

MAY 2 1972

AIRMAIL

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Enclosed are the original and three copies of proposed Termination Agreement (one page), to the subject contract, signed for the Government. An extra copy of the agreement is also enclosed for field use.

If the proposed agreement is satisfactory to you and the Operator, all four copies should be signed by the Operator and distributed in the usual manner.

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

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: DRF
Mineral Resources
OME reading file
Mr. Kirkemo
Mr. Weeks
130

HKirkemo/cac 5/2/72

OFFICIAL FILE COPY

Date	Surname	Code
4/18/72		120
		220
		120M

April 18, 1972

Memorandum

To: The File

From: Robert A. Weeks, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Justification for Termination Agreement

The purpose of this project was to explore by surface trenching and underground drifting, crosscutting, and raising for mercury-bearing ore shoots in or associated with a vein cutting volcanic rocks. Total estimated cost of the contract was $43,080.00, with the Government's share totalling $32,310.00.

The surface trenching portion of the work under this contract was completed at an approved cost of $836.00, of which the Government's share was $627.00, and a report was submitted describing the results. The surface work showed that the cinnabar-bearing rock has lateral persistence over a distance of 270 feet, although ore-grade material is not continuous throughout this distance. The Operator could not undertake the tunnel portion of the work immediately as he was unable to find a subcontractor willing to bid on the work at the costs estimated, and because of inclement weather. The contract was recessed until May 1, 1972, by Amendment No. 1.

The consultant's report entitled "Recommendations for Exploration at the Maury Mountain Quicksilver Mine, Crook County, Oregon" and the Operator's narrative report for August and September 1971, both accompanying the voucher for those two months, and the voucher itself satisfactorily meet the requirements for an Operator's final report.

In the six months since the surface exploration was completed, the market value of mercury has declined by more than a third, and projected prices for mercury are pessimistic for a variety of reasons associated with lessened demand due to adverse environmental effects of many conventional mercury uses. The Operator is reluctant to pursue the exploration in view of diminished prices and market, and has requested that the contract be terminated. The Field Officer recommends that we mutually terminate the contract and issue a certification of possible production. I concur in these recommendations.

The Operator has requested to repay the Government's share of the costs in order not to have a lien against the property.

Robert A. Weeks

Robert A. Weeks

cc: Director's Reading File
Mineral Resources
OME docket

OME Reading File
Mr. Weeks

RAWeeks/gla 4-19-72

Weeks RaWeeks

Catherine

DRAFT 4/18/72
RAWeeks/gla

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

It is agreed this _____ day of _____, 1972, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, Office of Minerals Exploration, hereinafter called the "Government," and C. F. Taylor, hereinafter called the "Operator," parties to that certain exploration Contract No. 2300 (OME-6456), dated June 24, 1971, as amended December 15, 1971, hereinafter called the "Contract," that:

1. Effective May 1, 1972, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the allowable costs incurred prior to October 1, 1971.

3. The Operator shall promptly complete all winding-up and settlement actions provided for in the Contract.

4. All rights of the Government provided for in the contract with respect to a certification of possible production, royalty on production, and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayments are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration
U. S. Geological Survey

C. F. TAYLOR

By_____

Title_____

From: Bob Edwards, B&F. 4/6/72

OME 6456

Principal balance	627.00
Interest	
April 15	28.53
May 1	30.79

Tel. Taylor 408-243-3468

657.79

Called 4-18-72

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

April ~~March~~ 6, 1972

OFFICIAL
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O. M. E.
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Mr. Harold Kirkemo
Chief, Office of Mineral Exploration
U. S. Dept. of Interior, Geological Survey,
Washington, D. C. 20242

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon
Contract 2300

Dear Mr. Kirkemo:

Thank you for your letter of March 29th, regarding termination of our O.M.E. contract.

I have since written to Mr. Willard Puffett, your field officer in Spokane, Washington asking what his requirements would be, and have received a reply from him assuring me that the geological report, prepared by Mr. Victor Botts and submitted to you last Fall after all work participated in by the Government was done, will be acceptable as a final report.

I understand the difficulties involved in extending the recess, and believe the mutual termination of the contract, effective May 1, 1972, without Certification of Possible Production, to be our only recourse under the present circumstances. If this can be done without any additional investment on my part, and leaving the property free and clear of any liens or encumberances, and without prejudice as to a possible re-application later on, if conditions improve, I will agree to repay the Government's contribution, plus interest to May 1, 1972.

If you can supply a figure on the exact amount due and the necessary forms, I will remit on or before May 1, 1972.

Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst

cc: Mr. Willard P. Puffett

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

April 3, 1972

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O. M. E.
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HK 120
Daw Weeks

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (mercury)
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

This will verify the telephone conversation we had this morning concerning your questions about terminating the cited OME contract. If you so desire, I suggest that you write a letter requesting termination in line with the recommendations in Mr. Kirkemo's letter of March 29, 1971. I am sure that the report prepared for you by Mr. Botts will suffice as an acceptable final report because his report was prepared after all work was done in which the Government participated.

If you plan to reimburse the Government for its share of the accepted cost to date, I suggest that you ask what the exact amount is, including interest, in your letter requesting termination.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: OME/w cy of inc ltr
DRF

WPuffett/at

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

RECEIVED
APR 3 1972
O. M. E.
SPOKANE, WASH.

March 31, 1972

Mr. Willard P. Puffett
Office of Minerals Exploration
656 U. S. Court House
Spokane, Washington 99201

Dear Mr. Puffett:

In reply to my letter of March 20th, I received a letter today from Harold Kirkemo advising mutual termination of the contract, effective May 1, 1972.

If we do this, I would like to know the details of what you would require me to do under Paragraph 3 of the Termination Agreement with a Certification of Possible Production and also what you would require if I reimburse the Government's contribution, plus interest, and no Certification is made.

I plan on going up to the mine in the next week or so and would appreciate hearing from you before I go, and perhaps arrange to meet you there if you desire to visit the property.

This has been a very frustrating year for all concerned with mercury, but I want to thank you for your efforts in our exploration attempt.

Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

March 28, 1972

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Request for termination of contract
OME-6456 (mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

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Dow. Weeks

Mr. Taylor telephoned me on Monday, March 13, 1972, to discuss the possibility of terminating his recessed contract. The current depressed mercury price plus proposed environmental constraints on production caused Mr. Taylor to question the wisdom of continuing his exploration project. In our conversation he volunteered to repay all that the Government had contributed to the project if the contract were terminated.

Mr. Taylor has since written you and asked for a continuation of the present recess on his contract for at least one year. If this could not be approved he wants to know the requirements for terminating the contract. He did not offer to repay the Government's contribution.

The approved costs of the work done to date total $836.00 of which the Government contributed $627.00. The work included 42 hours of backhoe trenching plus costs of consultant and for mobilizing the backhoe.

The work done has not fully explored the mercury occurrence on Mr. Taylor's property, but some value can be assigned to its result. The work proved lateral persistence of cinnabar-bearing rock for at least 270 feet, although ore-grade material was not continuous throughout this distance. The surface cuts were not systematically sampled but some of the rock is known to contain at least 15 pounds of mercury per ton; there were some very rich zones, and there are some barren zones. Assuming a strike length of 270 feet, an average width of 2½ feet, and projecting this downdip half the strike length, will result in a block of 7,600 tons. If one conservatively estimates the average mercury content to be 10 pounds per ton, then the resource indicated in the block is about a thousand flasks of mercury.

Mr. Taylor is concerned about the current and future price of mercury as well as future restriction on its production. Mercury prices during the first week in October 1971, when Mr. Taylor recessed his work, are listed in Metals Week as $278 to $283 per flask. The current price quote for mercury is $185 per flask, with little activity at that price. Comments in recent issues of Metals Week are pessimistic about future prices of mercury and also refer to pending decisions of EPA in instituting more controls over pesticides and other chemicals that contain mercury. The near-term future of mercury does not appear bright.

I recommend that the contract be terminated rather than recessed for an additional year. If the mercury situation improves within a year, Mr. Taylor could ask for a reinstatement of his contract, which could probably be justified. If the mercury situation does not improve, then probably he would not want to reinstate the contract and if it were recessed, would probably have to be terminated anyway. A certification of Possible Production should be issued for the work completed, for the work did benefit the property and has indicated an extension of the known mineralized area.

Willard P Puffett

Willard P. Puffett

OME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
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		220
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AIRMAIL

MAR 29 1972

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

Thank you for your letter of March 20, 1972, requesting our advice on whether to extend for a year the present recess on the subject contract, or to terminate the contract.

We appreciate the problems concerning the unfavorable economic outlook and uncertain environmental considerations facing the mercury industry. In view of these problems, and particularly with respect to your contract, we offer the following comments.

We would not advise extending the recess period because of the uncertainty when it would be advantageous to resume operations. The administrative and budgetary responsibilities for continuing an inactive contract impose an unnecessary effort and expense on our staff and program. Instead, we recommend mutual termination of the contract effective May 1, 1972, the end of the present recess under the provisions of Amendment No. 1. A sample copy of a termination agreement is enclosed for your information.

Because the work completed on the project to date succeeded in extending the limits of the deposit, we would issue a Certification of Possible Production. A sample copy of this document also is enclosed for your information. Please note that the certification establishes a 10-year royalty period and a lien on the property for payment of royalties on any production during that period or until the amount of the Government's contribution, plus interest, is paid in full, whichever occurs first.

We understand that in a recent telephone conversation with Mr. Willard P. Puffett, Field Officer, OME Region I, you mentioned the possibility of reimbursing the Government's contribution, plus interest, in a lump sum payment. This certainly would be acceptable to us.

If conditions in the future are favorable for you to undertake the underground work set forth in the current contract, you could reapply for assistance by referring to this docket number and be considered promptly for a new contract if certain information, such as bank letters and estimated costs are brought up to date. Consideration for a contract, of course, would be contingent upon the availability of funds in our program at that time.

Please advise us at your earliest convenience what you prefer to do with respect to this contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I w/sample copies
Mr. Kirkemo

HKirkemo/gla 3-29-72

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

March 20, 1972

OFFICIAL COPY
O. M. E.
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Rec'd.

Mr. Harold Kirkemo
Chief, office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6456 (Mercury)
C.F.Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Kirkemo:

In view of the present depressed price and the concerted efforts of the Environmental Protection Agency to put the quicksilver industry out of business in this country, I am very uncertain as to the wisdom of spending any more O.M.E. and my own money for the exploration for a product which would be unprofitable at this time, and, perhaps, unsalable in the near future.

Since last October, I have purchased some of the equipment, and found the remaining equipment and miners necessary to do the work but, based on information from local quicksilver mining people, who are participating in the E.P.A. hearings, that it may be six months or more before they set standards for emissions, etc., I believe we should postpone any further investment until we know what we are up against.

Therefore, I would like to request a continuation of the present recess on my O.M.E. contract for an additional period of one year, if possible, and if not, what your requirements would be for termination of the contract at this time, because of conditions described above, and the possibility of renewing or re-applying , if and when conditions for the profitable mining of quicksilver should occur.

Your best advice on this matter would be appreciated at your earliest convenience.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

cc: Mr. Willard P. Puffett

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Office of Minerals Exploration

DATE: December 27, 1971

FROM : Field Officer, Region I

SUBJECT: Amendment No. 1
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

ORIGINAL
COPY
DEC 30 1971
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Attached are the Government's copy and Budget and Finance's copy of the cited amendment, signed for the Government and by the Operator.

Wellard P Puffett

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

December 17, 1971

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: Amendment No. 1
OME-6456 (Mercury)
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

Enclosed are the original and three copies of proposed Amendment No. 1 (two pages) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, please sign all four copies, retain the Operator's copy, and return the other copies to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office, unsigned, together with your reasons for disapproval.

Sincerely,

Willard P. Puffett
Field Officer, Region I

Enclosures

cc: DRF
OME

WPuffett/at

OFFICIAL COPY
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RECEIVED
JAN 18 1972
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ME Form 7
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12/15/71	Kirkemo	120
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		220
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DEC 15 1971

AIRMAIL

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Enclosed are the original and three copies of proposed Amendment No. 1 (two pages) to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by Mr. Taylor and distributed in the usual manner.

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

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources
OME Docket
OME Reading File
Mr. Kirkemo
130

GLAult/a 12-15-71

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

November 30, 1971

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Justification for Amendment No. 1

During July, August and September 1971 the Operator satisfactorily completed the surface exploration which was required by the contract. Government participation in this work totalled $627.00. Efforts to engage a contractor for the underground work on reasonable terms had been unsuccessful as of the Operator's narrative report for October 1971. The Field Officer notes that a conscientious effort has been made by the Operator to obtain a contractor or miners for the underground work. The latest bid received for drifting was $62.00 per foot whereas the OME contract allows only $51.20 per foot. During the recess, the Operator will continue his efforts to obtain bids within the cost limitations of the contract. If unsuccessful, consideration will have to be given to an amendment for an increase in drifting costs and a reduction in total drift footage in order to remain within the total allowable costs of the contract.

I concur in the Field Officer's recommendation to recess the contract until no later than May 1, 1972.

Harold Kirkemo

Harold Kirkemo

P.S. Adverse operating conditions due to winter weather forced the Operator to cease activities at the property late in October.

cc: Director's reading file
Mineral Resources
OME reading file

Mr. Kirkemo
HKirkemo/cac 11/30/71

DRAFT - 11/30/71

120 HK
120M

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

AMENDMENT NO. 1

It is agreed this_____day of_____1971, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," that Exploration Contract 2300, dated June 24, 1971, is amended effective December 1, 1971, as follows:

1. (a) Work under the contract may be suspended during the period beginning October 1, 1971, and ending not later than May 1, 1972.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to the costs of rehabilitation or repair or any other costs which in its opinion would not have occurred if there had been no suspension of the work.

(d) The Operator shall preserve and protect the project work at its own cost and expense, and without contribution by the Government during the period of suspension.

2. The date fixed by Article 1 (a) of the contract for completion of the work is extended from seven (7) to seventeen (17) months from the date of the contract, or until November 24, 1972.

3. The maximum period for royalty payments as provided in Article 6 (b) of the contract and for the lien to secure payment thereof is extended from ten (10) to eleven (11) years from the date of the contract.

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

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration

C. F. TAYLOR

By_____

Title_____

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

November 15, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
NOV 17 1971

INITIALS	CODE
Col	120 m
	~~130~~
HK	~~120~~

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Request for Recess
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Enclosed is the Operator's narrative with attached letters concerning the October 1971 activity at the Maury Mountain mine. Mr. Taylor is having difficulty in finding miners who are willing to contract the proposed underground at a price Mr. Taylor believes is fair. Mr. Taylor has now left the mine and does not plan to return until next spring. He requests that the contract work be recessed from Oct. 30,1971, until on or before April 30, 1972, with contract work to be completed by October 31, 1972.

I recommend that we recess the contract in accordance with Mr. Taylor's request. He has made a conscientious effort to obtain miners and I believe he will continue these efforts during the winter. Obviously, he is not going to let someone do the work at an outrageous price per foot if he can help it.

Willard P. Puffett

Willard P. Puffett

C. F. Taylor, Maury Mtn. Mine, Post, Oregon 97752 Contract #2300

O. M. E. Narrative Report for October, 1971

RECEIVED NOV 15 1971 O.M.E. SPOKANE, WASH.

On October 9th, I called Bandy Sintay in Canyon City, Oregon to ask if he was still considering our tunnel job. He said that he was and on October 16th, he and his son, George, arrived at the mine and examined the prospect and the portal site on the Maury Mtn. #3 claim. The son, George Sintay, said that he is a graduate in geology from Brigham Young University. They promised to submit a bid on the drifting within two weeks. On October 14th, I received a letter from Victor Botts in San Jose, Calif., saying that he was still trying to line up equipment for the tunnel job. On October 21st, he called, long distance, from San Jose, Calif. to say that he still didn't have any definite answer on the equipment, but hoped to, soon. About this time we were getting freezing weather and snow which made any further surface work on the property difficult, and on October 27th, we had over 4 inches of snow, and near zero temperatures. We left the mine on October 30th in a heavy snow storm, and returned to San Jose, Calif.

On Sunday, October 31st, George Sintay called me from Canyon City, Oregon with an offer to do the drifting in the Spring of 1972 for $75.00 per foot. I told him that his price was too high and he said that he would try to cut it down and mail a new bid, which he did. A copy of his letter and bid of $62.00 per foot is enclosed, with a copy of my answer to him. Also enclosed is a copy of a letter from Victor Botts of October 29th, saying that he will not be able to do the tunnel work.

Under the circumstances, it is obviously going to be impossible for us to complete the work under the contract as specified by January 24th, 1972, so I would like to request a recess on the time limit, with the work to be resumed on or before Apr. 30, 1972 and completed by October 31, 1972. If this extension of time can be granted, I will continue to contact miners and search for equipment, and hope to be able to secure a satisfactory bid on the drifting during the winter, and then complete the surface work and start the tunnel as soon as the weather permits in the Spring of 1972.

C. F. TAYLOR
Maury Mtn. Mine
Post, Oregon 97752

RECEIVED
NOV 15 1971
O. M. E.
SPOKANE, WASH.

August 30, 1971

Mr. Carl Brown
305 W. Glendale
Dillon, Montana 59725

Dear Mr. Brown:

We have an O.M.E., U.S.G.S. contract for mining exploration work at the Maury Mtn. Mine in central Oregon. It is a high grade cinnabar property at an elevation of about 4000 ft. and approximately 4 miles from Post and 32 miles from Prineville (population 4100) on a private gravel road.

We are seeking bids from qualified mining contractors, at a unit price per foot, payable monthly, for furnishing all labor, equipment and supplies for putting in a minimum of 300 feet of 5'x 7' drift from the surface, including timbering where necessary. If the results of this work are favorable, another 300 feet or more of additional drift and/or raises will be authorized.

The prevailing country rock is fractured basalt, and the ore zone is in a silica rhyolite rock and clay. Both of these materials have been readily cut with a backhoe on the surface to depths of 12 feet without blasting over most of the area. A few ribs of the same materials but much harder were encountered however. Ground conditions are very good with no water problems.

There are several buildings on the property and R.E.A. power, telephone, and spring water is available. We will furnish the grading and a small change room at the portal site. No local miners are available. The work could be started this Fall or early next Spring. If you would care to submit a bid or refer the job to others, we will give careful consideration to your reply and welcome an examination of the property.

Very truly yours,

C. F. Taylor

CFT/fst

Note — This is a copy of the letter which I sent to Mr. Brown and to others in Washington, Oregon, and Idaho.

RECEIVED
NOV 15 1971
O. M. E.
SPOKANE, WASH.

5287 Romford Drive
San Jose, Calif. 95124

October 29, 1971

Mr. C. F. Taylor
Maury Mountain Mine
Post, Oregon

Dear Mr. Taylor:

I was unable to negotiate any reasonable prices for New Idria's surplus equipment. Therefore, I will be unable to undertake your tunnel project. It seems to me, that your best bet is to check around for some small tunnel contractors in Spokane or Portland.

I am still interested in leasing your mine and hope to be able to discuss this with you when you return to San Jose. The only news on mercury prices lately is bad. The price has been falling off steadily but, I guess we can still hope.

Let me know how your drilling comes out.

Yours truly,

Victor V. Botts, Jr.

11-3-'71

211 N.W. Canton
John Day, Ore. 97845

C.F. Taylor
Maury MTN Mine
Post, Ore. 97752

RECEIVED
NOV 15 1971
O.M.E.
SPOKANE WASH

Dear Mr. Taylor

We respectively submitt the following bid for your consideration.

Maury Mtn. Mine, Post, Oregon.

300' of 5x7 inside demension drift with 1" water line 2" air line and 20 lb. rail to be left in the drift when job is completed.

This will be done @ $62/ft. $18,600

Any timbering will be $10/ft additional and the cost of the timber will be charged to the job or added to the total bid price

A geologic map will be prepared of the underground workings at no additional cost. If you would like, sampling the face in ore zones could be carried out.

Sincerely yours
George W. Sintay
George W. Sintay

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

November 8, 1971

RECEIVED
NOV 15 1971
O.M.E.
SPOKANE, WASH.

Mr. George W. Sintay
211 N. W. Canton
John Day, Oregon 97845

Dear Mr. Sintay:

In reply to your telephone call on October 31st with an offer to do the drifting at $75.00 per foot, and your subsequent letter of November 3rd submitting a bid of $62.00 per foot for 300 ft. of bald-headed 5'x 7' drift, including 20# rails, 1" water, and 2" airlines, I would like to thank you for your consideration, but your price is considerably higher than our O.M.E. contract will allow.

In our telephone conversation, you said that you planned on hiring three miners to do the work with part time supervision by you or your father. I had hoped that you and your father would do the work, possibly with the help of another miner, and I believe that the job could be done most efficiently by two full time miners.

If you and your father should decide to do the work, supplying all labor, supplies, and maintenance of equipment and I would supply the equipment including the compressor, jackleg, mucking machine, rails, pipe and any necessary repairs, would you care to submit a bid on this basis.

Sincerely yours,

C. F. Taylor

CFT/fst

C. F. Taylor, Maury Mtn. Mine, Post, Oregon 97752 Contract #2300

O. M. E. Narrative Report for October, 1971

RECEIVED NOV 15 1971 O. M. E. SPOKANE, WASH

On October 9th, I called Bandy Sintay in Canyon City, Oregon to ask if he was still considering our tunnel job. He said that he was and on October 16th, he and his son, George, arrived at the mine and examined the prospect and the portal site on the Maury Mtn. #3 claim. The son, George Sintay, said that he is a graduate in geology from Brigham Young University. They promised to submit a bid on the drifting within two weeks. On October 14th, I received a letter from Victor Botts in San Jose, Calif., saying that he was still trying to line up equipment for the tunnel job. On October 21st, he called, long distance, from San Jose, Calif. to say that he still didn't have any definite answer on the equipment, but hoped to, soon. About this time we were getting freezing weather and snow which made any further surface work on the property difficult, and on October 27th, we had over 4 inches of snow, and near zero temperatures. We left the mine on October 30th in a heavy snow storm, and returned to San Jose, Calif.

On Sunday, October 31st, George Sintay called me from Canyon City, Oregon with an offer to do the drifting in the Spring of 1972 for $75.00 per foot. I told him that his price was too high and he said that he would try to cut it down and mail a new bid, which he did. A copy of his letter and bid of $62.00 per foot is enclosed, with a copy of my answer to him. Also enclosed is a copy of a letter from Victor Botts of October 29th, saying that he will not be able to do the tunnel work.

Under the circumstances, it is obviously going to be impossible for us to complete the work under the contract as specified by January 24th, 1972, so I would like to request a recess on the time limit, with the work to be resumed on or before Apr. 30, 1972 and completed by October 31, 1972. If this extension of time can be granted, I will continue to contact miners and search for equipment, and hope to be able to secure a satisfactory bid on the drifting during the winter, and then complete the surface work and start the tunnel as soon as the weather permits in the Spring of 1972.

C. F. Taylor, Maury Mountain, Post, Oregon 97752 Contract #2300

O. M. S. Narrative Report for October, 1971

On October 9th, I called Dandy Sintay in Canyon City, Oregon to ask if he was still considering our tunnel job. He said that he was and on October 16th, he and his son, George, arrived at the mine and examined the prospect and the portal site on the Maury Mtn. #3 claim. The son, George Sintay, said that he is a graduate in geology from Brigham Young University. They promised to submit a bid on the drifting within two weeks. On October 14th, I received a letter from Victor Botts in San Jose, Calif., saying that he was still trying to line up equipment for the tunnel job. On October 21st, he called, long distance, from San Jose, Calif. to say that he still didn't have any definite answer on the equipment, but hoped to, soon. About this time we were getting freezing weather and snow which made any further surface work on the property difficult, and on October 27th, we had over 4 inches of snow, and near zero temperatures. We left the mine on October 30th in a heavy snow storm, and returned to San Jose, Calif.

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FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

RECEIVED
OCT 4 1971

HK 10/7/71

OFFICIAL COPY C. M. E. RECEIVED OCT 19 1971 INITIALS CODE

OPERATOR'S MONTHLY VOUCHER

For Month of August & September 1971

Docket No. OME-SPOKANE, WASH. 6456
Contract 14-08-0001 2300
Contract Amount $ 43,080.00
Gov't. Participation % 75 $ 32,310.00

Operator's Name C. F. Taylor
Address Maury Mtn. Mine, Fort, Oregon 97752

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
		$		$		$		$
Rental of John Deere								
Model 2010, backhoe &								
operator @$13.00/hr.								
trenching	7 hr.	91.00	42 hr.	546.00	7 hr.	91.00	42 hr.	546.00
Rental of above for								
site preparation	18 hr.	234.00	18 hr.	234.00	"			
Moving In & Out	$20.	20.00	$40.	40.00		20.00		40.00
Victor V. Botts, Jr.								
Geologic Consultation	2 days	200.00	2 da.	200.00	2 days	200.00	2 days	200.00
per diem	"	50.00	"	50.00	2 days	50.00	2 days	50.00
TOTALS		$ 595.00		$ 1,070.00		$ 361.00		$ 836.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Sept. 30, 1971 *Payee C. F. Taylor

Per _____ Title Owner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Willard P. Puffett 10/4/71
OME Field Officer Date

(63) 14X0804

Approved for: $ 270.75
(SUBJECT TO AUDIT)

Signature [illegible]

Date 10-19-71 Vou. No. 21805

(SEE OTHER SIDE)

FOR OPERATOR'S USE

REMARKS

420160

RECEIVED
U.S. GEOLOGICAL SURVEY

OCT 7 2 08 PM '71

BUDGET & FINANCE

FOR GOVERNMENT USE

REMARKS

1) Disallow 18 hrs. backhoe work for portal site until access road graded because the unit & work specified is access road and portal site.

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: C. F. Taylor
Maury Mtn. Mine
Post, Oregon 97752

Amount Claimed:	Differences (Explained Below)	Amount Approved
595.00	234.00	361.00 270.75 Govt. Part
Bu. Voucher No.	Payee's Invoice No.	Period
	Docket #6456 Contract #2300	Aug. Sept. 1971

EXPLANATION

Disallowing 18 hours backhoe work for portal site preparation until access road completed. Contract specifies "Preparing access road and portal site - The completed job is the unit of work."

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

C. F. Taylor, Maury Mtn. Mine, Post, Oregon

RECEIVED
OCT 4 1971
O. M. E.
SPOKANE, WASH.

O. M. E., Narrative Report for August and September, 1971

We did not get any additional work done under the O.M.E. Contract #2300 during August. We were waiting during the first half of the month for approval on some test hole drilling over the projected drift. During the latter half of August we made a trip to Boise, Idaho; Baker and Canyon City, Oregon; and wrote to potential mining contractors in California, Washington, and Montana soliciting bids on the driving of the exploratory tunnel.

On September 1, Victor V. Botts, a consulting geologist, formerly with New Idria Mining and Chemical Company, arrived and examined the exploration site here on September 2 and 3. His report, maps, and bill are enclosed. On September 13, we had a phone call from a miner in Canyon City, Oregon responding to our request for bids on the drifting. He said they would be here to look at the job in the next few weeks. On September 14 and 15 we made a trip to Eugene and Portland and contacted some mining and equipment people in hopes of finding someone to do the tunnel work.

On September 21, we rented the same John Deere, Model 2010, diesel backhoe and operator that did the trenching in July. With 7 hours of work on that day, 6 hours on September 22, and 5 hours on September 27 we completed the cut and fill for a portal site as shown on the enclosed sketch map. In 7 hours on Sept. 28, we plugged the upstream end of the lower trench cut in the dry wash in July with a berm to prevent future run-off from flooding that trench. We then grubbed off the brush for a turn around area above the lower road. Next, we moved to a point 25 ft. East of the West end of the main trench and cut 23 ft. of 2'x 10' trench on the North side. We then moved up the hill and extended the cross trench on the North side of the main trench at Loc. Ft. #5 an additional 13 ft. to a point over the projected drift. Finally, we moved up to the intersection of the

main trench and the previously made dozer cut and dugtwo exploratory trenches 12 ft. to the S. E. and 8 ft. to the N. E., near the exposed cinnabar. The N. E. cut exposed some scattered cinnabar smeared on the fault surface and the S. E. cut exposed the ore zone to a depth of 10 ft. down dip to the North.

This work is shown on the enclosed composite map and required 7 hrs. of backhoe work on the trenching and 18 hours on the portal site. The open cut into the hill at the portal site reduces the length of the proposed drift by 68 ft. We still have to grade an access road to the portal site with a bulldozer and backfill the trenches, later on, to complete the surface work.

RECEIVED
OCT 4 1971

Date 10-1 1971

To C.F. Taylor

Address c/o Maury Mtn Mines

City Prat Oregon

9-21-71	Mixed Lumber				20	00
9-21-71	Hoe Rental	@ 13.00	7	hs	91	00
9-22-71	Hoe	"	6	"	78	00
9-27-71	"	"	5	"	65	00
9-28-71	"	"	7	"	91	00
					345	00

Powell & Stanson
RT 1 Box 1338
Prineville
Oregon

PD By Check
10-1-71

Rodiform
8K 882

STATEMENT

RECEIVED
OCT 4 1971
M-E
SPOKANE, WASH.

STATEMENT

September 10, 1971

To :C. F. Taylor
Maury Mountain Mine
Post, Oregon 97752

For : Geologic Services at the Maury Mountain Mine
September 2 & 3, 1971

2 Days @ $100.00/day.....	$200.00
2 Days Per Diem @ $25.00/Day.....	50.00
Total	$250.00

From : Victor V. Botts, Jr.
Consulting Geologist
5287 Romford Drive
San Jose, California 95124

RECEIVED
OCT 4 1971
O. M. E.
SPOKANE, WASH.

RECOMMENDATIONS FOR EXPLORATION AT THE MAURY MOUNTAIN QUICKSILVER MINE CROOK COUNTY, OREGON

On September 2 and 3, 1971, the writer examined the Maury Mountain Quicksilver Mine. The examination was undertaken at the request of the property owner, Mr. C. F. Taylor, for the purpose of evaluating surface trenching recently accomplished under a U. S. Office of Mineral Exploration Loan. One day was spent in examining the general surface and various underground workings. a portion of the second day was spent in mapping the surface trenches.

The surface trenching exposes a long narrow bed of mineralized tuff striking approximately N 70 W and dipping from 60 to 75 degrees to the northeast. The upper contact of the bed is against a medium dark gray basaltic rock. No evidence was observed in the trenches as to the nature of this contact. The examination of other areas of the mine indicate the possibility that this contact may be intrusive or faulted. The tuff bed is underlain by series of green, gray, white, and purple interbedded clays and tuff. The mineralized bed varies from 5 to 8 feet in thickness. The bed is highly oxidized to the depths exposed in the trenches and locally contains small carbonate veins. Small faults occasionally cut the contacts in a general northeasterly direction but, no measurable offsets were observed. Four drill holes drilled to the north of the discovery pit, explore the bed for a dip length of 65 feet. Ore was encountered in the first three holes and traces of ore were found in the fourth and deepest hole. The apparent dip obtained from the line of holes is 50 to 55 degrees.

The trenches explore a strike length of about 600 feet. Cinnabar was encountered over a length of 300 feet. The discovery pit is located in the approximate center of this interval. The cinnabar in the vicinity of the discovery pit occurs in the form of a fairly regular vein from 1 inch to 6 inches thick. This type of occurance extends 80 feet southeast and 60 feet northwest of the discovery pit. In this area, the vein dies out and then reappears at 3 or 4 foot intervals. The vein seems to always occur in the middle or lower half of the mineralized tuff bed. No other minerals were noted in the vein. The cinnabar showings further to the northwest and southeast are spotty and irregular but, may also take the form of a vein in their total configuration.

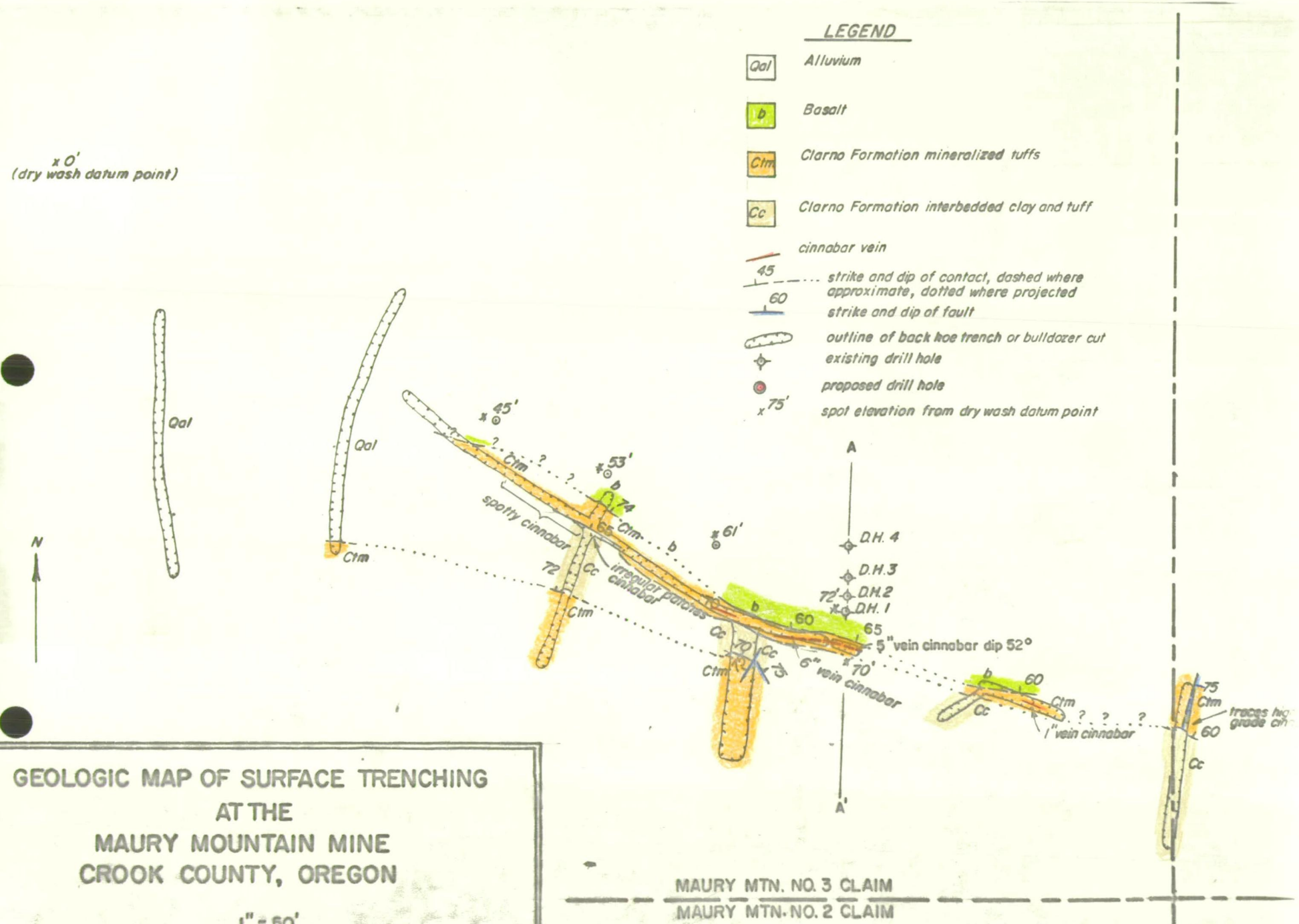
The next phase of the proposed OME Exploration Program, as explained to the writer, involves the driving of a drift from a dry wash located some 150 feet northwesterly from the main trench. This drift is planned to encounter the zone some 70 feet vertically below the discovery pit. It appears to the writer that this plan will be very difficult to carry out because of the problem of encountering a very narrow zone from a strike direction. It is very possible that this drift will miss the zone for some distance. If this situation occurs, it will be necessary to long hole drill or crosscut off the drift to find the zone. Either of these actions will entail considerable additional expense. A solution to the problem, would be to drill three shallow holes along the surface strike of the zone as indicated on the attached geologic map. Examination of the cuttings from these holes could provide provide the necessary strike and dip information to plan the drift position so as to encounter the zone at the optimum location. This action would allow the most useful exploration footage at the least expense.

The foregoing actions are strongly recommended since the geologic mapping of the present rock exposures did not provide definitive information as to strike and dip at the northwest end of the mineralized zone. Without this information, the drift can only be located by guesswork.

Respectfully submitted,

Victor V. Botts Jr.

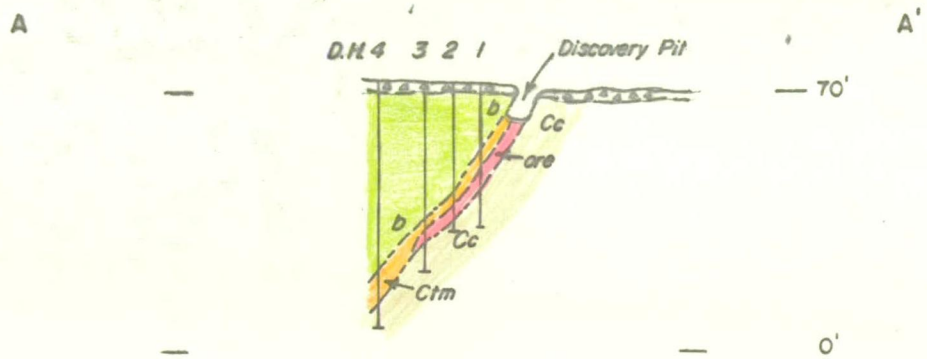
Victor V. Botts, Jr.
Consulting Geologist
California Registration No. 1581



GEOLOGIC MAP OF SURFACE TRENCHING AT THE MAURY MOUNTAIN MINE CROOK COUNTY, OREGON

1" = 50'

SEPTEMBER 1971



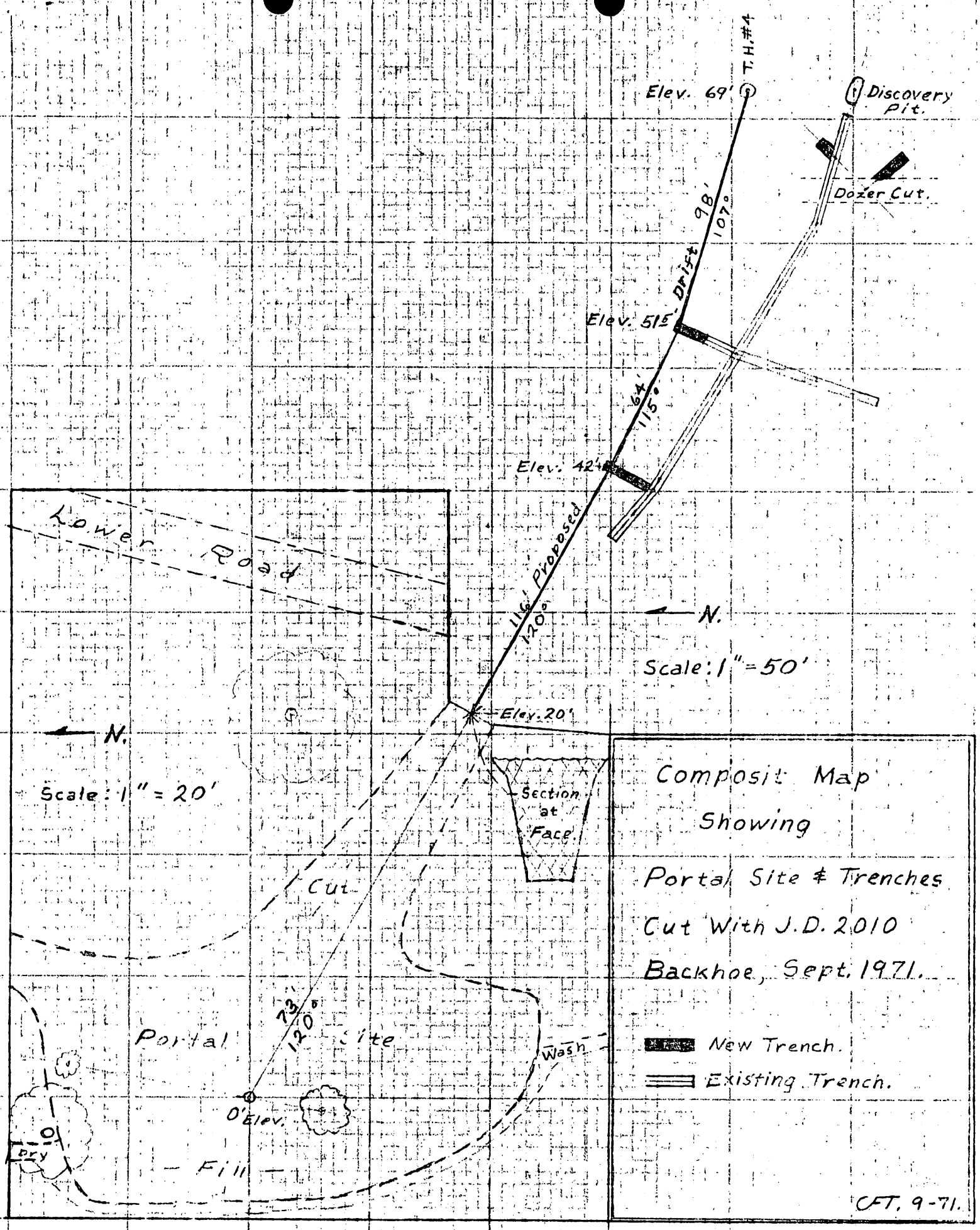
GEOLOGIC CROSS SECTION A — A'

MAURY MOUNTAIN MINE
CROOK COUNTY, OREGON

1" = 50'

TEMBER 1971

by V. V. Botts, Jr.


T.H. #4
Elev. 69'
Discovery Pit.
Dozer Cut.
98'
107°
Drift
Elev. 51±
64'
115°
Elev. 42'
116' Proposed
120°
Lower Road
N.
Scale: 1" = 50'
Elev. 20'
N.
Scale: 1" = 20'
Section at Face.
Cut
73'
120°
Portal Site
Wash
0' Elev.
Dry
Fill
Composit Map Showing Portal Site & Trenches Cut With J.D. 2010 Backhoe, Sept. 1971.
New Trench.
Existing Trench.
CFT. 9-71.

United States Department of the Interior

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

September 21, 1971

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O. M. E.
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SEP 23 1971
INITIALS | CODE
Cee | 20 MW
gla | 30
HK | 40

MEMORANDUM

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Interim Inspection
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

I visited Mr. C. F. Taylor at the Maury Mountain mine on Thursday, Sept. 9, 1971. Together we examined all the backhoe trenches and then discussed a possible site for the adit portal.

Mr. Taylor had not received answers to any of his inquiries to those who might be interested in contracting the underground work. He had mailed form letters to several different individuals, some of whom I had contacted earlier.

We discussed the possibility of recessing the project until next spring, at which time it was hoped that Mr. Taylor could have made some definite arrangements to do the underground work. I explained to him that he should make a formal request and let us know at what time work would resume. He understands that if work is not resumed at such a date, the project might be considered terminated.

On the day of my visit, Mr. Taylor received a report from Mr. Victor Botts, a geologist with New Idria mining company, who had visited the Maury Mountain mine earlier. Mr. Botts recommended the drilling of three vertical holes before the underground work should be started. I understand that this report will be submitted with Mr. Taylor's next voucher.

Mr. Taylor seems to be hesitant about proceeding with the contract work. I suspect that he is not willing to invest the necessary money at this time. In fact, he asked me if I thought he should go ahead and do the underground work. I asked him how in the world he would ever get the

work done cheaper or how he could mine the ore indicated by the work done to date if he didn't drive the adit. Apparently Mr. Botts had discussed the possibility of excavating a large open pit rather than going underground. I told Mr. Taylor that we certainly would never favorably consider doing such a thing under terms of an OME contract.

Later, on Sept. 16, I visited Mr. Carl Brown at the New Departure mine near Dillon, Mont. Mr. Brown expressed an interest in doing the underground work for Mr. Taylor and I had mentioned this to Mr. Taylor. Mr. Brown told me Mr. Taylor had telephoned him from San Jose, California. It thus appears that Mr. Taylor has returned to California and perhaps has decided to request a recess.

Willard P. Puffett

Willard P. Puffett

cc: Director

FORM 9-1648
MARCH 1968

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O. M. E.
SPOKANE, WASH.

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AUG 25 1971
INITIAL COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

HK 8/19/71

OPERATOR'S MONTHLY VOUCHER

For Month of July, 1971

Docket No. OME- 6456
Contract 14-08-0001 2300
Contract Amount $ 43,080.00
Gov't. Participation % 75 $ 32,310.00

Operator's Name C. F. Taylor
Address Maury Mtn. Mine, Post, Oregon 97752

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Rental of John Deere Model 2010, diesel backhoe and operator at $13.00/hr.	35 hrs.	$ 455.00	35 hr.	$ 455.00	35	$ 455.00	35	$ 455.00
Moving backhoe in and out	$20.00	20.00	$20.00	20.00		20.00		20.00
TOTALS		$ 475.00		$ 475.00		$ 475.00		$ 475.00

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Aug. 9, 1971 *Payee C. F. Taylor
Owner

Per _____ Title _____

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature Willard O Puffett 8/16/71
OME Field Officer Date

(63) 14X0804

Approved for: $ 356.25
(SUBJECT TO AUDIT)

Signature mo 20916

Date AUG 24 1971 Vou. No.

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
AUG 16 1971
O.M.E.
SPOKANE, WASH.

C. F. Taylor, Maury Mtn. Mine, West Oregon

O. M. E. Narrative Report for July, 1971

We began surface exploration work under the O. M. E. contract #2300 on July 14, 1971 at 8:00 A.M. with a John Deere, Model 2010, diesel backhoe. The first trench was started at a point 5 ft. West of the Discovery Pit on the Maury Mtn. #3 claim, centered on a small vein of Cn. striking N. 70° W. At approximately 10 ft. West, we found a high grade pocket of Cn. at about 1 ft. below the surface and raised the bottom of the trench over it. Continuing the trench on the bearing N. 70°W., we followed a rust colored vein of gouge across a clay bed extending to a depth of 12 ft. or more, and about 15 ft. wide, then into light gray and yellow rhyolite rock on a bearing of approximately N. 58°W., At 40 to 45 ft. West of the Discovery Pit, we again found a shallow deposit of Cn. at a depth of about 3 ft. We raised over this one and continued to follow the gouge vein, with the 2'x 5' to 6' trench. At approximately 90 ft. West of the starting point we found visible Cn. in a more or less continuous vein on the South wall of the trench, 3 ft. to 4 ft. below the surface, for a distance of about 60 ft. We ended this 195 ft. of trench at Loc. Pt. 7, as shown on Sheet 1 of the sketch maps.

On July 15th, we moved about 40 ft. from Loc. Pt. 7 on a bearing N.5°W. to Loc. Pt. 8 and started cutting a cross trench S. 20°W. 2 ft. wide and 8 ft. to 9 ft. deep, for 45 ft. Continued 38 ft. at S. 12°W., and terminated it at Loc. Pt. 11, after digging another 30 ft. on a N.-S. bearing. This trench totaled 113 ft. in length and failed to expose any Cn. It was in topsoil, clay and lime stained basalt, except for yellow rhyolite rock found on the bottom at a depth of 9 ft. within 10ft. of Loc. Pt. 11.

We then moved East to Loc. Pt. 5 and cut a cross trench 13 ft. to the North and 52 ft. to the South, which exposed a small stringer of Cn. dipping to the North through the bottom of the trench at Loc. Pt. 5 and originating about 2 ft. under the ground surface within 10 ft. South of Loc. Pt. 5. It also exposed the center of the light colored rhyolite ore zone or rib about 30 ft. South of Loc. Pt. 5. From here we moved to the East Loc. Pt. which is about 150 ft. East of the Discovery Pit and cut 46 ft. of trench from a point 15 ft. north to 31 ft. South of the East cut. This one exposed a small stringer of Cn. about 15 ft. South of the East Loc. Pt.

On July 16th, we extended it about 20 ft. more to the South. This exposed the center of the rhyolite ore zone about 40 ft. South of the East Loc. Pt. This trench is located approximately on the claim line between the Maury Mtn. #3 and Maury Mtn. #5 claims. It terminates at a point about 20 ft. North of the common corner post at the intersection of Maury Mtn. #1, #2, #3, and #5 claims.

Next, we moved 275 ft. on a bearing of 100° from the East Loc. Pt. up and over the crest of the ridge to the East to Loc. Pt. 2E. and cut a trench bearing S. 10°W. for a distance of 145 ft. This one was in basalt for about 30 ft. then through rhyolite and clay for 65 ft. and ended in basalt. Finding the rhyolite ore zone in this trench from which scratch samples test 5 to 6 or more on the LeMaire Hg. Detector, was very encouraging since it expands our possibilities for ore over a distance of more than 500 ft. East to West, on the strike, and lies along the crest of a high ridge which offers access from the East at elevations dropping steeply down by approximately 300 to 400 ft. or more on the Maury Mtn. #5 claim. This trench also offers excellent cross sections of contacts on the bedding planes of the rhyolite

and clay dipping to the North at approximately 50° to 60°. It's surface elevation is about 30 ft. higher than the surface at the Discovery Pit.

We then moved West back down to the Dry Wash at the foot of the grade to Loc. Pt. 12 which is 65 ft. from Loc. Pt. 11 on a bearing of 265°. Starting in the center of the Dry Wash we cut a trench 45 ft. on a bearing of 350° or N. 10° W. to Loc. Pt. 13. 22 ft. North of Loc. Pt. 12 we found rotten yellow rhyolite on the bottom, 11 ft. deep. It tests 3.5 Hg. From Loc. Pt. 13, we continued 21 ft. of trench on a North or 360° bearing.

On July 19th, the backhoe operator that had done such a fine and efficient job the previous week, failed to show up. He had gone on a vacation and another younger man came up to take his place. The quality and efficiency of the work dropped by about 50%. We extended the trench from 21 ft. North of Loc. Pt. 13 another 41 ft. on the same North bearing. At 40 ft. North of Loc. Pt. 13, we found some yellow rhyolite rock on the bottom of the trench at a depth of 12 ft. and it tested 3.0 Hg. We ended this one at Loc. Pt. 14 as shown on the sketch. It was in reddish brown clay topsoil all the way except the two rhyolite showings previously noted.

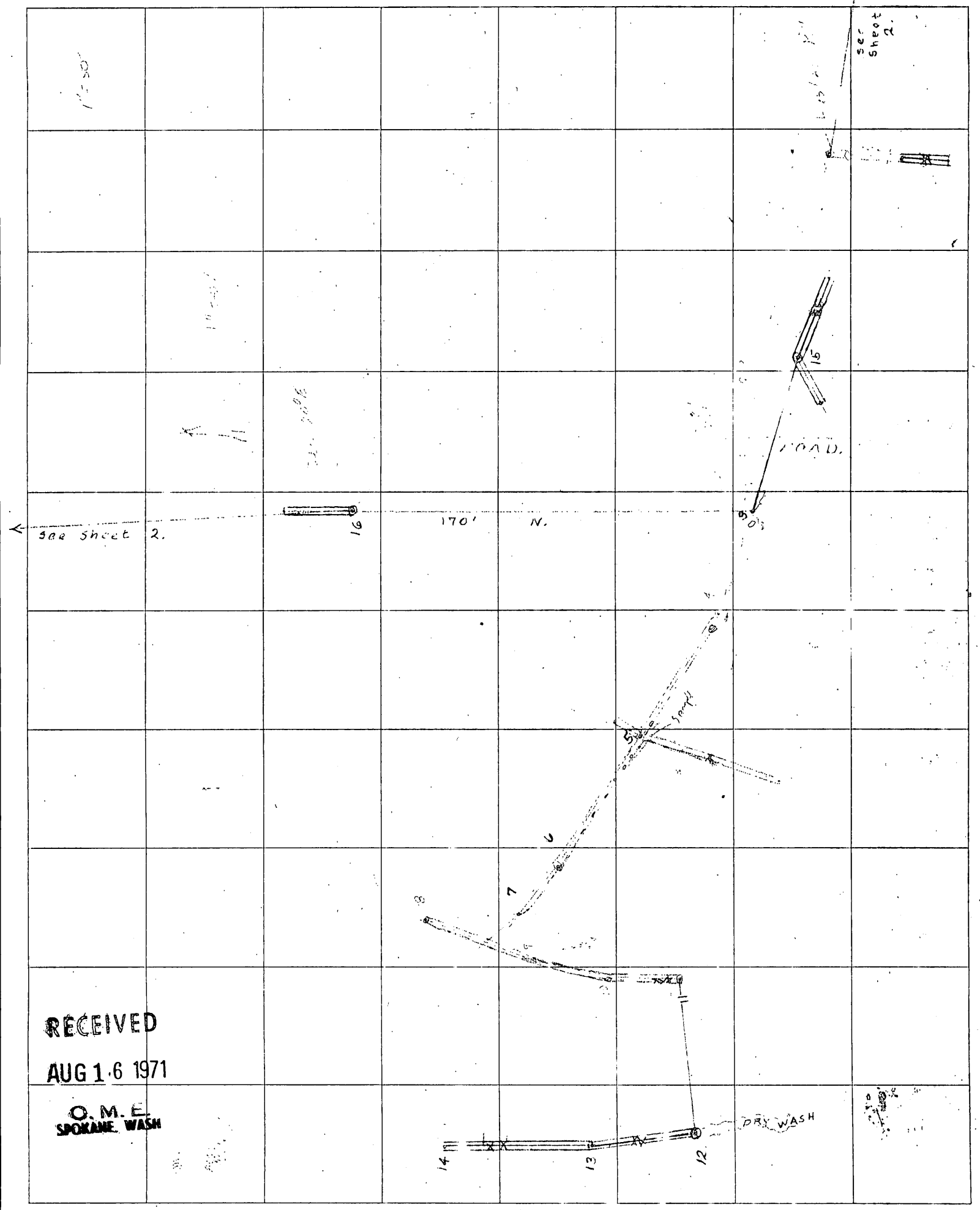
We moved East back up the grade to Loc. Pt. 15 which is 67 ft. from Loc. Pt. 3 on a bearing of 107°, across the road above the Discovery Pit. From Loc. Pt. 15, we cut 35 ft. of trench on a bearing of 115°. We found a small vein of high grade Cn. in the center of the cut about 3 ft. below the surface, 22 ft. East of Loc. Pt. 15. We raised over this one, too. From Loc. Pt. 15, we cut 21 ft. of cross trench on a bearing of 243°. It exposed some fault surfaces and calcite veins dipping 50° to the North.

Our next move was 170 ft. at 360° from Loc. Pt. 3 to Loc. Pt. 16 where we cut 29 ft. of trench to the North in basalt.

On July 20th we ended this phase of the backhoe work at noon. We had cut two more trenches of 30 ft. at Loc. Pt. 17 and 23 ft. at Loc. Pt. 18, in basalt, as shown on the sketch map. All of these trenches on the Maury Mtn. #3 and #5 claims were dug with a 24 inch bucket resulting in readily accessible trenches over 2 ft. wide and varying in depth from 2 ft. to 12 ft., averaging about 6 ft. deep. This work proved very successful by exposing, in place, high grade Cu. near the surface over a 300 ft. area and deliniating the rhyolite ore bearing or mineralized zone for a distance of over 700 ft. striking N. 70° to 75° W. and dipping 50° to 60° to the North.

Before determining the portal site and bearing for the proposed drift, we believe some useful additional information might be obtained by drilling some shallow test holes down dip to the North at locations indicated by the exposures of the Cu. in the trenches. This could be done inexpensively with our Hossfeld drill rig which we have used extensively here in drilling 2" test holes up to 100 ft. or so in depth.

J. A. Gendron Co., Spokane
K+E ALBANENE 186M TRACING PAPER 62943



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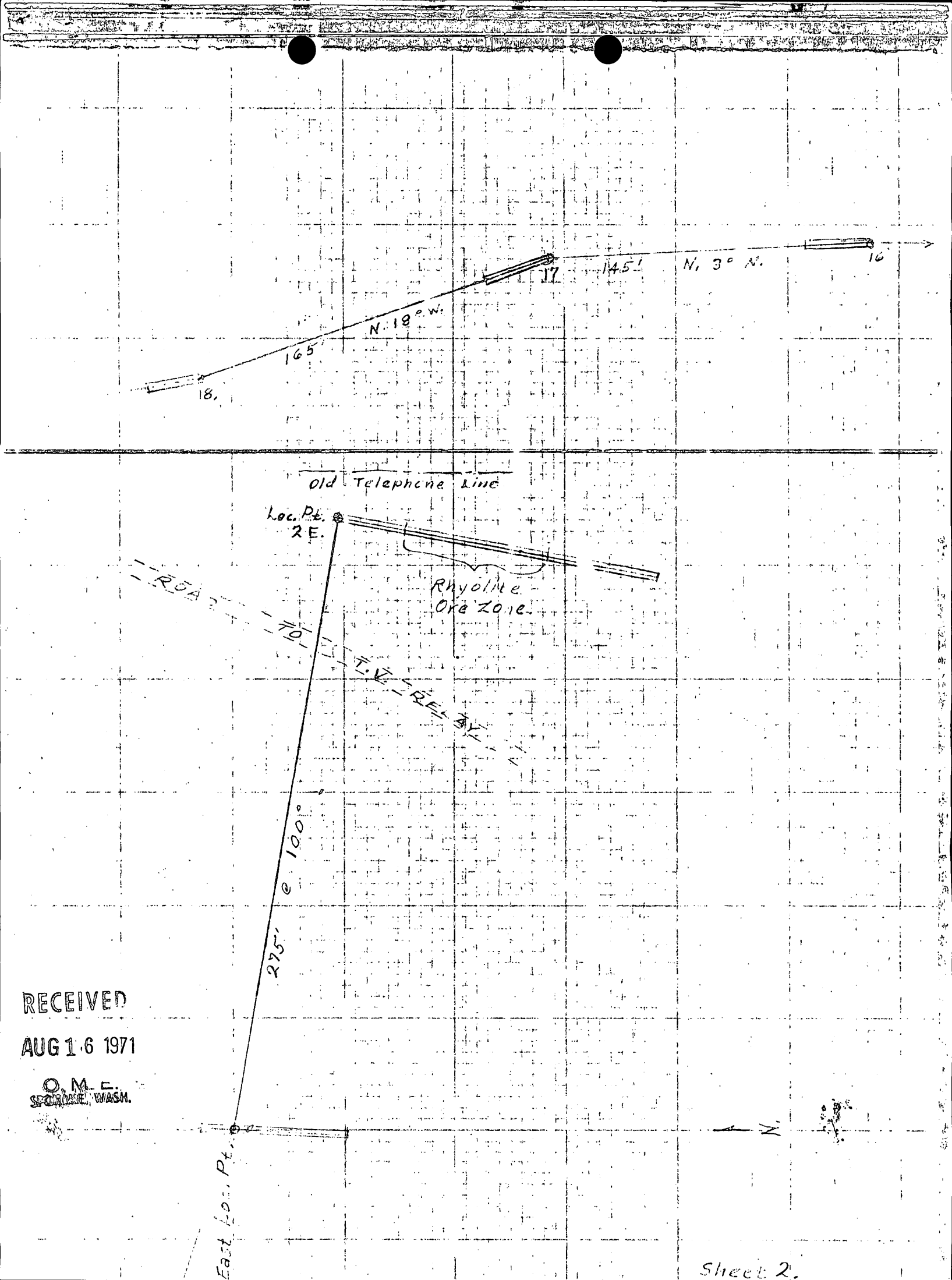
SPOKANE, WASH

Sheet 1.



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AUG 16 1971
O. M. E.
SPOKANE, WASH.

Sheet 2.

United States Department of the Interior

GEOLOGICAL SURVEY
656 U. S. Court House
Spokane, Wash., 99201

August 17, 1971

OFFICIAL
COPY
O. M. E.
RECEIVED
AUG 20 1971

INITIALS	CODE
Cac	120M
	~~130~~
HK	~~120~~

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Assay data
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

A sample cut across the ore zone in the trench near the intersection of the WNW trending and the NNE trending trench assayed 0.76 percent mercury (see Fig. 1 - Interim inspection report of July 23, 1971). The footwall of the mineralized zone dips 42° NE and the sample was cut along a horizontal line 44 inches long, giving an effective thickness of 30 inches. A problem in sampling the ore zone at the Maury Mountain mine is that much of the ore is not disseminated but occurs in rich pods--apparently there is little gradation in mercury values away from obvious ore. I hope that the sample I cut fairly represents much of the ore zone exposed by the trench.

Willard P. Puffett

Willard P. Puffett

cc: Director

ROUTING AND TRANSMITTAL SLIP

			ACTION
1 TO (Name, office symbol or location) Chief, Office of Minerals Exploration		INITIALS	CIRCULATE
		DATE	COORDINATION
2 Re: ~~OME-6456 (Mercury)~~ C. F. Taylor Maury Mountain Mine Crook County, Oregon ~~Contract 2300~~		INITIALS	FILE
		DATE	INFORMATION
3		INITIALS	NOTE AND RETURN
		DATE	PER CONVERSATION
4		INITIALS	SEE ME
		DATE	SIGNATURE

REMARKS Attached is letter from Mr. Taylor requesting change in contract to permit drilling 250 feet of hole with his Hossfeld drill rig.

Some more information will be required from him before I can justify his estimated costs of $5/ft. Other than that, I think that there is justification for his proposal because of the rather sparse cinnabar found by the backhoe work. I will prepare a report and submit it within the next two weeks.

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O. M. E.
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AUG 18 1971

INITIALS	CODE
Cac	120
	120
HK	120

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location) Willard P. Puffett Field Officer, Region I OME	DATE 8/16/71
WPP	PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

C. F. TAYLOR
Maury Mtn. Mine
Post, Oregon 97752

RECEIVED
AUG 16 1971
O. M. E.
SPOKANE, WASH.

August 9, 1971

Mr. Willard P. Puffett
U.S.Dept. of Interior, O.M.E.
U. S. Court House, Room 656
Spokane, Washington 99201

Dear Mr. Puffett:

Find enclosed the voucher, map, narrative, and bill for the backhoe work which was done in July.

In reply to your letter of July 27th, I would like to submit the following proposal for test hole drilling with our Hossfeld drill rig: Sketch map and cross sections attached.

250 ft. of drill hole at $5.00/ft.		$1,250.00
1 man - Labor - $5.00/hr. -	$2.50/ft.	
Fuel and engine maintenance	.25 "	
Drill bits and springs	.25 "	
Drill rig depreciation or rental, and maintenance	1.00 "	
4 wheel drive Pickup truck rental, and maintenance (hauling water, moving rig and supplies)	1.00 "	

Accurate estimates of cost per foot of drilling are difficult due to the wide variation indrilling conditions encountered in this brecciated rock and rhyolite clay.

I cannot do the drilling myself but would have to employ a drillers helper at a proposed wage of $4.00/hr., plus the 1/4 cost of compensation, taxes, etc. totaling $5.00/hr.

The Hossfeld percussion, churn type drill operates with water circulation and furnishes accurate cutting samples in solid formations. If we can find the surface Cn. exposures down dip to the North at the depths projected on the level of the proposed adit, it would be very helpful in planning the drift.

On August 4th, Mr. Howard Brooks with the Oregon State Department of Geology examined the site and seemed to be very favorably impressed

with the results of the backhoe trenching on the Maury Mtn. #3 and #5 claims. He also favored the idea of drilling some shallow test holes along the trend of the ore zone before starting the drift.

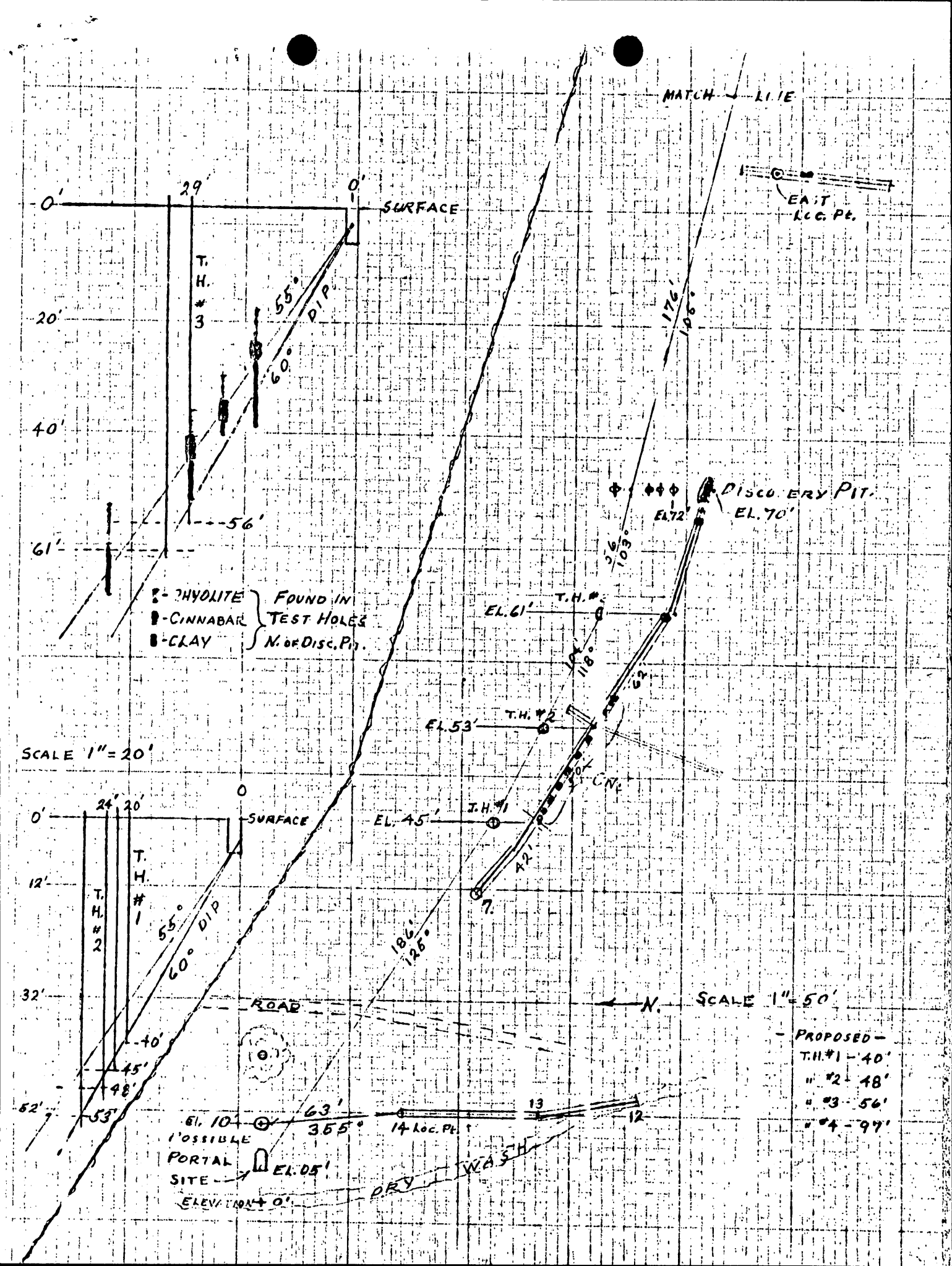
I hope that the enclosed information is adequate and that the proposal meets with your approval, and I would appreciate hearing from you at your earliest convenience.

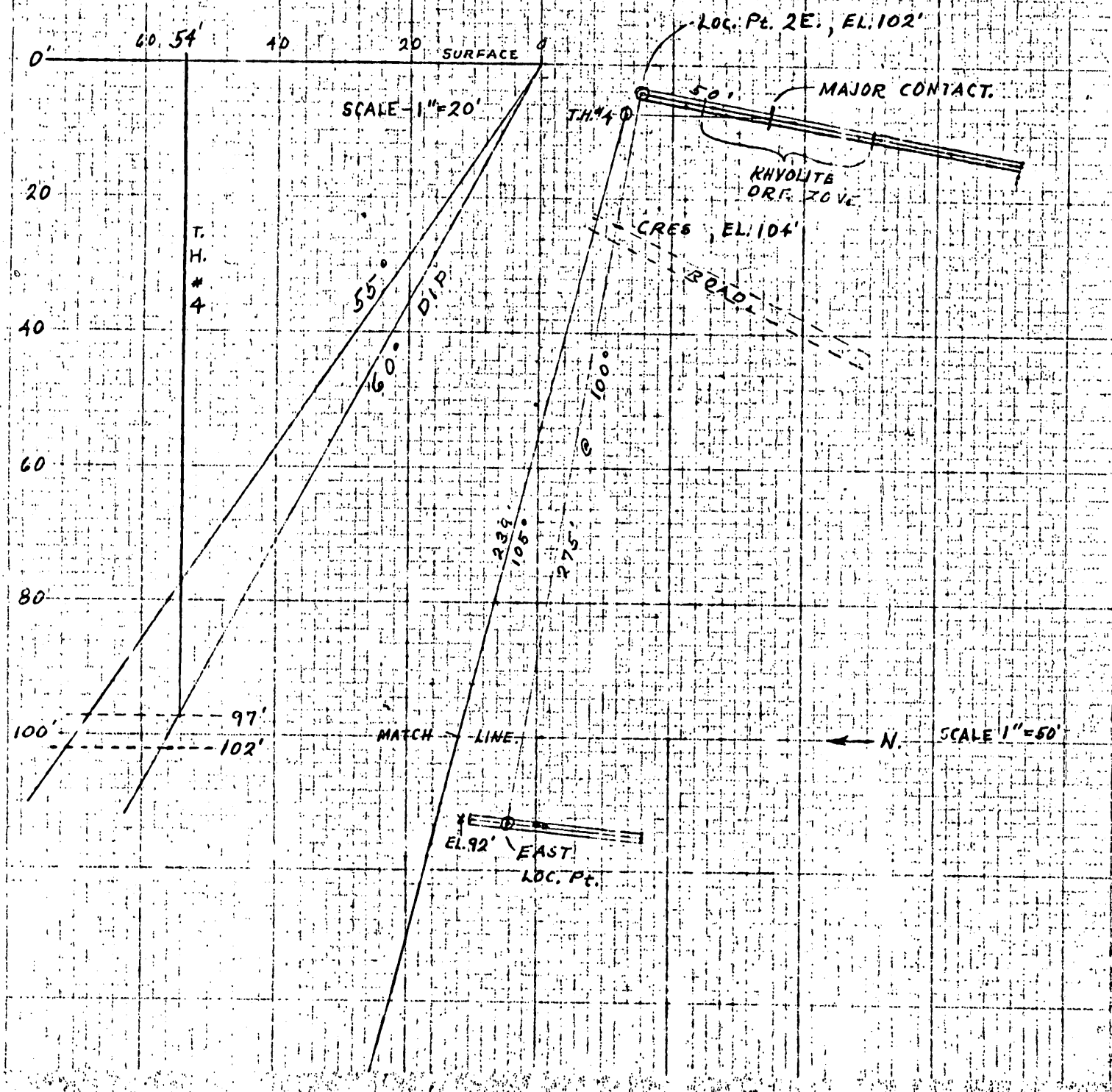
Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst


MATCH LINE
EAST Loc. Pt.
0'
29'
0'
SURFACE
T. H. #3
55° DIP
60°
20'
40'
61'
56'
176'
106°
DISCOVERY PIT
EL. 72'
EL. 70'
56'
103°
RHYOLITE
CINNABAR
CLAY
FOUND IN TEST HOLES N. OF DISC. PIT.
EL. 61'
T.H. #
104'
118°
62'
EL. 53'
T.H. #2
SCALE 1" = 20'
50' CN.
0'
24'
20'
0
SURFACE
EL. 45'
T.H. #1
12'
T. H. #2
T. H. #1
55° DIP
60° DIP
42'
7.
186'
126°
32'
ROAD
N.
SCALE 1" = 50'
40'
45'
48'
52'
53'
PROPOSED
T.H. #1 - 40'
" #2 - 48'
" #3 - 56'
" #4 - 97'
EL. 10'
63'
355°
14 Loc. Pt.
13
12
POSSIBLE PORTAL SITE
EL. 05'
ELEVATION + 0'
DRY WASH


Loc. Pt. 2E., EL. 102'
0'
60. 54'
40
20
SURFACE
0
50'
MAJOR CONTACT.
SCALE-1"=20'
T.H.#4
RHYOLITE
ORE. 70 Vc.
20
CRES, EL. 104'
T.
H.
#
4
55°
DIP
BRAD.
40
60°
100°
60
23'
105°
27'
80
97'
100'
102'
MATCH - LINE.
N.
SCALE 1"=50'
EL. 92'
EAST
LOC. Pt.

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

July 27, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 29 1971

INITIALS	CODE
[illegible]	1/20/77
HK	120

Mr. C. F. Taylor
Maury Mountain Mine
Post, Oregon 97752

Re: OME-6456 (Mercury)
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

Your suggestion of modifying the contract to permit some vertical holes with your Hossfeld drill has some merit if you think that the evidence in the backhoe trenches is insufficient to most advantageously locate the planned adit.

I will need more information before I can make recommendation in line with your request. I have no idea how you arrived at a figure of $5 per hour for labor to do the drilling and I am not certain if this figure includes cost of depreciating the drill. Some data should be given to support the cost figure.

It would be much better to figure a unit-cost per foot for the drilling and then to propose a certain footage of drill hole. Your experience should give you some idea of about the average footage obtained per hour or per day with the Hossfeld drill, and the cost per hour of operating the drill. I have no idea of what supporting items you need to do the drilling, such as water supply, truck, etc. These items can be included in figuring your per-foot cost. The cost for labor will be an important item--be sure and include provisions for a helper if one is needed.

You must have some idea of where the holes will be drilled and perhaps you can send me a sketch map of the proposed hole locations. It must be emphasized that the holes should test the extensions of the new discovery and not be to test other areas on your property.

It will be impossible for me to get the above information and prepare my recommendation before I take a short leave of absence. Therefore, I urge you to take the necessary time to carefully outline your program of drilling and itemize all the necessary cost items.

In the meantime, please submit your voucher for the completed backhoe work and include a map of the trenches.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: OME w/cy incoming

C. F. TAYLOR
Maury Mtn. Mine
Post, Oregon 97752

July 23, 1971

RECEIVED
JUL 27 1971
O.M.E.
SPOKANE, WASH.

Mr. Willard P. Puffett
Dept. Interior, U.S.G.S., O.M.E.,
656 U. S. Court House
Spokane, Washington 99201

Dear Mr. Puffett:

Persuant to our telephone conversation yesterday, I wonder if it might be possible to modify our contract to include $1250.00 for 240 hours of labor at $5.00 per hour for the purpose of drilling vertical test holes with the Hossfeld drill at favorable locations indicated by the trenching. This should aid us in planning the best site, depth, and bearings for the drift under the ore zones. Perhaps this could be done by reducing the amount allocated for geological consultation services from 20 days at $100 per day to 10 days, and also reducing the 20 days per diem allowance of $25.00 per day to 10 days. This would result in a reduction of $1250.00 for professional services and enable us to pay for the drilling without disturbing the total amount of the contract. Perhaps the $50.00 differential could be charged to rental of the Hossfeld drill.

If you feel this change would be advisable and you can arrange it, I would appreciate hearing from you before you leave on vacation so I could begin to get set up for the drilling.

We enjoyed your visit last week and hope you have a good vacation and that we will see you again in August.

Sincerely yours,

C. F. Taylor

C. F. Taylor

CFT/fst

United States Department of the Interior

GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

July 23, 1971

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O. M. E.
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JUL 26 1971
INITIALS | CODE
120
130
HK 120

Memorandum

To : Chief, Office of Minerals Exploration

From : Field Officer, Region I

Subject: Interim Inspection
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

I visited the Maury Mountain Mine on Thursday, July 15, 1971. Mr. Taylor was present and supervising the backhoe trenching that was being done by a Mr. "Red" Hysaw.

The backhoe trenching had started on Wednesday, July 14, and a trench had followed the ore-bearing structure downslope and to the northwest for approximately 200 feet (Figure 1 - Plan map OME trenches, Maury Mountain Mine, Crook County, Oregon). Rich cinnabar ore was found in the south wall of the trench about 11 feet west of the discovery pit. The cinnabar was in masses from 5 to 8 inches thick.

West of the rich cinnabar ore is a zone of soft material, probably a fault, in which there is no cinnabar. This zone is about 10 feet wide and was trenched to a depth of nearly 13 feet.

More cinnabar was found west of the "soft" material and then a nearly continuous cinnabar-bearing zone was exposed from 100 to 125 feet northwest from the discovery pit. This zone is only a few inches thick and not as rich as that found in the discovery pit.

The footwall of the ore-bearing zone is apparently a clay bed about 15 feet thick that dips 40-45° NE. Below the clay is tan, non-silicified tuff. The clay is probably a continuation of that found by the Operator when he drilled vertical holes north of the discovery pit prior to the contract. He found that thick, unctuous clay occurs below the cinnabar-bearing rock.

Cross-cut trenches attempted to determine the nature of the hanging-wall of the ore zone. Apparently the ore is overlain by basaltic rock. That exposed in the trenches is basalt boulders in soil--perhaps this is deeply weathered bedrock.

A long crosscut trench was excavated during my visit. This trench, west from the northwest-trending trench, was cut to find the hangingwall and footwall of the ore zone. However, it was unsuccessful in exposing other than basalt boulders in soil. Obviously the "soil" thickens greatly in the short distance between the "drift" trench and the crosscut trench.

A crosscut trench trending north and south from the east pit also exposed basaltic rock near the pit but cut tuff south of the pit. Some disseminated cinnabar is in silicified purplish gray rock in this trench but its exact location was not determined. That seen was in broken rock removed by the backhoe.

The backhoe method of trenching appears to be very efficient. In two days time--a total of 15 hours operating time--the backhoe excavated more than 400 feet of trenches ranging in depth from 6 to 13 feet. The average width at the trench bottom is 30 inches. Exposures were good and fair detail was seen. Much less rock is removed than in bulldozer trenching and the refilling of the trenches should be much easier than in a bulldozed trench.

Willard P. Puffett

Willard P. Puffett

Enclosure: Figure 1 - Plan map OME trenches, Maury Mountain Mine, Crook County, Oregon.

U.S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME-6456 (MERCURY)

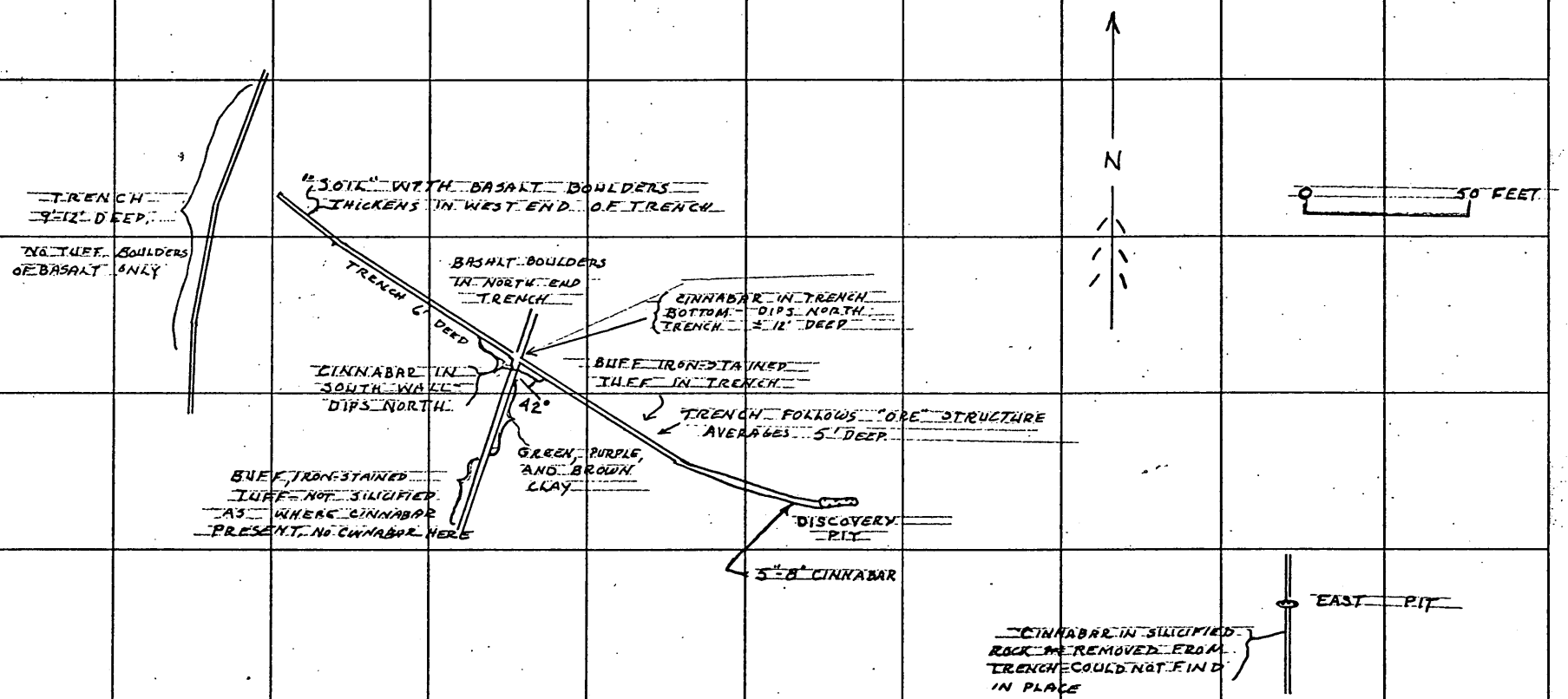
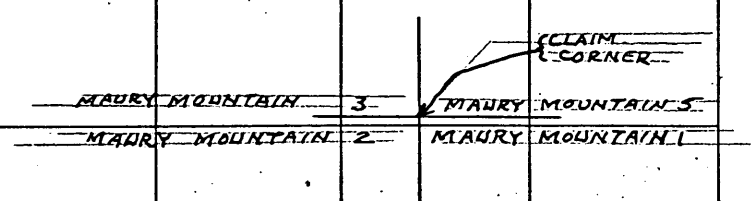


FIGURE 1 PLAN MAP OME TRENCHES
MAURY MOUNTAIN MINE
CROOK COUNTY, OREGON



*ALL TRENCHES BY BACKHOE - AVERAGE 30" WIDE

AS OF 7/15/71

ROUTING AND TRANSMITTAL SLIP

			ACTION
1 TO (Name, office symbol or location)	INITIALS		CIRCULATE
Chief, Office of Minerals Exploration	DATE		COORDINATION
2 Re: OME-6456 (Mercury) Maury Mountain Mine Crook County, Oregon Contract 2300	INITIALS		FILE
	DATE		INFORMATION
3	INITIALS		NOTE AND RETURN
	DATE		PER CONVERSATION
4	INITIALS		SEE ME
	DATE		SIGNATURE

REMARKS

Attached are the Government's and Budget and Finance Copy of the subject contract, signed by the Operator.

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 7 1971

INITIALS	CODE
Coe	120 M
	130
HK	~~120~~

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location)	DATE
Willard P. Puffett Field Officer, Region I WPP	7/2/71
	PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

JUL 8 1971

Cc 120 W
~~120~~
HK ~~120~~

Subject: Telephone numbers of Operator

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon
Contract 2300

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117
(408) 243-3468

MAURY MTN MINE
POST, OREGON 97752
(503) 477-3274

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

July 2, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 7 1971
INITIALS | CODE
HR 1120

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, Ca., 95117

Re: OME-6456 (Mercury)
Maury Mountain Mine
Crook County, Oregon
Contract 2300

Dear Mr. Taylor:

We are enclosing a three-month supply of the Operator's Monthly voucher, Form 9-1648. The original and three copies of the completed report forms as well as the narrative, maps, assays, and all technical data, should be submitted for each month in which costs have been incurred under the contract. However, in the event that you do not wish to submit a voucher for any month, the narrative report for the work done in that month is required. Delay in processing can be avoided if reports are submitted promptly to this office.

Also enclosed are two copies of Standard Form 38, entitled "Notice of Nondiscrimination in Employment." In accordance with Executive Order 11246, which is Exhibit B of your contract, you should complete one copy and send it to any labor union that may be involved in your OME contact work and should post one copy in a conspicuous place available to employees or applicants for employment. The enclosed poster should be exhibited in a conspicuous place available to both employees and applicants for employment.

We would appreciate your advising us when the OME contract work has started.

Sincerely,

Willard P. Puffett
Field Officer, OME
Region I

Enclosures

cc: Director
OME
WPPuffett/at

ROUTING AND TRANSMITTAL SLIP

1 TO (Name, office symbol or location)	INITIALS	ACTION	
Chief, OME	AL	CIRCULATE	
	DATE E.	COORDINATION	
2 Re: OME-6456 C. F. Taylor Maury Mountain Mine Crook County, Oregon	INITIALS 1971	FILE	
	DATE CODE	INFORMATION	
3	INITIALS 120 / 120	NOTE AND RETURN	
	DATE	PER CONVERSATION	
4	INITIALS	SEE ME	
	DATE	SIGNATURE	

REMARKS As per our telephone conversation this morning, I am forwarding herewith my rough draft of the proposed exploration estimate of costs, and a proposed contract for the exploration at the Maury Mountain Mine. I have enclosed several copies of figures 1 and 2 that will be attachements and part of the proposed contract. Another map, one that was to be part of my application examination report, is also enclosed for your information. I hope to get my examination report completed in rough draft next week. I will get a note off to Mr. T ylor, now in or near Post, Oregon, requesting that he submit a financial report to you at the earliest possible date.

Data are sufficient to draft contract. Puffett is preparing report nevertheless and has relayed data by phone & memo for the contract.
Kirkemo. 6/8/71

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location)	DATE 5/28/71
Willard P. Puffett Field Officer, Region I WPP	PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

Date 8-1 1971

To Maury Mtn Mines

Address c/o C.F. Taylor

City Post Oregon

7-14-71	Hoe Mone in @ 13.00		$200.00
	Hoe	Red 8 lb	104.00
7-15-71	Hoe	Red 7 "	91.00
7-16-71	Hoe	Red 8 "	104.00
7-19-71	Hoe	Joe 8 "	104.00
7-20-71	Hoe	Joe 4 "	52.00
			$475.00

RECEIVED

AUG 16 1971

O.M.
SPOKANE, WASH.

POWELL & STEENSON
RT. 1, BOX 1378
PRINEVILLE, OREGON 97754

Paid by check, Aug. 6, '71
C.F. Taylor

Rediform
8K 882

STATEMENT

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
Spokane, Wash., 99201

June 28, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 30 1971
INITIALS | CODE
HR 120

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, Ca., 95117

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Dear Mr. Taylor:

Enclosed ~~is~~ are the original and three copies of a proposed contract to explore the subject property. The contract consists of MME Form 51 (five pages), Annex I (one page), Exhibit A (three pages), Exhibit B (one page), and two maps (Figs. 1 and 2). All copies of the contract have been signed for the Government.

You, or whoever will be in charge of carrying out the project work under this contract, are urged to read carefully all the specifications set forth in Exhibit A. Without prior Government approval subsequently confirmed in writing, the Government may refuse to contribute to the cost of any work that does not conform to those specifications. Your attention is specifically directed to Article 10 and Exhibit B. Appropriate forms to meet the compliance requirements will be sent with forms for reporting monthly progress and vouchering.

If the terms and conditions are satisfactory, sign all copies, keep the Operator's copy, and return the other copies to this office.

If any part of the proposed contract is not satisfactory, please return all copies unsigned to this office with a statement of your proposed changes for consideration.

The 8-1/4 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

Sincerely,

Willard P. Puffett
Field Officer, Region I

cc: Director
OME

Puffett/at

Enclosures as stated

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/22/71	Kirkemo	
6/23	Kilgore	
6/23	Brew	
6/23	Allen	
6/24	Cac	220
		120 M

AIRMAIL

JUN 24 1971

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Enclosed are the original and three copies of a proposed contract to explore the subject property. The contract consists of MME form 51 (five pages), Annex I (one page), Exhibit A (three pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. An extra copy of the contract is enclosed for field use.

If the proposed contract is satisfactory to you and the Applicant, all four copies should be signed by C. F. Taylor. Thereafter, please distribute the copies as usual.

Please advise the Applicant that the 8-1/4 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo
for

Harold Kirkemo

Enclosures
cc: Director's reading file
Mineral Resources
OME reading file
Mr. Kirkemo
130

CaCurtin/cac 6/21/71

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code

JUN 22 1971

AIRMAIL
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Memorandum

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: Field Application Report
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Enclosed is one copy of the field application report on the subject docket. Please sign the enclosed original copy of the last page and return it to this office.

Your draft copy of the report is returned herewith.

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: Director's reading file
Mineral Resources
OME reading file
Mr. Kirkemo
130

CaCurtin/cac 6/21/71

ROUTING AND TRANSMITTAL SLIP

		INITIALS	ACTION
1 TO (Name, office symbol or location) Chief, OME	OFFICIAL COPY O. M. E.		CIRCULATE
		DATE	COORDINATION
2 RE: OME-6456 (Mercury) C. F. Taylor Maury Mountain Mine Crook County, Oregon	RECEIVED JUN 14 1971 INITIALS CODE	INITIALS	FILE
		DATE	INFORMATION
3	cac 1 20	INITIALS	NOTE AND RETURN
	gfa 1 20	DATE	PER CONVERSATION
4		INITIALS	SEE ME
		DATE	SIGNATURE

REMARKS Attached is the bulk of the rough draft copy of my application examination report on the C. F. Taylor property. I mailed the part on the proposed contract and recommended exploration May 28, 1971. I will be away from the office next week and will not be able to get the full report typed before thn. Perhaps some of the information on the attached rough draft can be of use in the interim.

Figure 1 also attached.

Do NOT use this form as a RECORD of approvals, concurrences, disapprovals, clearances, and similar actions.

FROM (Name, office symbol or location)	DATE
Willard P. Puffett Field Officer, Region I Spokane, Washington WPP	6/11/71
	PHONE

OPTIONAL FORM 41
AUGUST 1967
GSA FPMR (41CFR) 100-11.206

GPO : 1967 O—300-455 (8-H) 5041-101

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION
656 U. S. Courthouse
W. 920 Riverside Avenue
Spokane, Washington 99201

6/11/71

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 21 1971
INITIALS | CODE
Cal | 120
gla | 130
HK | 120

Memorandum:

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Application Examination Report
OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

INTRODUCTION

C. F. Taylor, an individual, applied for OME assistance to explore extensions of a cinnabar-filled fracture that cuts the Clarno Formation of Eocene age on the north slope of the Maury Mountains, about 32 miles southeast of Prineville, Oregon. In May 1965, Mr. Taylor unsuccessfully applied for OME assistance to explore near another part of his property where there had been production. The current proposal is to explore a new discovery 2,000 to 2,500 feet south of the old Maury Mountain mine by shaft-sinking and drifting from a level near the bottom of the shaft. He estimated the cost of the work to be $40,000.

I visited the mine on Monday, April 5, 1971, and in the company of Mr. Taylor, examined two small pits on the new discovery, collected a few samples, made a brunton and tape survey near the new discovery, examined old underground workings, and discussed alternative ways of exploring the new discovery. About 6 hours were spent in examining the property.

ON-SITE
EXAM.RPT.

RECOMMENDATION

I recommend that OME participate in an exploration project to search for extensions of the mercury-bearing fracture zone that has been exposed in two small prospect pits. Instead of shaft-sinking, as proposed in the application, I recommend trenching by backhoe to delineate surface traces of the vein east and west of the discovery pits, and drifting and crosscutting on an adit level about 75 feet below the discovery pits. Raising from the adit to the two pits will explore the vein along dip and will provide ventilation for the underground workings. Total estimate cost of the revised exploration project is $43,080 of which the Government's share at 75 percent is $32,310.

APPLICANT

C. F. TAYLOR
1128 Phelps Avenue
San Jose, California 95117
Telephone: 408-243-3468

Mr. Taylor has adequately demonstrated in a financial statement that he has the funds to pay for his share of the exploration project. He has owned the property since the mid-1960's, kept the buildings in good repair, and has competently supervised some exploration which has included geochemical sampling and drilling. Mr. Taylor must rely on others to do much of the heavy work for cancer has rendered his left arm useless. Cobalt treatments have arrested the cancer, and Mr. Taylor should be competent to supervise the exploration proposed in this report. He was formally trained as an engineer and has considerable experience working in the oilfields. He is in his mid-fifties and, except for his useless arm, appears to be in good health.

PROPERTY

The property consists of eight unpatented claims (figure1-Claim, index, and partial topographic maps, Maury Mountain mine, secs. 10 and 15, T. 17 S., R. 19 E., Crook County, Oregon), that are recorded in the Crook County Courthouse, Prineville, Oregon as follows:

Claim	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	305
Grandview Fraction	5	516
Maury Mountain No. 5	5	516

Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No. 3	5	146

The applicant owns other property near the unpatented claims but this property should not be subject to the contract.

The property, all deeded land, includes the S½SE¼ Sec. 3, T. 17S., R. 19E.; S½SE¼ sec. 9, T. 17N., R. 19E.,; NW¼NE¼, S½NE¼, NE¼NW¼, W½SW¼, N½SE¼, all in sec. 10, T. 17S., R. 19E., W. M., Crook County, Oregon, and recorded in the indexed mining record, book 12, page 66.

The claims are on the north slope of the Maury Mountains, and in part cover a bench capped by basalt. Slopes are generally moderate and altitudes range from 4,000 to 4,500 feet (fig.1).

There are several habitable buildings and an operable Champion retort at the old Maury Mountain mine. Many underground workings attest to the several years of former exploration and production. There are no buildings nor underground workings on the Maury Mountain claims where the new discovery was made.

ACCESSIBILITY

One can reach the property from Prineville, Oregon, by traveling southeast on a paved county road for 25.5 mailes to about 1 mile east of the hamlet of Post, Oregon. Turn south, cross the Crooked River, continue to the first road that leads east; follow this road for about two miles to a mail box marked Maury Mountain mine; turn right and follow an access road southerly for about 2 miles to the Maury Mountain Mine camp. The new discovery is about one-half mile south of the camp and can be reached by following an unsurfaced access road. Except for periods of wet weather, the mine is easily accessible in a modern passenger automobile.

GEOLOGY

Cinnabar deposits at the Maury Mountain mine are in fractures that cut tuffs and clays of the Clarno Formation of Eocene age (Brooks, p.154). Wilkinson (1940) and Waters (1968) mapped the general geology of a large area surrounding the Maury Mountain mine, but their maps differ in some respects. Wilkinson's map shows patches of Columbia River basalt of Miocene age east of the mine; these same patches are indicated on Water's map as andesitic intrusive rocks - - part of the Clarno Formation. The tuffs and clays are nearly flat-dipping; Wilkinson (1940) mapped a north-south trending anticline whose crest is about 2 miles east of the Maury Mountain mine.

Brooks (1963) reports: "The small but extremely high-grade ore bodies are unique among Oregon quicksilver deposits. They formed in small, widely scattered pockets, lenses, and kidneys in various places such as fault junctions and fault intersections, points where attitudes in fault surfaces change, brecciated zones along faults, and transverse fractures between faults. No quicksilver has been found in the intrusive andesite and little ore occurs in the altered tuffs adjacent to the faults * * * The ore treated has average over all about 12 percent quicksilver on recovery. From one of these ore bodies, 22 flasks were recovered from 3 tons of ore."

Mr. Taylor, in October 1969, found some rich cinnabar ore in an easterly-trending fracture zone about 2,000 feet south of the old mine workings (figure 1). He recovered 16 flasks of quicksilver from hand-sorted ore mined from an open-cut about 12 feet long and 10 feet deep (discovery pit on figure 1). The vein is from one to 12 inches thick, strikes about due E. and dips 60°N. Four drill holes tested this vein down dip and proved the cinnabar extended to a depth of at least 45 feet. Another cut, dug in November 1969, about 150 feet east of the Discovery pit, exposed rich cinnabar ore in a narrow fracture that is probably the east extension of the cinnabar-bearing fracture in the Discovery pit.

Basaltic (?) rock, probably that indicated on Water's map as andesite, crops out on the hill north of the Discovery and East pit. It appears to be a flat-lying capping on the Clarno and not necessarily an intrusive mass. I know of no underground workings crossing a contact between the Clarno clays and tuffs and an intrusive andesite.

The Clarno clays and tuffs are altered and weather to a rusty brown; silicification is common. Cinnabar-bearing fractures are within altered portions of the Clarno Formation. All search for ore should be confined to the altered rocks.

Sloughing in the Discovery pit had obscured much of the vein, but a few pieces of cinnabar recovered from the walls indicated the richness of the deposit. Pieces of nearly solid cinnabar an inch or two in diameter could be found. A sample of bedrock near the vein assayed only 2.4 pounds mercury per ton. Obviously most of the richer parts of the vein had been removed and reduced in the Champion retort at the Maury Mountain Mine. A trench west of the Discovery pit is in the wrong position to expose the vein; the applicant had not considered the northerly dip of the vein when he dug the trench.

The applicant found scattered fragments of cinnabar by panning the soil from the slopes west of the Discovery pit. Perhaps the source of the cinnabar fragments is widely separated high-grade zones along the fracture.

The area east of the East pit has not been trenched. The vein should continue in this direction. There are steep slopes about 500 feet east of the East pit, and if the vein can be traced to them, they would be an ideal location for starting underground work. If the vein cannot be traced to the east, the slopes west from the Discovery Pit will afford a satisfactory location for an adit portal.

APPLICANT'S PROPOSAL

The applicant proposed sinking a 5' x 9' two-compartment shaft approximately 60° down-dip along the vein to a depth of 100 feet. Drifting from the most favorable level on the vein would explore along the vein for 300 feet. Other proposed work includes bulldozer scalping or backhoe trenching on the Grandview claim and at two other locations in the SE¼NE¼ sec. 10, and in the SW¼SW¼ sec. 10.

Anticipated cost proposed by the applicant is as follows:

Item	Cost
Shaft-sinking, 100 feet at $200/ft	$20,000
Drifting, 300 feet at $40/ft	12,000
Drilling, 600 feet at $8 per foot	4,800
Bulldozing or backhoe trenching, 200 hours at $16 per hour	3,200
	$40,000

APPRAISAL OF PROPOSAL

The applicant's proposal has much to commend it. Ore shoots at the Maury Mountain mine are rich but generally do not extend far along strike; hence exploration should stay close to the known ore. The drilling proved that ore extends to at least 45 feet in depth and perhaps the ore goes deeper. The high cost of shaft-sinking is a deterrent and once a shaft is started, there is little leeway in adjusting the exploration. Drifting in an adit should be cheaper than drifting from the bottom of a shaft. Four feet of drift in an adit can be driven for about the same cost as sinking one foot in an inclined shaft. An adit would also permit cheaper extraction of ore, should the exploration be successful. The gently sloping topography does not permit a very favorable site for an adit portal, but one can be found at an elevation 75 feet lower than the East pit at a point about 300 feet west-northwest from the Discovery pit.

After a discussion of these points, the applicant agreed that drifting on an adit level would be preferable to sinking a shaft. Backhoe trenching to trace the vein northwesterly from the discovery pit might be successful in delineating a satisfactory location for the adit portal.

It is difficult to make a meaningful appraisal of the ore expected if the exploration is successful. Sixteen flasks of mercury were recovered from the small pit that followed the vein to only ten feet in depth. Should ore be found to extend to the proposed adit level, some 75 feet, and be as rich as that found in the Discovery pit, one should expect to find at least enough ore for another 100 flasks of mercury along a strike length of 10 feet. Should the ore be continuous along strike between the Discovery and East pits, then the total ore to be expected can be increased accordingly. The history of the veins and production at the Maury Mountain mine suggests that the veins contain small but rich ore shoots--the new discovery can reasonably be expected to be similar to the Maury Mountain Mine veins. At least 1,500 flasks of mercury should be expected from ore found by the drifting and raising. The mercury market is now very unstable and hovers at about $250 per flask. Total value of 1,500 flasks of mercury at $250 per flask is $375,000. The total production from the old Maury Mountain Mine is only about 770 flasks; therefore the above estimate might be a trifle high.

A recommendation and data for a proposed contract were completed in rough draft form on May 28, 1971.

REFERENCES CITED

Brooks, H. C., 1963, Quicksilver in Oregon: Oregon Dept. Geol. and Mineral Ind., Bull 55, 223 p.

Waters, A. C., 1968, Reconnaissance geologic map of the Post quadrangle, Crook County, Oregon: U. S. Geol. Survey Miscel Map I-542

Wilkinson, W. D., 1940, Geology of the Round Mountain quadrangle, Oregon: Oregon Dept. Geol. and Mineral Industries Map 7

Willard P. Puffett

Willard P. Puffett

120 HK

130

DRAFT 6/7/71
HKirkemo/gla
MME Form 51
July 1965

To Legal

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME-6456	Mercury		Crook	Oregon

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

C. F. Taylor,

1128 Phelps Avenue
whose mailing address is / San Jose, California 95117,
hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $43,080.00. The Government will contribute 75 percent of the total fixed unit costs of the work performed, not in excess of $32,310.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

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

See Annex I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

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

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

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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

(d) The determinations of the Government are subject to appeal under Article 11.

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

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

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quadruplicate the day and year first above written.

C. F. TAYLOR
(Operator)

By

Title

THE UNITED STATES OF AMERICA

By

Acting Director, U. S. Geological Survey

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

DRAFT 6/7/71
HKirkemo/gla

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of eight (8) unpatented claims in secs. 10 and 15, T. 17 S., R. 19 E., W.M., Crook County, Oregon. These claims are shown on Figure 1, entitled "Property map - Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon," attached and made part hereof.

The eight unpatented lode mining claims are recorded in the Crook County Courthouse, Prineville, Oregon, as follows:

Claim Name	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	305
Grandview Fraction	5	516
Maury Mountain No. 5	5	516
Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No. 3	5	146

The Operator is in possession of these claims by right of location.

DRAFT 6/7/71
HKirkemo/gla

EXPLORATION CONTRACT
C. F. TAYLOR
OME-6456

EXHIBIT A

The purpose of the project is to explore by surface trenching and underground drifting, crosscutting, and raising for mercury-bearing ore shoots in or associated with a vein cutting volcanic rocks in the Clarno formation of Eocene age.

General Provisions

A backhoe no smaller than a Case Model 480 or equivalent unit of any other make shall be used for trenching and backfilling.

All trenches and excavations shall be backfilled so as to restore the surface of the land to approximately its original configuration.

All drifts, crosscuts, and raises shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary using standard 8- by 8-inch drift sets or equivalent round timber. Raises shall be timbered to provide a chute and manway with lagging in the chute compartment and ladders in the manway compartment.

Mine rails shall be not less than 12-pound size, air lines not less than 2-inch diamater, water lines not less than 1-inch diameter, and vent lines not less than 10-inch diameter.

All significantly mineralized areas traversed by the trenches, drifts, crosscuts, or raises shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. A representative bulk sample shall be collected from each round broken in mineralized rock.

All samples from whatever source, shall be split as necessary and one split assayed for mercury. The Operator shall store one split of each sample in a suitable container properly identified as to source and location for Government inspection and possible use. With prior Government approval, the Operator may dispose of the stored samples.

True copies of assay certificates and maps or sketches showing the work completed, the location, width, and assay value of samples, and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

No work under this contract shall be performed within 100 feet of the outer boundary of the project area.

The Operator shall provide such supervision, labor, equipment, and technical services as may be required to complete the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

Description of the Work

The Operator shall first explore the mercury-bearing vein on the surface by backhoe trenching (at about 100-foot intervals) across the trend of the vein east and west of the Discovery Pit to the extent shown on Figure 2 entitled "Proposed exploration - Maury Mountain Mine, T. 17 S., R. 19 E., Crook County, Oregon," attached and made part hereof.

All trenches shall be mapped and the mineralized structures sampled. With prior Government approval, the trenches shall be backfilled.

An aggregate of 50 hours shall be allowed for backhoe operations.

A shed about 12 by 20 feet shall be constructed to house an air compressor and a miners' change room.

From a prepared site located about 300 feet northwest of and 75 feet below the level of the Discovery Pit, an adit drift or crosscut shall be driven to and along the mercury-bearing vein approximately 475 feet on an easterly course previously determined by the surface trenching.

Raises may be driven on the vein from the adit level to the Discovery Pit and the East Pit if warranted by the results of drifting.

The approximate locations of the adit portal, proposed drift and raises are shown on Figure 2.

The aggregate footage of crosscuts, drifts and raises is estimated at about 650 feet.

Estimated Costs of the Work

Fixed Unit Costs 1/

Mobilizing and demobilizing backhoe	$ 40.00
Trenching and backfilling,	
50 hours @ $13.00/hr.	650.00
Preparing access road and portal site 2/	300.00

Constructing 12- x 20-ft. compressor shed and change room 2/	1,000.00
Mobilizing mining equipment 2/	80.00
Demobilizing mining equipment 2/	80.00
Drifting, crosscutting and raising, 3/	
650 feet @ $51.20/ft.	33,280.00
Timbering drifts, crosscuts, raises, 3/	
250 feet @ $18.20/ft.	4,550.00
Assaying,	
100 samples for mercury @ $6.00/sample	600.00
1 - Outside engineering-geologic consultant,	
20 days @ $100.00/day	2,000.00
Per diem for consultant,	
20 days @ $25.00/day	500.00
Total Estimated Costs	$43,080.00
Government Participation at 75%	$32,310.00

1/ The Government retains no equity in any of the materials used.

2/ The completed job is the unit of work.

3/ Includes all costs of labor, materials, equipment purchased and rented, and materials, supervision, insurance, and office expense.

rough draft

ROUGH DRAFT

PROPOSED EXPLORATION

OME- 6456 (Mercury
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

from: Willard P. Puffett
Field Officer, Region I

RECOMMENDED EXPLORATION

The following exploration is proposed and differs from that originally proposed by the applicant in that the underground work will consist of drifting and crosscutting from an adit portal instead of sinking a shaft from which drifts and crosscuts will be driven. The applicant has agreed to the change in proposal.

Trenching with a backhoe will explore for extensions of the cinnabar-filled fissure east and west of the Discovery and East Pits (see figure 2 that is to be attached to the contract-entitled Proposed Exploration, Maury Mountain Mine, etc.). Perhaps this work will be successful in tracing the ore-bearing structure east to where there is a relatively steep slope and considerable backs can be quickly obtained in a drift. However, the proposed drift shown on the map starts from a position about 75 feet lower and about 450 feet northwesterly from the East pit. Even though the vein cannot be traced as far northwest as he proposed portal site, the cost for drifting and crosscutting to pick up the vein to the southeast will be less than the cost for shaft-sinking.

Two raises are proposed, both of which will extend up from the drift to the exposures in the Discovery and the East Pit.

The known ore, though occuring in relatively narrow streaks, is extremely rich in mercury. If the exploration is successful, much of the development work in ore will produce considerable quantities of cinnabar that can be converted to mercury in the retort on the applicant's property.

Cost of Proposed Exploration

(a) Independent Contracts

Trenching, back-hoe, with operator. 50 hours at $13/hour	$ 650.00	

(b) Personal Services

Contract labor for 650 feet of drifting, crosscutting, and raising at $25/ft	16,250.00	
Supervision, 7 months at $500/month ($\frac{1}{2}$ time)	3,500.00	
Cost per foot		30.38
FICA and other insurance at 19.5%		5.92
Total cost per foot for personal services		36.30

(c) Operating materials and supplies per 5-ft round

30 lbs poweder at $30/cwt (each round will consist of 12 6-ft holes)	$9.00	
12 caps at 0.04 each	0.48	
120 ft. fuse, at 0.0165/ft	1.98	
500 ft. 1-inch water line with fittings at 0.25/ft (less 75% -no salvage)	.35	
500 ft. 2-inch air line at 0.50/ft (less 75%-no salvage)	.70	
100 ft 3/4-inch air hose at 0.85/ft	. 65	
100 ft ½-inch water ~~lix~~hose at 0.70/ft	.54	
Fuel, oil, and gas	5.00	
Rail, 16#, 2.8 tons at $250/T. (used) (less 75%-no salvage)	1.96	
Ties, 175 at 0.25 each	.35	
Fish plates, spikes, etc. 0.60/ft	3.00	
Steel, 1 replaced each 600 feet at 18.65 each. (72 feet per round)	2.24	
Bits, 1 replaced each 600 feet at $14.50 (72 feet per round)	1.74	
Small tolls, repair parts, etc. 0.50/ft	2.50	
Total operating materials per round	31.45	6.30/ft

(d) Operating Equipment

Furnished by applicant	Fair market value	Dep	
Jeep, 1965, ½-ton, 4-wheel drive	$1,500	per month $25.00	
Total depreciation, 7 months			$ 175.00

To be purchased	Cost	Less 75%	
Drill, Model FL-53 Gardner Denver Feed Leg (used)	1,150	287.50	
Mucking machine, Model 12 D Eimco Rocker Shovel	3,450	862.50	
Total cost, less 75% (no salvage)			1,150.00

To be rented	Rental Cost per month	
Compressor, 365 cfm, Model RP365 DB Gardner-Denver		
Rotary portable	$550.00	
Total rental, 7 months		3,850.00
Total cost of operating equipment		$5,175.00
Per foot cost of operating equipment		7.96

(e) Initial rehabilitation and repairs
Access road, portal preparation, and compressor shed listed as a unit, separate from underground work

(f) ;New compressor shed listed as part of unit described under (e)

(g) Miscellaneous

Office and accounting

7 months at $60/ month	$ 420.00
100 assays for mercury at $6.00/assay	600.00
Engineering-geologist consultant 20 days at $100/day	2,000.00
Per diem for consultant 20 days at $25/day	500.00

Total cost per foot for drifting, crosscutting, and raising

(b) Labor and supervision	$ 36.30
(c) Operating materials and supplies	6.30
(d) Operating equipment	7.96
(g) Office and Accounting expense	.65
	$ 51.21

TIMBERING

It is estimated that 20 percent of the drifts and crosscuts and 100 percent of the raises will be timbered, for a total of 250 of timbering. The bid for contract labor for timbered drifts is ten dollars more than for untimbered drifts. Three sets of timber should be set and blocked per regular shift. Total time required for the estimated timbering is 17 days.

(b) Personal Services

Contract labor for 250 feet of timbering at $10/ft	$ 2,500.00	
Supervision 3/4 month at $500/month	375.00	
	$ 2,875.00	
FICA and other insurance at 19.5%	560.62	
Total personal services	$ 3,435.62	
Per foot cost		13.74

(c) Operating materials and supplies

102 posts, 8" x 8" x 7'	= 3807 bf
51 caps, 8" x 8" x 6'4"	= 1718 bf
100 collar braces 4" x 4" x 4"4'	=865 bf
250 lagging (in back only) 3" x 12" x 5'	= 3750 bf
	10,140 at $100/M
Total cost	$ 1,014.00
Plus 10% for blocks, wedges, etc.	101.00
	$ 1,115.00
A 250 feet of timbering	4.46/ft

Total cost per foot for timbering $18.20

PROPOSED CONTRACT

Annex I

The land, including all rights pertaining thereto, referred to in Article 2 of the contract, consists of 8 unpatented claims in secs. 10 and 15, T. 17 S., R. 19E., W. M., Crook County, Oregon. These claims are owned by the Operator and are recorded in the Crook County Courthouse, Prineville, Oregon as follows:

Claim Name	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	305
Grandview Fraction	5	516
Maury Mountain No. 5	5	516
Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No.3	5	146

The outlineof the claims ~~are~~ as shown on Figure 1- Property Map of Maury Mountain Mine., T. 17 S., R. 19E., Crook County, Oregon, attached hereto and made a part hereof.

GENERAL PROVISIONS

All drifts, crosscuts, and raises shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary. Drift and raise sets shall be of not less than 8 by 8-inch timber, or equivalent round timber. Raises shall be timbered to provide a chute and manway with lagging on the chute side and ladders on the manway side.

Mine rails shall not be less than 12-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 10-inch diameter.

All significantly mineralized areas traversed by the drifts, crosscuts, or raises shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, a representative bulk sample may be taken of each round broken, but no such sample shall represent more than 5 linear feet of working.

All samples from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container property labelled.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

All splits of samples for assay shall be analyzed for mercury. True copies of assay certificates and maps or sketches shwoing the work completed, the location, width, and assay value of all samples assayed, and the geological formations and structures traversed by the wo4kings shall be furnished monthly to the Government.

/The Operator shall provide such equipment, materials, power, supervision, labor, and technical services as may be required to perform the work ina satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

All trenches shall be backfilled to conform to the original contour of the surface before trenching.

Description of the Work

The work shall consist of backhoe trenching to explore the vein east and west of the Discovery ~~shaft~~ Pit. Underground work includes drifting and crosscutting from a portal site about 75 feet lower than the East Pit and some 300 feet northwesterly from the Discovery pit. From the drift, raises will be driven to the Discovery pit and the East pit. Outline of the proposed exploration is ~~shown~~ shown on figure 2 attached hereto and made a part hereof (Figure 2-Proposed Exploration, Maury Mountain Mine, Crook County, Oregon).

Estimated Costs of the Work

Fixed Unit Costs1/

Trenching and backfilling with backhoe 50 hours at $13/hour	$ 650.00
Portal site preparation, access road, and mobilization of mining equipment 2/	~~470.00~~ 500.00
Construction of 12' x 20' compressor shed and change room 2/	1,000.00
Drifting, crosscutting, and raising 650 feet at $51.20/ft	33,280.00
Timbering in drifts, crosscuts, and raises 250 feet at $~~17.20~~ 18.20/ft	~~3,300.00~~ 4,550.00
Mercury assays, 100 at $6/assay	600.00
Engineering-geologist consultant 20 days at $100/day	2,000.00
Per diem for consultant 20 days at $25/day	500.00
Total estimated cost of project	$ ~~41,800.00~~ 43,080.00
Government participation 75%	~~31,350.00~~ 32,310.00

1/ The Government retains no equity in any of the materials used.

2/ The completed job is the unit.

U. S. GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6456 (MERCURY)

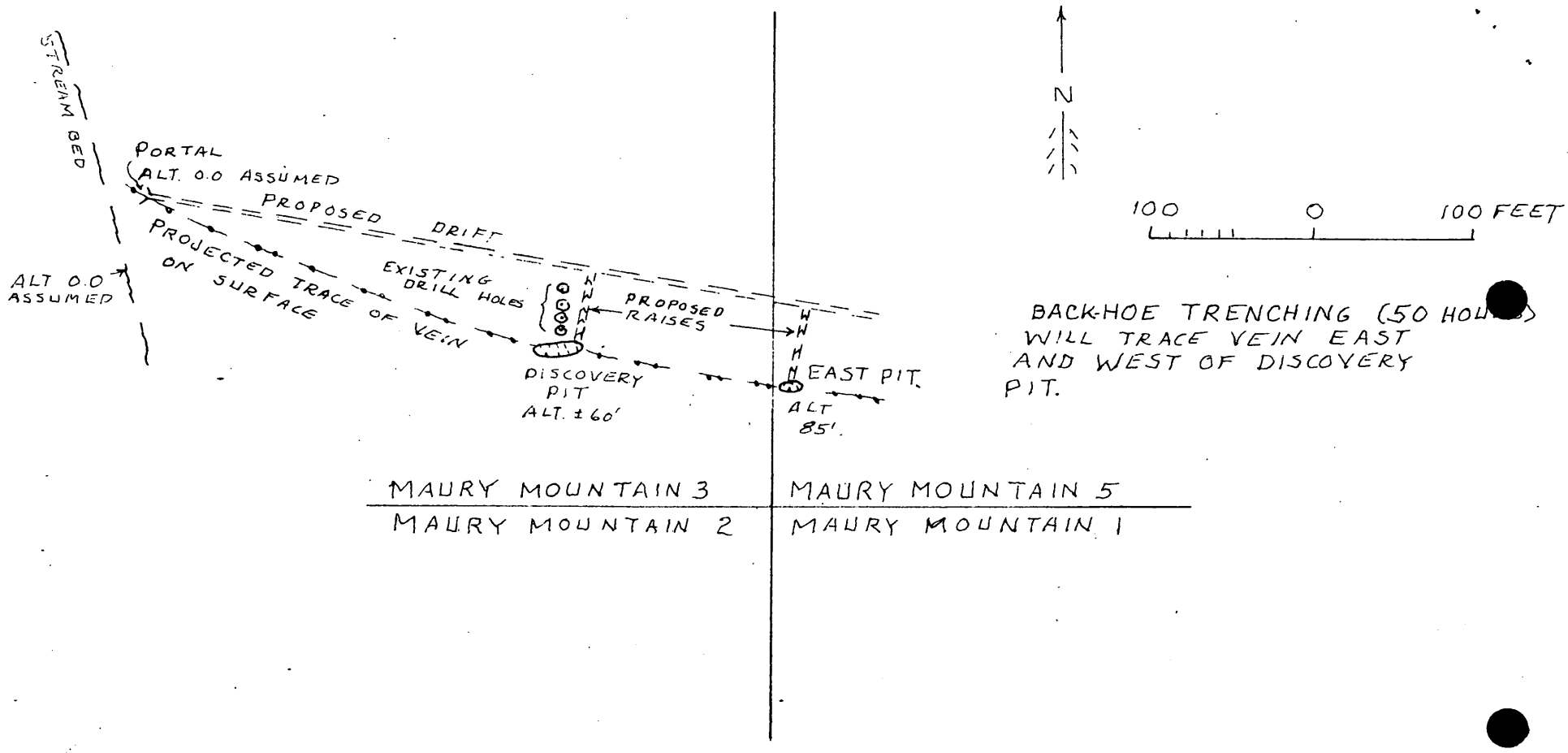


FIGURE 2- PROPOSED EXPLORATION- MAURY MOUNTAIN MINE, T.17S., R.19E., CROOK COUNTY, OREGON

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Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

120M

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

Dear Mr. Taylor:

The application for assistance in exploring the subject property has been reviewed by the Washington office and referred to Mr. Willard P. Puffett, Field Officer, Region I, Office of Minerals Exploration, U. S. Geological Survey, 656 U. S. Court House, W. 920 Riverside Avenue, Spokane, Washington 99201.

Mr. Puffett will notify you if he requires additional information concerning the application and possibly to make arrangements for an on-site examination of the property.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region I
Mr. Emerick

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AIRMAIL

Memorandum

2/2/71 cae 220

To: Field Officer, Region I 120M

From: Chief, Office of Minerals Exploration

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

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

The application appears complete and updated with the new information and bank letters. If the applicant still plans on any drilling we should have the bids the applicant states he is trying to obtain. Estimated costs submitted in the applicant's addendum to the application seem reasonable, but they can be reviewed and the exploration proposal modified if necessary on the field examination.

Harold Kirkemo

Harold Kirkemo

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
~~XXXXXXXXXXX~~
Mr. Emerick

WLEmerick/bsl 2/2/71

OFFICE OF MINERALS EXPLORATION
656 U. S. Court House
W. 920 Riverside Ave.
Spokane, Wash. 99201

RECEIVED
DEC 24 1970
INITIALS | CODE
220

December 21, 1970

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury) (denied)
C. F. Taylor
Maury Mountain mine
Crook County, Oregon

Dear Mr. Taylor:

Some funds are still available for OME exploration contracts; there are, however, several applications being processed and if new contracts are awarded, the funds soon may become obligated.

Enclosed are the forms you can use to prepare a new application. The information you have found from drilling might be sufficient to justify a modest program that includes shaft-sinking. We have considerable information about your property in our files, so I suggest that you will need add only the new drilling information available. It will be necessary, of course, that you submit copies of your letter to lending agencies and their replies.

Sincerely,

Willard P. Puffett
Field Officer, Region I
Office of Minerals Exploration

Enclosures

cc:
OME w/c incoming letter

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

RECEIVED
DEC 21 1970
SPOKANE, WASH.

December 15, 1970

Mr. Willard Puffett
O. M. E., U. S. G. S. Room 656
West 920 Riverside Avenue
Spokane, Washington 99201

Dear Mr. Puffett:

In recent conversations with personel in your Region Two office here in Menlo Park, I was told that some money may be available for O. M. E. loans during this current year.

I applied, unsuccessfully, in 1965 for O. M. E. - 6456 (Mercury - Maury Mtn. Mine, Crook County, Oregon). We have since discovered a vein of high grade cinnabar, proven to a depth of 45 feet or more by drilling, and wonder if you could advise me as to the availability of funds in your region and if you could consider a re-application for a loan for the purpose, this time, of sinking an incline shaft on the vein.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

Ome

U.S. Court House, Rm. 656
West 920 Riverside Avenue
Spokane, Washington 99201
April 15, 1969

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AIR MAIL

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury) (Denied)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Taylor:

In accordance with the final paragraph of Mr. Johnson's letter of October 22, 1965, should the work you have done "indicate that anomalies can be outlined satisfactorily by the method you propose (in this case have used), we will be glad to reconsider, etc."

You have given no values for your soil samples, usually in parts per million, no background count, and no map showing where the soil samples were taken and the locations of the drill holes. Neither have you given chemical assays of the hole cuttings. Hence, it is impossible for me to guess whether or not the conditions stated by Mr. Johnson have been satisfied to warrant reconsideration of your application at this time.

If you can demonstrate that the anomalies have been outlined satisfactorily and wish to submit a new application, you may use two of the enclosed M&E Form 40's--the third is for your records. You need not repeat the data submitted with your prior application except by reference under the appropriate item and subitem. However, you must submit copies of letters you have written to two banks within 90 days of the date of your application and copies of the banks' replies as required under item 1(a) on the back of the form. This requirement cannot be waived. Also, under item 3(a), you should describe fully the geochemical and drilling work to which you refer in your letter. The location of your soil samples, indicating either parts per million or percent mercury; the locations of your drill holes with chemical analyses, depth and width of samples should be shown on a map at a convenient scale for purposes of orientation with respect to claim boundaries and identified tunnel portals.

You probably should prepare a new cost estimate under item 7 as your former application was presented 2 years ago. Whether or not you plan to do the drilling yourself, OME will require bids from at least two independent drilling contractors.

Nothing is this letter is to be considered as any assurance that a contract may be offered.

Sincerely,

D. R. MacLaren
Field Officer, OME
Region I

Enclosures

DRMacLaren/WPPuffett/mls

cc: OME w/cpy incoming

Director's Reading File

C. F. TAYLOR
1128 Phelps Avenue
San Jose, Calif. 95117

April 9, 1969

Mr. Willard Puffett
Office of Minerals Exploration, U.S.G.S.
West 920 Riverside Avenue
Spokane, Washington 99201

Re: OME - 6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Puffett:

In 1965, I applied for O.M.E. financial assistance for exploration work on the above property. It was examined in June, 1965, by Mr. D. R. MacLaren and the application denied, without prejudice to the property, in a letter from Frank E. Johnson, Chief, O.M.E., Washington, D. C., dated October 22, 1965.

In this letter, Mr. Johnson stated that should we do work indicating that anomalies could be found by soil sampling and drilling, O.M.E. would be glad to reconsider my application. During the summer of 1968, we drilled twelve exploration holes of approximately two inch diameter to depths of from eight to one hundred feet, with a Hossfeld Drill, at locations principally found by high readings of soil samples tested with a Lemaire detector. Cuttings recovered from three of the holes give a maximum reading on the detector and several others give a high reading. One hole drilled to a depth of 95 feet, adjacent to prior workings, produced visible cinnabar in the cuttings.

We would like to resume exploratory drilling as soon as the weather permits this spring, and wonder if you might reconsider the O.M.E. application, and if so, when you could examine the property.

Very truly yours,

C. F. Taylor

C. F. Taylor

CFT/fst

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APR 11 1969
U. S. G. S.
SPOKANE, WASH.

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GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
November 5, 1965

Air Mail

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Taylor:

As requested in your letter of November 2, 1965, addressed to Mr. MacLaren, I am returning under separate cover to you the maps referred to.

Sincerely yours,

M. L. Smelser for
D. R. MacLaren
Field Officer, OME
Region I

cc: Separate cover

OME w/cy incoming

MLSmelser/mls

Director's Reading File

C. F. TAYLOR
1101 Phelps Avenue
San Jose, Calif.

[illegible] 2, 1965

Mr. [illegible] R. MacLeod
U. S. Dept. of the Interior
Office of Mineral Exploration
S. 117 [illegible] Street
Spokane, Washington [illegible]

Dear Mr. [illegible]

[illegible] from your office in [illegible], D. C., [illegible] for exploration assistance [illegible] the property.

I would [illegible] to me, at the above address, the maps that [illegible] to Spokane after making your inspection of [illegible], 1965; at your earliest convenience.

Very truly yours,

/s/ C. F. Taylor

C. F. Taylor

CFT/[illegible]

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
10/19/65	Kirkemo	
"	Johnson	
10/20	Kilgard	
10/21	Turetta	
10/21	Keppen	
		220

OCT 22 1965

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Taylor:

Careful study of your application for financial assistance in exploring the subject property and of other information available to us indicates that the probability of disclosing significant ore reserves on the property is not sufficiently promising to justify Government participation in the proposed exploration. Accordingly, we regret to inform you that your application for exploration assistance is denied without prejudice to the property.

Should you do work which indicates that anomalies can be outlined satisfactorily by the method you propose, we will be glad to reconsider your application with the additional information.

Sincerely yours,

signed) FRANK E. JOHNSON (gfa)

Frank E. Johnson
Chief, Office of
Minerals Exploration

HKirkemo/mm (10/19/65)
cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Region I
Mr. Selfridge
Mr. Kirkemo
120M

23263

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/19	Johnson	

October 19, 1965

Memorandum

To: The File

From: Harold Kirkemo, Geologist

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Justification for Denial

The Applicant proposed an exploration program for mercury which would cost $30,000 and consist of the following stages:

1. Prospect with a portable mercury detector a zone of extrusive volcanic rocks surrounding an intrusive volcanic plug. The zone is about 300 feet wide. (The original written application was for geochemical prospecting as a first stage).

2. Test favorable locations discovered with the detector by diamond drilling and/or trenching.

3. Explore ore grade discoveries by underground workings and deep drilling.

The zone on the west and south sides of the intrusive plug has not been prospected. Workings on the east and north sides of the plug have produced 770 flasks of mercury since 1932.

There are too many uncertainties associated with locating an exploration target to warrant Government participation in the project.

The depth of soil, talus, or other surficial cover in the area to be prospected and the effective depth of detection of the mercury detector are unknown. Whether these unknown factors would preclude defining targets with the instrument proposed

should have been determined before the application for exploration assistance was submitted. Also, the Applicant should have defined by prospecting something more specific for an exploration target than a blank area on a map.

I agree with the Field Officer's recommendation to deny the application without prejudice to the property. If the Applicant submits additional information that will indicate a target on the west or south sides of the plug, the application should be reconsidered.

Harold Kirkemo

Harold Kirkemo

HKirkemo/mm
cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Kirkemo

one

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington 99204
October 5, 1965

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Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, Region I

Subject: Application Examination Report
OME-6436 (Mercury)
C. F. Taylor
Maury Mountain Mine
Crook County, Oregon

INTRODUCTION

C. F. Taylor applied for OME assistance to explore for mercury at the Maury Mountain mine in Crook County, Oregon. He proposed to use a portable mercury detector to determine favorable locations for trenching and/or diamond drilling. The work would start in the vicinity of existing workings and would eventually include a zone about 300 feet wide surrounding an intrusive andesite plug. The applicant also proposed to do an indefinite amount of deep diamond drilling "in the faces and along faults in the underground workings." The cost of this work is estimated by the applicant to be $30,000. The property was examined June 14, 1965, accompanied by C. E. Taylor the applicant. About 6 hours were spent on the property.

It is concluded that the chance of a significant discovery resulting from the applicant's proposed program is less than fair and it is recommended that the application be denied.

LOCATION AND ACCESSIBILITY

The property is in the SE¼ sec. 10 and NW¼ sec. 15, T. 17 S., R. 19 E. W.M., about 5 miles south of Post, Oregon. The nearest supply point is Prineville from which the property may be reached by following a paved country road for 25.5 miles to about 1.5 miles east of Post. Turn right and follow a good gravel road southerly for 0.5 mile. Turn left and proceed east for about 1.0 mile to a small sign on the left side of the road pointing to Maury Mountain Mines. Turn right and follow a fair gravel road to the mine, a distance of about 2 miles.

FIELD EXAM. REPT.

PROPERTY

The applicant owns eight unpatented mining claims and deeded land as follows:

Claim	Book	Page
Lost Cinnabar	5	6
Lost Cinnabar No. 2	5	7
Grandview	11	303
Grandview Fraction	5	516
Maury Mountain No. 1	5	145
Maury Mountain No. 2	5	147
Maury Mountain No. 3	5	146
Maury Mountain No. 5	5	516

S½SE¼ sec. 3; S½SE¼ sec. 9; NW¼NE¼, S½NE¼, NE¼NW¼, W½SW¼, N½SE¼ sec. 10, T. 17 S., R. 19 E. WM - Indexed Mining Record Book 12, page 66.

Lost Cinnabar No. 1 claim, locally called Towner claim is not owned or controlled by the applicant and is bounded on the north by the applicant's deeded land, on the east by Lost Cinnabar No. 1, on the south by Maury Mountain No. 5, and on the west by Lost Cinnabar No. 2. This claim contains much of the known favorable exploration area and is presently being worked by a lessee who will not sub-lease or transfer it to the applicant (fig. 1).

GEOLOGY

The geology of the area embracing the applicant's land is described by:

Brooks, Howard C., 1963, Quicksilver in Oregon: State of Oregon Dept. of Geol. and Mineral Industries Bull. No. 51, p. 154-155.

Stephenson, E. L., 1943, Geophysical surveys in the Ochoco quicksilver district, Oregon, a preliminary report: U. S. Geol. Survey Bull. 940-D, p. 91-95.

Rocks on the property are tuffs and tuffaceous sediments of the Clarno formation that have been intruded by an andesite plug, irregular in

outline. Probably related to the intrusion are many small faults to the north and east of the andesite. The faults vary in strike and dip, but in general they lie within a zone more or less curved that follows the outline of the plug; most of the them dip 70° to 80° away from the plug. Cinnabar has been found at some of the fault intersections forming chimneylike ore bodies. In a few places short narrow ore bodies have been found along some of the faults particularly in brecciated segments. In 6 trenches and 4 tunnels that were inspected, cinnabar in very small specks and paint streaks was only occasionally seen. According to the applicant all known ore shoots in the workings on the deeded level (fig. 1) have been practically worked out above the Drainage Tunnel level. Ore has also been mined below the Drainage Tunnel level in the last 100 feet of the southeasterly drift.

land (?)

The long trench by "A" adit was badly sloughed, but the debris was typical of weathered Clarno tuff. The portal of "A" adit was in the side of the trench and was open. The adit followed no identifiable structure, but near the end crossed a tight shear about an inch wide. Near the easterly end, a short spur to the north and east did not appear to follow anything more than a joint. No cinnabar was seen.

Above "B" adit, three shallow trenches were visited. They were in tuffaceous rock that was broken by zones of tight shearing, but no cinnabar was seen. In "B" adit 4 tight shears were cut, 2 of which were followed short distances by drifts. Some calcite filling and 1 or 2 blebs of cinnabar were noticed in the northwesterly drift, but no cinnabar was seen in any of the other fractures.

In a shallow pit above the northerly end of "C" adit and in the first shear cut by the adit a few small reddish specks that might have been cinnabar "paint," or could have been iron oxide, were seen. They were too small for positive identification.

In the Shaft adit, altitude about 3,985 feet, 2 ore shoots were cut, 1 extending about 15 feet from the portal, the other from about 45 to 65 feet from the portal. Both shoots have been mined out above the level. The drift followed a fault striking N. 75° W. for about 75 feet then was turned to follow another strong fault striking about S. 70° W. Only an occasional smear of paint was seen outside of the two ore shoots.

The Drainage adit was driven about 330 feet to crosscut the structures mined from the Shaft adit and these were followed by drifts southeasterly and northwesterly. The downward extensions of the two shoots were cut from about 20 to 35 feet southeast from the crosscut and from about 30 to 55 feet northwesterly from the crosscut. Both shoots have been stoped above the level, but to what height could not be determined.

The southeasterly drift was stopped at about 110 feet. At 90 feet a fault striking S. 20° E. was cut and was followed by a drift for about 100 feet. Winzes have been put down, 1 near the middle of the drift and 1 near its southeasterly end. They were flooded to the level, but according to Taylor there is a sublevel about 25 feet below the main level from which an unknown amount of ore was produced. From water-filled raises that have holed through to the main level the stope could have been as long as 60 feet. Stoping for about 15 feet above the level suggests there are 2 ore shoots in this area, the first 1 about 25 feet long, the second 1 about 15 feet long. The stope backs were not accessible, but according to Taylor there is some ore left.

The northwesterly drift was driven about 90 feet, 35 feet along a northwest-striking fault which was then cut off by a cross fault striking about S. 80° W. This fault was followed by a drift for about 80 feet westerly to southwesterly. The northwest ore shoot appears to be related to the intersections of these two faults and has been mined to an unknown distance above the level, but probably nearly to the Shaft Adit level. At 90 feet the main drift was turned northerly and continued another 50 feet where it cut a fault striking N. 80° W., swinging in an arc to S. 80° W. in the 90 feet or so that it was followed by the drift. There may be traces of cinnabar along some of these faults, but none was observed outside the limits of the stoped areas.

On the Drainage Tunnel dump many pieces of rock contained cinnabar as paint on surfaces and in a few hairlike stringers. According to Taylor, 1,100 pounds of dump material was test run and yielded 3.3 pounds mercury per ton.

Each of the Upper Level adits on the Lost Cinnabar claim were visited. Both were completely caved, the north adit at the portal and the south adit about 25 feet in from the portal. On the same claim, the East Prospect was full of sloughed material from the walls.

The lessee of the Lost Cinnabar No. 1 or Towner claim is working, but Taylor does not know what he is doing. From what Taylor said, relations have not been too cordial. Although there has not been any trouble between them, there has simply been an apparent lack of communication. Because of this strained situation, no attempt was made to gain permission to enter the Towner and Blacksmith adits.

According to Taylor, the south and west sides of the andesite plug have not been prospected either by trenches or other methods.

PRODUCTION

As nearly as can be determined, production from the applicant's claims from 1932, when they were located by Staley and Towner, through 1960 is:

Years	Source	Flasks
1932, 1934-1937	Upper Level Cinnabar claim	224
1938-1942	Shaft adit, deeded ground	124
1943-1946, 1951-1953 1955-1957, 1960	Drainage adit, deeded ground	241
Total		589

As the Towner workings cross over into the Cinnabar claim, some of the 181 flasks reported from the Towner mine may have come from the applicant's claim. Total production from all claims and deeded land on Maury Mountain is 770 flasks during a total of 21 productive years. Total underground development has been about 5,000 feet. Thus, about 0.154 flask of mercury has been produced for each foot of underground work.

APPLICANT'S PROPOSAL

The applicant proposes to buy a portable mercury detector with which he would make traverses at intervals across a 300-foot wide zone completely surrounding the intrusive plug starting near the present workings. At places where he might find anomalous amounts of mercury he proposes to diamond drill or possibly trench. Where drilling and/or trenching exposes mercury of ore grade, he proposes to sink winzes or drive crosscuts, followed by drifting. He also proposes an indefinite amount of "deep exploratory drilling in the faces and along faults in the underground workings."

As Taylor described it, the detector he has in mind will record as little as 0.1 ounce per ton and is an adaptation of the willemite screen. To use it successfully, the operator should be much more experienced with the instrument than is the applicant. In a relatively narrow zone containing so many faults, there would probably be a high and very irregular background, making it difficult to determine whether an apparent anomaly indicated a mercury ore shoot, mercury emanating from a fault, or a slight concentration of float. Therefore, the use of this method to locate trenches and/or drill holes would not be reliable and could be of little or no value.

Prospecting the zone around the plug by panning would probably be more reliable as an indicator of where trenches should be dozed.

Because of the problem of transporting water for this purpose, and his confidence in the mercury detector, the applicant was not receptive to this suggestion.

In view of the location of the areas already explored and the Lost Cinnabar No. 1 or Towner claim relative to the plug, only the western half of the zone surrounding the plug remains as potential exploration ground, sinking or drilling for the downward continuation of known ore shoots excepted. According to the applicant, there has been no exploratory work in that area. Without some evidence of mineralized faults in that area it is impossible to set up a program of trenching and/or drilling that would have specific targets.

Because of the numerous faults and cross faults, many of them curving, drilling along structures from the face of underground workings would not stand much chance of being successful. Deep drilling below known ore would not be exploration. Elsewhere, without any specific target, it would be prospecting.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that there may be minable occurrences of mercury to the south and/or west of the intrusive plug, but no specific targets have been demonstrated. It is also concluded that the value of the mercury detector the applicant proposes to use is questionable, and that without some evidence as to the location of specific targets in the area, trenching and/or drilling, unless extensive, would have a less than fair chance of success. Finally, it is concluded that a program of extensive trenching and/or drilling at this time would in fact have to be considered as prospecting.

It is recommended that the application be denied without prejudice. Should the applicant do sufficient prospecting to indicate specific target areas south and west of the andesite plug and apply for aid to explore them, it is recommended that his application be considered.

D. R. MacLaren
D. R. MacLaren MCS

Enclosure
Distribution:
OME(2)
USGS(SRO)
MacLaren
Docket

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/9	Johnson	110
		160
		220
6/10		120

JUN 1 0 1965

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Re: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Dear Mr. Taylor:

Your application for exploration assistance on the Maury Mtn. mine in Crook County, Oregon, has been referred to Mr. D. R. MacLaren, Acting Field Officer, Office of Minerals Exploration, Region I.

Mr. MacLaren will arrange with you concerning any examination of the property required or for obtaining additional information if needed.

Sincerely yours,

George Fumich, Jr.

Acting Director

FEJohnson/mm (6/9/65)
cc: Director's Reading File
Region I
Docket

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/9	Johnson	110
6/4	G 4	102
		220
		120 M

JUN 10 1965

Memorandum

To: Acting Field Officer, Region I

From: Deputy Director

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

Because you are making a field trip to Oregon, we are referring the subject application to you to include on your trip for a field examination if deemed advisable and report thereon.

The application is inadequate and the Applicant evidently expects considerable assistance from the Government in supervision and technical services if a contract is executed. The Government, of course, cannot perform these services; but if a contract is recommended, provision should be made in your report to cover competent supervision and technical services. Your report should, of course, include all the necessary data including costs for a contract if your recommendation is favorable, the total cost being commensurate with the potential of the property and within the modest means of the Applicant.

For your information, we are enclosing a memorandum from Mr. Harold Kirkemo, U. S. Geological Survey.

Enclosure

FEJohnson/mm (6/9/65)
cc: Director's Reading File
Review Committee
Docket

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/8/65	Kirkemo	
6/8	[illegible]	120
		110
		150

June 8, 1965

Memorandum

To: Chief, Division of Exploration Operations

From: Harold Kirkemo, U. S. Geological Survey

Subject: OME-6456 (Mercury)
C. F. Taylor
Maury Mtn. Mine
Crook County, Oregon

The Applicant proposes a $30,000 program consisting of geochemical prospecting, 5,000 feet of shallow drilling, and possible trenching, shaft sinking, and deep drilling from underground workings.

The proposed work would explore for cinnabar in a zone (Clarno volcanics?) peripheral to an andesite or basaltic intrusive plug. About 575 flasks of mercury have been mined at the property since 1930. The ore is reported to average 12 percent mercury.

The Applicant has reports and maps of the property but none accompanied the application received in Washington.

The Applicant hopes that the OME representative or the Oregon State Department of Geology will provide technical direction. Presumably this would include training in geochemical prospecting since his record shows no experience in this field. Limited time and staff precludes much technical assistance from OME, at least after a contract is prepared. Whether the State Survey would provide continuing guidance is unknown.

An X-ray drill is proposed for the surface drilling. In view of the broken character and altered state of the rock in the peripheral zone, will this drill yield satisfactory core?

The application should be referred to the field for review and possible field examination.

Harold Kirkemo

HKirkemo/mm (6/8/65)
cc: Director's Reading File
Region I
Docket
Kirkemo

23263

June 1, 1965

Mr. C. F. Taylor
1128 Phelps Avenue
San Jose, California 95117

Subject: OME - 6456

Dear Mr. Taylor:

Your application for exploration assistance, dated May 14, 1965, submitted to our office at Spokane, Washington has been assigned Docket Number OME - 6456.

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

Sincerely yours,

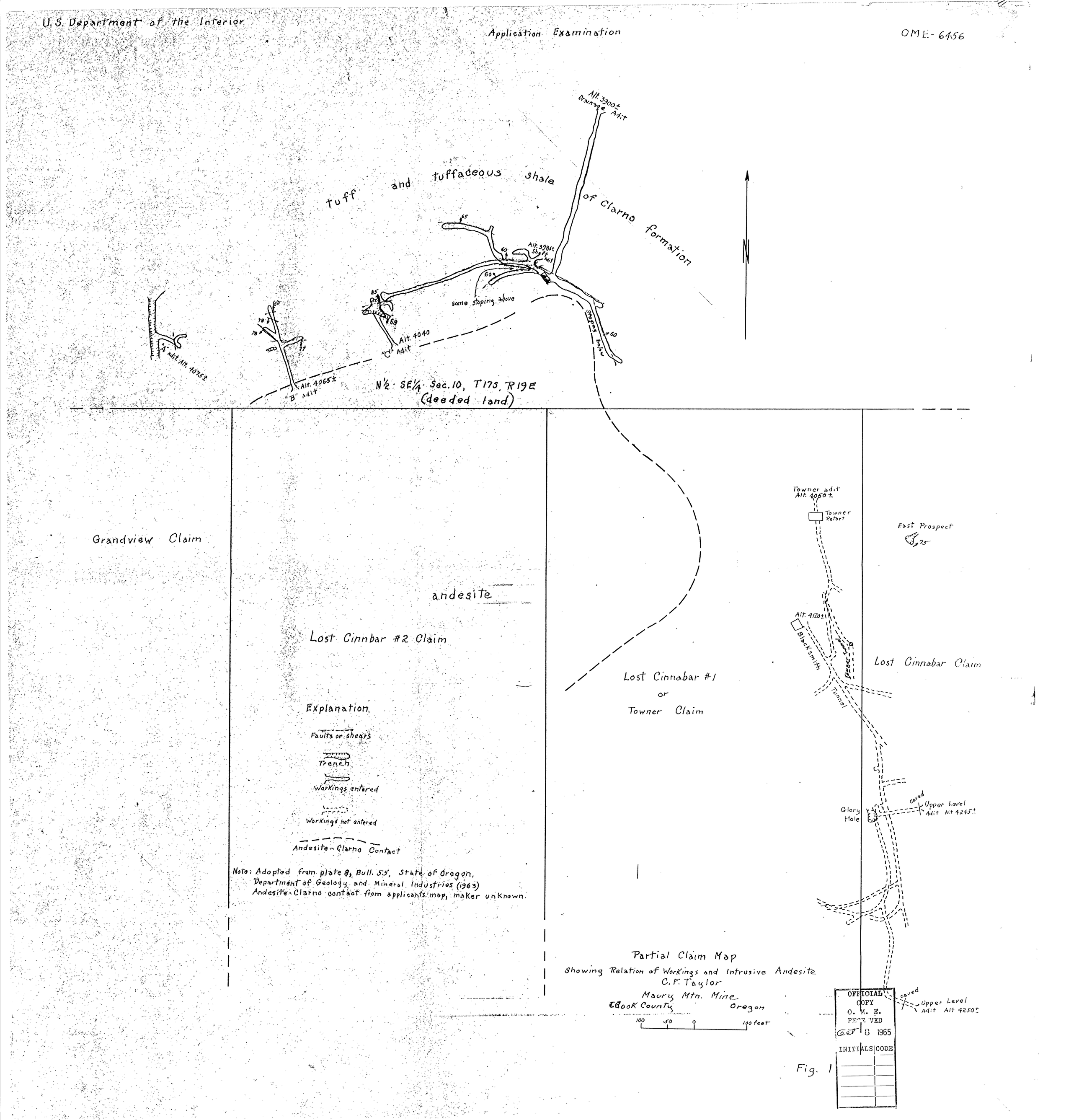
George C. Selfridge, Chief
Division of Exploration
Operations

Copy to Region I

U.S. Department of the Interior

Application Examination

OME-6456



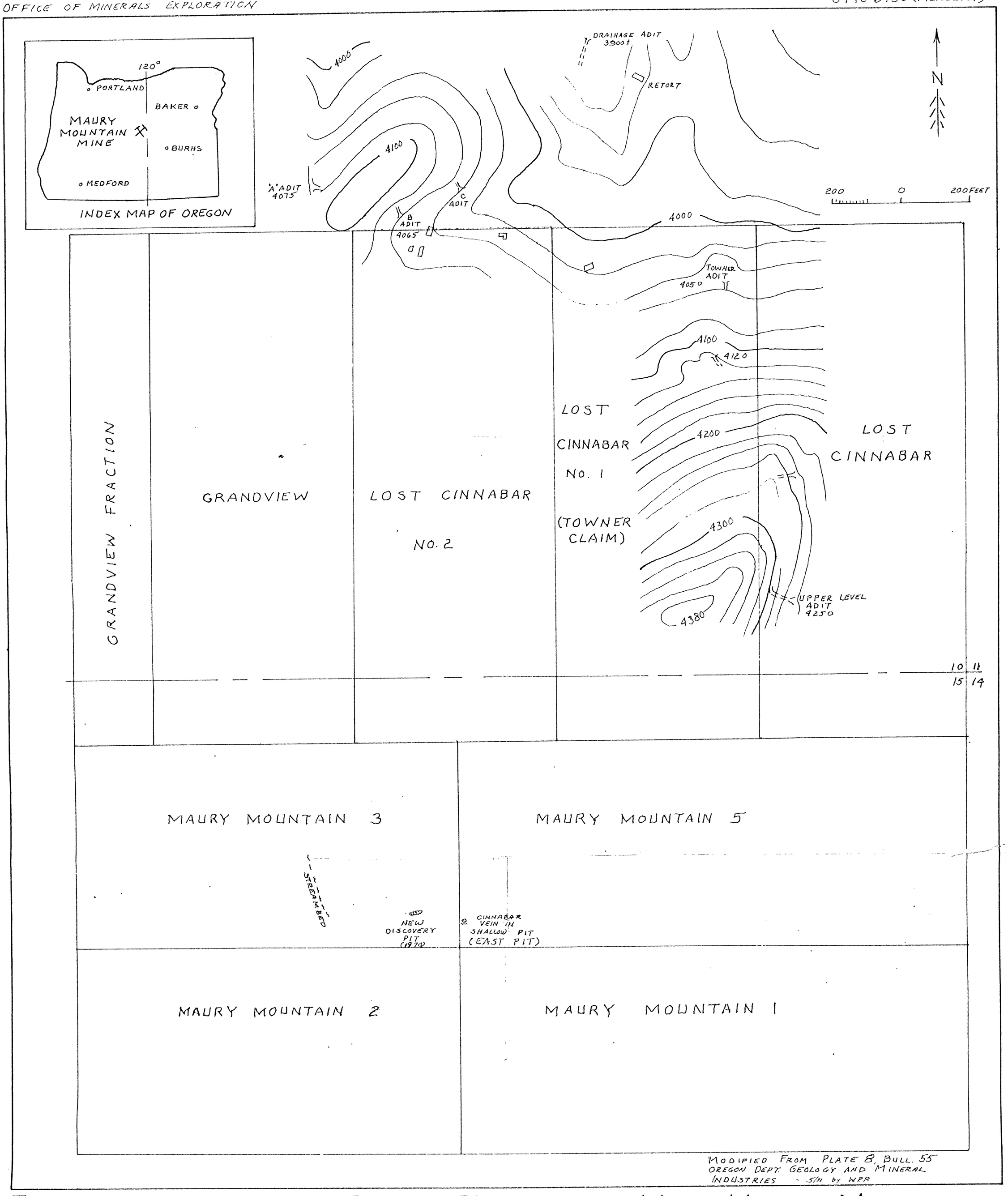
Partial Claim Map
Showing Relation of Workings and Intrusive Andesite
C. F. Taylor
Maury Mtn. Mine
Crook County Oregon

Fig. 1

Harald- This map was prepared to go with my application & plan report - but thought you'd would have it anyway.

U.S GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OME 6456 (MERCURY)



MODIFIED FROM PLATE 8, BULL. 55
OREGON DEPT. GEOLOGY AND MINERAL
INDUSTRIES - 5/71 by WPR

FIGURE 1- CLAIM, INDEX, AND PARTIAL TOPOGRAPHIC MAPS, MAURY MOUNTAIN MINE, SECS. 10 & 15, T. 17S., R. 19E., CROOK COUNTY, OREGON