DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

March 8, 1958

Memorandum

To: Wingfield Chamberlain, Statistics Branch
Division of Operation Contract and Sttatistics

From: Director, Division of Base Metals

Subject: Report on SemiAnnual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957.

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DMEA-66	Idm-E404	Ely Valley Mines Company
DMEA-110	Idm-E2	Callahan Zinc Lead Company, Inc.
DMEA-270	Idm-E261	Montana Mining Mining & Development Co.
DMEA-371	Idm-E67	Peru Mining Company
DMEA-420X	Idm-E10	Bristol Silver Mines Company
DMEA-487	Idm-E26	Silver Bay Mines, Inc.
DMEA-606	Idm-E29	U. S. Metals Corporation
DMEA-1203	Idm-E14	Piquette Mining and Milling Company
DMEA-1219	Idm-E187	The Glidden Company
DMEA-1243	Idm-E86	Bachelor Development Company
DMEA-1303	Idm-E371	Yuma Metals, Inc.
DMEA-1315	Idm-E178	J. E. and Lulu Miller
DMEA-1325	Idm-E237	U. S. Smelting, Refining & Mining Co.
DMEA-1525	Idm-E84	Moreno Uranium Corporation
DMEA-1560	Idm-E42	Dodgeville Mining Company
DMEA-1561	Idm-E167	Dodgeville Mining Company
DMEA-1801	Idm-E315	Reed and Reed
DMEA-1870	Idm-E309	U. S. Metals Corporation
DMEA-1948	Idm-E302	United Minerals Corporation
DMEA-1949	Idm-E322	United Minerals Corporation

W. R. Griswold

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

August 22, 1963

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 9 1963

DATE	INITIALS	CODE
10/9	[illegible]	500
[illegible]	[illegible]	100
10/9	[illegible]	110
	Griswold	500
		220

Re: DMEA-1303 (Lead, Zinc)
Yuma Metals, Inc.
Red Cloud Mine
Yuma County, Arizona
Contract Idm-E371

Mr. Luke Walter
Secretary
Yuma Metals, Inc.
Ventura Hotel
Ventura, California

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 28, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since May 28, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Luke Walker Title Secty

Address LUKE WALKER
VENTURA HOTEL
VENTURA, CALIF. Date 8/27/1963

4511

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

OFFICIAL FILE COPY
RECEIVED JUN 4 1962

DATE		
6/4		
		800
		100
		500
		220

MAY 2 1962

Re: DME-1303 (Lead-Zinc)
Yuma Metals, Inc.
Red Cloud Mine
Yuma County, Arizona
Contract Idm-E371

Yuma Metals, Incorporated
Yuma,
Arizona

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

Willis R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since June 12, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since June 12, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

None

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
None		

Submitted by:

Name Luke Walker Title Secy

Address Date May 28 62

LUKE WALKER
VENTURA HOTEL
VENTURA, CALIF.

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 20 1960

DATE	INITIALS	CODE
6-20	gad	VVO
"	gjl	~~110~~
6-21	CEH	800
6-22	gla	500
		225

June 15, 1960

Memorandum:

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D.C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Statement in Lieu of Annual Report
of Certified Project for the period
January 1, 1959 to June 12, 1960

Docket No. DMA ~~1301~~ 1303X (Lead-Zinc)
Contract No. Idm-E371
Yuma Metals Inc.
(Red Cloud mine)
Yuma County, Arizona

Enclosed is the original and one copy of the Statement in Lieu of an Annual Report on the subject certified project.

Hugh M. Connors

Hugh M. Connors

Enclosures

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 20 1960

DATE	INITIALS	CODE

OFFICE OF MINERALS EXPLORATION

REGION III

Statement in Lieu of ~~Interim~~ Annual Report
of Certified Project

Reporting Period January 1, 1959 to June 12, 1960

Docket and Contract Number DMA-~~1301X~~ 1203, Idm-E371X

Operator Yuma Metals, Inc. (Lead-Zinc)

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

The indicated status of the project is based on a report from the Operator.

Signed T M Romslo
T. M. Romslo

Date 6/15/60

OFFICIAL FILE COPY O. M. E. RECEIVED FEB 8 1960		
DATE	INITIALS	CODE
2-8	gad	220
2/8	[illegible]	800
"	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado
February 5, 1960

Yuma Metals, Inc.
Yuma, Arizona

Re: Docket No. ~~DMA-1301X (Lead-Zinc)~~ 1303
Contract No. ~~Idm-E371~~
(Red Cloud mine)
Yuma County, Arizona

Gentlemen:

The enclosed questionnaire was forwarded as addressed, but was returned by the Postal Department as "Address Unknown". Please complete one copy of the questionnaire and promptly return it to this office. A self-addressed envelope is enclosed for that purpose.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

JWT:ltm

cc: Chmn. Op. Comm.
Roy. Corres. E371
Chron.

DATE
RECEIVED FEB 8 1990
O. W. E
OFFICIAL FILE COPY

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 1 1960
DATE INITIALS
2/1 RCW 225
LEP 800
~~Deposited~~ 500
225
7303

Building 20 - Federal Center
Denver 25, Colorado
January 28, 1960

Mr. B. L. McDaniel
Yuma Metals, Inc.
P. O. Box 470
Oregon City, Oregon

Re: Docket No. DMA 130IX (Lead-Zinc)
Contract No. IDm-8371X
(Red Cloud mine)
Yuma County, Arizona

Dear Mr. McDaniel:

In reference to Item 4d of Amendment No. 3 to the captioned contract where the Government's right to a percentage royalty on any minerals mined or produced from the land is established, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified in writing? Yes___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959? Yes___ No___. If yes, and shipments made, who was the purchaser? _____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons_____ Estimated grade_____
(b) Concentrates, lbs._____ Estimated grade_____
(c) Low grade ore, tons_____ Estimated grade_____
Place stockpiled_____

Signed_____

Title_____ Date_____

TMR:ltm cc: Chron Op Comm Rev Comms DMGIX

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1, 1958 - December 31, 1958
Docket and Contract Number DMEA 1303X - Idm-E371 (Pb-Zn)
Operator Yuma Metals, Inc.

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [X]

Remarks:

No DMEA ore stockpiled.

FILE COPY
O. M. E.
RECEIVED APR 9 1959
DATE | INITIALS | CODE
4-9 | C | 220
4/10 | EJ | 800
4-10 | | 500

Original signed by

Signed T. M. Romslo

Date April 2, 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 11, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958

DATE	INITIALS	CODE
2-14	C	220
14	Com	100
"	File	110
2/24	EEB	800
		225

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1 to December 31, 1957

DMEA Docket 1303X (Lead-Zinc)
Contract Idm-E371, Yuma Metals, Inc. (Red Cloud Mine)
Yuma County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

WH King
Executive Officer, DMEA
Field Team, Region III

Enclosures

cc: Semiannual Report File E 371
Emerick
DMEA, TUC
Harshman
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 14 1958
CODE

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1 to December 31, 1957
Docket and Contract Number	DMA-1303X, Idm-E371
Operator	Yuma Metals, Inc., (Red Cloud Mine)

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks: I visited the surface workings and plant of the Red Cloud Mine January 15, 1958. Nobody was present and there was no evidence of recent activity.

The caretaker's house showed evidence of recent occupation

Signed T M Romslo
T. M. Romslo

Date Jan. 16, 1958

CC W. H. King (Orig. & 9); DMA-1303X; Cert. file; DF TMRomslo:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

July 23, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 25 1957

DATE	INITIALS	CODE
7/25	P.K.	220
7/25	Corr	100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 1303X (Lead-Zinc)
Contract Idm-E 371, Yuma Metals, Inc. (Red Cloud Mine)
Yuma County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W H King
XXXXXXXXXXXXX
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 371
Harshman
Romslo
Emerick
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
JUL 12 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	Jan. 1 to June 3, 1957
Docket and Contract Number	DMA-1303X, Idm-E371
Operator	Yuma Metals, Inc. (Red Cloud Mine)

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks: Mr. L. A. Stewart, visited the Red Cloud mine May 15, 1957 while in the area on Bureau investigations for barite. He told me that the mine was still inactive and that a new caretaker, a Mr. Clements, lives on the property.

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE
CODE

Signed M. M. Romslo
M. M. Romslo

Date July 10, 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: February 28, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 1303X (Lead-Zinc)
Contract Idm-E 371, Yuma Metals, Inc. (Red Cloud Mine)
Yuma County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

for W. M. Traver
Executive Officer, DMEA
Field Team, Region III

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/5	Com	100
3-7	C	220

Enclosures
MHM /vj
cc: Semiannual Report File E 371
W. R. Storms
E. N. Harshman
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1 to December 31, 1956
Docket and Contract Number	DMA 1303X - Idm-E371
Operator	Yuma Metals, Inc. (Red Cloud Mine)

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

The property was inspected on January 30, 1957, and appeared to be inactive. On the trip from Yuma, Ariz., to the mine, I met the caretaker on his way to town. He informed me that no activities, mining or milling, had been engaged in during the reporting period. The general appearance of surface facilities bore out this statement as being correct.

ORIGINAL FILE COPY
DMEA
RECEIVED 4 1957
DATE | CODE

Signed W. W. Winkel **Date** Feb. 13, 1957

W. W. Winkel, Mining Engineer, Denver Experiment Station, February 13, 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED
OCT - 9 1956

224 New Customhouse
Denver 2, Colorado

Date: October 5, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 1303X (Lead-Zinc)
Contract Idm-E 371, Yuma Metals, Inc. (Red Cloud Mine), Yuma County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 371
W. R. Storms
E. N. Harshman
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
BOX 4097
TUCSON 5, ARIZONA

DMEA
DEPARTMENT OF THE INTERIOR
SEP 26 1956
REGION IV
DENVER, COLORADO

September 24, 1956

RECEIVED
OCT - 3 1956

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team

From : Superintendent, Southwest Experiment Station

Subject : Semi-annual Report of Certified Project, January 1 - June 30, 1956, Docket DMA-1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc. (Red Cloud Mine), Yuma County, Ariz.

Enclosed are original and 8 copies of the above report by T. M. Romslo.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMA-1303X
Cert. File
DF

WRStorms:frj

DMEA
DEPARTMENT OF THE INTERIOR
SEP 26 1956
REGION III
DENVER, COLORADO

RECEIVED
OCT - 9 1956

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	January 1 to June 30, 1956
Docket and Contract Number	DMA-1303X, Idm-E371
Operator	Yuma Metals, Inc.

	"X" one
The project has been inactive during the reporting period	[X]
Pertinent data relative to the subject contract has remained unchanged since the last report	[ ]

Remarks: I visited the property September 10, 1956 and found nobody at the mine. There was evidence that activities during subject period were confined to the transportation to the mine of a few pieces of old milling equipment.

TMRomslo

Signed: T. M. Romslo, Mining Engineer
Southwest Experiment Station

Date: Sept. 18, 1956

CC W. M. Traver (Orig. & 8)
W. L. Emerick
DMEA-1303X
DF
Cert. File

TMRomslo:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: March 27, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955
DMEA Docket 1303X (Lead-Zinc)
Contract Idm-E 371 Yuma Metals, Inc.,
(Red Cloud Lead-Zinc Mine) Yuma County, Arizona

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

cc: Semiannual Report File E 371
E. N. Harshman
W. R. Storms
J. N. Faick
Chron.

RWB

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

BOX 4097
TUCSON 5, ARIZONA

DMEA
Date Rec'd.
MAR 23 1956
BUREAU OF MINES
Denver, Colorado

March 21, 1956

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team, Region III

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project, July 1 - December 31, 1955, DMEA Contract Idm-E371, Docket DMA-1303X, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed are original and 8 copies of a semi-annual report on the above property by T. M. Romslo of the Bureau of Mines. Evidently no work was done at the Red Cloud mine during this period.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMA-1303X
Cert. File
DF

WRStorms:frj

Semi-Annual Report of Certified Projects

Reporting Period July 1 to December 31, 1955

Docket and Contract Number Docket DMA-1303X, Contract Idm-E371

Operator Yuma Metals, Inc.

Commodity Lead and Zinc

Mine Name Red Cloud

County and State Yuma County, Arizona

Date of Contract Dec. 3, 1952

Date of Certification June 25, 1954

Expiration Date of Royalty Payments Dec. 3, 1963

Date of Examination for this Report March 14, 1956

Total Amount of Contract	$75,000.00
Total Expenditures under Contract	38,728.96
	19,289.48 CAAD
Amount of Government Participation at 50%	19,364.48
Royalty Payments this period	$0.00
Previous Royalty Payments	$0.00
Total Royalty Payments to Date	$0.00
% Loan Repayment Completed	0.00
Amount of Royalty Due	None
Royalty Remarks	

Original Estimate of Reserves (from Final Engr.-Geol. Report):	32,000 tons, containing 6 percent lead, 8 to 10 percent zinc and 10 ounces silver per ton.
Increase of Reserves by work performed subsequent to expiration or termination of contract:	None
Revised Estimate of Reserves:	—
Production this period (Ore or Concentrates)	None
Amount of Previous Production (since date of contract)	None
Total DMEA Production to date	None
% of Revised Reserves Mined	None

Production Remarks:

NOTE: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: Mr. J. E. Arnett, watchman for Yuma Metals, Inc., and wife are living in a trailer that is located within a few hundred feet of the 2 shafts of the Red Cloud mine. According to Mr. Arnett, the property has been inactive since he started working for the corporation on June 21, 1955. Messrs. Walker and McDaniels, 2 of the principal owners, recently visited the property and talked about reactivating the mine.

T. M. Romslo, Mining Engineer
U. S. Bureau of Mines

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

DMEA
Date Rec'd.
JUL 25 1955
BUREAU OF MINES
Denver, Colorado

Box 4097
Tucson 5, Ariz.

July 21, 1955

Memorandum

RECEIVED
SEP 12 1955

To : W. M. Traver, Executive Officer, DMEA Field Team Region III

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of DMEA Certified Project, January 1 - June 30, 1955, Contract Idm-E371, Docket DMA-1303X, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed are original and 8 copies of the semi-annual report on the above property by W. R. Hardwick of the Bureau of Mines.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
J. N. Faick
DMA-1303X
Cert. File
DF

WRStorms:frj

DMEA
Date Rec'd
JUL 25 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Box 4097
Tucson 5, Ariz.

July 21, 1955

RECEIVED
SEP 12 1955

Memorandum

To : Walter R. Storms, Superintendent, Southwest Experiment Station, Region III

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Semi-Annual Report of Certified Project, January 1, 1955 to June 30, 1955, DMA 1303X, Contract Idm-E371, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

In accordance with the provisions of DMEA Circular 32, the Red Cloud lead-zinc mine was visited on July 20, 1955. There was no one at the mine camp. All the equipment is still in place at the mine. The general appearance of the camp indicates that there has been little or no activity at the mine during the subject period. A watchman apparently lives at the mine, but he could not be located.

Work under this contract was started on January 12, 1953. The exploration work consisted of road repairs, installation of camp facilities, repair of headframe and collar of shaft, rehabilitation of 500-foot level crosscut, and 2,451 feet of acceptable drilling at a total cost of $38,578.97, in which the Government participated to the extent of $19,289.48.

"Certification of Discovery or Development" was issued under the provisions of Amendment No. 3, item 4-d.

pseudo?

As far as is known, no ore was mined or sold during the subject period.

William R. Hardwick
William R. Hardwick
Mining Engineer
Tucson, Ariz.

CC W. M. Traver (Orig. & 8)
J. N. Faick
DMA-1303X
Cert. File
DF

WRHardwick:frj

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

224 New Customhouse
Denver 2, Colorado

February 1, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Semi-annual Report - Docket DMA-1303X, Contract Idm-E371, Yuma Metals Inc., Yuma County, Arizona

Enclosed are four copies of the Semi-annual Report of Contract Idm-E371.

W. M. Traver

W. M. Traver

Enclosures

pw

January 27, 1955

Memorandum

To : W. M. Traver, Executive Officer, DMEA Field Team Region III

From : Superintendent, Southwest Experiment Station, Region III

Subject : Semi-Annual Report of Certified Project, July 1 - December 31, 1954, DMEA Contract Idm-E371, Docket DMA-1303X, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Silver Mining District, Yuma County, Ariz.

Enclosed are original and 8 copies of the above report by T. M. Remale of the Bureau of Mines. So far as we know, no ore has been mined from this property for several years.

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
Cert. File
DMA-1303X
DF

WRStorms:frj

January 27, 1955

Memorandum

To : Walter R. Storms, Superintendent, Southwest Experiment Station, Region III

From : T. M. Romalo, Mining Engineer, Tucson, Ariz.

Subject : Semi-Annual Report of Certified Project, July 1, 1954 to December 31, 1954, DMA-1303X, Contract Idm-5371, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Silver Mine District, Yuma County, Ariz.

In accordance with the provisions of DMA Circular 32 and at your request, the writer visited the RedCloud mine January 25, 1955. There was nobody at the mine camp that still contains all buildings and equipment used by the operator. The general appearance of the camp indicates that there has been little or no activity at the mine since shortly after May 11, 1954 when the last of authorized work was completed.

A hazardous condition was found in the powder magazine. One full box of 1-1/8-inch, 45 percent dynamite and a half full box of 40 percent dynamite of the same size were stored on a shelf at the face of a short adit that was not equipped with a door. In addition to the boxed explosives, 15 to 20 sticks of badly decomposed dynamite were lying on a sleeping cot in the adit. Certainly the loose sticks should be destroyed. The other dynamite, if beyond the safe age limit, also should be destroyed. I suggest that the hazardous condition be called to the corporation's attention and that they be advised to use caution in disposing of the dynamite.

Work under subject contract was started January 12, 1953. To May 11, 1954, when work was recessed for 3 months, total allowable expenditures was $38,728.96. The operator's failure to renew work on or before October 11, 1954, as specified in Amendment No. 3

CC W. M. Traver (Orig. & 8)
Cert File
DMA-1303X
DF

T.RomaloPfrj

automatically terminated the contract. A letter of December 3, 1954 from the RMEA Administrator notified the operator that the contract had been terminated and requested that the corporation dispose of any joint property and make a final accounting and report of the operation. Detailed instructions on methods of disposing of the property in question was mailed to the corporation on December 6, 1954 by the Executive Officer, RMEA Field Team, Region IV. Pending receipt of the requested information and final auditing and settlement of the contract, a Final Engineering Report was prepared at the Tucson office and submitted to Denver on January 18, 1955. It follows that the reported costs of operations are subject to change upon final settlement of the contract.

As far as known, no ore has been mined from the property since work under the contract was started, so no royalty has been paid to the Government.

T. M. Romslo

T. M. ROMSLO

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

RECEIVED
JUN 15 1955

224 New Customhouse
Denver 2, Colorado

June 13, 1955

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona

Enclosed are two copies of a memorandum to T. A. Christensen, dated May 20, 1955, relative to final payment under the terms of the subject contract.

W. M. TRAVER

W. M. Traver

Enclosures

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

RECEIVED
JUN 15 1955

224 New Customhouse
Denver 2, Colorado

May 20, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona - FINAL PAYMENT

Enclosed are five sets of data relative to liquidation of the jointly owned property acquired under the contract. Further reference is made to our memorandum of August 2, 1954, whereby we forwarded to you the Operator's Monthly Progress Report and Voucher for the months of April and May, 1954, and instructed you to withhold the amount of $1,500.00 from reimbursement to the Operator pending liquidation of the Government's interest in the property acquired under the contract.

The Operator has rendered his final report and has complied with all requirements under the contract relative to closing his account. Therefore, we now recommend that final payment be made on the following basis which is in conformance with the Report of Review by the Contract Administration and Audit Division, dated April 21, 1955, which was released to this office, in revised form, May 19, 1955.

Basis for Final Payment

Total accepted cost	$38,578.97
Government participation at 50%	19,289.48
Total prior payments	17,864.48
Balance due the Operator	$ 1,425.00

Reconciliation with Amount Withheld from Reimbursement to the Operator

Amount withheld	$ 1,500.00
Less Government's interest and property disposition	75.00
Balance due the Operator	$ 1,425.00

Paid 1425.00
Randel R. Cooper
Randel R. Cooper
Authorized Certifying Officer
5-26-55 DMA-55-94

W. M. TRAVER,

W. M. Traver

Enclosures
JWT:PW
cc: Contract Sec.Op.Comm. (2) Chron Storms Townsend

224 New Customhouse
Denver 2, Colorado

April 21, 1955

RECEIVED
JUN 1 5 1955

Mr. D. L. McDaniel, President
Yuma Metals, Inc.
17,600 S. W. Old River Road
Oswego, Oregon

Re: Docket DMEA 1301 (Lead-Zinc)
Contract Idm-8371
Yuma Metals, Inc.
Red Cloud Mine
Yuma, County, Arizona

Dear Mr. McDaniel:

Consistent with authority delegated to this office under Order No. 2681 from the Office of the Secretary, Department of the Interior, the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, does hereby accept your bid and proposal dated April 15, 1955, in the amount of $150.00 in the liquidation of the jointly owned property and unexpended portion of materials and supplies acquired under Contract Idm-8371.

The sum of $75.00, reflecting the Government's interest in the transaction, will be deducted from monies deferred from reimbursement to you pending final settlement of the account.

Final payment to you under the terms of the contract will be processed upon receipt of your final engineering and geological report in conformance with Article 7(b) of Exploration Project Contract form MF-200 on which Contract Idm-8371 is prepared, and upon release to this office of a Report of Review of contract expenditures by the Contract Administration and Audit Division.

Very truly yours,

W. M. TRAVER,

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

J.T:bh
cc - Subject
Chron.
Townsend
Prelim
MF-104(5)

MINES IN SILVER DISTRICT
YUMA COUNTY

MILL ON COLORADO
HEAD OF MARTINEZ LAKE

Yuma Metals, Inc.

LLOYD C. WHITE, GEN. MGR.

D. L. McDANIEL, PRES.
OTTO MOTEIL, VICE PRES.
CHAIRMAN OF BOARD
LUKE WALKER
SECY. & TREAS.

YUMA, ARIZONA

DMEA
Date Rec'd
APR 18 1955
BUREAU OF MINES
Denver, Colorado

April 15, 1955

RECEIVED
JUN 15 1955

W. H. King
Executive Officer, D.M.E.A.
Field Team, RegionIV
U.S. Bureau of Mines
Dever, Colo.

Dear Sir,

Enclosed find two bids for the material and residue of the joint property under our D.M.E.A. contract number Idm-E371. We elect to leave the project intact and pay $150.00 for the lot to the joint account of the government and ourselves.
Please send any futher instructions to close this project. As the first portion of this contract was audited at the time of filing and the last was on a footage basis, it seems to me this should close the account.
Our reason for delay in filing these bids is that I could not get any bids until I made a recent trip to Yuma for just that express purpose.
Please address any correspondence to me at 17300 S.W. Old River Road Cowego, Oregon.

Yours truly,

D. L. McDaniel Pres.

Yuma, Arizona
March 21, 1955

RECEIVED
JUN 15 1955

Yuma Metals Inc.
Yuma, Arizona

Gentlemen:

I have inspected the materials offered for sale by your firm located at the "Red Cloud Mine."

The road is in very poor condition and I believe would require four-wheel drive equipment to remove the lot. However, as I am mining on a small scale at "Castle Dome", I hereby make a bid of One Hundred Forty Five Dollars ($145.00) for full lot of materials on the attached list.

Very truly yours,

Lyman Wall

Box 17
Winterhaven
Cal

TERMINAL GARAGE

833 - 2nd Ave.

Yuma, Ariz. Ph._____

RECEIVED

JUN 15 1955

To. Yuma Metals Inc.

Gentlemen,

I respectfully submit my firm Bid for the lot of Equipment and Material located at your property at Red Cloud Mine.

For the full lot included on the attached list I offer $105.00. I understand this bid is for the lot "As is" "where is".

H D Emmitt

835 - 2nd Ave

Yuma Ariz.

[illegible]
YUMA COUNTY

[illegible]
BOARD OF SUPERVISORS

Yuma Metals, Inc.

LLOYD C. WHITE, GEN. MGR.

YUMA, ARIZONA

D. L. McDANIEL, PRES.
OTTO MOTZEL, VICE PRES.
CHAIRMAN OF BOARD
LUKE WALKER
SECY. & TREAS.

RECEIVED
JUN 1 0 1980

LOCATED A[illegible], ARIZONA

[illegible] 1

WE REQUEST A [illegible] FOR THE PURCHASE OF THE FOLLOWING MATERIALS:

SMALL LOT OF MISC. USED LUMBER

1 CABLE AND BUCKET

1LOT MISC 4" O.D. --- this pipe is welded together and is in a vertical and inclined shaft to the 500 foot level

1 3000 GAL. WATER TANK

1BUILDING 16 X 24 APPROXIMATELY (2 X 4 and shiplap const.)

1 BUTANE GAS RANGE(SMALL SIZE)
1 BUTANE GAS 20 GAL. HOT WATER HEATER

1BUTANE GAS REFRIGERATOR

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

224 New Customhouse
Denver 2, Colorado

April 28, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA 1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona

Enclosed for your records are two copies of corrected Forms MF-104 and MF-104A for the period April and May 1954.

W. M. Traver

W. M. Traver

Enclosures

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April - May 1954 Docket No. DMEA 133 Contract No. 31-371
Operator's Name Sula Metals, Inc. Minerals Lead - Zinc
Address 708 Core St., Santa Barbara, Calif.
Contract Amount, $ 75,000 Government Participation: 50 % Amount, $ 37,500

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts: Diamond	6,500.00	18,010.00	24,510.00			
Drilling						
Bulldozing						
Crosscutting						
Drifting Dewaldis.		623.00	623.00			
Drifting Dewaldis.		500.00	500.00			
(2) Labor and Supervision:						
Labor		3,033.75	3,033.75			
Supervision		900.00	900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		640.22	640.22			
Explosives Caps & Bucket		190.00	190.00			
Pipe		38.02	38.02			
Track		135.00	135.00			
Lubricants Grease		209.71	209.71			
Small Tools Various		204.02	204.02			
		327.21	327.21			
(4) Operating Equipment:						
Rental						
Purchase		900.00	900.00			
Depreciation		3,971.04	3,971.04			
(5) Initial Rehabilitation and Repairs		687.71	687.71			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		135.18	135.18			
Sampling and Analysis						
Payroll Taxes		64.00	64.00			
Liability Insurance		217.50	217.50			
(8) Contingencies (specify): Acct.		320.39	320.39			
Supplies		120.10	120.10			
TOTALS	6,500.00	32,223.97	38,723.97			

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

Date July 3, 1954 *Payee Sula Metals, Inc.

Per Floyd C. White Title Manager

*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.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm E 371 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 3/14/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 - 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1 - May 1, 1953 Docket No. DMEA 2223 R Contract No. [illegible]
Operator's Name Vista Metals, Inc. Minerals Lead & Zinc
Address 900 Cope St., Santa Barbara, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	6,500.00	650	24,510.00	2,451	10	6,000	600.00
Churn								
Auger								
Stripping [illegible]				823.00				
Trenching [illegible]				500.00				
Test Pits								
Roads and Trails								
Other [illegible]				7,977.22				
TOTAL DISTRIBUTED COSTS		6,500.00	650	33,810.22				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				3,972.04				
New Buildings, Improvements, etc.				687.71				
TOTAL COSTS		6,500.00		38,470.00				70,000

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

Date June 1, 1953 Operator Vista Metals, Inc.

Per Lloyd C. White Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

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

Unsorted
Betty

224 New Customhouse
Denver 2, Colorado

August 20, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the months of April and May 1954.

W. H. King

Enclosures

AUG 25 1954

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: August 12, 1954
Payee's
Reference: April and May 1954

Tuna Metals, Inc.
Tuna, Ariz.

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$ 4,500.00
50% Difference	$ 2,250.00
Withheld	1,500.00
Amount Approved	$ 2,250.00

The reason for the difference was due to:

1,500.00 withheld from payment pending liquidation of the Government's interest in the property acquired under the contract.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

August 2, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona. Operator's Monthly Progress Report for the months of April and May 1954.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract at an agreed unit cost. Therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report except as follows:

Please withhold the amount of $1,500.00 from reimbursement to the Operator pending liquidation of the Government's interest in property acquired under the contract. Please so advise the Operator.

Remarks:

Date of Operator's Report	June 1, 1954.
Date report originally received in Bureau of Mines Branch Office	June 7, 1954.
Date corrected report received in Bureau of Mines Branch Office	July 12, 1954.
Date Report received in Regional Office	July 30, 1954.

W H King
W. H. King

Enclosures

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.
JWTownsend

July 27, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : April-May 1954 Progress Report, Contract Idm-8371, Docket DMA-130XK, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed in quintuplicate are

(1) Bureau of Mines engineer's report;
(2) Operator's narrative report with log of hole No. 7 and 2 maps;
(3) Forms MF-104 and MF-104A.

Also enclosed are 3 extra copies of our engineer's report.

All work is in accordance with the terms of the contract. However, the operator has asked for a recess and there is some doubt in my mind whether or not the project ever will be reactivated. As the Government's equity in equipment and buildings purchased under the contract amounts to approximately $2,000, I recommend that this amount be withheld until the contract either is reactivated or terminated, and the remainder be paid to the operator.

Walter R. Storms

Walter R. Storms

CC W. H. King (7)
DMA-130XK
DF

WRStorms:frj

July 27, 1954

Memorandum

To : Walter R. Stearns, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report, Period April 1, 1954 to May 11, 1954, Docket DMA-130XX, Contract IdA-XXX1, Yuma Metals, Inc. Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

On April 6, 1954 D. L. McDaniels, President of Yuma Metals, Inc., telephoned W. H. King, Executive Officer, DMA Field Team, Region IV, and requested authority to drill an additional prospect sample hole. Authority was granted and diamond drill hole No. 7 was drilled.

The Red Cloud mine was visited on May 10-11, 1954 by the writer. Luke Walker and D. L. McDaniels were at the mine. On May 11 drill hole No. 7 had reached a depth of 630 feet and Luke Walker and D. L. McDaniels decided to stop the hole. I was in agreement with this decision.

When I arrived at the Red Cloud mine on May 10 the drill hole had reached a depth of 640 feet and the last four feet were of typical Red Cloud vein material. Walker and McDaniels had decided that the hole would be stopped at the end of that day's operation prior to my arrival. However, when vein material was exposed in the bottom they decided to drill an additional shift and on May 11, 1954, an additional 10 feet were drilled. The final depth of the hole was 650 feet.

The last 30 feet of the drill hole I have logged as follows:

CC W. H. King (Org. & 7)
DMA-130XX
RF

WRHardwick:frj

Footage	Description
625 - 626	Granite
626 - 630	Vein material - fine grained quartz, barite, and calcite. Cavities and vugs filled with limonite and hematite. Bladed barite crystals and banding quite prominent.
630 - 635	Medium grained crystaline rock, dark and light minerals about equal, probably Diorite.
635 - 640	Vein - see description above.
640 - 641	Breccia (diorite).
641 - 643	Dark diorite, medium grained.
643 - 650	Vein, banding prominent.

There was no question in my mind that the material cut in the bottom of this drill hole was a part of the Red Cloud vein. The material in the vein at the bottom of Hole No. 7 was identical with that in the drifts above the 300-foot level except that no ore minerals were visible. The operator has stated that samples from No. 7 drill hole intervals 625 to 630 feet, 630 to 635 feet, 635 to 640 feet, and 640 to 650 feet showed a trace of gold, approximately one half ounce of silver, and no lead and zinc.

A summary of the results from prospect drill holes authorized by the exploration contract follows:

Hole No.	Total Depth	Cut Vein	Approximate assay: Percent Lead	Percent Zinc	Ounces/ton Gold	Ounces/ton Silver
1	144	75- 80	1.08	2.15	-	7.45
2	138	113-119	0.32	2.25	-	0.80
3	308	285-296	0.0	5.72	-	0.80
4	276	244-250	0.0	1.75	-	0.12
6	335	No	-	-	-	-
6A	300	Not identified		-	-	-
7	650	640-650	-	-	Tr	0.50

The depths in the above table indicate slope distance below the 300 level which is just above the water level. The vertical depth of Number 7 hole is 485 feet below the collar on the 300 level, or approximately 985 feet below the surface. The metal content of the vein above the 300-ft. level has been estimated to be about 6 percent lead, 9 percent zinc, and 10 ounces of silver, all as oxidized minerals. Thus a noticeable decrease in metal content is indicated at water level. Furthermore, the assays from the exploration drilling indicate that the values will decrease still further with depth.

This contract proposed to do some preparatory work and then explore by diamond drilling below the 300 level of the Red Cloud mine for sulfide ore. No sulfide ore has been found and the oxide ore has decreased in metal content with depth below the water level. Although the vein continues downward the indications are that no ore will be discovered by more drilling.

During April and May 1954, the operator completed diamond drill hole number 7 and on June 7, 1954 Lane Walker delivered the [illegible]-104 and MF-104A for this work to the Tucson office of the U. S. Bureau of Mines. The supporting narrative report and the log, plan, and sections of drill hole No. 7 were not correct and were returned to Walker at that time for correction. Corrected papers were received in the Tucson office on July 12, 1954 from Lloyd C. White.

The operator claims reimbursement for 650 feet of prospect diamond drill hole. The contract provides for participation in the costs of this work to the amount of 50 percent of an agreed estimated cost of $10.00 per foot or $6,500.00 for the total cost. This is $3,250.00 for the Government's part. As the contract now stands, the progress of the contract is shown by the following:

	Preliminary Work	Diamond Drilling	Total Authorized
Total completed	$14,216.97	$24,510.00	$38,726.97
Government's part	7,108.48	12,255.00	19,364.48
Paid to operator	7,108.48	6,485.00	13,594.48
Due operator	-	$5,770.00	$5,770.00

The sum of $5,770.00 represents the sum of the amount due the operator for the Government's part of the cost of work shown on a voucher presented on April 14, 1954 and for the Government's part of the cost of the work shown on the attached voucher.

This contract was a long-form contract that provides for a Government equity in the items of equipment and supplies remaining when the contract is completed. The book value of these items is $4,185.21 and the Government's part of this equity is $2,092.61. Yuma Metals, Inc. has requested and received a recess to prepare plans for additional work. It is believed that the work that has been completed has proven that no sulfide ore body can be expected in this mine. While the operator may request additional work, it is probable that denial of its request will be recommended and that no more work will be completed under this contract. Therefore, it is recommended that a reasonable amount be withheld to assure a final report, a fair settlement of the Government's $2,092.61 equity in equipment and supplies, and any adjustments that may be due the Government as a result of the final audit. The operator can be paid any remaining part of the $5,770.00 at this time. It should be noted that the operator has not included 221 feet of drill hole and the costs thereof in his totals on this last voucher.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Branch, Region 10

SUPPLEMENT TO OPERATOR'S NARRATIVE REPORT

Months of April and May 1954

Exploration Project Contract

IDM - E 371

Yuma Metals, Inc. - Red Cloud Mine

Progress Report for April and May 1954

Diamond drill hole No. 7 was authorized by the Denver office of the Bureau of Mines on April 6, 1954 and was located by the writer on April 7 in diamond drill Station No. 2 on the bottom level of the Red Cloud Mine. The course of the hole is North 10 degrees West and the inclination is minus 48 degrees from the horizontal. The hole is shown in plan and Section on the two accompanying sketches dated May 24 and 30 by Lloyd C. White. The Boyles Bros. Drilling Co. of Salt Lake City started drilling the hole on April 8 and the hole was stopped at 650 foot depth in May.

After plotting hole No. 7 and checking the position of the vein as developed in hole No. 3 from Station No. 1, I am skeptical whether hole No. 7 penetrated the Red Cloud vein. In my projection, No. 7 hole passed over the vein and would not have reached it before a 750 to 850 foot depth, where I hoped it would reach sulphide ore.

There is a fault mapped on the surface of Hershey's Geological Map out in the area under discussion and this may be having some influence on the vein.

A summary of the footage drilled to date is as follows:

By Metler Drilling Co. - 1953

No. 1 Hole	144 feet	Crossed vein
No. 2 Hole	158 feet	Crossed vein
No. 3 Hole	388 feet	Crossed vein
No. 4 Hole	276 feet	Crossed vein
No. 5 Hole	280 feet	Penetrated vein. Hole lost.
No. 6 Hole	335 feet	Hole lost.

By Boyles Bros. Drilling Co. 1954

No. 6A Hole	500 feet	Trace Calcite 430'-435'
No. 7 Hole	650 feet	(Vein?)
TOTAL	2731	

The original contract was for 6000 feet of drilling, as this was thought to be the minimum amount to prove or disprove our objective. To date less than one half of the contract has been completed.

The problem was, and is to trace the Red Cloud vein downward to the Sulphide zone and develop ore shoots along the vein. The first five holes found the vein but not commercial or sulphide ore.

Personally I did not expect the sulphide zone until a depth of 600 to 700 feet below drill station No. 2 was reached. Hole No. 7 appeared to be about the only underground location where this could be accomplished. I am sorry this hole could not have been extended 300 or 400 feet further or at least until the foot wall monzonite was penetrated. Really we have prospected only a very small section of the Red Cloud vein and our uncompleted problem is before us.

It is unfortunate that the long hanging wall cross cut on the bottom level had not been driven at right angles to the vein from the bottom of the incline shaft. This would have enabled us to prospect thoroughly 1000 foot north-south section of the vein.

Rather than drive another long hanging wall cross cut (at this time) from the face of the 502 north drift (at no expense to the Bureau) in order to get another more favorable drilling station, I am proposing the following program:

1st. Discontinue underground drilling at this time but drill a surface well rig vertical hole with casing in the arroyo near the surface fault somewhere beyond (in plan) where drill hole No. 7 bottomed. This would be cheaper than underground drilling and should reach the vein in the sulphide zone and penetrate the foot wall monzonite. After completion the hole should be equipped with a deep well pump to (a) supply water for a proposed mill and (b) to lower the water level on the bottom level of the mine so that the inclined shaft may be sunk on the vein.

In 1926 the Primos Co. started to sink this shaft but were driven out by water after a few rounds on account of inadequate equipment and power. Subsequently in 1941 Penn Metals pumped the sump dry while supplying water for their oxide mill. There was ample water for the 100 ton flotation plant but 250 gpm would hold the water down.

2nd. While No. 1 above is underway, drill a series of vertical surface diamond drill holes at 200 to 300 foot intervals Southward along the vein and toward the Papago claims. This would be the best method of developing additional oxidized ore tonnage. The State Geologist, Mr. E. D. Wilson, will endorse this No. 2 recommendation.

YUMA METALS, INC.

By Lloyd C. White

Lloyd C. White

YUMA METALS, INC.

Red Cloud Mine

May 1954

Yuma, Arizona

Log on Diamond Drill Hole No. 7 - bottom level Red Cloud Mine. Station 2 at end of 503 X-cut. Course of hole N 10° W. Inclination - 48° from horizontal. Hole started April 8, 1954 and completed in early May at 650 foot depth.

Hole drilled by Boyles Bros. Drilling Co., Salt Lake City.

Location of Core	Core Recovery	Description
0 - 385'		White tuff
385' - 395'		Decomposed granite
395' - 400'		Sludge only - red tuff
400' - 415'		Core red tuff
415' - 500'		Bands of grey fine granite and coarse glassy granite
500' - 543'		Mostly decomposed coarse black and white granite
543' - 545'	-- 0' - 10"	Granite and tuff
545' - 550'	-- 1' - 0"	Light colored granite
550 - 555'	-- 0' - 10"	" " "
555 - 565'	-- 1' - 3"	" " "
565 - 570'	-- 1' - 0"	Greenish gray fine grained dilse rock
570 - 575'	-- 1' - 6"	" " " " " "
575 - 580'	-- 1' - 6"	Fine grained greenish rock-seams carbonate
580 - 585'	-- 2' - 6"	" " " " " "
585' -590'	-- 2' - 10"	Fine grained greenish silicious rock
590' -595'	-- 1' - 0"	" " " " "
595' -600'	-- 1" -2"	" " " " "
600' -605'	-- 1' - 2"	Greenish gray granite
605' -610'	-- 0' -6"	" " silicious rock
610' -615'	-- 0' -6"	Broken altered tuff
614' -618'	-- 0' -6"	Greenish silicious - fine grained rock
618' -621'	--1' -6"	Silicious reddish tuff
621' -625'	-- 1' -9"	Tuff with quartz carbonate
625' -630	0- 2' -0"	Fine grained greenish rock, seams carbonate
630' -635'	-- 1' -6"	Dark solicious rock, much biotite

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April & May, 1954 Docket No. DMEA _____ Contract No. Idm-E 337

Operator's Name Yuma Metals, Inc. Minerals Lead & Zinc

Address 70 Hope St., Santa Barbara, Calif.

Contract Amount, $ 78,000.00 Government Participation: 50 % Amount, $ 37,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:		18 010.00	24 510.00	✓		
Drilling Diamond	6500.00	14 [illegible]	[illegible]			
Bulldozing						
Crosscutting						
Drifting New Ridge		623.00	623.00			
Moving		560.00	560.00			
(2) Labor and Supervision:						
Labor		3,003.75	3,003.75	✓		
Supervision		950.00	950.00	✓		
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		640.22	640.22	✓		
Explosives Cable & bucket		193.04	193.04	✓		
Pipe		396.62	396.62	✓		
Track		193.04	193.04	✓		
		269.21	269.21	✓		
		334.63	334.63	✓		
(4) Operating Equipment: Various		327.21	327.21	✓		
Rental						
Purchase						
Depreciation		900.00	900.00	✓		
(5) Initial Rehabilitation and Repairs		3,971.04	3,971.04			
(6) New Bldgs., Improvements, etc.		997.21	997.21			
(7) Miscellaneous:						
Repairs to Equipment		133.10	133.10	✓		
Sampling and Analysis						
Payroll Taxes		64.66	64.66	✓		
Liability Insurance		217.56	217.56	✓		
(8) Contingencies (specify):						
Labor		336.69	336.69	✓		
Supplies		136.10	136.10	✓		
		32,228.97	3,[illegible]			
TOTALS	6500.00	32,228.97	35,[illegible]	6500.00	32,228.97	38,728.97

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

Date June 1, 1954 *Payee Yuma Metals, Inc.

Per Lloyd C. White Title Manager, Minerals Administration

*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.

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

(Instructions on reverse)

* Price adjustment

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 32,228.96 38,728.96

$ 1750.00

Signature Randel R. Cooper (Authorized Certifying Officer)

Date 8-12-54 Vou. No. DMA-55-12

(See other side)

RECEIVED AUG 25 1954

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm-F-371 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 7/27/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. Kang Title Executive Officer Date AUG 2 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April & May 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name Yuma Metals, Inc. Minerals Lead & Zinc
Address [illegible] Santa Barbara, California

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes				[illegible]	[illegible]			
Drilling: Core	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Churn								
Auger								
Stripping				[illegible]				
Trenching				[illegible]				
Test Pits								
Roads and Trails								
[illegible]				[illegible]				
TOTAL DISTRIBUTED COSTS		[illegible]	[illegible]	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
				[illegible]				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

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

Date [illegible] Operator Yuma Metals, Inc.

Per Lloyd C. White Title Manager

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Defense Minerals Administration
RECEIVED
AUG 25 1954

INSTRUCTIONS

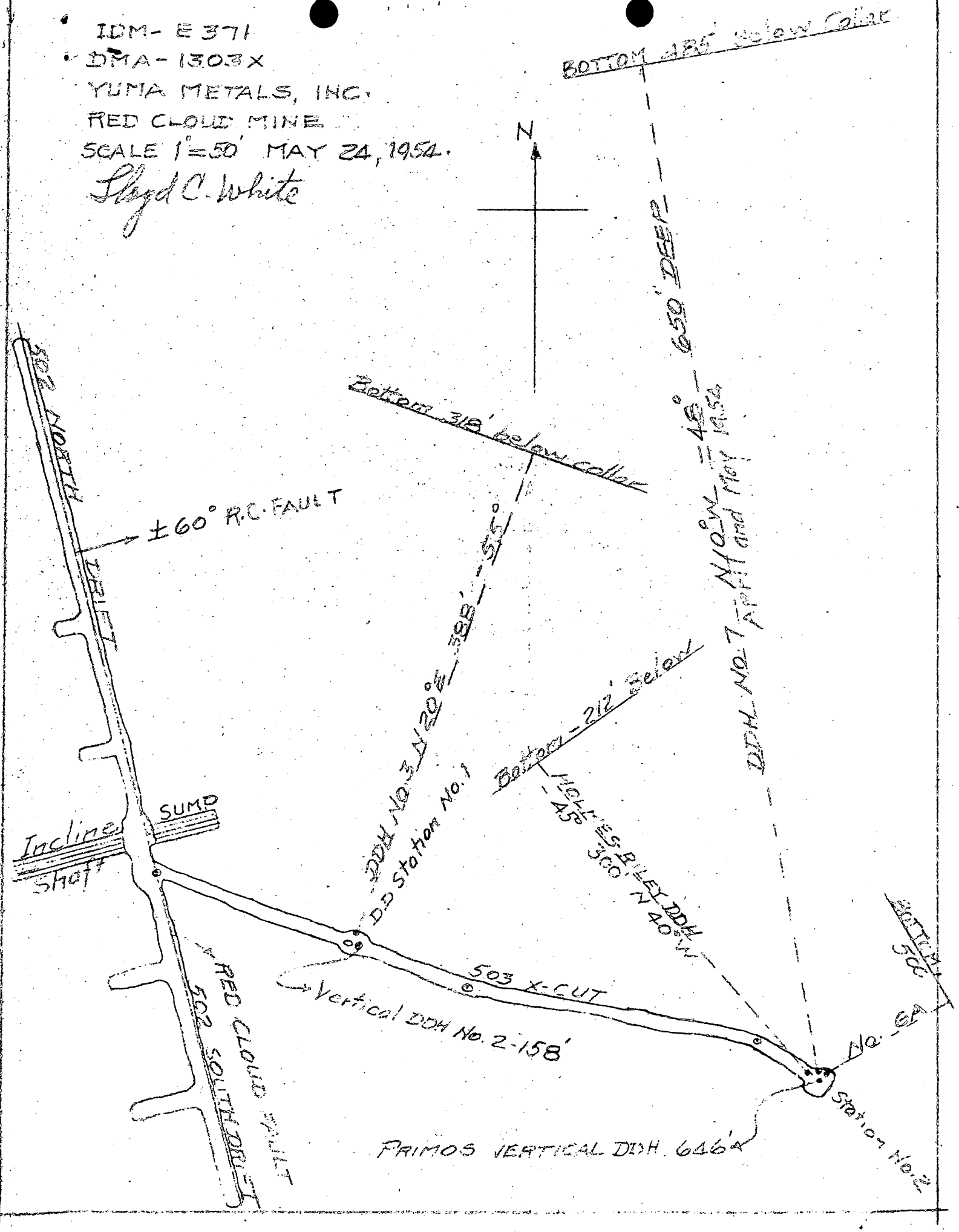
Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

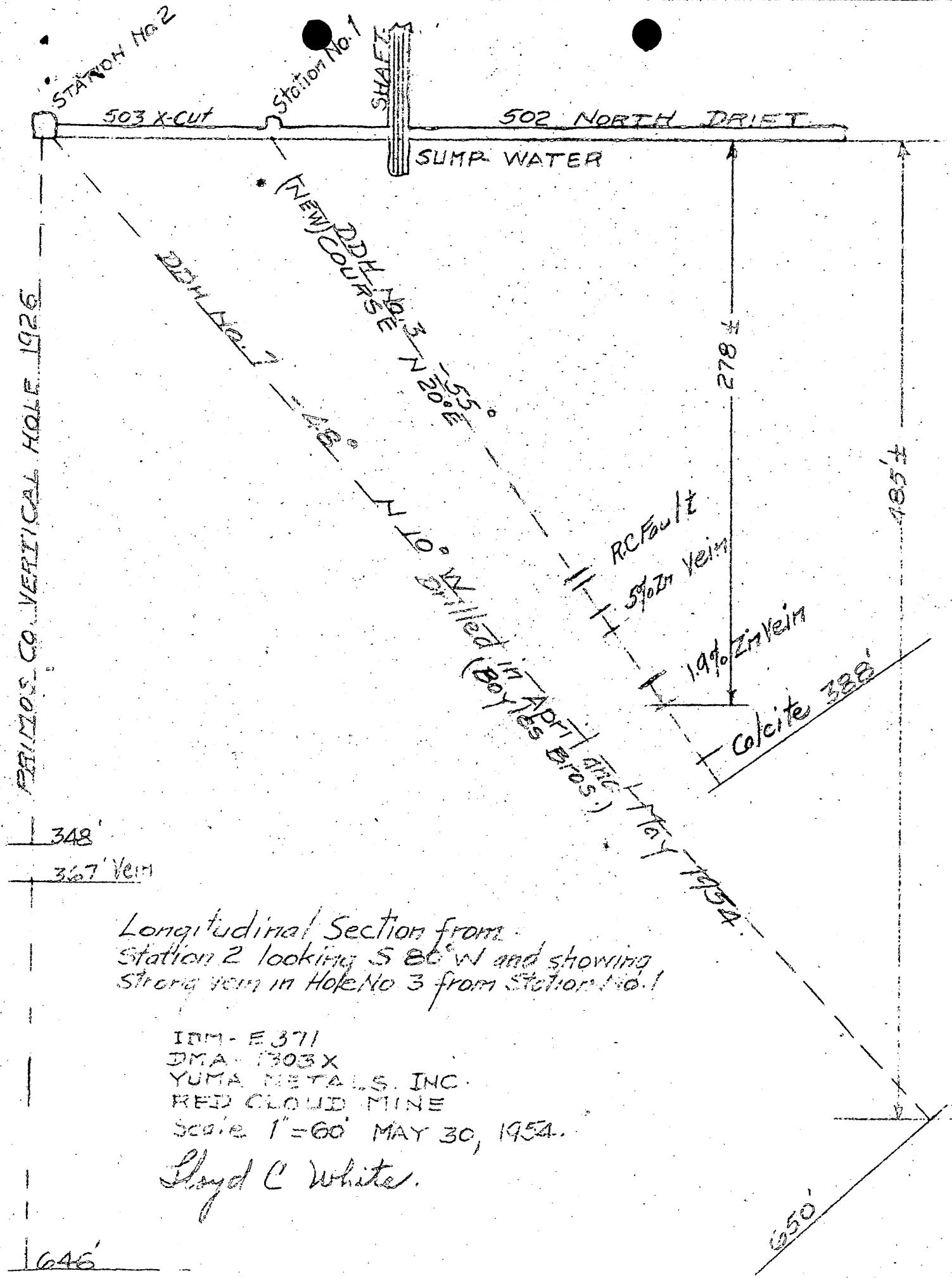
Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

IDM- E 371
DMA- 1303X
YUMA METALS, INC.
RED CLOUD MINE
SCALE 1"=50' MAY 24, 1954.
Floyd C. White





Longitudinal Section from Station 2 looking S 86° W and showing Strong vein in Hole No 3 from Station No. 1

IDM - E 371
DMA - 1303 X
YUMA METALS INC.
RED CLOUD MINE
Scale 1" = 60' MAY 30, 1954.

Lloyd C White.

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

224 New Customhouse
Denver 2, Colorado

August 20, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of March 1954.

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

August 2, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X (Lead-Zinc), Contract Idm-E371, Yuma Metals, Inc., Yuma County, Arizona. Operator's Monthly Progress Report for the month of March 1954.

Enclosed are the original and four copies of Form MF-104, and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract at an agreed unit cost. Therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Drill Hole No. 7 referred to in the Engineer's report has been completed and Form MF-104 in claim for the costs thereof is on file in this office.

Date of Operator's Report	April 9, 1954.
Date Report received in Bureau of Mines Office	April 12, 1954.
Date Report received in Regional Office	April 16, 1954.

The report was deferred from processing pending completion of Drill Hole No. 7 and receipt of Operator's Form MF-104 pertaining thereto.

W. H. King

Enclosures

JWT:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.; JWTownsend

April 14, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : March 1954 Progress Report, DMEA Contract Idm-E337, Docket DMA-1303X, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed in quintuplicate are

(1) Bureau of Mines engineer's report;
(2) Operator's narrative report with drill logs and 2 maps;
(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineers report.

All work is in accordance with the terms of the contract. However, the project was recessed from early in December 1953 until in March 1954 without proper authority. A letter was sent from this office to Mr. D. L. McDaniel, president of Yuma Metals, Inc., on February 17, suggesting that he ask for a recess for the time that no work was done. No direct answer was received from McDaniel but he told W. R. Hardwick of the Bureau of Mines, when Hardwick visited the property early in March, that inasmuch as the Executive Officer of the DMEA Field Team of Region IV had approved the new drilling contract for Hole No. 6A, he could see no need for a recess.

If the DMEA Field Team approves the recess from December 1953 until March 1954, then I recommend that the Government's share of the March expenditures be paid after Hole 7 has been completed. The Government's equity in equipment and property at Yuma Metals is approximately $2,092. If hole No. 7 is drilled 500 feet, then the March account may be settled. Lloyd C. White, manager of Yuma Metals, Inc., recently stated while in Tucson, that if Hole No. 7 is a "dud", then no further work would be planned.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1303X
DF

WRStorms:frj

April 14, 1954

Memorandum

To : Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for period December 1953 to March 1954, Docket DMA 1303X, Contract Idm-E337, Yuma Metals Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

The Red Cloud mine was visited by John N. Faick, geologist, U. S. Geological Survey, and the undersigned engineer on April 5, 1954. D. L. McDaniel, Lloyd C. White, and Luke Walker of Yuma Metals were present.

After considerable discussion it was decided that an additional drill hole should be drilled and a separate report has been submitted recommending that drill hole number 7 be drilled.

The core from drill hole No. 6A was examined and logged. Hole No. 6A was drilled by Boyles Bros. to secure the information that was anticipated from hole No. 6 which was lost at 335 feet by Metler Drilling Co. The core recovery by Metler was very poor but Boyles Brothers made an excellent core recovery. No core was cut that could be identified as the Red Cloud vein, either by Hole No.6 or No. 6A. No ore was discovered during the month.

Yuma Metals Inc. has presented a Form MF-104 together with Form MF-104A, Log of D.D. Hole No. 6, Log of D.D. Hole 6A, Narrative Report, and plan and section maps, all signed by Lloyd C. White, manager. Yuma Metals, Inc. claims payment of the Government's agreed part of the cost for 500 feet drilled in Diamond Drill Hole No. 6A, (from 0 - 500 feet) and 4 feet drilled in Diamond Drill Hole No. 6 (from 331 feet to 335 feet).

CC W. H. King (Orig. & 6)
DMA-1303X
DF

WRHardwick:frj

This drilling was in accordance with the terms of the contract which provides for Government participation in the costs to the extent of 50 percent of an agreed estimated cost of $10.00 per foot of drill hole. The total cost of the 504 feet of drill hole was $5,040.00 and the Government's agreed part is $2,520.00. The operator is drilling an additional hole (No. 7) and it is believed that the Government's interest will be sufficiently protected with respect to property interest and final report by the amount due the operator on this new hole. However, it is recommended that the operator be paid 50 percent of the amount claimed on the voucher for the period December 1953 to March 1954, or $2,520.00, only after hole No. 7 is completed.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

~~SUPPLEMENT TO~~ OPERATOR'S NARRATIVE REPORT

Months of December, 1953 and
March, 1954.

Exploration Project Contract
IDM-E 371
Yuma Metals, Inc. - Red Cloud Mine
Progress Report for December 1953 and March, 1954

Diamond Drill Hole No. 6.

This hole was lost in early December after advancing only 4 feet for the month. The total depth of the hole was only 335 feet and accomplished nothing. A detailed history of results are shown on the accompanying log of the hole. After the Mettler Drilling Co's failure on this hole they moved out and left us without a driller.

It took Yuma Metals, Inc., over two months to line up another contractor during which time a winter recess was asked for and granted.

Diamond Drill Hole No. 6A.

This hole was authorized by the Bureau in January, 1954, with the suggestion that the hole be pointed North 60 degrees East and drilled less than 10 degrees from the vertical. These instructions were carried out and Boyles Bros. Drilling Co. of Salt Lake City, started drilling on March 5, 1954 and completed a 500 foot hole on March 31, 1954.

The log of this hole is enclosed with this report. No vein was found and none could be expected in view of the log on The Primas Co. vertical hole, which I am told did not show a distinct

vein, although some silver values were present in the theoretically projection of the vein downward.

Yuma Metals, Inc.
Lloyd C. White
By: Lloyd C. White

YUMA METALS, INC.

RED CLOUD MINE

Yuma, Arizona
April 5, 1954

Log on Diamond Drill Hole No. 6. Bottom level Red Cloud Mine. Station No. 2 at end of 503 x-cut. Course of hole N 60°E. Inclination 8° from vertical.

Hole was drilled by Mettler Drilling Co. of Tucson. They drilled 331 feet in November, 1953 and 4 feet in December, 1953 when they lost the hole at a depth of 335 feet.

Location	Core Recovered	Description
0' - 40'	8' - 0" (Big Core)	Cream colored rhyolite tuff
40' - 46'	1' - 4" (Small core)	Cream colored rhyolite tuff
46' - 53'	1' - 2"	Cream colored rhyolite tuff
53' - 63'	1' - 0"	Cream colored rhyolite tuff
63' - 73'	2' - 6"	Cream colored rhyolite tuff
73' - 88'	1' - 6"	Cream colored rhyolite tuff
88' - 93'	4' - 0"	Cream colored rhyolite tuff
93' - 103'	3' - 6"	Cream colored rhyolite tuff
103' - 106'	1' - 4"	Cream colored rhyolite tuff
106' - 113'	2' - 0"	Cream colored rhyolite tuff
113' - 123'	2' - 0"	Cream colored rhyolite tuff
123' - 133'	2' - 0"	Cream colored rhyolite tuff
133' - 143'	1' - 10"	Cream colored rhyolite tuff
143' - 153'	1' - 8"	Cream colored rhyolite tuff
153' - 163'	1' - 6"	Cream colored rhyolite tuff
163' - 173'	1' - 0"	Cream colored rhyolite tuff
173' - 183'	4' - 0"	Cream colored rhyolite tuff
183' - 193'	2' - 7"	Cream colored rhyolite tuff
193' - 200'	0' - 6"	Granolitic
200' - 202'	0' - 3"	Small pebbles-corn grain size
202' - 207'	0' - 6"	Granitic pebbles
207' - 212'	0' - 6"	Granitic pebbles
212' - 217'	1' - 6"	Granitic pebbles
217' - 222'	0' - 10"	Granitic pebbles
222' - 227'	0' - 4"	Granitic pebbles
227' - 232'	0' - 4"	Granitic pebbles
232' - 234'	0' - 2"	Granitic pebbles
234' - 239'	0' - 6"	Granitic pebbles
239' - 242'	0' - 8"	Hard Mongonite

Location	Core Recovered	Description
242' - 252'	No core	
252' - 262'	No core	
262' - 267'	0' - 6"	Monzonite
267' - 277'	1' - 0"	Monzonite
277' - 282'	0' - 6"	Monzonite
282' - 287'	0' - 3"	Monzonite
287' - 301'	2' - 0"	Monzonite
301' - 311'	1' - 0"	Monzonite
311' - 321'	0' - 6"	Monzonite
321' - 326'	1' - 0"	Monzonite
326' - 335'	No core	

Bottom
Lost Hole - Lost drill rods, bit and casing.

Mettler Drilling Co. moved out from Red Cloud in early December, 1953, having failed to produce.

YUMA METALS, INC.

RED CLOUD MINE

Yuma, Arizona
April 5, 1954

Log on Diamond Drill Hole No. 6A - Bottom level Red Cloud Mine. Station No. 2 at end of 503 X-cut. Course of hole N 60°E. Inclination - 8° from vertical. Hole started March 5, 1954, and completed on March 31, 1954 at 500 foot depth.

Hole drilled by Boyles Bros. Drilling Co. Salt Lake City. They did not start saving core until 328 foot depth because Metler Drilling Co. in Hole No. 6 (which they lost) had penetrated the same area to this depth.

Location	Core Recovered	Description
328' - 336'	0' - 9"	Reddish to greenish stuff
336' - 341'	1' - 0"	Reddish to greenish stuff
341' - 346'	2' - 6"	Reddish to greenish stuff
346' - 351'	1' - 6"	Reddish to greenish stuff
351' - 361'	3' - 0"	Reedish to greenish stuff
361' - 366'	2' - 0"	Greenish Dike
366' - 371'	2' - 6"	Siliceous tuff
371' - 376'	4' - 0"	Siliceous tuff
376' - 381'	4' - 0"	Siliceous tuff
381' - 391'	4' - 0"	Greenish to reddish siliceous tuff
391' - 396'	3' - 6"	Mixed red. Biotite present
396' - 406'	5' - 6"	Mixed red and green siliceous tuff
406' - 409'	1' - 6"	Mixed red and green siliceous tuff
409' - 413'	2' - 0"	Mixed red and green plus white rock
413' - 416'	1' - 8"	Mixed dark tuff plus some white rock (Barite)
416' - 419'	2' - 6"	Siliceous dark rock
419' - 424'	2' - 6"	Siliceous dark rock
424' - 428'	2' - 0"	Siliceous dark rock
428' - 430'	1' - 0"	Siliceous dark rock
430' - 435'	4' - 6"	Greenish dark-Siliceous-trace calcite
435' - 441'	3' - 6"	Greenish siliceous plus white rock (Barite)?
441' - 446'	2' - 6"	Probably schist plus white siliceous
446' - 451'	1' - 3"	Probably barite plus white siliceous

Location	Core Recovered	Description
451' - 461'	2' - 6"	Whitish and greenish siliceous rock
461' - 462'	0' - 4"	Dark schist
462' - 466'	1' - 0"	Dark schist and tuff
466' - 471'	0' - 8"	Dark siliceous with quartz
471' - 476'	3' - 8"	Greenish to whitish siliceous rock
476' - 481'	3' - 0"	Greenish to whitish siliceous rock
481' - 486'	3' - 0"	Greenish siliceous rock - very hard
486' - 491'	1' - 3"	Whitish siliceous rock
491' - 493'	0' - 6"	Whitish siliceous rock
493' - 496'	1' - 0"	Whitish to reddish siliceous rock
496' - 500'	1' - 0"	Whitish to greenish siliceous rock

Bottom - March 31, 1954.

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of ~~March~~ Dec. 1953, 195~~4~~ Docket No. DMEA 1303X Contract No. Idm-E337

Operator's Name Yuma Metals, Inc. Minerals Lead & zinc

Address 798 Hope Ave. Santa Barbara, Calif.

Contract Amount, $75,000. Government Participation 50 % Amount, $37,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Diamond	5,040.00	9,660.00	14,700.00			
Bulldozing						
Crosscutting						
Drifting						
~~xxxxx~~ New Bldgs		823.00	823.00			
Moving "		560.00	560.00			
(2) Labor and Supervision:						
Labor		3,083.75	3,083.75			
Supervision		900.00	900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		640.22	640.22			
Explosives ~~xxxxxxx~~ Cable & Bucket		190.00	190.00			
Pipe		396.62	396.62			
Track		195.00	195.00			
Fuel & Grease		269.71	269.71			
Small tools		204.62	204.62			
(4) Operating Equipment: Various		327.21	327.21			
Rental						
Purchase						
Depreciation		900.00	900.00			
(5) Initial Rehabilitation and Repairs		3,971.04	3,971.04			
(6) New Bldgs., Improvements, etc.		887.71	887.71			
(7) Miscellaneous:						
Repairs to Equipment		135.18	135.18			
Sampling and Analysis						
Payroll Taxes		64.66	64.66			
Liability Insurance		217.56	217.56			
(8) Contingencies (specify):						
Labor		326.59	326.59			
Supplies		126.10	126.10			
TOTALS	5,040.00	23,878.97	28,918.97	5040.00	32,241.04	37,281.04
				* -2800.00		2,800.00

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

Date April 9, '54 *Payee Yuma Metals, Inc.

Per Floyd C. White Title Manager

*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.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

** 2,252.07 2,252.07
27,188.97 32,228.97
$25,216

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 8-12-54 Vou. No. DMA-55-12
(See other side)

RECEIVED AUG 25 1954

* No payment made in June 1953
** Disallowed on report for Jan - Apr 1953

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dmE 337 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 4/14/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date AUG 2 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ~~March~~ Dec. 1953 ~~1954~~
Operator's Name Yuma Metals, Inc. Docket No. DMEA 1303 X
Address 798 Hope Ave. Santa Barbara, Calif.

Contract No. Idm-E371
Minerals Lead & zinc

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes					1470			
Drilling: Core	Ft.	5,040.00	504	14,700.00	14 70	10	6000	10.00
Churn								
Auger								
Stripping New Bldgs				823.00				
Trenching Moving Bldgs				560.00				
Test Pits								
Roads and Trails								
Undergr. Rehab.				7,977.22				
Total Distributed Costs		5,040.00	504	24,060.22				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				3,971.04				
New Buildings, Improvements, etc.				887.71				
Total Costs		5,040.00		28,918.97				75,000.00

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

Date April 9, '54 Operator Yuma Metals, Inc.

Per Lloyd C. White Title Manager

Remarks:

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

(Instructions on reverse)

(For Government use only)

APR 25 1954

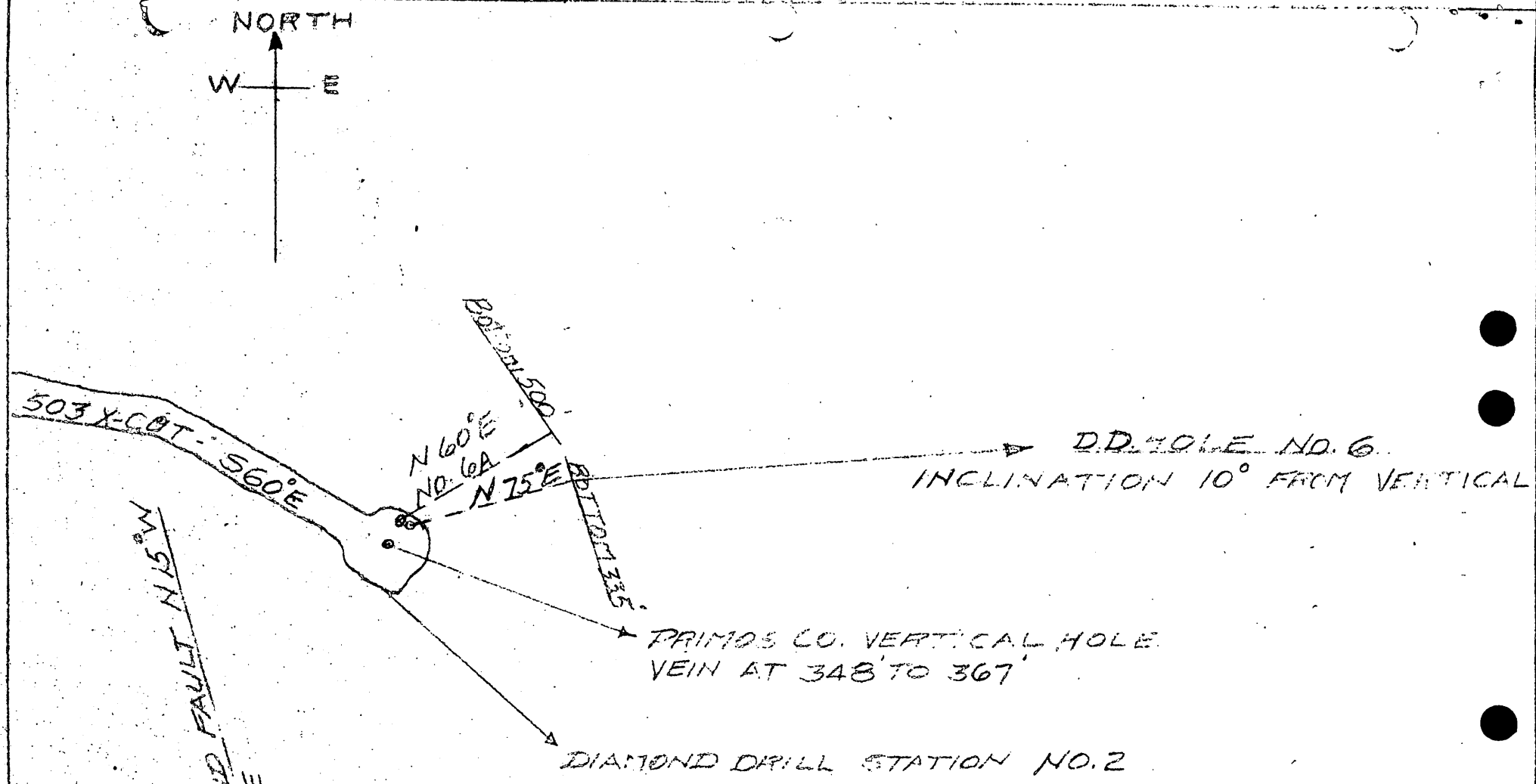
INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

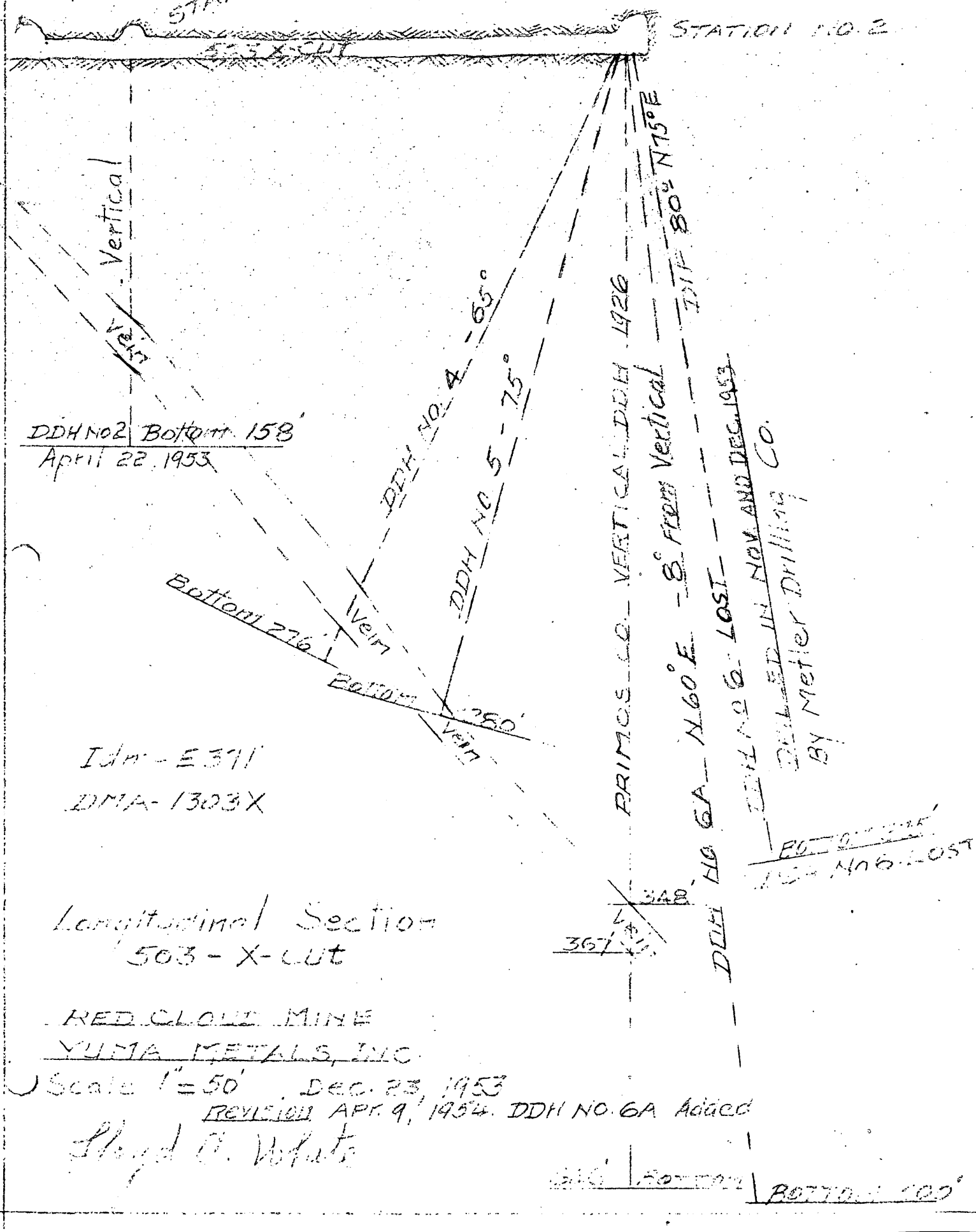
GPO 83-38475



Revision: Apr. 9, 1954
Added DDH No. 6A

IDM-E371
DMA-1303X
YUMA METALS, INC.
RED CLOUD MINE
SCALE 1" = 50' DEC. 22, 1953

Lloyd C. White


STATION NO. 1
STATION NO. 2
Vertical
Vein
DDH NO 2 Bottom 158'
April 22, 1953
DDH NO. 4 - 65°
DDH NO 5 - 75°
Dip 80° N75°E
PRIMOS CO. VERTICAL DDH 1926
DDH NO 6A N60°E - 8° from Vertical
DDH NO 6 LOST
DDH NO 6 NOV AND DEC 1953
BY Metler Drilling Co.
Bottom 276'
Bottom 350'
Vein
Idn - E311
DMA - 1303X
348'
367'
Longitudinal Section
503 - X-cut
RED CLOUD MINE
YUMA METALS, INC.
Scale 1" = 50'
Dec. 23, 1953
Revision Apr. 9, 1954. DDH NO. 6A Added
Lloyd B. Wolfe
Bottom 100'

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

Brunwell
Betty

224 New Customhouse
Denver 2, Colorado

April 2, 1954

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X, Contract Idn-E371, (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of November 1953.

John F. Shaw
John F. Shaw
For W. H. King

Enclosures

224 New Customhouse
Denver 2, Colorado

March 31, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X, Contract Idm-E371, (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona - Operator's Monthly Progress Report for the period November 1953

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions: None

Remarks:

Date of Report.....December 10, 1953
Date Received in Field Office...January 4, 1954
Date Received in Region Office..January 6, 1954

Held in Region Office pending resumption of work to protect the Government's equities in jointly-owned equipment. Released on March 31, 1954, upon authorization from the Field Office (copy of the telegram included).

John F. Shaw
John F. Shaw
For W. H. King

Enclosures

RDB:jp
cc Contract
Chron
WRStorms
Sec. to Oper. Comm. (2)

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY

COPY

Originator:

TELETYPE

Ext.: Room:

Appro.:
Date:
Time:
No.:
To: W H KING BOM IN

TUCSON ARIZ 3-31-54 834A

Subject:

[illegible] CONTRACT IBR-8371, LOCATE [illegible]-1303X, YUMA METALS HOLE SIX [illegible] [illegible] HUNDRED FORTY ONE [illegible] DEEP [illegible] 29 SO RECOMMEND PAYMENT [illegible] ACCOUNT. [illegible] EXAMINERS WILL VISIT MINE TOMORROW AND PROBABLY INFORM RECOMMENDATIONS REGARDING NEW HOLE NEXT WEEK.

[illegible] TUCSON ARIZ

Authorized:

Sign original message and transmit to Room ..... in duplicate

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

January 4, 1954

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : November 1953 Progress Report, Contract IAm-E371, Docket DMA-1303K, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

(3) Forms MF-104 and MF-104A.

Also enclosed are 2 extra copies of our engineer's report.

Work completed to date has been in accordance with terms of the contract. However, Diamond Drill Hole No. 6 was lost at 335 feet. Another hole with similar bearing and dip will be drilled either by the company or by a new drill contractor if the company obtains permission from the DMA Field Team. No payment should be made for lost Hole No. 6 until the new hole has been drilled. That is, the November account should not be settled until the company drills the substitute hole.

The company is complaining because the May and June accounts have not been settled. The May account consisted of 481 feet of diamond drilling in Holes 3 and 4 for a total of $4,310.00. The June account consisted of 280 feet of diamond drilling in Hole 5 for a total of $2,800.00. However, as Hole 5 was not drilled as specified, it was disallowed.

The January 12 to May 1, 1953 Progress Report indicates that the Government's equity is approximately $2,092.61. The Government's share of the May account is one-half of $4,310.00, or $2,155.00. Therefore, it is recommended that no payment be made to the company until the substitute for Hole 6 is completed, because if the company cannot secure the services of a reliable diamond drill contractor, it might decide to cease operations under the contract.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1303K
DF
WRStorms:frj

Memorandum

January 5, 1953

To : Walter R. Stoms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : William R. Hardwick, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for November 1953, Docket DMA-1303X, Contract DMS-8371, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

The Red Cloud mine was visited by T. M. Romslo and the undersigned on December 17, 1953. The core that was recovered from Diamond Drill Hole No. 6 was examined, and as reported in an interim report, dated December 22, 1953, the circumstances surrounding the loss of the hole were investigated. The Operator has presented Forms MF-104 and MF-104A, claiming payment for 331 feet of drilling which it claims was completed in November 1953. The depth of the hole was 335 feet when the compressor failed, resulting in the loss of the hole. It is believed that the loss of the hole was unavoidable.

The Operator has expressed its intention of drilling a new hole to replace Drill Hole No. 6. It is recommended, that after the operator has completed a new hole to accomplish the objective of drill hole No. 6, it be paid for the footage which has been lost.

Frank Metler of Metler Drilling Company visited the Bureau of Mines Tucson office on December 23, 1953, at which time he stated that he and Yuma Metals were unable to reach an agreement and that he did not intend to do any additional drilling for that company. Yuma Metals, Inc., has indicated that it will employ a new drilling company or will complete the work itself. Yuma Metals, Inc., was advised that any new contract for drilling must be approved by the Government.

The Operator has called attention to money withheld on its voucher presented for work in May and June of 1953. In regard to the payment of this money, the picture has not changed. T. M. Romslo recommended that reimbursement to the Operator be withheld until claims for additional work are approved or the contract has been finalized. No additional work has been approved.

It is recommended that no further payment be made to Yuma Metals, Inc., until operations have been resumed, and a new Hole No. 6 has been drilled.

William R. Hardwick

William R. Hardwick, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (Orig. & 6)
DMA-1303X
DF
WRHardwick:frj

Yuma [illegible], Inc. Narrative Report for November 1953

DDH 1303 X Contract No. I.D.A.-E 371

W. R. Storms, Chief
Mining Methods Branch
Mining Division, Region IV
Tucson, Arizona

We were on job Monday Nov. 2nd, however, over-hauling light plant and water pump and etc. including repairing and replacing some air lines. We started cementing in collar pipe Nov. 10th.

Nov. 11th 40' of AX casing was set.

Nov. 13th hit a contact at 74'.

Nov. 14th Cemented.

Nov. 15th Drilled cement but was still losing water; so recemented.

Nov. 16th Drilled out 25' of cement, then bottomed at 172 feet.

Next few days drilling went along good.

Nov. 19th Hit another contact, some little granite against tuff; lost considerable water-drilling AX

Nov. 20th set 200' of BX casing.

Nov. 21st Hit cave 205' to 209', Cemented.

Nov. 22nd Cement wasn't set.

Nov. 23rd Drilled cement out.

Nov. 24th Hit fault at 235', lost water and caved. Cemented.

Nov. 28th Drilled cement and drilled on to 267'.

Nov. 29th Drilled to 301', caving badly but not losing water.

Nov. 30th Drilled to 331', losing some water and hole caving some. Cementing necessary.

It is seems to be the worst ground we have yet encountered; but far from impossible to drill.

Only the diamond drilling is reported on Forms 104 and 104A.

Respectfully submitted,

Yuba McTheus, I.C.,

Luke Walker

Luke Walker, Sec'y

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November 1953 Docket No. DMEA
Contract No. [illegible]
Operator's Name [illegible]
Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] %
Amount, $ 37,[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts: [illegible]	3310.00	[illegible]	[illegible]			
Drilling						
Bulldozing						
Crosscutting		[illegible]	[illegible]			
Drifting		[illegible]	[illegible]			
(2) Labor and Supervision:		[illegible]	[illegible]			
Labor		[illegible]	[illegible]			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:		[illegible]	[illegible]			
Timber		[illegible]	[illegible]			
Explosives		[illegible]	[illegible]			
Pipe		[illegible]	[illegible]			
Track		[illegible]	[illegible]			
[illegible]		[illegible]	[illegible]			
[illegible]		[illegible]	[illegible]			
(4) Operating Equipment:						
Rental						
Purchase		[illegible]	[illegible]			
Depreciation		[illegible]	[illegible]			
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:		[illegible]	[illegible]			
Repairs to Equipment						
Sampling and Analysis		[illegible]	[illegible]			
Payroll Taxes		[illegible]	[illegible]			
Liability Insurance						
(8) Contingencies (specify):		[illegible]	[illegible]			
[illegible]		[illegible]	[illegible]			
Totals	3310.00	[illegible]	[illegible]	~~3310.00~~	~~23,931.04~~	~~32,241.04~~
				*	~~- 2,800.00~~	~~- 2,800.00~~

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

Date [illegible] *Payee [illegible]

Per Luke Walker Title [illegible]

*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.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of 2,252.07 - 2,252.07
3310.00 23,873.97 27,183.97
$ 1655.00

Signature [illegible]
(Authorized Certifying Officer)

Date 4/1/54 Vou. No. DMA 54-101
(See other side)

* No payment made [illegible]
** Disallowed on report for January thru April, 1953.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 4-F 371 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 1/4/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature John T. Shawn for W. H. KING Title Executive Officer Date MAR 31 1954

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Churn								
Auger								
Stripping	[illegible]			[illegible]				
Trenching	[illegible]			[illegible]				
Test Pits								
Roads and Trails								
[illegible]				[illegible]				
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

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

Date [illegible] Operator [illegible]

Per Luke Walker Title [illegible]

REMARKS: [illegible]

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

(Instructions on reverse)

(For Government use only)

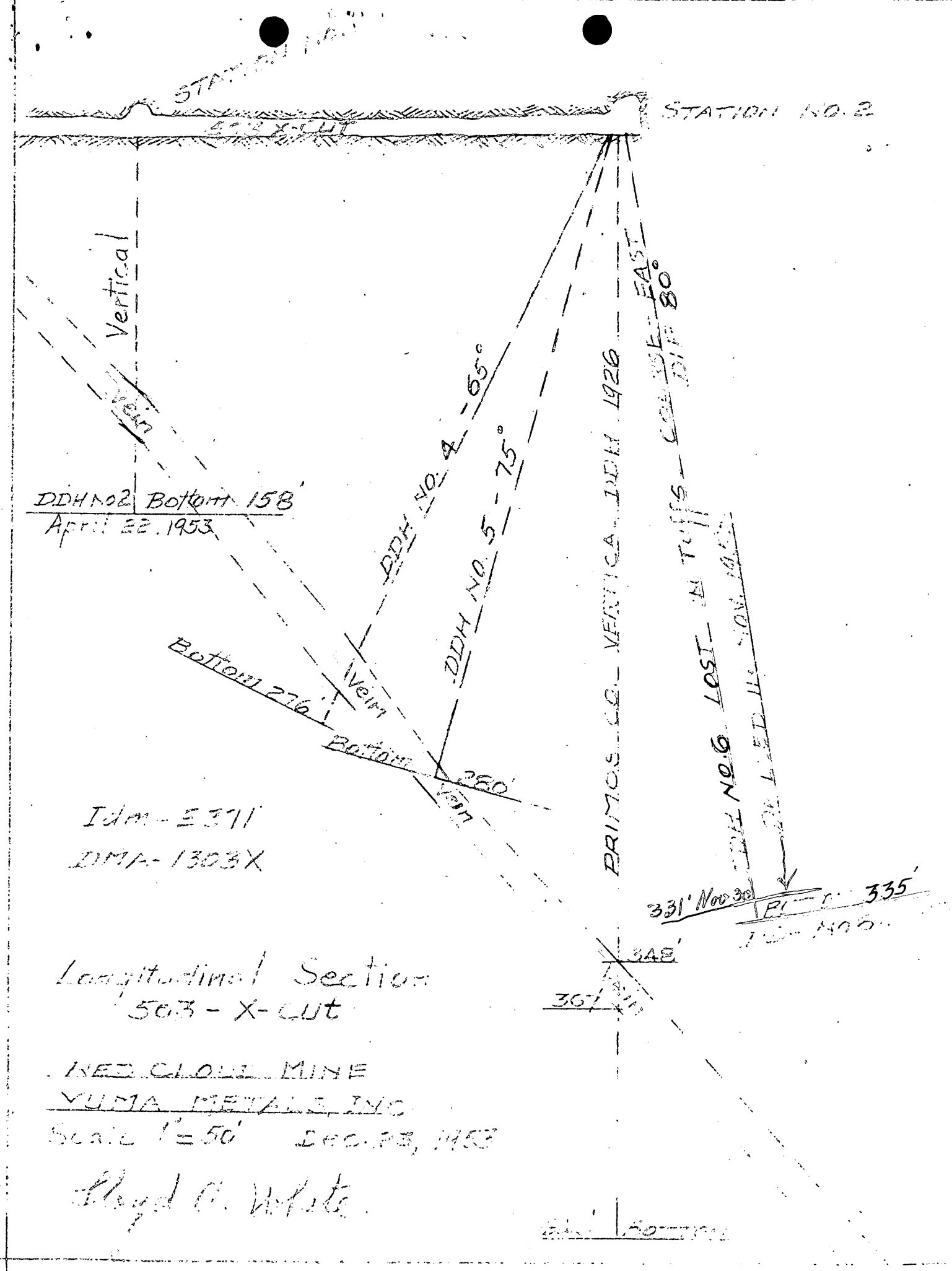
INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475


STATION NO. 2
Vertical
Vein
DDH NO 2 Bottom 158'
April 22. 1953
DDH NO. 4 - 65°
DDH NO. 5 - 75°
DDH 1926
EAST
80°
Bottom 276'
Vein
Bottom 280'
Vein
PRIMOS CO. VERTICAL
DDH NO. 6 LOST
Idm - E 371'
DMA - 1303X
331' Nov 30
335'
348'
367'
Longitudinal Section
503 - X-Cut
RED CLOUD MINE
YUMA METALS, INC.
Scale 1" = 50'
Lloyd C. White

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

221 N[illegible]mhouse
Denve[illegible]lorado

January 4, 1954

Greenwald
Betty

Memor[illegible]

To: [illegible]ecretary to the Operating Committee
[illegible]efense Minerals Exploration Administration

From: [illegible]xecutive Officer, DMEA Field Team, Region IV

Subj[illegible]: Docket DMEA 1303X, Contract I[illegible]-[illegible]371 (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona
Operator's Monthly Progress Report for the period June, 1953

Repo[illegible] Enclosed are two copies of the Operator's Monthly Progress [illegible]perator's Narrative Report, Inspecting Engineer's Narrative [illegible]d other supporting data pertaining to Docket DMEA 1303X, Con[illegible] I[illegible]m-[illegible]371, Yuma Metals, Inc.

W H King
W. H. King

In[illegible]es

1[illegible]

[illegible]: [illegible]ords [illegible]copy of report
[illegible]
[illegible]

No Payment Made

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

RECEIVED
JAN 6 1954

Date: December 30, 1953
Payee's
Reference: No Payment Made

June, 1953

Yuma Metals Inc.,
Yuma, Arizona
2d-1371

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 2000.00

Difference $ 2000.00

Amount Approved $ 0.0 No Payment

The reason for the difference was due to:

Work was not accomplished as authorized under contract and as approved by inspecting engineer, therefore no payment is to be made on this claim.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

December 17, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 1303X, Contract Idm-E371 (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona - Operator's Monthly Progress Report for the period June 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has not been accomplished as authorized in the contract and as approved by the inspecting engineer; therefore Diamond Drill Hole No. 5 is disallowed in its entirety and no payment is to be made for its claim on this June 1953 monthly report.

Remarks:

Date of Report	July 10, 1953.
Date Received in Field Office	July 13, 1953.
Date Received in Region Office	July 27, 1953.

Processing held up pending resumption of work.

W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

MINING DIVISION
REGION IV

July 24, 1953

Memorandum

To : W. H. King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : June 1953 Progress Report, contract Idm-&371, Docket DMA-1303X, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;
(2) Operator's narrative report with supplemental report on core drilling, drill log of hole 5 and 2 maps;
(3) Forms MF-104 and MF-104A.

Also enclosed are two extra copies of our engineer's report.

According to T. M. Romalo and W. R. Hardwick, Bureau of Mines engineers, they told Yuma Metals, Inc. to drill hole 5 at 85 degrees in an easterly direction as explained in Romalo's attached report. Actually the hole was drilled at 75 degrees in a southwesterly direction (see operator's attached maps). As no water return was obtained below 245 feet and the hole is said to have been drilled to 280 feet, no sludge samples were taken below 245. Core recovery also is said to have been very poor. White's log of the hole shows only 2 feet of core recovered below 265 feet (1 foot from 265 to 270, and 1 foot from 270 to 275 feet, with none below 275). Whether the hole actually hit the vein or not is uncertain.

It is our opinion that as the weather near Yuma was getting very hot, the driller put down 280 feet of hole as fast as he could, then quit. Fractured ground evidently was hit at 245 feet where return water was lost. However, instead of cementing, the driller continued to drill with no water return until he stuck his bit at 280 feet.

CC W. H. King (6)
DMA-1303 X
DF

WRStorms:frj

The location of Hole No. 5 should have been approved by the DMEA representative in writing. However, as Hole No. 5 actually was drilled at 75 degrees, instead of 85 degrees, as it is very near Hole No. 4, and as very little core and no sludge were obtained near the vein zone, I recommend that the operator not be reimbursed for work done in June.

Walter R. Storms

Walter R. Storms

MINING DIVISION
REGION IV

July 24, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : T. A. Romslo, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for June 1953, Yuma Metals, Inc., Yuma County, Ariz., Docket DMA-1303X, Contract IDM-6371.

The project was visited on June 16. Otto Montejl, a representative of the corporation, accompanied me during an inspection of the drill station and drill-hole cores. Duplicate drill sludges, obtained in accordance with the contract, were taken to Tucson and stored in the Bureau's core house.

The inspection showed that operations had ceased, and drilling equipment had been removed from the property, and that the only person at the mine was a watchman.

The drilling for June was confined to hole 5 that was reportedly bottomed at 280 feet. The inspection of core showed core recovery was poor and that the last core obtained was about 1 foot in the interval 270 to 275 feet. This core contained some vein calcite and assayed 2.54 percent zinc. No sulfide minerals were noted in the core.

A tabulation of all drilling to date follows:

Hole No.	Footage
1	144.0
2	138.0
3	358.0
4	276.0
5	280.0
Total	1,246.0

cc W. W. King (orig. & 6)
DMA-1303X
DF

TRomslo:fr j

CONTRACT, FORMS MF-104 AND MF-104A, AND OPERATOR'S NARRATIVE REPORT

The following is indicated from the inspection of the project and a review of subject data:

1. Hole No. 5 (see Operator's attached maps) was not drilled as approved during a conference at Tucson May 29. Present at the conference were: Luke Walker, L. C. White, and D. S. McDaniel, all representatives of the corporation, and W. R. Hardwick, mining engineer, Bureau of Mines, Tucson, and the writer. The decision as to location and design of hole 5 was made by Messrs. White, Hardwick and the writer.

Mr. White first proposed that hole 5 be drilled vertically from station 2. I would not go for this because such a hole would be expected to encounter the vein at a vertical depth of only about 100 feet below the oxidized vein encountered in hole 4. Hole 4 was in oxidized vein material at a depth of 270 feet according to Mr. White. I pointed out that a hole drilled easterly at minus 85 degrees would give a satisfactory vein intersection at a horizon more favorable to sulfide mineralization. Messrs. Walker, White, Hardwick and the writer mutually agreed that hole 5 should be drilled to duplicate proposed hole No. 6. I am sure Messrs. White and Walker could not have believed that hole 5 should be drilled in a westerly direction. This because: (1) It was mutually agreed that the hole should be directed to intersect the vein at a greater depth than would have been attained by a vertical hole; and (2) It was agreed that the depth of the approved hole might be as much as 1,000 feet. We discussed the possibility of drilling to that depth with the available equipment. Both Walker and White agreed that that depth was attainable.

2. It is my recommendation that the Operator's claim be denied, because the hole was not drilled as approved. I would disapprove the claim even though others should decide that the hole, as drilled, was justified. This disapproval would be based on the following information supplied by the operator:

a. The hole was drilled from 245 feet to its bottom without water return even though core recovery was very poor, so no sludge was obtained.

b. The hole was abandoned before the vein had been completely cut.

3. The Operator's Narrative Report includes a log of hole 5, a plan map, and a vertical section through drill holes with assays. It is considered adequate. The Report alsodescribes additional work that the corporation wishes to carry out.

T. M. Romslo, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

YUMA [illegible], Inc. Narrative Report for ~~MAY~~ JUNE 1953

AMSA 1303 X Contract No. I.C.A.-S 371

July 20 1953

[illegible] Storms, Chief
Mining Methods Branch
Mining Division, Region IV
Tucson, Arizona.

During June nothing but diamond drilling was done, which was detailed in Mr. White's report "Supplement to Operator's Narrative Report" for June, which was mailed to you on July 11th, 1953. Also, in this report he covered all the drilling in this report under heading of "General".

The weather turned very hot the latter part of June, so much so our employees gave us notice they were all quitting and that they would not work in the heat with the facilities we had to offer.

Mr. Romsle just told me on long distance phone he was recommending that we be not paid for DH hole 5; that he wanted it drilled 85° away from the vein.

I immediately called Bob McDaniels and Mr. White who were with me in your office in Tucson when this matter was discussed. They both, and I, understood Mr. Romsle, as wanting this hole drilled 85° toward the vein. Mr. White wanted to drill it vertically.

You can see from the map that 5 hole hits the vein rather close to 4 hole. However, it proved the primos DH hole, which gave information as to where the vein was hit by the primos hole. So, therefore, this hole has been very valuable in our project.

Another thing you can see from the map that if it had been drilled 85° in the opposite direction it would have been a very big bite to undertake in this treacherous ground.

And with the possibility of not completing the hole it would have been, I think, bad judgment. As it now stands, 5 hole is the much shorter hole and we actually located the vein and I think we accomplished as much as the deeper hole, with much less expense.

The chances of completing the 85° hole away from the vein, with the equipment we have, would have indeed been doubtful.

Taking everything into consideration I think up to date we have been quite fortunate and have accomplished what we started out to do. This is especially true being the ground is so bad to drill in.

Am sorry Mr. Romsle saw fit to recommend non-payment of DH 5 hole, considering the valuable information we obtained from it.

In reality we received enough information in a 280 foot hole so we can positively locate the vein from the Primos BD hole log, which not only saved money but puts us in a position so the next drill hole can be spaced as Mr. White has outlined and recommended.

In other words, even if it was a mistake to drill it in that direction, since its completion, it has proven its worth and certainly was more economical. And it also proved that the Homes-BD hole did not reach the vein.

From the above I certainly think we are entitled to be paid for this #5 hole and hope it will be paid without too much more discussion or delay. If payment is held up would suggest that a U. S. Geologist and Mr. White get together and work out the value of this #5 hole.

Respectfully submitted,

YU[illegible], INC.,

Luke Walker

Luke Walker

SUPPLEMENT TO OPERATOR'S NARRATIVE REPORT

Month of June, 1953

Exploration Project Contract
IDM-E 371
Yuma Metals, Inc. - Red Cloud Mine
Progress Report for June, 1953

Hole No. 5

This inclined hole was drilled from Station No. 2 at the end of the 503 crosscut. It was started at an inclination of 85 degrees but the drill apparently slipped as the measurement on the completed hole indicated minus 75 degree slope. The hole was started on June 2 and was lost on June 12 in the vein at 280 foot depth. This represents the total footage drilled during June. Drilling water was lost at 245 feet hence no sludges thereafter. The core recovery was also very poor. However the hole entered the vein in its expected position but it did not cross the vein because the hole caved and the driller lost his bit and 85 feet of rods.

General

We have now drilled five holes and found the Red Cloud vein in each. The total distance drilled is as follows:

No. 1	144	feet
No. 2	158	"
No. 3	388	"
No. 4	276	"
No. 5	280	"
Total	1246	"

These holes are plotted in plan and section on new Yuma Metals, Inc. drawings Nos. 1 and 2 dated June, 1953, by Lloyd C. White. In addition there is shown on Drawing No. 2 the bottoms of the Holmes-Riley hole and the Primos Co. hole No. 2, neither of which reached the vein according to our newly developed information as indicated by our holes Nos. 4 and 5.

Also there is now developed a new angle on Primos Co. vertical hole No. 1 from No. 2 drill station. I have recorded on drawing No. 2 what really happened. Mr. McGinnis was expecting sulphide ore in this hole at 700 or 800 foot depth and did not recognize the Red Cloud vein which was cut in an apparently weak section at 348 foot depth. He did however report quartz and pyrites with silver in the section I have designated as vein. This section lines up so perfectly with our recent findings that it is undoubtedly the Red Cloud vein.

On this basis we have now traced the Red Cloud vein to 367 feet below the bottom level and the vein is now shown to extend downward over 1000 feet on the slope distance from the present surface.

This showing justifies our continuing the tracing of the Red Cloud vein downward to the sulphide zone. We have accordingly indicated on Drawings Nos. 1 and 2, (above referred to) of how this will, in our opinion, best be accomplished. From existing drill station No. 2 proposed hole No. 6 should reach the vein at approximately 500 feet below the station. If this hole is successful then we would extend the 503 crosscut 250 feet easterly and drill hole No. 7 and perhaps No. 8 from proposed station No. 3. Also from this station (depending on results) we would probably want to fan out holes Nos. 9 and 10 to get some north and some south extent on the vein.

The above program will require our making some changes at the mine and to do this we are asking for a recess during the hot summer months on our Exploration Project Contract IDM-E 371.

(1) Among other changes we will contract for heavier diamond drilling equipment and arrange for casing the holes so as to obtain reliable sludge samples.

(2) We will clean out the half filled 500 foot level and develop both upward and downward the oxidized ore shoots recently sampled and shown on drawing No. 1.

Under separate cover we are mailing you seven prints each of Drawings Nos. 1 and 2.

Yours truly,

YUMA METALS, INC.

By Lloyd C. White.
Lloyd C. White

YUMA METALS, INC.

RED CLOUD MINE

Yuma, Arizona
June 13, 1953

Log on Diamond Drill Hold No 5. - Bottom level Red Cloud Mine. Station No. 2 at End of 503 Cross-cut. Course of hole South 60 degrees West. Inclination minus 75 degrees. Hole started June 2, 1953. Hole lost on June 12, 1953 at 280 feet in vein.

Location	Core Recovered	Description
0-5	0'9"	White rhyolite tuff
5-15	1'3"	" " "
15-23	1'3"	" " "
23-28	2'8"	" " "
28-38	1'8"	" " "
38-48	4'0"	" " "
48-56	3'6"	" " "
56-60	2'10"	" " "
60-68	3'4"	" " "
68-78	1'6"	" " "
78-80	0'3"	" " "
80-96	1'0"	" " "
96-108	1'3"	Crumbly " "
108-115	0'6"	Decomposed " "
115-124	No core	
124-125	0'9"	Mixed tuff, granite, quartz, calcite
125-130	0'2"	" "
130-134	0'2"	Red tuff
134-143	0'2"	Greenish rock - granitic, biotite
143-153	1'0"	Granitic pebbles
153-158	1'6"	Greenish colored dike - tuff
148-163	0'10"	" " silicious rock
163-168	0'6"	Greenish colored silicious rock
168-173	No core	
173-179	0'3"	Granitic - Monzonite
179-183	0'2"	Greenish pebbles - silicious
183-184	0'1"	" " "
184-198	3'0"	" diorite - Monzonite
198-208	0'6"	Monzonite
208-209	0'2"	" sands - decomposed
209-220	0'4"	" pebbles
220-225	1'3"	" and redish silicious tuff
225-231	3'0"	Red tuff and mixed tuff
231-233	0'6"	Monzonite
233-238	0'5"	Mixed red and white tuff
238-243	1'0"	Greenish diorite
243-248	0'2"	Pebbles, Monzonite and diorite
248-253	0'2"	Small pebbles - greenish rock
253-263	2'6"	Greenish rock
263-265	1'0"	" "
265-270	1'0"	Pebbles - vein
270-275	1'0"	Green dike - zinc - calcite
275-280	Bit and core barrel lost and 85 ft. of rods. - Bottom June 12, 1953	

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

JAN - 3 1954

Month of June, 195 3 Docket No. DMEA 1203X Contract No. IGn - 3371
Operator's Name Yuma Metals, Inc. Minerals Lead & Zinc
Address 208 Bone Ave., Santa Barbara, Calif.
Contract Amount, $ 75,000.00 Government Participation: 50% Amount, $ 37,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Diamond	2800.00	9660.00	12460.00			
Bulldozing						
Crosscutting						
Drilling New Holes.		823.67	823.67			
Moving Buildings		560.00	560.00			
(2) Labor and Supervision:						
Labor		1182.75	1182.75			
Supervision		900.00	900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		640.22	640.22			
Explosives Gelo Jacket		100.00	100.00			
Pipe		396.62	396.62			
Track		195.00	195.00			
Fuel & Grease		303.45	303.45			
Small Tools		220.15	220.15			
Various		337.65	337.65			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		900.00	900.00			
(5) Initial Rehabilitation and Repairs		6194.79	6194.79			
(6) New Bldgs., Improvements, etc.		995.96	995.96			
(7) Miscellaneous:						
Repairs to Equipment		634.17	634.17			
Sampling and Analysis						
Payroll Taxes		64.66	64.66			
Liability Insurance		217.56	217.56			
(8) Contingencies (specify):						
Labor		326.59	326.59			
Supplies		476.84	486.84			
	2800.00	26171.04	28971.04			
TOTALS	2800.	26863.04	28663.04			

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

Date July 10, 1953 Payee Yuma Metals, Inc.

Per Luke Walker Title Secretary

*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.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm-E371 in accordance with the terms of the contract.

Signature T M Pomeroy Title Mining Engineer Date July 24, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.N.B.

Signature W H King Title Executive Officer Date DEC 17 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA [illegible] Contract No. [illegible]-571
Operator's Name Yuma Metals, Inc. Minerals [illegible] Inc
Address [illegible] Ave., Santa Barbara, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	2200.00	220	[illegible]	1540	10.00	6000	10.00
Churn								
Auger								
Stripping [illegible]	Job			[illegible]				
Trenching [illegible]	"			[illegible]				
Test Pits								
Roads and Trails								
Underr. [illegible]				[illegible]				
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

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

Date July 10, 1953 Operator Yuma Metals, Inc.
Per Luke Walker Title Secretary

REMARKS: See [illegible]
(See back of this form)

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

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

221 New Customhouse
Denver 2, Colorado

January 1, 1954

Greenwald
Betty

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, BLM Field Team, Region IV

Subject: Docket No. 1303A, Contract Min-1371 (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona
Operator's Monthly Progress Report for the period May, 1953

Enclosed are two copies of Operator's Monthly Progress Report Form MP-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to Docket No. 1303A, Contract Min-1371, Yuma Metals, Inc., for the period May, 1953.

W. H. King
W. H. King

Enclosures

14

Sterns (copy of report
only
other

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

224 New Customhouse
Denver 2, Colorado

December 17, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 1303X, Contract Idm-E371 (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona - Operator's Monthly Progress Report for the period May 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report and Engineer's Report for the above period.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Diamond drilling is provided for in this contract on a unit-cost basis; therefore documentation is not required.

Remarks:

Date of Report	July 10, 1953.
Date Received in Field Office	July 22, 1953.
Date Received in Region Office	July 27, 1953.

W H King
W. H. King

Enclosures

RDB: cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

MINING DIVISION
REGION IV

July 23, 1953

Memorandum

To : [illegible] King, Chief, Mining Division, Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : May 1953 Progress Report, Contract Idm-8371, Docket DMA-1303A, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

The Forms MF-104 and MF-104A, and the supplement on Diamond Drilling were received on July 13. The Narrative Report was received on July 22.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;
(2) Operator's Narrative report with supplement and logs on diamond drilling;
(3) Forms MF-104 and MF-104A.

Also enclosed are two extra copies of our engineer's report.

To the best of my knowledge and belief all work is in accordance with the terms of the contract. However, as explained by [illegible] Romslo in his report, the Government's share of the costs should not be paid until the June report is received and checked. Evidently one hole drilled in June may not be in the location approved by the DMA representative, so the June totals may not be sufficient to cover the Government's equity in equipment, etc.

Walter R. Storms

Walter R. Storms

cc: [illegible] King (6)
DMA-1303A
DF

WRStorms:frj

MINING DIVISION
REGION IV

July 23, 1953

Memorandum

To : Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : T. M. Romalo, Mining Engineer, Tucson, Arizona

Subject : Progress Report for May 1953, Yuma Metals, Inc., Yuma County, Ariz., Docket DMA-1303X, Contract Idm-8371.

The project was visited on June 16, 1953 to check progress for May and to determine if the work performed was in accordance with the contract.

Otto Montejl, a representative of the corporation, accompanied me during an inspection of diamond-drill core and the drilling site. Drill sludges were obtained for storage in the Bureau's core house at Tucson. The inspection showed operations had been recessed and that a watchman was the only person on the property. The drilling equipment had been removed by the contractor, Metler Bros., Superior, Ariz. The inspection indicated that drilling for May was as follows:

hole No.	Interval	Footage	Status
3	233 - 388	155.0	Completed
4	0 - 276	276.0	Completed
	Total for May	431.0	
	Previous total	535.0	
	Total to June 1	966.0	

Core recovery was low in both holes. Hole 3 penetrated a vein material (calcite) from 285 to 296 feet. Hole 4 penetrated vein material from 244 to 258 feet. No sulfide minerals were observed in the core. Assays of samples from all holes drilled will be reported next month.

The inspection also showed that hole 5, put down in June, had not been drilled as approved.

CC W. H. King (Orig. & 6)
DMA-1303X
DF

TMRomalo:frj

CONTRACT, FORMS NF-104 AND NF-104A, AND OPERATOR'S NARRATIVE REPORT

The following is indicated by the inspection of the project and a review of subject data:

1. The work performed and for which claim is made is in conformance with the contract and is as reported on Form NF-104A.

2. It is recommended that reimbursement to the Operator be withheld until the Operator's and my report for work performed in June has been analyzed.

In event the claim for June is denied, funds sufficient to defray possible costs to the Government in liquidating the project should be withheld from the claim for May. However, if the June claim is approved, it appears that full reimbursement can be made for work performed in May and payment for June can be withheld until either claims for additional work are approved, or the contract has been finalized.

3. The Operator's Narrative Report, with a supplemental report on drilling, is considered adequate. It includes a log of drill-hole No. 4. A plan map, a vertical section through drill holes, and assays will accompany next month's report.

F. M. Romslo, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

Yu[illegible], I[illegible]. Narrative Report for [illegible]Y 1953

[illegible] 1303 [illegible] Con ract No. I[illegible]-[illegible] 3 71

[illegible]. [illegible] Storms, Chief
Mining Methods Branch
Mining Division, Region IV
Tucson, Arizona.

July 20-1953.

Durin[illegible] nothin[illegible] but Diamond Dri[illegible]ing was done un[illegible]er the above contract, which is detailed in Mr. Mit[illegible]'s report "Supplement to Operator's Narrative Report" for May, which was mailed you July 11, 1953.

We have a very good driller and by through his experience and carefulness have we been able to obtain the information we have.

Everything ran very smoothly throughout the month, and we are quite satisfied with everything connected with the project.

Respectfully submitted,

Yu[illegible], I[illegible].

Luke Walker
Luke Walker

P.S As requested your letter 15th inst
Original mailed May 20th 1953 ?

SUPPLEMENT TO OPERATOR'S NARRATIVE REPORT

Month of May, 1953

Exploration Project Contract
IDM-E 371
Yuma Metals, Inc. - Red Cloud Mine
Progress Report for May, 1953

Hole No. 3

Inclined diamond drill No. 3 reported as having reached a depth of 233 feet in the May 1, 1953, Supplement to Operator's Narrative Report was extended to a [illegible] foot depth where the hole caved before it had reached the [illegible] monzonite. No sludges were recovered after the [illegible] foot mark was reached because the formation was so broken up that the drilling [illegible] lost. The core recovery in this hole was very poor. After the Red Cloud fault was passed there was a long section containing both silver and zinc. This is an instructive hole and shows the existence of the main fissure over 200 feet north of the drill station. The broken character of the formation also shows the influence of a fault showing on the surface.

A section of this hole is shown on the insert sketch on Yuma Metals, Inc. Drawing No. 2, June, 1953, by the writer. A limited number of assays are shown in the table on the same drawing. The log on this hole accompanied Operator's Narrative Report of May 1, 1953.

Hole No. 4

This hole was started from diamond drill station No. 2 at the end of the 303 cross cut on May 14, and completed on May 26 at a depth of 2[illegible]5 feet. The log on this hole accompanies this report. The vein was entered at 244 foot depth and passed thru at 258 feet. Drilling

water was lost at 225 foot depth. So there were no sludge samples in the vein. Sludge sample 205-210' before the vein was reached showed small values in silver, lead and zinc.

In my opinion this represents an impregnation of the wall rocks from the vein solutions. In any event this hole found the vein in its expected position.

The above two holes are located in both plan and section on Yuma Metals, Inc. new 26" x 30" Drawings Nos. 1 and 2 under date of June, 1953, by Lloyd C. White.

General

During May Hole No. 3 was extended 155 feet as noted above and Hole No. 4 was drilled to 276 feet making a total of 431 feet drilled for the month.

On account of the broken up nature of the structure as the vein is approached the core recovery has been poor and for the same reason the loss of drilling water has prevented sludge recovery with their check on vein values. In other words it is a difficult vein to diamond drill.

However the main Red Cloud fissure is being traced downward and this is the object of the drilling campaign. The four holes to date have each encountered the vein.

Yuma Metals, Inc.
By Lloyd C. White

Lloyd C. White.

YUMA METALS, INC.

RED CLOUD MINE

Yuma, Arizona
June 1, 1953

Log on Diamond Drill Hole No. 4 - Bottom level, Red Cloud Mine. Station No. 2 at end of 503 Cross-cut. Course of hole, South 75 degrees West. Inclination minus 70 degrees. Hole started May 14, 1953. Hole completed May 26, 1953. Depth - 276 ft.

Location	Core Recovered	Description
0- 10	4"	(Big Core) Redish & grayish tuff
10- 15	2'6"	Cream Rhyolite tuff
15- 20	2'6"	" " "
20- 22	9"	" " "
22- 27	4'	" " "
27- 32	3'	" " "
32- 37	1"6"	" " "
37- 42	5'	" " "
42- 47	3'9"	" " "
47- 52	4'6"	(Big Core 1 1/8) Cream Rhyolite tuff
52- 57	0'9"	Cream colored Rhyolite tuff
57- 62	2'8"	" " " "
62- 67	3'9"	" " " "
67- 72	3'6"	" " (greenish tinge) Rhyolite tuff
72- 73	4"	Broken tuff - Redish
73- 77	6"	Cream colored Rhyolite tuff
77- 82	1'3"	" " " "
82- 87	2'	" " " "
87- 92	1'6"	" " " "
92- 97	2'	" " " "
97-102	No core	
102-107	No core	
10 7-111	0'6"	Manzonite pebbles
111-115	3"	" "
115-120	3"	" "
120-125	4"	" "
125-130	9"	" "
130-135	9"	" "
135-140	6"	" "
140-143	4"	" "
143-148	0'6"	Red Basal tuff
	0'4"	" " "
148-153	0'4"	Slate colored Dike rock
	0'4"	" " " "
153-158	3"	Manzonite pebbles
158-163	1'6"	Red tuff - pebbles

Location	Core Recovered	Description
163-168	1'3"	Grayish to Greenish Dike Rock
168-170	5"	" " " " "
170-175	1'3"	" " " " "
	0'7"	Redish tuff - small pebbles
175-178	5"	" " and greenish tuff
178-183	3"	Greenish Dike Rock
183-188	1'6"	Monzonite(Decomposed)
188-193	No core	
193-198	3"	Monzonite(Decomposed)
198-202	3"	Monzonite(Dedomposed) & red tuff
202-207	1'0"	Red basal tuff - some Calcite
207-212	2'0"	Whitish to greenish
212-217	1'3"	Mixed tuff
217-219	1'6"	dia base? hard rock
219-224	3'	Mixed tuffs - Hard rock
224-226	0'9"	Silicious tuff - Hard
226-231	2'	Dia base - ?
231-235	3'4"	Hard - Mixed tuff
235-240	2'3"	" " "
240-245	2'6"	" " " Start Vein at 244'
245-250	3'6"	Vein Calcite
250-251	6"	Vein Calcite present
251-256	3'	" " "
256-258	2'	Vein end @ 258'
258-276	50%	Diorite

Form MF-164A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 195 3 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name Yuma Metals, Inc. Minerals Lead [illegible]
Address 720 Hope Ave., Santa Barbara, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	4310.00	431	9660.00	966	10.00	6000	10.00
Churn								
Auger								
~~Stripping~~ Rec Bldg.	Job			823.63				
~~Trenching~~ Moving	#			560.00				
Test Pits								
Roads and Trails								
Underr. Rehab.				8986.00				
TOTAL DISTRIBUTED COSTS		4310.00		10029.63				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				[illegible]				
TOTAL COSTS		4310.00		[illegible]				[illegible]

Use 1-14-54

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

Date July 30, 1953 Operator Yuma Metals, Inc.
Per Luke Walsh Title Secretary

REMARKS: See Instructions (on back of this form)

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Diamond	4310.00	5350.00	9660.00			
Bulldozing						
Crosscutting						
Drifting [illegible]		[illegible]	[illegible]			
Sowing [illegible]		560.00	560.00			
(2) Labor and Supervision:						
Labor		[illegible]	[illegible]			
Supervision		[illegible]	[illegible]			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		640.22	[illegible]			
Explosives [illegible]		120.00	[illegible]			
Pipe		[illegible]	[illegible]			
Track		195.00	195.00			
[illegible]		[illegible]	[illegible]			
[illegible]		[illegible]	[illegible]			
Various		[illegible]	[illegible]			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		[illegible]	[illegible]			
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment		634.17	634.17			
Sampling and Analysis						
Payroll Taxes		64.66	64.66			
Liability Insurance		217.50	217.50			
(8) Contingencies (specify):						
Labor		[illegible]	[illegible]			
[illegible]		[illegible]	[illegible]			
	4310.00	[illegible]	[illegible]	4310.00	21821.04	26131.04
TOTALS	4310.00	21721.04	[illegible]	*	- 2252.07	- 2252.07
				4310.00	19,568.97	23,878.97

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

Date July 10, 1953 Payee [illegible]

Per Luke Wagner Title Secretary

*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.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$2155.00

Signature [illegible]
(Authorized Certifying Officer)

Date 12/18/53 Vou. No. [illegible] 54-63

(See other side)

*Previous Disallowances

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E371 in accordance with the terms of the contract.

Signature M M Comolo WMJ Title Mining Engineer Date July 23, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: L.D.B.

Signature W H King Title Executive Officer Date DEC 17 1952

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

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

224 New Customhouse
Denver 2, Colorado

August 17, 1953

~~Harold~~
Betty

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 1303X, Contract Idm-E371 (Lead-Zinc), Yuma Metals Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of January 12, 1953 to May 1, 1953, pertaining to DMA Docket 1303X, Contract Idm-E371, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona.

W. H. King
W. H. King

Enclosures

JB

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: August 10, 1953
Payee's
Reference: Progress
Report - Jan. 12 to May, 1953

Yuma Metals, Inc.
Yuma, Arizona
B-IV-B-171

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 21,221.04

Difference $ 2,252.07

Amount Approved $ 19,968.97

The reason for the difference was due to:

Initial Stat. & Repairs		
Supply & service charge not under contract	73.23	
Excess of allowable maximum	1,150.22	(1,223.45)
Repairs to Equipment (Not allowable under contract)		
Arizona Machine & Welding	224.24	
Jungwall Electric	69.25	
" "	120.00	
" "	79.23	491.97
Contingencies, Supplies (Not allowable under contract)		367.74
New Buildings & Improvements (Not allowable under contract)		100.20
Fuel & Grease (personal car) " " " "		33.74
Small Tools (Hard Hats) " " " "		15.55
Various Supplies (Stationery etc.) (Not allowable under cont)		10.44
New Buildings (exceeds allowable maximum)		.63
		(2,252.07)

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

July 30, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 1303X, Contract Idm-E371 (Lead-Zinc), Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Arizona. Operator's Monthly Progress Report for the period January 12, 1953 to May 1, 1953.

Enclosed are the original and four copies of Form MF-104 and Form MF-104A, Narrative Report, and Engineer's Report for the above period, including a full distribution sheet to date prepared by the inspecting engineer.

Work has been accomplished as authorized in the contract and payment is recommended for 50 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions:

New Buildings	$ 0.63
Fuel and Grease	33.74
Small Tools	15.53
Various Supplies	10.44
Initial Rehab. and Repairs	1223.75
New Buildings and Improvements	108.25
Repairs to Equipment	498.99
Contingencies - Supplies	360.74
Total Disallowances -	$2252.07

An amendment is being prepared by the Washington Office allowing:

(1) Construction of washroom building	$823.00
(2) Move buildings and house trailers from old campsite and install at mine	$560.00

Claim for these charges has been made in this report. Payment for same is to be made as this amendment has already been signed by C. O. Mittendorf with an effective date of May 14, 1953.

Remarks:

Date of Report	July 10, 1953.
Date Received in Field Office	July 13, 1953.
Date Received in Region Office	July 24, 1953.
Date Processed for Payment	July 27, 1953.

Considerable delay due to necessity of having Operator revise reports as to distribution of charges.

W. H. King

W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WRStorms
Chron.

MINING DIVISION
REGION IV

July 17, 1953

Memorandum

To : W. H. King, Chief, Mining Div., Region IV

From : Chief, Mining Methods Br., Mining Div., Region IV

Subject : January 12 - May 1, 1953 Progress Report, Contract Idm-E371, Docket DMA-1303K, Yuma Metals, Inc., Red Cloud Lead-Zinc Mine, Yuma County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with drill hole logs and maps;

(3) Forms MF-104 and MF-104A, original with documentation;

(4) Cost distribution sheet, abstract of same, and recommended disallowances.

Also enclosed are two extra copies of our engineer's report.

To the best of my knowledge and belief all work is in accordance with the terms of the contract. However, I recommend that no payment be made to the operator until the costs have been checked thoroughly by a DMEA auditor.

The operator's May and June reports have been held up until adequate narrative reports have been received from the company.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-1303K
DF

WRStorms:frj

MINING DIVISION
REGION IV

July 16, 1953

Memorandum

To : W. R. Storms, Chief, Mining Methods Br., Mining Div., Region IV, Tucson, Ariz.

From : T. M. Romslo, Mining Engineer, Tucson, Ariz.

Subject : Progress Report for Jan. 12 to May 1, 1953, Yuma Metals, Inc., Yuma County, Ariz., Docket DMA-1303X, Contract Idm-E371.

The project was visited on March 9, April 9, and May 14, 1953, to check progress and to determine if the work accomplished was in conformance with the contract. Luke Walker, Secretary of the Corporation, and Otto Montejl, also of the company, accompanied me on each occasion during an inspection of surface workings. Walker and Montejl alternated as truck driver and project supervisor. An underground inspection trip was made with Montejl on April 9. On May 14, logs, cores, and drill sites were inspected with Lloyd C. White, supervisor of drilling operations.

Work completed, under the contract, consisted of the following:

1. The road from the old camp to the Red Cloud mine was repaired in places, before houses, trailers, and equipment were transported to the project. Minor repairs on the road continued throughout the period of this report and will probably be continued for the life of the project. Mexicans have done most of the work, consisting of leveling with pick and shovel, at 75 cents an hour.

2. The building, trailers, and equipment were transported from the old camp to the mine under an independent contract.

3. Two of the three old buildings were repaired for use as a cook shack and storage building. The other building was found unsuitable for office, change-room, and bunk house. It was replaced by a new 9 by 15-foot wood-frame building.

4. Water Tank- installed.

CC W. H. King (Orig. & 6)
DMEA-1303X
DF

TMRomslo:frj

5. Cook-house - equipped with stove, refrigerator, water-heater and other necessary materials and supplies.

6. Vertical shaft - headframe and cellar of shaft were repaired. Hoist, cable, and bucket installed. Compressed air and water pipe lines installed in the vertical shaft to the 290-foot level and thence to the 500 level via the inclined shaft.

7. Inclined shaft - cellar supported and covered with new timber, new or repaired ladder installed with new platforms at about 20-foot intervals. Skidway for hoisting bucket from 290 to 500-foot level repaired.

8. Crosscut to drilling sites - caved section cleaned out to drill site. No. 1 drill site was drilled, blasted, mucked out and timbered.

In addition to the above work the operator installed, reportedly at no expense to the Government, a Diesel-electric generator, two 550-gallon fuel storage tanks, a tank on trailer for domestic water, a shed for the hoist, and many other smaller items.

9. Diamond drilling was started after completion of the above work and to May 1, the following holes had been drilled:

Hole No.	Interval	Footage	Status
1	0 - 144	144.0	Complete
2	0 - 158	158.0	"
3	0 - 233	233.0	In progress
	Total	535.0	

Holes 1 and 2 encountered the Red Cloud vein at 70 to 85 feet, and 100 to 115 feet, respectively, as indicated by the presence of calcite and minor amounts of zinc-oxide minerals. Hole 3, completed on May 11, encountered what appears to be the Red Cloud vein zone at 268 to 273 feet. The vein zone contained no visible zinc minerals. Calcite-bearing zones, favorable to ore mineralization in the district, were penetrated at 293 to 296 feet and at 327 to 342 feet. The zones contained traces of zinc oxide minerals. Pyrite, in minor amounts, was encountered at 198 to 203 feet and 228 to 233 feet. Core recovery was very poor but sludge recovery was reported as adequate. No returns have been received to date on samples sent to Smith-Emery Co., Los Angeles, for assay.

CONTRACT, FORMS MF-104 and 104A, AND OPERATOR'S NARRATIVE REPORT

The Operator's report was received on May 22. It was found unacceptable because of numerous errors in payrolls and invoices, improper distribution of charges, and an incomplete narrative report. Mr. Luke Walker, the Operator, was notified that a revised report was in order. He and Mr. Lloyd C. White, engineer in charge of diamond drilling on the project, came to Tucson on May 27 and submitted the revised report on May 29. The writer and W. R. Hardwick, mining engineer, Bureau of Mines, Tucson, assisted the operator in the preparation of this report. At Denver, on June 3, it was found necessary to revise the record showing distribution of costs. This record, prepared in an acceptable form and showing the proper distribution of charges, was returned to Tucson on June 19. It was checked before being sent to the operator on June 29 for his approval. The approved record with corrected Forms MF-104 and 104A were received at Tucson on July 13.

An analysis of subject data follows:

Diamond drilling

The 535 feet of drilling, in 3 holes, has been charged for at the established rate of $10.00 a feet. I approved the drilling of these holes at sites designated by the contract. Hole 1 was drilled at an inclination less than indicated by the contract. The hole, as drilled, resulted in the obtaining of the desired information at a reduced cost to both the operator and the Government. In accordance with the contract, duplicate sludge samples were furnished to the Government. The samples have been stored in the Bureau's corehouse at Tucson.

Independent contracts

New Building - The charge of $823.13 has been adjusted on the distribution sheet to the maximum allowable $823.00.

Moving Buildings - The allowable $560.00 has been charged.

Other charges of Form MF-104

These charges are supported by accompanying documents. They include 36 items, indicated by red foot notes, that I recommend for denial on the basis of reasons shown on a form attached to the Distribution Sheet. Attention is called to the hourly wages paid to 3 men. The rate of pay appears to be excessive but has been allowed for the following reasons. One of the men, Walter Duncan, was employed as mechanic. He installed all equipment and pipe-lines and kept all these items in operating condition. During inspections of the project I gained the opinion that Mr. Dunan is a good mechanic and that his

rate of pay was justified by his ability, the operating conditions (remoteness and living condition of the project), and the payment of comparable wages at Yuma. The higher than average rate of pay for the other 2 men, Ed Metler and Henry Kertum, was also justified. These men worked about a week as miners and timbermen on the preparation of drill site No. 1. The working place was hot and gassy, until ventilation was installed. It probably would have been impossible to hire other men for this work at a lower rate of pay.

Abstract of Distribution Sheet

This accompanying sheet shows the Allowable Costs after the recommended deductions for supply and service charges and deductions for charges in excess of allowable maximum costs. On this basis, it appears that the total allowable cost of this report, $19,568.97, can be accepted as correct pending an audit report.

Reimbursement of Operator's share of Allowable Costs

Schedules of items in which the Government has an equity were prepared in order to determine if full reimbursement should be made for the allowable costs. A summary of the schedules indicates the Government's equity to be 1/2 of $4,185.21 or $2,092.61 before deductions for depletion and salvage.

The Schedules and Summary of Schedules, together with an inventory record, is a part of this report. These should be helpful if revision of the data is found necessary.

It is probable that the salvage value would not exceed $1,046.31. On this basis, full reimbursement on the allowable costs appears to be in order. This is because the Operator's share of the cost of approved work, up to recess of the project, is apparently sufficient to cover the Government's indicated equity of $1,046.31. Approved work completed during May consisted of diamond drilling on additional 155 feet in hole 3 and completion of hole 4 at a depth of 276 feet. The Operator's share in the cost of this drilling will be 1/2 of 431 feet at $10.00 a foot, or $2,155.00. The claim for 280 feet of drilling to complete hole 5 during June will be disallowed because the hole was not drilled as approved.

Operator's Narrative Report

The report and its supplement on diamond drilling, together with map and logs of holes 1, 2, and 3, is considered adequate. The Operator's attention has been called to a possible error in the bearing of 503 crosscut.

T. M. Romalo, Mining Engineer
Mining Methods Branch
Mining Division, Region IV

U. S. BUREAU OF MINES
MINERAL DIVISION
MAY 22 1953
TUCSON, ARIZONA

May 20, 1953

W. R. Storm
Chief Mining Methods Branch
U. S. Bureau of Mines
Division Region IV
P.O. Box 4097, University Sta.
Tucson, Arizona

Re: DMEA No. 1303X
Contract IDM- E371

Dear Sir:

Enclosed find five copies of Forms 104 and 104A, three logs of Nos. 1, 2, and 3 diamond drill holes, three maps of these holes and narrative report. Also, enclosed, certified pay rolls and invoices.

Also, copy of our distribution sheet showing to what account each invoice and labor is charged, and breakdown sheet showing how the different items in contract is divided as to items 2, 5, 6 on Form 104A. This will give certifing office in detail the knowledge that the various allowable maximums have not been exceeded.

This report covers from Jan. 12th to May 1st, 1953.

Have made this report as instructed by Mr. Forsele and hope it is satisfactory.

Would please ask this report be processed as soon as possible, as we are in dire need of the money. As you know we have as yet had no money from Government on their portion of the contract.

This will be very much appreciated by

YUMA METALS, INC.

By Luke Walker
Sec.

Enc.
Gxs

NARRATIVE REPORT

D e E A 1303 X CONTRACT No. IDM -E 371

K. R. Storm,
Chief Mining Methods Branch
U.S. Bureau of Mines
Division Region IV
P.O. Box 4097, University Sta.
Tucson, Arizona

U.S. Bureau of Mines
MAY 22 1953
TUCSON, ARIZONA

Dear Sir:

Rehabilitation work was not completed April 12th, 1953 (as allowed in contract). However, no charges from that date have been made. The total cost up to April 12, 1953 was larger than contract provided for. We have only used enough of the cost to equal maximums as allowed in contract. However, if any of charges made are disallowed, we will substitute costs not listed in this report.

We have now completed the rehabilitation work (not completed Apr. 12th, 1953) at our own cost, not charging any part thereof to the Government.

The Preparatory work completed is as follows:

1. Road has been repaired so can move equipment, supplies, water, etc. over it.

2. Buildings and trailers have been moved to selected camp site at mine.

3. Buildings moved were all right for use as far as they would do. They were small, one being 9'x15'; the other 10'x15'. The 9x15 was extended six ft. to make room for small cook house. The 9x15 was used for warehouse. The new building is used for office, change room, shower room, and a dark room for using ultra violet light on cores and also have two bunks in this building. Old buildings were too small and couldn't possibly have been used for these purposes.

4. All supplies and equipment have been moved and installed at mine, including hoist, compressor, air and water lines.

5. The inclined shaft for workmen to go to and from diamond drill site is repaired (not good but better than the money allowed would do.

6. The vertical shaft is repaired so materials and supplies can be taken to and from drill site, and again not good but sufficient to get by.

7. Air and water lines are complete to both drill rooms.

8. The new drill room is complete and timbered and old drill room cleaned out and usable.

9. Hoist and bucket is installed.

10. Head frame is repaired.

11. Water tank is installed and water piped to cook house and to both drill stations.

12. Both shaft collars have been repaired or made new.

13. Cross cut has been cleaned out and timbered.

All work required under contract is completed.

In addition to above but not charged under the D E contract, we have installed a diesel generator, two 550 gal. storage tanks for fuel, have 350 gal. water tank on trailer for hauling water, and many smaller items.

The unusual difficulties encountered:

1. Air was bad and very hot, so much so that couldn't get men to work on 500 ft. level. This was an unforseen expense to install and maintain fan and blower air line. This expense was much less on account of having the generator installed because fan could be placed at 290 level. We have charged this expence under No.8 (contingencies) for reason it was an unforseen cost.

2. At time (Jan 12, 1953) we started preparatory work, common labor, Yuma area could earn $2.00 to $30.00 per day working in lettuce, and mechanics were unavailable at any price. We, therefore, imported two men from Portland, Oregon (we paid transportation) and use Mexicans for balance of work.

3. Our equipment and supplies were very limited, requiring many, many trips to Yuma.

4. We were not allowed enough money to do the job.

Diamond drilling started April 16, 1953 and has progressed satisfactorily since. Core recovery not the best but very good considering the material encountered. Maps and logs being submitted by Mr. White.

Yours truly,

Yuma Metals, Inc.

Luke Walker

SUPPLEMENT TO OPERATOR'S NARRATIVE REPORT

Jan. 12, 1953 to May 1, 1953

EXPLORATION PROJECT CONTRACT
IDM-E 371

Yuma Metals, Inc. Red Cloud Mine

PROGRESS REPORT FOR APRIL, 1953

HOLE No. 1

Diamond drilling was started on April 16, 1953 at Station No. 1 in the 503 Crosscut of the Red Cloud Mine. This inclined hole encountered the vein approximately in its expected position - about 50 feet vertically below the crosscut. About 15 feet of vein material containing calcite with some zinc oxide was passed through. The core recovery in the vein was poor but the sludge recovery was good and duplicate samples of vein sludge have been sent to Smith-Emery Company, Los Angeles for assay. The results are not available yet. The hole was bottomed at 144 foot depth in granite. After the main section of vein had been passed there continued to be small amounts of calcite and zinc oxide.

HOLE No. 2

Vertical hole No. 2 from the same station encountered the vein at about 102 foot depth below the station - and passed through about 15 feet of vein containing quartz, calcite and zinc oxide. The core recovery in the vein was low but the sludge recovery was adequate. As above duplicate sludges have been sent to Los Angeles

for assay. This hole was bottomed at 158-foot depth in barren rock.

HOLE No. 3

Inclined hole No. 3 - drilled on a northerly course from Station No. 1 was advanced to a depth of 233 feet at the end of April. The vein had not been penetrated at this depth. The core recovery in this distance was very low.

Location sketches with sections of the above holes are enclosed together with logs of the holes.

Duplicate sludge samples on Holes Nos. 1, 2 and 3 were taken from the mine to Tucson by Mr. T. M. Romslo on May 14.

GENERAL:

The information developed to date has been in line with what was expected. We are tracing the Red Cloud vein downwards a step at a time.

YUMA METALS, Inc.

By: Lloyd C. White

YUMA METALS, INC.
RED CLOUD MINE

Yuma, Arizona
May 18, 1953

Log on Diamond Drill Hole No. 3. Bottom Level Red Cloud Mine.
Station No. 1 in 503 - Cross-cut. Course of Hole, North.
Inclination - 55 degrees. Started April 25, 1953.
Completed May 11, 1953. Depth 388 ft.

Core Location	Length of Core Recovered	Description of Core
0- 8'	1'	Granitic pebbles
8- 13	1'	" "
13 - 18	3"	" "
18 - 23	6"	" " 2" greenish basic rock
23 - 28	4"	Granite xxx
28 - 33	9"	"
33 - 38	3"	Granite pebbles
38 - 43	Zero	Mud
43 - 48	"	"
48 - 53	1"	Granite
53 - 56	2"	Granite & greenish Siliceous rock
56 - 60	2"	Granite
60 - 65	6"	"
65 - 70	4"	"
70 - 75	4"	"
75 - 80	6"	"
80 - 85	Zero	Mud
85 - 91	3"	Granite pebbles
91 - 95	8"	Granite (changed to small core)
95 -100	3"	Granite, mostly small pebbles
100 -105	3"	" " " "
105 -110	3"	" " " "
110 -115	6"	" " " "
115 -120	4"	" " " "
120 -125	4"	Granite
125 -130	4"	"
130 -131	1"	"
131 -134	3"	Granite pebbles & sand
134 -138	3"	Mud & reddish sand
138 -143	3"	Granite
143 -148	2"	"
148 -153	5"	Granite & greenish sand
153 -158	1"	Granite - core very hard
158 -163	2"	Granite pebbles & sand
163 -168	2"	" " " "
168 -173	3"	" " " "
173 -178	2"	Hard granite core
178 -183	3"	Hard granite plus pink tuff
183 -188	2"	" "
188 -193	4"	" "
193 -198	3"	Hard Granite plus greenish si
198 -203	3"	Iron pyrites in sludge
203 -208	5"	Granodiorite
208 -211	1' 6"	Reddish tuff, granite, gree

May 18, 1953

Log of Diamond Drill Hole No. 3 continued.

Core Location	Length of Core Recovered		Description of Core
211-216	3"		Hard Granite
216-221	3"		" "
221-223	4"		Granite - red Tuff Sludge
223-228	1"		Pinkish tuff - greenish siliceous rock
228-233	7"		Mostlygranite- iron pyrites visible
233-238	4"		Granite & pinkish tuff
238-243	6"		Granite & reddish tuff
243-248	6"		Pinkish tuff
248-253	1'-6"		Reddish & pinkish tuff
253-256	8"		Reddish tuff- granitic tuff
256-259	5"		" " - greenish rock
259-263	2"		" "
263-266	9"		Granitic rock
266-268	6"		Light colored tuff
268-273	6"		Reddish tuff plus granitic rock /fault
273-277	5"		Granitic rock- red mud- possibly R.C.
277-278	2"		Tuff & sand
278-280	10"		Tuff & granitic rock
280-285	6"		Reddish tuff
285-288	3"		Pinkish tuff
288-291	8"		Reddish to white tuff
291-293	6"		" " " "
293-296	1'3"		Mixed tuff, some calcite
296-301	3'-	(	Mostly grayish siliceous rock
301-306	2'-	Dike (	" " " "
306-311	8"		Greenish siliceous rock
311-316	8"		" " "
316-319	1'		" " "
319-322	1'-6"		" " "
322-327	1'-2"		Lost water & siliceous rock
327-332	2'		Some Calcite - mixed tuff
332-337	9"		Various colors tuff - calcite
337-342	2'-6"		Tuff- quartz - calcite- Vein - Vugs
342-347	6"		Siliceous - greenish
347-352	2'-3"		Greenish to reddish - Vugs
352-354	6"		Greenish siliceous rock
354-359	4"		Greenish to whitish rock
359-364	2"		" " " "
364-369	6"		" " " "
369-379	2'-6"		Greenish to whitish siliceous rock
379-388	2'-6"		" " " " "

YUMA METALS, INC.
RED CLOUD MINE

Yuma, Arizona
May 18, 1953

Log on Diamond Drill Hole No. 2. Bottom Level, Red Cloud Mine.
Station No. 1 in 503 - Cross cut. Course of Hole- Vertical.
Started April 19, 1953. Completed April 25, 1953. Depth 158 ft.

Core Location	Length of Core Recovered	Description of Core
0'-10'	6"	Granite - Monzonite
10 -15	7"	" "
15 -20	1'-2"	" "
20- 25	9"	" "
25- 30	3"	" "
30- 35	7"	" "
35- 40	9"	" "
40- 45	2"	" "
45- 50	1'-	" "
50- 55	Zero	Pink mud
55- 60	9"	Granite - Monzonite
60- 64	4"	" "
64- 69	3"	" "
69- 74	9"	" "
74- 79'3"	11"	" "
79'3"-84'9"	6"	" decomposed - Powdery core
84'9"-89'9"	Zero	No core
89'9"-92'6"	1'-10"	Mixed tuff, quartz grains, diorite
92'6"-95'	1'-2"	" " , more reddish, grano diorite
95-100	2'	Reddish tuff, granodiorite fragments
100-102'6"	1'-3"	Granite again plus mixed tuff
102'6"-105	1'-4"	Red Cloud Fault, some calcite, 1'2" Red tuff fragments
105-110	3'	more calcite, some zinc, whitish rock
110-112'6"	Zero	No core - mud
112'6"-115	1'8"	Light colored core with calcite & very little zinc Vugs - Quartz crystals - Broken Vein
115- 117'6"	-8"	Ditto
117'6"-119'	-6"	"
119-124	2'-9"	"
124-127	3'-3"	124' plus next 2' as above. Then siliceous rock.
127-132	9"	Broken tuff with Vugs, no calcite or zinc.
132-137	4'	Greenish to white siliceous rock.
137-141	3'-3"	Mixture greenish to white rock, some Vugs.
141-142	6"	Chalcedony
142-147	4'	" greenish & reddish. Diabase
147-152	1'-3"	~~Siliceous~~ Siliceous. ~~Diabase~~.
152-157	1'	"
157-158	1"	"

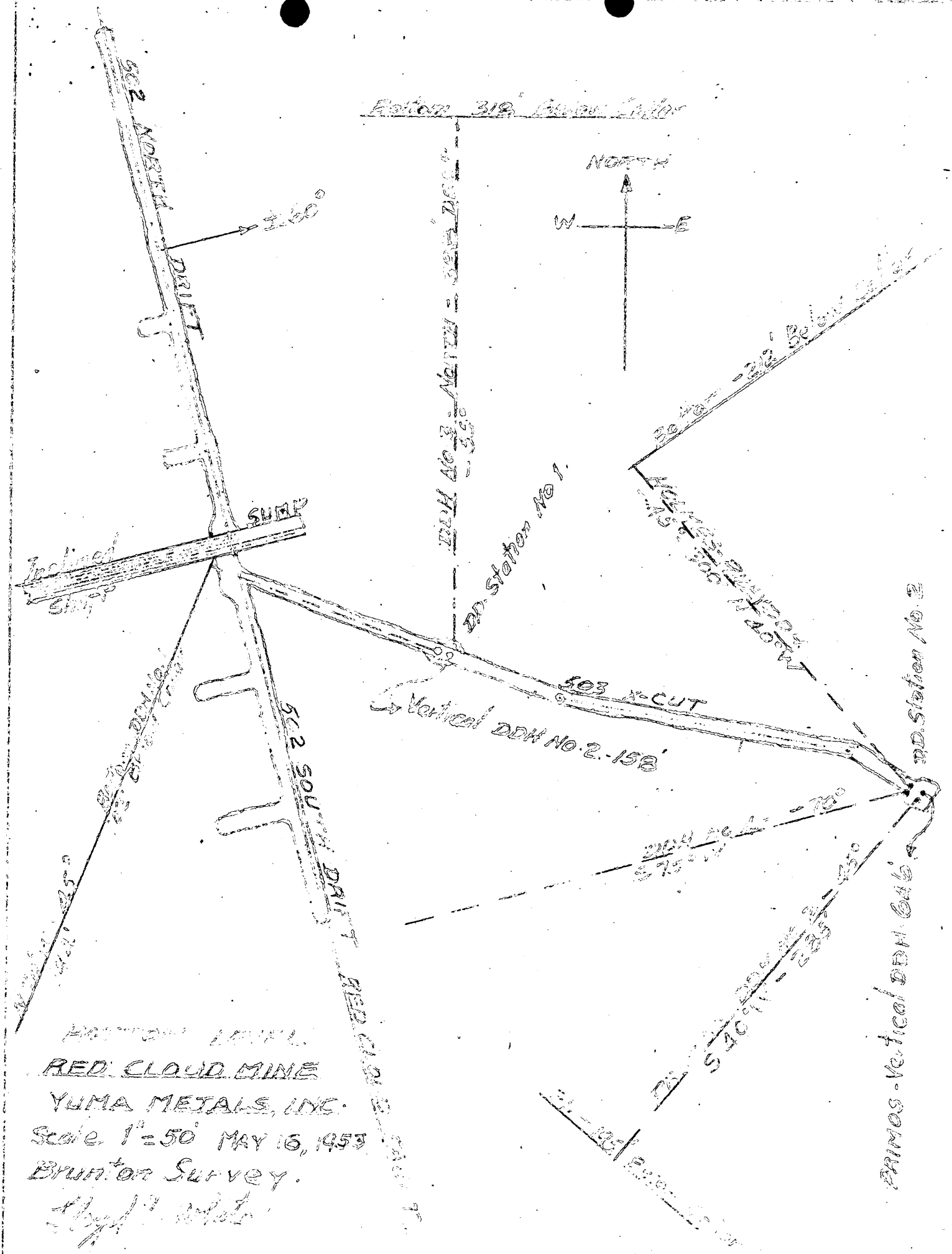
YUMA METALS, INC.

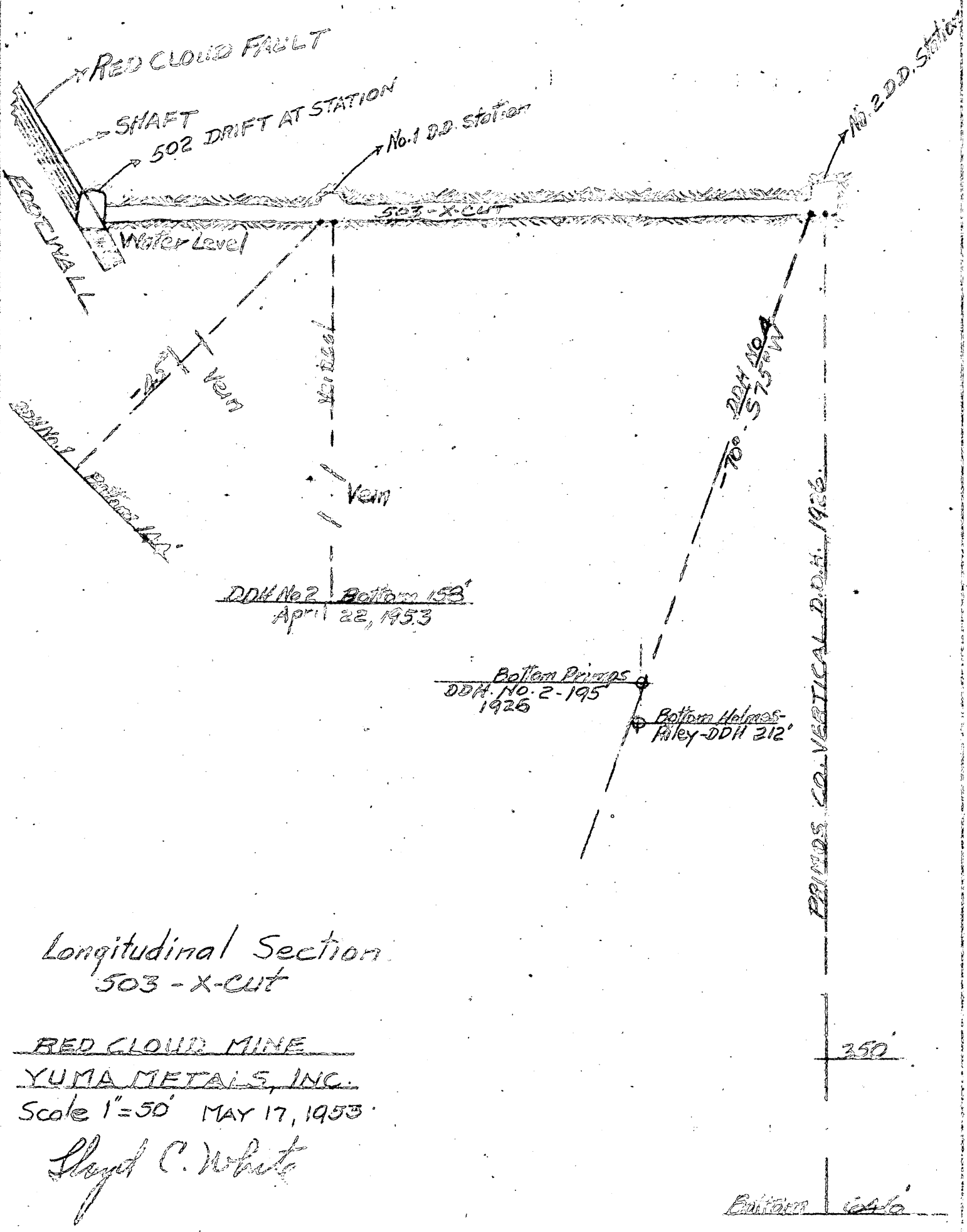
RED CLOUD MINE

Yuma, Arizona
May 18, 1953

Log on Diamond Drill Hole No. 1. Bottom Level Red Cloud Mine Station No. 1 in 503- Cross-cut. Course of Hole, North 75 degrees West. Inclination -45 degrees. Started April 16, 1953. Completed April 22, 1953. Depth 144 ft.

Core Location	Length of Core Recovered	Description of Core
0 - 7 ft.	a few pebbles	Mixed tuff & granitic
7-11 ft.	1'-6"	Mixed granodiorite - tuff
11-15 "	2'-	Greenish siliceous core & granodiorite
15-18 "	2'-	" " " " /tuff
18-23	3'-6"	" " " " plus red
23-28	1"-	Granodiorite- This section much broken up
28-32	-6"	" " " " " "
32-38	1'-	" " " " " "
38-41	-6"	" " " " " "
41-45	-8"	" " " " " "
45-50	-10"	" " " " " "
50-55	-3"	" " " " " "
55-60	-5"	" " " " " "
60-65	2'-	" and reddish tuff
65-68	2'-	" " " "
68-70	2'-	"
70-75	1'-	" , some calcite, reddish tuff
75-77'6"	-9"	Calcite, some zinc. Vein.
77'6"-80'	-6"	Calcite, zinc. Vein
80- 82'6"	Mud	Vein.
82'6"-85	1'-6"	Calcite, zinc., Vein.
85- 87'6"	~~2'~~-2"	Greenish siliceous rock
87'6"-90'	2'-	" " "
90-92'6"	2'-	2" Calcite- ditto as above
92'6"-95'	2'	Greenish siliceous rock
95-100	4'	Various shades of hard siliceous rock
100-105	4'	Siliceous rock, traces of zinc & calcite
105-110	3'-10"	" " " " " " "
110-112	1'	" , " ,greenish to brown
112-117	1'6"	Siliceous-some calcite & zinc
117-122	3'-6"	" , green sh to brown rock
122-127	2'-6"	" " " " "
127-132	4'	" , some calcite
132-137	4'-6"	" , greenish to brown rock
137-142	3'	" , " granitic
142-144	-6"	" " "

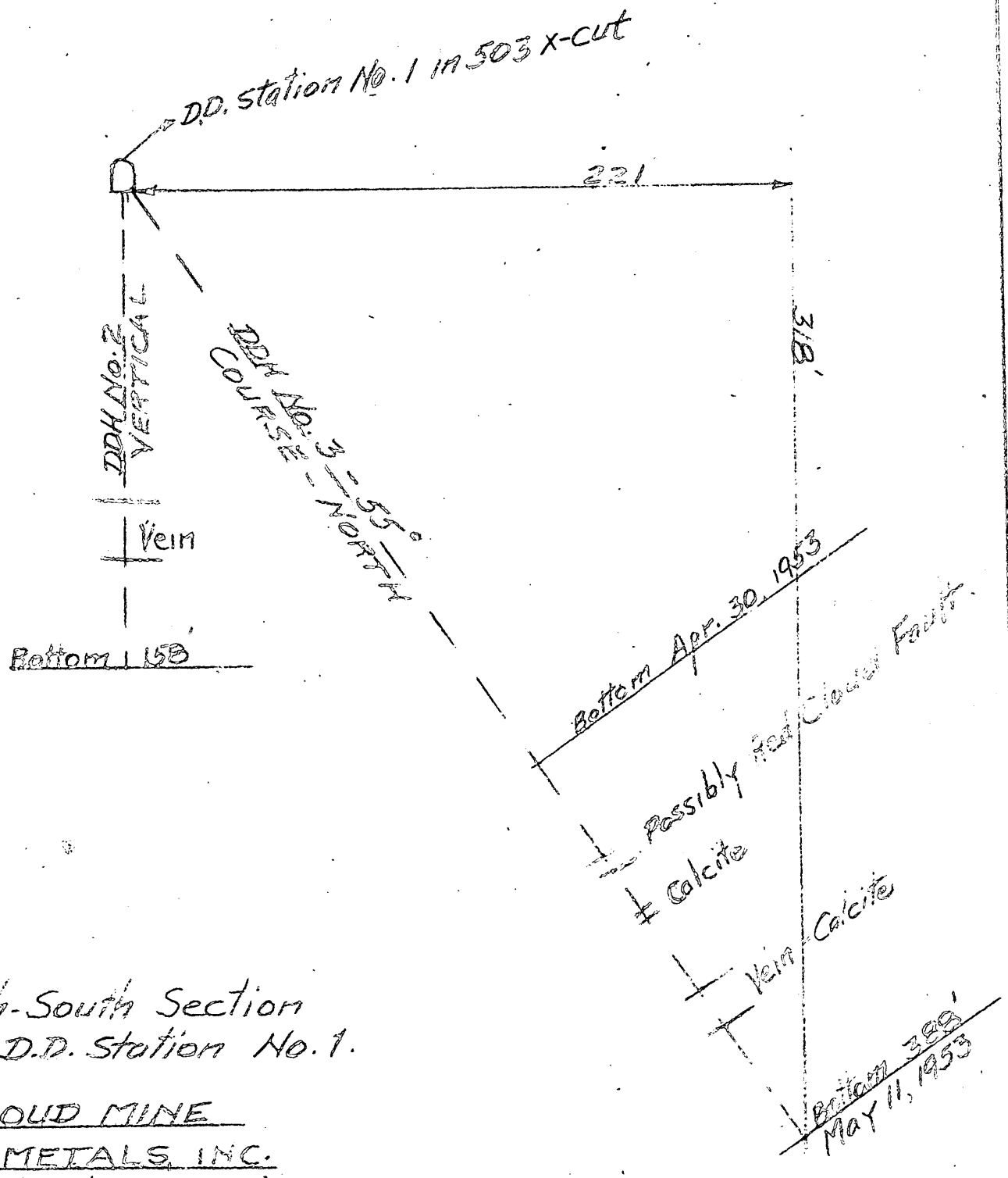

NORTH
W
E
SUMP
Inclined Shaft
DD. Station No 1
DD. Station No 2
503 X-CUT
Vertical DDH No. 2 - 158'
DRIFT
RED CLOUD MINE
YUMA METALS, INC.
Scale 1" = 50'
MAY 16, 1953
Brunton Survey.



Longitudinal Section
503 - X-cut

RED CLOUD MINE
YUMA METALS, INC.
Scale 1" = 50' MAY 17, 1953

Lloyd C. Mobley



North-South Section
Thru D.D. Station No. 1.

RED CLOUD MINE
YUMA METALS, INC.
Scale 1"=50' May 17, 1953

Floyd C. White

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of 1/1 - 5/1, 1953 Docket No. DMEA 13037 Contract No. Idn - 1521
Operator's Name Yuma Metals, Inc. Minerals Lead [illegible] Zinc
Address 703 Hope Ave., Santa Barbara, Calif.
Contract Amount, $ 75,000.00 Government Participation: 50 % Amount, $ 37,500.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Period Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	850.00		850.00			
Bulldozing						
Crosscutting						
Drifting	823.63		823.63	823.00		823.00
Moving Equipment	550.00		550.00			
(2) Labor and Supervision:						
Labor	3087.75		3087.75			
Supervision	900.00		900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	640.22		640.22			
Explosives	130.00		130.00			
Pipe	306.62		306.62			
Track	195.00		195.00			
Fuel & Grease	303.46		303.46	269.71		269.71
Small Tools	220.15		220.15	204.62		204.62
Various	327.65		327.65	327.21		327.21
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	300.00		300.00			
(5) Initial Rehabilitation and Repairs	5194.79		5194.79	3,971.04		3,971.04
(6) New Bldgs., Improvements, etc.	995.86		995.86	887.71		887.71
(7) Miscellaneous:						
Repairs to Equipment	634.17		634.17	135.18		135.18
Sampling and Analysis						
Payroll Taxes	64.66		64.66			
Liability Insurance	217.56		217.56			
(8) Contingencies (specify):						
Labor	320.59		320.59			
Supplies	436.04		436.04	126.10		126.10
TOTALS	21821.04		21821.04	19568.97		19,568.97

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

Date July 10, 1953 *Payee Yuma Metals, Inc.

Per Luke Walker Title Secretary

*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.

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

(Instructions on reverse)

LUKE WALKER
703 HOPE AVE. • PH. 21530
SANTA BARBARA, CALIF.

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 9784.48

Signature [illegible]
(Authorized Certifying Officer)

Date 8/10/53 Voucher 54-15
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E371 in accordance with the terms of the contract.

Signature M M Romolo Title Mining Engineer Date July 16, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date JUL 30 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(*a*) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(*b*) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(*c*) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of 1/12-5/1 1953 Docket No. DMEA 1303X Contract No. 1dm - E371

Operator's Name Yuma Metals, Inc. Minerals Lead & Zinc

Address 798 Hope Ave., Santa Barbara, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	5350.00	535	5350.00	535	10.00	6000	$10.00
Churn								
Auger								
~~Scripping~~ New Building	Job	823.63		823.63				
Trenching Moving	"	560.00		560.00				
Test Pits								
Roads and Trails								
Undergr. Rehab.		8896.66		8896.66				
TOTAL DISTRIBUTED COSTS		15630.29		15630.29				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		5194.79		5194.79				
New Buildings, Improvements, etc.		995.96		995.96				
TOTAL COSTS		21821.04		21821.04				

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

REMARKS:

Date July 10, 1953 Operator Yuma Metals, Inc.

Per Luke Walker Title Secretary

LUKE WALKER
798 HOPE AVE. • PH. 21530
SANTA BARBARA, CALIF.

NOTE.—This is, under Title 18 U.S.C. (Criminal) Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

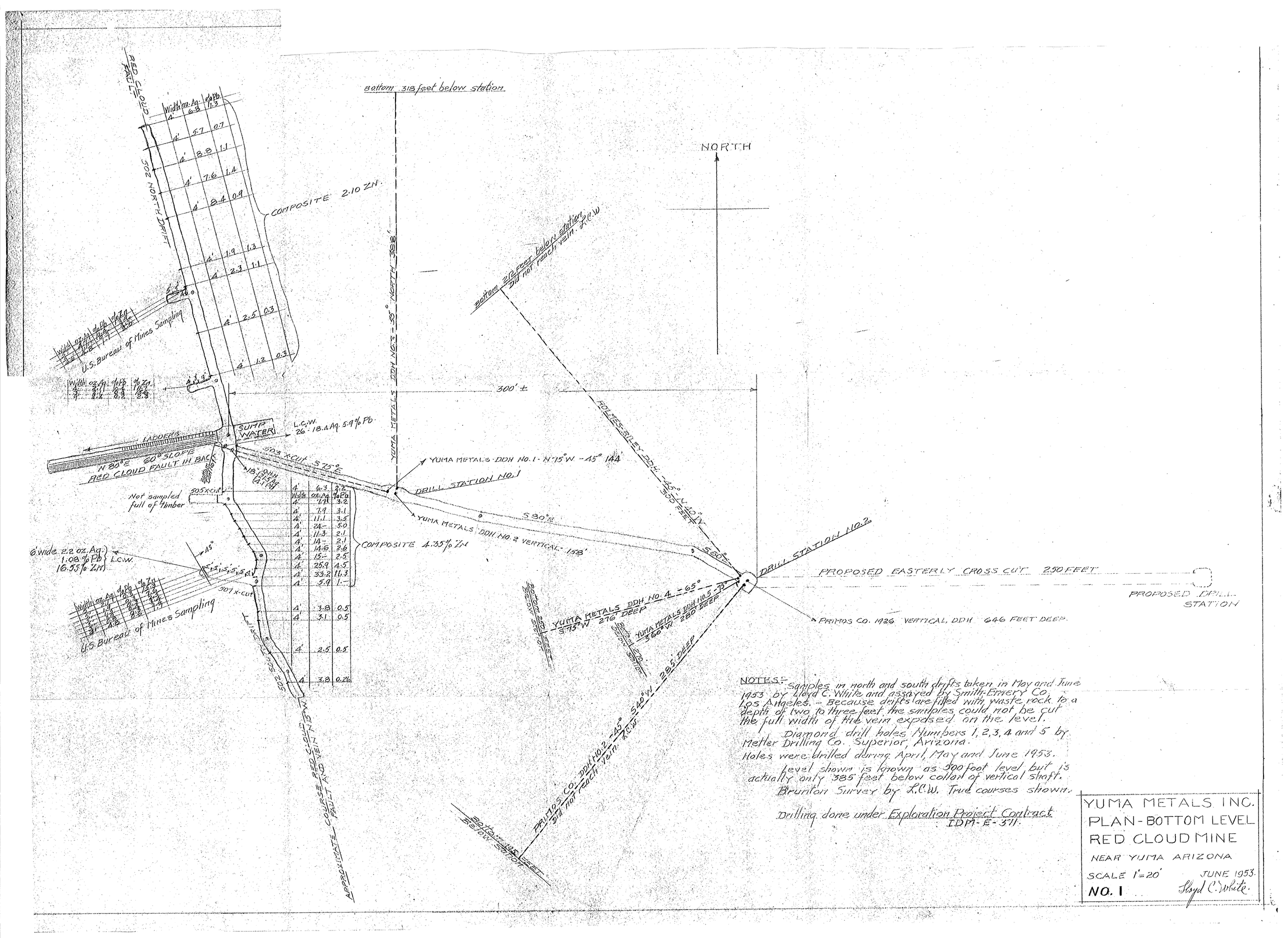
INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475



Width	oz. Ag.	% Pb
4'	6.3	1.3
4'	5.7	0.7
4'	8.8	1.1
4'	7.6	1.4
4'	8.4	0.9
4'	1.9	1.3
4'	2.3	1.1
4'	2.5	0.3
4'	1.2	0.3

Width	oz. Ag.	% Pb	% Zn
4'	4.1	0.3	1.6
2.5'	4.2	1.1	2.0

Width	oz. Ag.	% Pb	% Zn
4'	3.1	0.4	1.6
4'	2.2	0.2	2.3

Width	oz. Ag.	% Pb
4'	6.3	2.3
4'	7.1	3.2
4'	7.9	3.1
4'	11.1	3.5
4'	24.-	5.0
4'	11.3	2.1
4'	14.-	2.1
4'	14.9	2.6
4'	15.-	2.5
4'	25.9	4.5
4'	33.2	11.3
4'	5.9	1.-
4'	3.8	0.5
4'	3.1	0.5
4'	2.5	0.5
4'	3.8	0.26

Width	oz. Ag.	% Pb	% Zn
3'	2.7	0.3	2.3
3'	1.9	0.3	3.2
3'	0.8	0.3	3.4
3'	4.5	0.2	1.7

NOTES:- Samples in north and south drifts taken in May and June 1953 by Lloyd C. White and assayed by Smith-Emery Co. Los Angeles. - Because drifts are filled with waste rock to a depth of two to three feet, the samples could not be cut the full width of the vein exposed on the level.

Diamond drill holes Numbers 1, 2, 3, 4 and 5 by Metler Drilling Co. Superior, Arizona.

Holes were drilled during April, May and June 1953.

Level shown is known as 500 foot level but is actually only 385 feet below collar of vertical shaft.

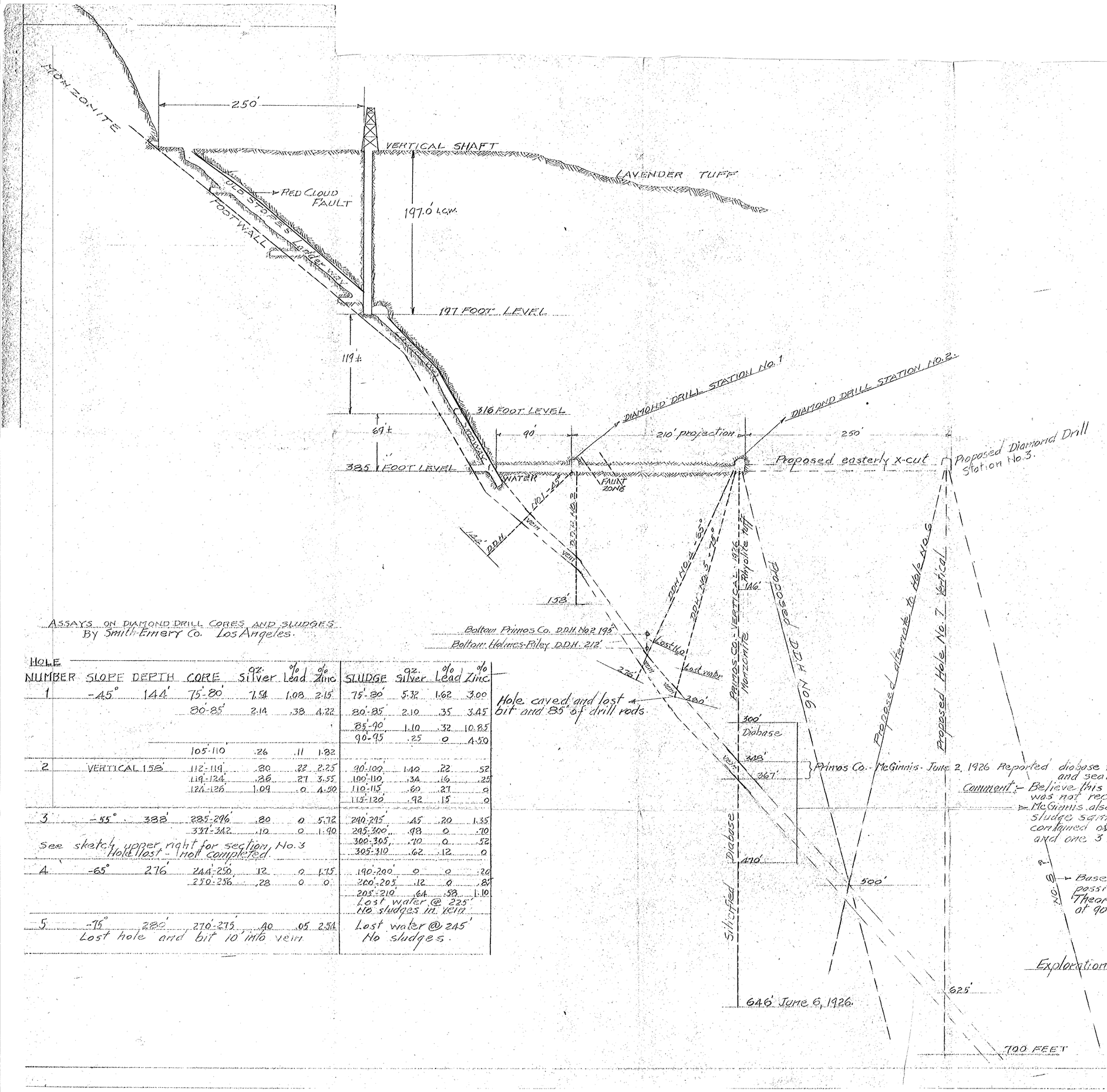
Brunton Survey by L.C.W. True courses shown.

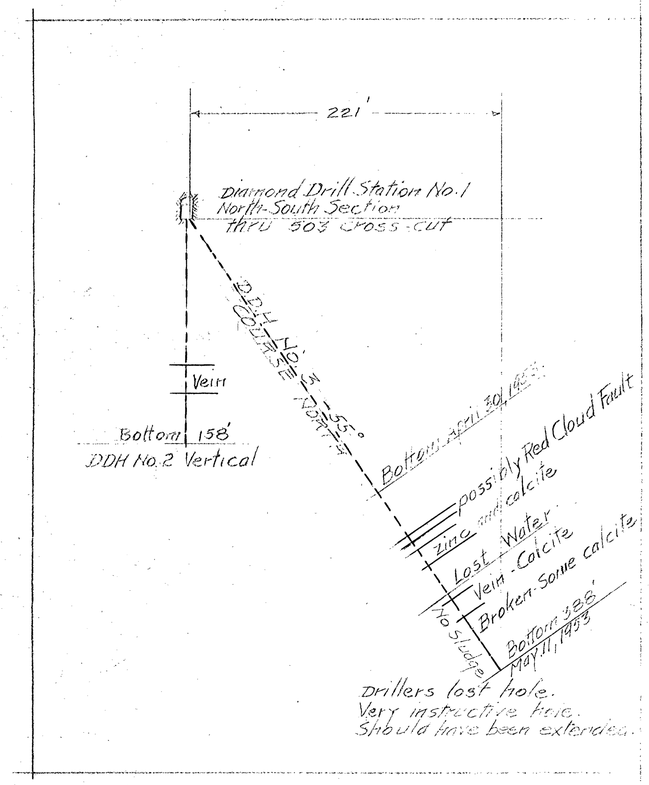
Drilling done under Exploration Project Contract IDM-E-371.

YUMA METALS INC.
PLAN - BOTTOM LEVEL
RED CLOUD MINE
NEAR YUMA ARIZONA

SCALE 1" = 20' JUNE 1953.

NO. 1 Lloyd C. White.





ASSAYS ON DIAMOND DRILL CORES AND SLUDGES
By Smith-Emery Co. Los Angeles.

HOLE NUMBER	SLOPE	DEPTH	CORE	oz. Silver	% Lead	% Zinc	SLUDGE	oz. Silver	% Lead	% Zinc
1	-45°	144'	75'-80'	7.54	1.08	2.15	75'-80'	5.32	1.62	3.00
			80'-85'	2.14	.38	4.22	80'-85'	2.10	.35	3.45
							85'-90'	1.10	.32	10.85
							90'-95'	.25	0	4.50
			105'-110'	.26	.11	1.82				
2	VERTICAL	158'	112'-119'	.80	.22	2.25	90'-100'	1.40	.22	.52
			119'-124'	.36	.27	3.55	100'-110'	.34	.16	.25
			124'-126'	1.09	.0	4.50	110'-115'	.60	.27	0
							115'-120'	.92	.15	0
3	-55°	388'	285'-296'	.80	0	5.72	290'-295'	.45	.20	1.35
			337'-342'	.10	0	1.90	295'-300'	.98	0	.70
							300'-305'	.70	0	.52
							305'-310'	.62	.12	0
See sketch upper right for section No. 3 Hole lost - not completed.										
4	-65°	276'	244'-250'	.12	0	1.15	190'-200'	0	0	.20
			250'-256'	.28	0	0	200'-205'	.12	0	.85
							205'-210'	.64	.58	1.10
							Lost water @ 225' No sludges in vein			
5	-75°	280'	270'-275'	.40	.05	2.54	Lost water @ 245' No sludges.			
Lost hole and bit 10' into vein										

YUMA METALS INC.
SECTION
RED CLOUD MINE
NEAR YUMA, ARIZONA
SCALE 1" = 50'
JUNE 1953.
NO. 2
Lloyd C. White.