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

Budget Bureau No. 42-R1036.5

RECEIVED
SEP 27 1956 AUG 13 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Mar., Apr., and May, 1956 Docket No. DMEA 3698 Contract No. Idm-E 829

Operator's Name Hugh M. Simmons Minerals

Address 801 Alhambra Blvd., Sacramento, Calif.

Contract Amount, $ 17,800.00 Government Participation: 75 % Amount, $ 13,350.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY WSA		
	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						
~~Bulldozing~~ Stage II:						
Crosscutting & Drifting	$3180.00	$5160.00	$8340.00			
~~Drifting~~ Timbering	28.00	406.00	434.00			
Stage I: Rehabilitation	-	2400.00	2400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3,208.00	$7966.00	$11,174.00			

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

Date Aug. 7, 1956 *Payee Hugh M. Simmons
Hugh M. Simmons
Owner

Per _____ Title _____

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

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:

$ 2406 00

Signature _____ (Authorized Certifying Officer)

Date SEP 1956 Vou. No. SF-DMEA-9

(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 E829 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engineer Date 8/8/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 8/8/56

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

RECEIVED
SEP 27 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Mar., Apr., and May 1956 Docket No. DMEA 3698 Contract No. Idm-E 829

Operator's Name Hugh M. Simmons Minerals Mercury

Address 801 Alhambra Boulevard, Sacramento, 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
Stage II								
Drifting and crosscutting	Ft.	$3180.00	106	$8340.00	278	30.00	440	$30.00
Crosscutting								
Raising								
~~Shafts~~ Timbering	Ft.	28.00	4	434.00	62	7.00	300	7.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stage I								
~~Trenching~~ Rehabilitation	Ft.	-	-	2400.00	200	12.00	200	12.00
~~Test Pits~~ Sample analysis	Ea	-	-	-	-	-	20	2.00
Roads and Trails								
Total Distributed Costs		$3208.00	-	$11,174.00				Total Costs Authorized by Contract
Operating Equipment Purchased							Stage I	$2400.00
Initial Rehabilitation and Repairs							Stage II	15,360.00
New Buildings, Improvements, etc.								
Total Costs								$17,800.00

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 Aug. 7, 1956 Operator Hugh M. Simmons

Per _____ Title Owner

→ 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

RECEIVED
SEP 27 1956

NARRATIVE REPORT

A total of 106 feet of drifting and four feet of timbering were completed during the period.

Some cinnabar mineralization was encountered at the 240-foot point in the lower adit drift.

Several long holes have been drilled on the operator's account to check for mineralization away from the drift.

Further exploration is planned in the lower adit level.

Hugh M. Simmons

Hugh M. Simmons

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

400

JUL 11 1956

Mr. George Meyer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMEA-3698 (Mercury)
Hugh M. Simmons
Granada Quicksilver Mine
Napa County, California
Contract No. Idm-2829

Dear Mr. Meyer:

This Division has been requested to complete the audit review of the referenced project as soon as possible.

I understand that this project was completed during the month of April 1956, and, since the contract is on the Short Form, it appears that a Report of Review may now be made. Please prepare and submit the report at your earliest opportunity.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
July 11, 1956

Copy to: Docket
Admr. Reading File
Mr. Martin
Mr. Chambers

3

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAR 26 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of ~~Jan~~ Feb Dec 1955, 195~~3~~ Docket No. DMEA 3098 Contract No. Idm E 820
Operator's Name Hugh E. Simons Minerals Mercury
Address 801 Alhambra Blvd Sacramento, Calif.
Contract Amount, $17,800.00 Government Participation: 75% Amount, $13,350.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WSM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting ~~Drifting~~	2700.00	2,460.00	5,160.00			
Drifting ~~Timbering~~	210.00	190.00	400.00			
~~Stope 1 Rehabilitation~~		2,400.00	2,400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,910.00	5,050.00	7,960.00			

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

Date 24 Feb 56 *Payee Hugh E. Simons
Hugh E. Simons, M. D.
Per Title Owner

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

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:

$2182.50

Signature
(Authorized Certifying Officer)

Date MAR 20 1956 Vou. No. SF-DMEA-30

(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-E829 in accordance with the terms of the contract.

Signature John D. Warne Title Mining Engineer Date 3/2/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date 3/2/56

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

RECEIVED
MAR 26 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ~~Jan., Feb.~~ December 1955 ~~1956~~ Docket No. DMEA 3608 Contract No. ~~Idn 2820~~

Operator's Name ~~Hugh M. Simmons~~

Address ~~601 Alhambra Blvd., Sacramento, Calif.~~ Minerals Mercury

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
~~Stage~~ 11								
Drifting & X-cutting	Ft.	2,700	90	5,100.00	172	30.00	440	30.00
Crosscutting								
Raising								
Shafts Timbering	Ft.	210	30	400.00	58	7.00	300	7.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$ 2,910.		5,500.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs					~~Stage~~ 1			$ 2,240.00
New Buildings, Improvements, etc.					~~Stage~~ 11			15,360.00
Total Costs								$ 17,600.00

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 ~~24 Feb 56~~ Operator Hugh M. Simmons
~~Hugh M. Simmons~~

Per _____ Title ~~Owner~~

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) John L Warne

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

NARRATIVE REPORT

Ninety feet of drifting has been completed. Work has been delayed owing to severe storms and impassable roads. Slight mineralization has been encountered and car samples have been taken and are being held for your engineer. We will advise you when roads are passable so that an inspection can be made by your engineer.

We have done 250 feet of long hole drilling at our expense and good indication of cinnabar has been struck 42 feet east of face of drift. A heavy coarse stringer has been encountered which we believe is on the footwall of the mineralized zone.

Hugh M. Simmons

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

Budget Bureau No. 42-R1036.5

RECEIVED
DEC 23 1955

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

Month of Sept., Oct., Nov. 195 5 Docket No. DMEA 3608 Contract No. Idm-R029
Operator's Name Hugh M. Simmons Minerals Mercury
Address 801 Alhambra Blvd., Sacramento, Calif.
Contract Amount, $17,800.00 Government Participation: 75 % Amount, $13,350.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WSM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
Stage II:						
(1) ~~Independent Contractors~~ ~~Short Term~~ Contracts:						
Drilling						
Bulldozing						
Crosscutting & drifting	2,460	-	2,460.00			
~~Drifting~~ Timbering	196	-	196.00			
Stage I: Rehabilitation	-	2,400.00	2,400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	-	-			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,656	2,400.00	5,056.00			

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

Date 12/9/55 *Payee Hugh M. Simmons

Per Hugh M. Simmons Title Owner

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

→ 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:

$1992.00

Signature [illegible]
(Authorized Certifying Officer)

Date Vou. No. SF-0 McCa 22

(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. 16m-2829 in accordance with the terms of the contract.

Signature Benjamin F. Shucker for John D. Warne Title Mining Engineer Date Dec. 12, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature B. Shucker Title Executive Officer Date Dec. 12, 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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
DEC 23 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept., Oct., November 1955 Docket No. DMEA 3698 Contract No. 10m-E829

Operator's Name Hugh M. Simmons Minerals Mercury

Address 801 Alhambra Boulevard, Sacramento, 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
Stage II:								
Drifting & X-cutting	Ft.	2,460	82	2,460.00	82	30.00	440	30.00
Crosscutting								
Raising								
Shafts								
Timbering	Ft.	196	28	196.00	28	7.00	300	7.00
Winzes								
Sample Analysis	ea.	-	-	-	-	-	30	2.00
Drilling: Core								
Churn								
Stage I: Auger								
Stripping								
Rehabilitation	Ft.	-	-	2,400.00	200	12.00	200	12.00
Test Pits								
Sample Anlys.	ea.	-	-	-	-	-	20	2.00
Roads and Trails								
Total Distributed Costs		2,656.00	-	5,056.00				Total Costs Authorized by Contract
Operating Equipment Purchased					Stage I			2,440.00
Initial Rehabilitation and Repairs					Stage II			15,360.00
New Buildings, Improvements, etc.								
Total Costs		2,656.00		5,056.00				17,800.00

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 12/9/55 Operator Hugh M. Simmons

Per Hugh M. Simmons Title Owner

Hugh M. Simmons

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)

Remarks:

(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

RECEIVED
DEC 23 1955

)Narrative Report

Actual drifting operations on the lower adit level were begun October 1. Some delays were entailed in procuring and installation of mine plant operating equipment and recruiting sufficient labor.

Three precussion type long holes were drilled on the operator's account during the interim between completion of Stage I work and drifting work under Stage II. These holes were drilled northeastward from the lower adit level near the beginning of the drift to guide drifting and crosscutting work.

A progress map showing work to date will be prepared.

Contract work progress to date is as follows:

Stage I:	Rehabilitation	200 feet @ $12.00 a foot	$2,400.00
Stage II:	Drifting	32 feet @ $60.00 a foot	2,460.00
	Timbering	28 feet @ $ 7.00 a foot	196.00
		Totals to date	$5,056.00

Hugh M. Simmons

Hugh M. Simmons

Form ME-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

RECEIVED SEP 12 1955

Month of July-August, 1955 Docket No. DMEA 369 Contract No. Idm-E829
Operator's Name Hugh Michael Simmons Minerals Mercury
Address 801 Alhambra Blvd., Sacramento, Calif.
Contract Amount, $ 17,800.00 Government Participation: 75 % Amount, $ 13,350.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY WSM		
	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						
Bulldozing						
Crosscutting						
Drifting						
Rehabilitation	$2,400	None	$2,400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	None	None	None			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,400		$2,400.00			

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

Date 16 Aug. 55 *Payee Hugh M. Simmons
Hugh M. Simmons, M.D.
Per Title Owner

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

→ 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:

$ 1800 00
Lloyd H. Sjolander
Authorized Certifying Officer
Signature
(Authorized Certifying Officer)
Date SEP 8 1955 Vou. No. SF-DMEA-9
(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-E829 in accordance with the terms of the contract.

Signature John D. Warne Title Mining Engineer Date 9/2/55

John D. Warne

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Executive Officer DMEA Field Team

Signature S. Ricker Title Region II Date 9/2/55

S. Ricker

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. 6-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 12 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July-August 1955 Docket No. DMEA 3698 Contract No. Idm-2829
Operator's Name Hugh M. Simmons Minerals Mercury
Address 801 Alhambra Blvd., Sacramento, 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
STAGE II:								
Drifting and crosscut	Ft.	-	-	-	-	-	440	$30.00
Crosscutting Timbering	Ft.	-	-	-	-	-	300	$ 7.00
Raising								
Shafts								
Winzes STAGE I Rehabilitation	Ft.	2,400	200	$2,400.00	200	12.00	200	$12.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Sample Anal.	Ea.	-	-	-	-	-	20	$ 2.00
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,400		$2,400.00				$17,800.00

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 16 Aug. 55 Operator Hugh M. Simmons

Per Hugh M. Simmons, M.D. Title Owner

REMARKS: Work under Stage I completed - no sample analysis charged.

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)

John D Warne

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

HUGH M. SIMMONS, M. D.
UROLOGY
801 ALHAMBRA BOULEVARD
SACRAMENTO 16, CALIFORNIA
TELEPHONE HILLCREST 5-6899

29 August 1955

RECEIVED
SEP 12 1955

Re: Docket No. DMEA-3698
Granada Quicksilver Mine
Napa County, California

S. Richer
Executive Officer DMEA Field Team, Region 11
1605 Evens Ave.
Reno, Nevada

Dear Sir:

This is to inform you that I have now completed Stage I consisting of the rehabilitation of two hundred (200) feet of tunnel at the upper workings as agreed upon by contract with the DMEA.

This work has been performed in a good mining manner and has revealed the following information. Some high grade ore was removed from the muck pile while cleaning out the station as shown by map. The roof of the station shows many areas where colors of cinnabar stand out in the Franciscan sand stone. About ten feet in from the start of the north tunnel there is a vein of ore that shows a very promising show of cinnabar. There is a streak of black alta that is high grade, (138 lbs. per ton), along with a wider streak of low grade ore that pans well.

It is my opinion and the opinion of others that this may be the key to the ore body in this mountain, and we have every reason to believe that previous maps showing an ore shoot, 16ft X 60 Ft, will be found at the lower level, depth not as yet determined.

Sincerely

Hugh M. Simmons, M. D.

APR 24 1957

Mr. Hugh M. Simmons
801 Albemarle Boulevard
Sacramento, California

Re: Docket No. DMSA 3698 - Mercury
Cinnabar Mine
Napa County, California
Contract No. 14-[illegible]

Dear Mr. Simmons:

This is with reference to the subject exploration contract between you and the Government.

It is not our intention to issue a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our basic with respect to this project. Your attention is called, however, to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

T. O. Mitscherlich

Administrator

TL:Bergman:fee
11/12/56
cc to: Docket
Code 400
Code 800
Admr. Read. File
FT. REG. II
Messrs. J. W. Pennington, BMM
T. H. Killegaard, USGS

November 13, 1956

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Memorandum of non-discovery
Docket No. DMEA 3698 - Mercury
Hugh M. Simmons
Grenada Mine
Napa County, California
Contract No. Idm-E829

This Division hereby concludes that the work on the subject property, as described under the contract and amendments thereto, has resulted in no discovery or development from which commercial production may be made.

Operator & Owner: Hugh M. Simmons
801 Alhambra Boulevard
Sacramento, California

Property: The land referred to in Article 2 of the contract form is described as follows:

The southeast quarter of the southeast quarter, of section 27; The northeast quarter of the northeast quarter, of section 34; The north half of the northwest quarter, and the northeast quarter of the northeast quarter, of section 35, in T. 10 N., R. 6 W., M. D. B. & M. in the Mayacmas Mining District.

Contract: Dated June 28, 1955, estimated total cost $17,800.00, Government participation 75 percent, $13,350.00. The work consisted of 200 feet of adit rehabilitation, 440 feet of drifting and crosscutting, 300 feet of timbering, and assaying. One amendment was written extending the time for completion of the contract.

Work Completed: The work completed consisted of 200 feet of adit rehabilitation, 278 feet of drifting and crosscutting, and 62 feet of timbering at a cost of $11,174.00. Government participation 75% $8,380.50.

Geology: The property is in an area underlain by highly folded and faulted graywacke, shale and mudstone of probably early Cretaceous age. Andesite flows and minor intrusions of Tertiary age outcrop in the surrounding region. Shear zones occur varying from a few inches to 15 feet in thickness. Cinnabar is the only ore mineral seen and is sparsely disseminated in gouge in the shear zones.

History and Production: Initial discovery work and most of the upper adit development work on the property were done in 1926-27. Three shallow winzes about 20 feet in depth, with some drifting, are reported to have been completed in 1930-33. The lower adit was driven during the same period with approximately 510 feet of workings. The property was idle from 1933 until 1955 when it was acquired by Mr. Simmons. No production has been made from the property.

Comments: While a few small pods of cinnabar of ore grade might possibly be found with further exploration, there is little chance of finding an appreciable tonnage that would warrant the work.

Recommendations:

The Field Team concludes that there is little possibility of finding any appreciable tonnage of minable ore and recommends non-certification of the project. The Commodity Divisions of the Geological Survey and the Bureau of Mines, concur in the recommendations of the Field Team.

This Division concurs in the conclusions of the Field Team and a letter advising of non-certification is being written to the owner and operator.

TLChapman:foc
11/13/56
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.

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

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

406

RECEIVED
OCT 18 1956

1605 Evans Avenue
Reno, Nevada

October 15, 1956

Memorandum

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

WSM

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3698 (Mercury)
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E 829

Enclosed are four copies of the Operator's Final Report on subject docket.

S. Ricker

Encls.

Operator's Final Report

RECEIVED
OCT 18 1956

OPERATOR'S FINAL REPORT

October 3, 1956

Mr. S. Ricker
Executive Officer
DMEA Field Team
U. S. Bureau of Mines
Reno, Nevada

Re: Hugh M. Simmons
Granada Quicksilver Mine
Docket No. DMEA-3698
Contract No. Idm-E 829

Dear Sir:

Exploration work in connection with the Defense Minerals Exploration Administration was begun July 15, 1955, and completed May 30, 1956.

The Government cooperated in 200 feet of rehabilitation on the upper tunnel level and 278 feet of crosscutting on the lower tunnel level. Additional rehabilitation, drifting, crosscutting, and long-hole drilling exploration work was done on the Operator's account.

Some cinnabar mineralization was encountered in the vicinity of a filled winze on the upper adit and near the terminal of the lower adit crosscut; however, insufficient quantities have been found to date to allow mining. No mercury production has been made to date. As the mine is located in the immediate vicinity of large past producing mercury mines and within similar favorable formations, further exploration work is planned by the Operator. Diamond drilling, from both the lower tunnel level and from the surface, is completed.

Efficient and full cooperation was received from DMEA engineers in connection with the exploration program.

Summary of Costs

Work accomplished under the contract and costs submitted were as follows:

Stage I - Rehabilitation of Upper Adit

Period	Quantity of Work	Cost
July-Aug. 1955	200' of rehabilitation at $12.00/ft.	$ 2,400.00

Stage II - Drifting and Crosscutting - Lower Adit

Period	Quantity of Work	Cost
Sept. - Nov. 1955	82 ft. of crosscut at $30.00	$ 2,460.00
	28 ft. of timbering at $ 7.00	196.00
Dec. 1955	90 ft. of crosscut at $30.00	2,700.00
Feb. 1956	30 ft. of timbering at $7.00	210.00
Mar. - May 1956	106 ft. of crosscut at $30.00	3,180.00
	4 ft. of timbering at $7.00	28.00
	Total cost	$11,174.00
	Gov't. participation at 75%	8,380.50

Hugh M. Simmons MD

Hugh M. Simmons
801 Alhambra Boulevard
Sacramento, California

RECEIVED

October 15, 1956

Memorandum

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

From: Commodity Specialist, Branch of Base Metals

Subject: Review of Field Team final report, Docket No. DMEA 3698 (mercury), Hugh M. Simmons, Granada Mine, Napa County, California, Contract No. Idm-E 829, $17,800.00

The Field Team final report on the Granada mine exploration project, by J. D. Warne, Bureau of Mines, and D. B. Tatlock, Geological Survey, has been reviewed and found satisfactory.

According to the report, exploration for mercury mineralization consisted of 200 feet of rehabilitation of the upper adit level and 278 feet of drifting and crosscutting on the lower adit level. Total expenditures were $11,174.00.

Although the area was adequately explored by the DMEA work, no commercial-grade ore was discovered. Mercury mineralization was weak, widely spaced, and low-grade, ranging from 0.1 to 0.5 pounds of mercury per ton of material.

For these reasons, I concur with the recommendation of the Field Team that no Certificate of Discovery be issued.

J. W. Pennington

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
F. D. Lamb
Files

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

400

RECEIVED
OCT - 8 1956

1605 Evans Avenue
Reno, Nevada

October 5, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMEA-3698 (Mercury)
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idr-2829

Enclosed are four copies of our final report on subject docket by J. D. Warne, Bureau of Mines and D. B. Tatlock, Geological Survey.

Roscoe Smith and I concur in the recommendation that a certificate of discovery should not be issued.

S. Ricker

Encl.

SRicker:gh
cc: Finance Off., Reg. II
Geo. Mavor
R. M. Smith
File

Final Report

Reviewed by
DMEA OPERATING COMMITTEE
10-12-56
(date)

10/15/56,
Mr. Smith & Sam are given

RECEIVED
OCT - 8 1956

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION II

FINAL REPORT

DMEA-3698, Contract Mm-E829 (Mercury)
Dr. Hugh M. Simmons
Granada mine, Napa County, California

by

J. D. Warne
U. S. Bureau of Mines

D. B. Tatlock
U. S. Geological Survey

October 3, 1956

Reviewed by
DMEA OPERATING COMMITTEE
10-12-56
(date)

CONTENTS

	Page
Introduction	1
Summary	1
Conclusions and Recommendations	2
The DMEA Project	2
Geology	5
Ore Deposits	6
Ore Reserves	7
Sampling	7

ILLUSTRATIONS

Figure 1 . . . . . Location map

2 . . . . . Geologic and Assay map

RECEIVED
OCT - 8 1956

INTRODUCTION

The Granada mine, Napa County, California, was explored by Dr. Hugh M. Simmons, 801 Alhambra Boulevard, Sacramento, California, in cooperation with the Defense Minerals Exploration Administration, docket DMEA-3698, under contract Idm-E829, dated June 28, 1955, authorizing $17,800.00, of which the Government's participation at 75 percent would have been $13,350.00. The project started July 15, 1955 and ended May 30, 1956. The program was discontinued by the Government after the total expenditure of $11,174.00 of which the Government's participation was $8,380.50. Therefore, $6,626.00 remains in contract funds; the Government's share of unused funds is $4,969.50.

A field examination of the mine was made May 30, 1956 by J. D. Warne, U. S. Bureau of Mines, and D. B. Tatlock, U. S. Geological Survey, accompanied by Hugh Simmons, Max Piaseck, and Paul Sharrock.

SUMMARY

The purpose of the project was to explore for cinnabar in hydrothermally altered graywacke in a geologic setting similar to other mines in the immediate vicinity which had a large quicksilver production. The exploration consisted of 200 feet of rehabilitation on the upper adit level and 278 feet of drifting and crosscutting on the lower adit level. Although a few discontinuous

veinlets and sparse disseminations of cinnabar were found, the mineralized zones were too low grade and too widely spaced to be commercial.

CONCLUSIONS AND RECOMMENDATIONS

The favorable area was adequately explored, but the showings of cinnabar discovered by the DMEA work are too small, too widely spaced, and too low grade to be ore. There are no indications that the altered graywacke and gouge-filled fractures in the mine area contain cinnabar of ore grade. The showings do not warrant developing, and production is not economically feasible. We recommend, therefore, that no certificate of discovery be issued.

The work thus far has not revealed indications of other exploratory possibilities. Additional work may be justified if future exploration work and mapping in the adjoining Toyon mine (DMEA-4155, contract Idm-E999) yields geologic evidence from which to infer ore on the Granada property. Unless this evidence is obtained we recommend that no further exploration be done either by the Government or by the owner.

THE DMEA PROJECT

Although the property has had no production, and only sparsely disseminated cinnabar was exposed in the accessible

workings, the project was justified by the favorable geologic setting of the mine which is in the same block of altered graywacke as the Oat Hill mine from which production exceeded 160,000 flasks.

The program authorized in the contract consisted of rehabilitating 200 feet of the upper adit (Stage I) and a total of 440 feet of drifting and crosscutting in the lower adit (Stage II). The Stage I work was completed on August 15, 1955. Cinnabar was found in only one steeply-dipping gouge-filled fracture about 2 inches wide a few feet north of the caved winze.

It was recommended that 220 feet of crosscutting on the lower adit be allowed under Stage II in order to explore for the possible downward continuation of this mineralized fracture.

Stage II was begun October 1, 1955. All of the fractures intersected were barren although traces of cinnabar were reported by the operator to have been found in long-holes drilled at his expense northeast of the existing face. The operator was allowed to continue another 58 feet on contract funds for a total distance of 278 feet on the lower adit level, but results were negative. A total of 162 feet of drifting and crosscutting under the contract was not used. The completion date was extended to May 30, 1956 by Amendment No. 1.

Expenditures

The following tabulation shows the period, work performed, and total project expenditures:

Period	Description and Unit Costs	Total Cost
	Stage I (Upper Adit)	
July and August 1955	200 ft. of rehabilitation @ $12.00/ft.	$2,400.00
	Stage II (Lower Adit)	
Sept., Oct., and Nov. 1955	82 ft. of crosscutting @ $30.00/ft.	2,460.00
	28 ft. of timbering @ $7.00/ft.	196.00
Dec. 1955	90 ft. of crosscutting @ $30.00/ft.	2,700.00
Jan., and Feb. 1956	30 ft. of timbering @ $7.00/ft.	210.00
Mar., April, and May 1956	106 ft. of crosscutting and drifting @ $30.00/ft.	3,180.00
	4 ft. of timbering @ $7.00/ft.	28.00
	Total expenditure:	$11,174.00

Total approved cost:	$17,800.00
Total expenditure:	11,174.00
Government's share of cost:	8,380.50
Unexpended amount of contract:	6,626.00
Government's share unexpended:	4,969.50

GEOLOGY

The Granada mine is at the eastern end of the Mayacmas quicksilver district in an area underlain by highly folded and faulted graywacke, shale, and mudstone of probable Early Cretaceous age. A northwest-trending body of serpentine crops out along a ridge about 1,200 feet east of the mine. Andesite flows, pyroclastics, and minor intrusives of Tertiary age crop out in the surrounding region; the flows and pyroclastics may have, at one time, covered the mine area.

Complexely folded and faulted black shale and mudstone and hydrothermally altered medium-grained graywacke are the only rocks seen underground. The altered rock is relatively soft, and white to light gray in color except where stained by iron oxides.

Faulting is common and occurs chiefly in shale and mudstone at graywacke contacts. Gouge along faults ranges from about an inch to as much as three feet in thickness. Shear zones range from a few inches to as much as 15 feet in thickness. The stronger faults strike northwesterly and in general dip steeply northeast. None of the faults can be traced on the surface owing to a cover of debris flows and slides.

ORE DEPOSITS

Cinnabar, the only ore mineral seen, is sparsely disseminated locally in gouge along fracture zones and in hydrothermally altered graywacke. Gangue minerals are calcite, quartz, and pyrite. Small amounts of extremely fine cinnabar can be panned from almost all of the altered graywacke, but the graywacke probably does not average more than 0.1 lb. Hg/ton. Within a few inches of mineralized fractures it may average about 0.5 lb. Hg/ton. Only a few of the gouge-filled fractures contain visible cinnabar. These are widely spaced and range from a fraction of an inch to as much as two inches in width.

In the upper adit about 15 feet north of the caved winze (fig. 2) three small lenses of cinnabar disseminated in gouge occur along an almost vertical northwest-trending fracture from one to two inches wide. The largest lens extends along the strike about two feet. A few veinlets of pure cinnabar up to five inches long and 1/32 inch wide occur within the lenses.

Northeast of the caved winze a highly sheared and faulted zone about 250 feet wide was cut by the DMEA work and by work done at the operator's expense but cinnabar was not seen. The zone strikes northwesterly and dips about 55° NE. A few calcite

veinlets up to 1/2 inch thick parallel the more highly sheared parts of the zone. The last 100 feet of rehabilitated adit cut thick-bedded to massive graywacke with a few thin interbeds of shale.

On the lower adit a few small crystals of cinnabar occur along a northwest-trending fracture about one inch wide on the footwall of a zone of sheared and contorted black mudstone about 20 feet from the end of the crosscut. Calcite veinlets up to 1/2 inch thick parallel the sheared mudstone.

ORE RESERVES

Although there are several hundred thousand tons of altered graywacke averaging about 0.1 lb. Hg/ton, there are no quicksilver ore reserves of any classification. A few small pods of ore grade may exist, but the cost of exploring for them would be prohibitive.

SAMPLING

Seven samples were taken from the upper adit level during the original examination and of the area rehabilitated under Stage I, and eleven additional samples were taken from the lower adit level as crosscutting work progressed under Stage II. The locations and mercury content of the samples are shown on Figure 2. The mercury content ranged from 0.1 to 0.5 lbs. per ton.

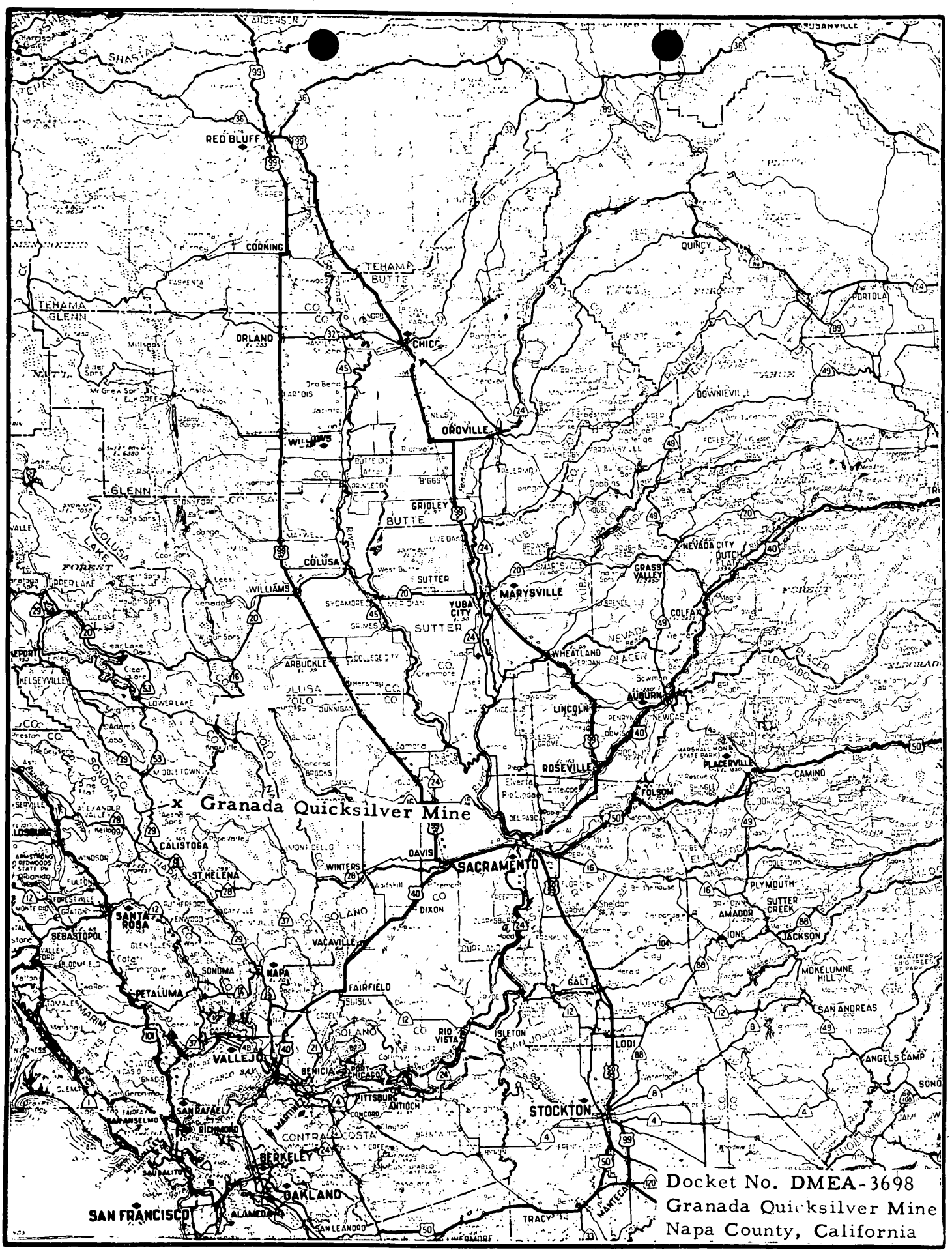
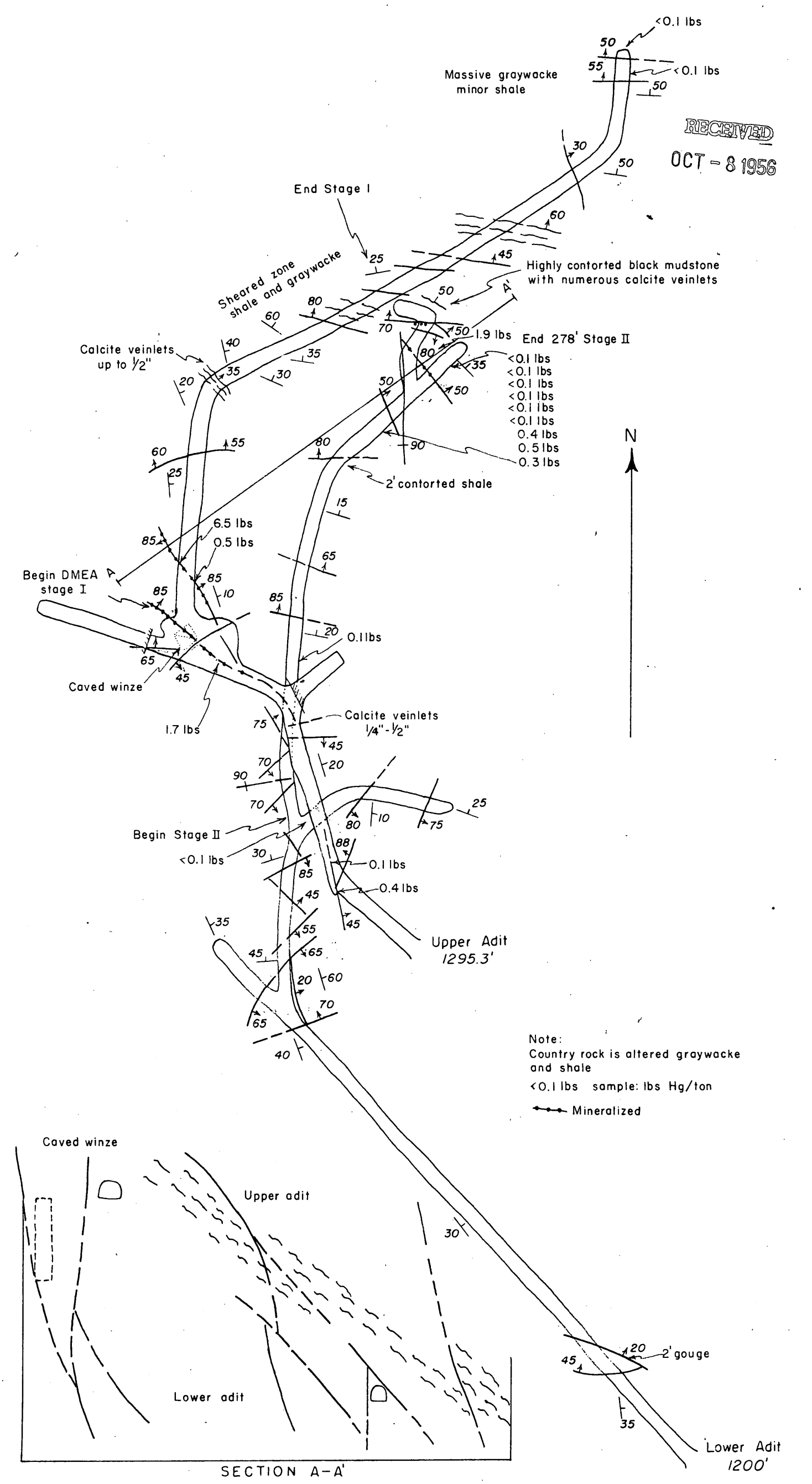


FIG. 1 LOCATION MAP

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 3698
Idm E-829
(MERCURY)



GRANADA MINE, NAPA COUNTY, CALIFORNIA

50 0 50 100 Feet

Figure 2

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

400

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Hugh M. Simmons
801 Alhambra Boulevard
Sacramento, California

WSM

pertaining to Exploration Project Contract No. Idm-E829, Docket No. DMEA-3698, including Amendment No. 1, for the months of July 1955 to May 1956, inclusive, covering a project for the exploration of mercury, on property, known as the Granada Quicksilver Mine, located in Napa County, California.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with Executive Officer in charge of the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor.

Total cost as billed by contractor	$11,174.00
Exceptions	-0-
Total Accepted Cost	$11,174.00

The contract calls for a 75% participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eight Thousand Three Hundred Eighty and 50/100 Dollars:

** $8,380.50 **

is considered valid and proper, provided the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

George Mavor
George Mavor
Auditor

September 18, 1956

23 JUL 1956

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

Re: Docket No. DMEA-3698, Mercury
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

Dear Mr. Ricker:

Reference is made to your letter of April 23, 1956, in which you advised Mr. Simmons that the Government would not be justified in participating in more than 278 feet of drifting under Stage II of the contract.

Your letter of September 6, 1955, advised Mr. Simmons that the work permitted under Stage II of the contract would be limited to 220 feet of drifting and/or crosscutting.

To date we have received Forms MF-104 and MF-104A through February 1956, which showed 172 feet of drifting and 58 feet of timbering. No further forms or reports from the operator have been received in this office.

The interim report of March 19, 1956, by J. D. Warne, Bureau of Mines, advises that 210 feet of drifting had been carried out as of March 17, the date of inspection, and states that drifting should be carried on for an additional 20 feet. Apparently the operator was advised orally of this, as we do not have any copy of a letter to the operator.

The contract expired on April 1, 1956.

The interim report of April 12, 1956, by Donald B. Tatlock, Geological Survey, advises that 245 feet of drifting on Stage II had been completed as of April 4, the date of inspection.

The interim report of April 18, 1956, by D. B. Tatlock and K. H. Bailey, Geological Survey, advises that 247 feet of work had been completed as of April 12, the date of inspection. No work has been received in this office as to how and when the operator was advised that he could carry work beyond the 220-foot point. It was recommended that the operator be allowed to continue for another 31 feet.

As the contract expired on April 1, 1956, any work after this date would require an amendment. It is within your authority to write an amendment extending the time for completion of the contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

cc: Docket
Code 400
Code 800
Oper. Comm.
Adm. Read. File
Thor Kiilsgaard, USGS
J. W. Pennington, USBM
FT, Reg. 2

TLChapman/ls
7/20/56

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

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

Re: Docket No. DMEA-3698, Mercury
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

Dear Mr. Ricker:

Reference is made to your letter of April 23, 1956, in which you advised Mr. Simmons that the Government would not be justified in participating in more than 278 feet of drifting under Stage II of the contract.

Your letter of September 6, 1955, advised Mr. Simmons that the work permitted under Stage II of the contract would be limited to 220 feet of drifting and/or cross-cutting.

To date we have received Forms MF-104 and MF-104A through February 1956, which showed 172 feet of drifting and 58 feet of timbering. No further forms or reports from the operator have been received in this office.

The interim ~~inspection~~ report of March 1~~7~~9, 1956, by J. D. Warne, Bureau of Mines, advises that 210 feet of drifting had been carried out as of March 19, 1956 the date of inspection and states that drifting should be carried on for an additional 20 feet. Apparently the operator was advised orally of this, as we do not have any copy of a letter to the operator.

The contract expired on April 1, 1956.

The interim ~~inspection~~ report of April ~~4~~13, 1956, by Donald B. Tatlock, Geological Survey, advises that 245 feet of drifting on Stage II had been completed as of April 4, 1956 the date of inspection

The interim ~~inspection~~ report of April ~~12~~ 18, 1956, by D. B. Tatlock and E. H. Bailey, Geological Survey, advises that 247 feet of work had been completed, ~~but~~ No word has been received in this office as to how and when the operator was advised that he could carry work beyond the 220-foot point. It was recommended that the operator be allowed to continue for another 31 feet.

As the contract expired on April 1, 1956, any work after this date would require an amendment. It is within your authority to write an amendment extending the time for completion of the contract.

Sincerely yours,

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

as of April 12, 1956 the date of instructions

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

402

RECEIVED
JUL 19 1956

420 Custom House
555 Battery Street
San Francisco 11, California

July 17, 1956

Air Mail

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Mineral Exploration Administration
Washington 25, D. C.

Re: Idm-E829, DMEA-3698
Hugh M. Simmons
Granada Quicksilver Mine

Dear Mr. Chambers:

Reference is made to your letter dated July 11, 1956, in connection with submitting Report of Review for subject contract.

A Final claim for work performed under this contract has not as yet been submitted by the operator. Under date of April 23, 1956, Mr. S. Ricker advised the operator that the Government would not participate in more than 278 feet of drifting and crosscutting under Stage II as set forth under Exhibit "A" of the contract. The last MF-104 received from the operator was for three months ending February 29, 1956, and Form MF-104a showed a total of 172 feet of drifting and crosscutting, therefore the difference between the footage claimed for drifting and crosscutting and the footage of 278 feet authorized by Mr. Ricker is 106 feet. Interim Inspection Report dated April 18, 1956, parepared by D. B. Tatlock and E. H. Bailey, USGS, reported a total of 247 feet for drifting and crosscutting as of April 12, 1956.

Mr. S. Ricker advised me that Dr. Hugh M. Simmons, was on his vacation and would not return until sometime in August, and that the final drifting and crosscutting footage claim, could not be determined until the Examining Engineer had a chance to discuss the final claim with the operator.

It will be necessary to wait for the results of the above mentioned

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/19/56

REFERRED TO:

1. 400
2.
3.
4.

FOR:

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

REMARKS: Mr. Chapman: Pls. note Auditor was asked to expedite review in accordance with your telephoned request of 7/11/56.

Check (X) before the items needing attention.

Talbert
Initials of sender.

GPO 16—63815-1

conference, before submitting a Report of Review, and when all information has been received covering the final claim, a Report of Review will be forwarded promptly.

Sincerely yours,

"(SIGNED) GEORGE MAVOR"

George Mavor, Auditor

Copy to: S. Ricker

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

402

RECEIVED
JUL 30 1956

1605 Evans Avenue
Reno, Nevada

July 27, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

WSM

Subject: Docket No. DMEA-3698 (Mercury)
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

We have recently discussed the points brought out in your letter of July 23, 1956 in respect to subject contract.

Mr. Simmons has been away and is not expected back until sometime in August. We will then find out if he wishes to claim the footage which was allowed him and make final settlement; possibly an amendment extending completion date will then be necessary. In any case, we expect to clear up the points brought up in your letter and close out the project sometime in August.

S. Ricker

SRicker:gh
cc: R. M. Smith
File

7/2/56

Re: DMEA 3698 - Hugh M. Simmons

This contract was to end "on or before April 1, 1956. The inspection report of 4/23 from the FT indicated FT had told Oper. he could expect no further ~~xxx~~ aid and possibility of finding ore almost nil.

Perhaps a follow-up is in order to find out where the Operator and FT final reports may be. Also Mr. Chamber's office should schedule an audit?

ls

400

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

RECEIVED
APR 25 1956

1605 Evans Avenue
Reno, Nevada

April 23, 1956

Memorandum

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

WSM

From: **Executive Officer, DMEA Field Team, Region II**

Subject: **Docket No. DMEA-3698 (Mercury)**
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

Attached to our Interim Report on subject contract are two copies of our letter of April 23, 1956 advising Dr. Simmons that the Government will not further participate in Stage II of said contract.

S. Ricker

Attach.

SRicker:gh
cc: Finance Off., Reg. II
Geo. Mavor
R. M. Smith
File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 25 1956

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 4/23/56

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Wash., D.C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMEA-3698

Contract No. Idm-E829

Commodity (Mercury)

Operator Dr. Hugh Simmons

Property Granada Mine, Napa County, Calif.

By D. B. Tatlock and E. H. Bailey, USGS

Dated 4/18/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

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

RECEIVED
APR 25 1956

1605 Evans Avenue
Reno, Nevada

April 23, 1956

Dr. Hugh M. Simmons
801 Alhambra Blvd.
Sacramento, California

Re: Docket No. DMEA-3698 (Mercury)
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

Dear Dr. Simmons:

Confirming our telephone conversation of April 20, 1955, we wish to formally advise you that the Government does not feel justified in participating in more than 278 feet of drifting and crosscutting under Stage II as set forth under Exhibit "A" of referenced contract.

This decision has been made without prejudice to your property and does not preclude the possibility of you finding some ore bodies on your property if you wish to do more exploration on your own account. However, the possibility of making a significant discovery of interest to the Government is so slight that further participation by the Government is not justified.

We regret that the project has not been successful from our viewpoint and wish to thank you for your hearty cooperation throughout the contract.

One of our engineers' will visit the property for his final report upon receipt of your notification that the 278 feet of drifting and crosscutting has been completed and a final evaluation will be made at that time.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

SRicker:gh
cc: Opr. Com., DMEA, Wash., D. C.
Finance Off., Reg. II
Geo. Mavor
R. M. Smith
File

APR 18 1956

INTERIM REPORT

DMEA-3698 (mercury)
Dr. Hugh Simmons
Grenada mine
Napa County, California
Contract No. Idm-D829

RECEIVED
APR 25 1956

An interim inspection of the Grenada mine was made on April 12, 1956 by D. B. Tatlock and E. H. Bailey, U. S. Geological Survey.

The operator's representative reported that 254 feet of underground work under Stage II had been completed on the lower adit level. However, a compass and tape survey showed only 247 feet completed. No ore and no favorable indications of ore were encountered in the 9 feet of advance since April 4, 1956. The graywacke and undertone appear to be less altered and bleached to the northeast.

It is recommended that the operator be allowed to continue the crosscut on the lower adit level another 31 feet on a bearing of N 20° E. If no ore is encountered in this distance, the DMEA exploration program should be discontinued.

If the operator wishes to continue exploration on his own, I would suggest that he continue crosscutting on a bearing of N 20° E for 350 feet on the lower adit level, or resume crosscutting on the upper adit level on a bearing of N 20° E for about 125 feet. These two crosscuts would intersect the

southeastward projection of a northeast-dipping fault zone which contains some cinnabar in the Toyon mine 1200 feet northwest of the Granada mine. This northwest-trending fault cannot be seen on the surface. The possibility of finding a significant ore body is slight.

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 16 1956

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 4/12/56

Memorandum

To: Operating Committee, DMEA, Interior Bldg., Wash., D.C.

From: Executive Officer, DMEA Field Team, Region II

WSM

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMEA-3698

Contract No. Idm-2829

Commodity Mercury

Operator Hugh Simmons

Property Granada Quicksilver Mine
Napa County, Calif.

By Donald B. Tatlock, Geologist, USGS - DMEA

Dated 4/12/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

RECEIVED
APR 13 1956

4 Homewood Place
Menlo Park, Calif.

April 12, 1956

Memorandum

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

From: Donald B. Tatlock, geologist, U. S. Geological Survey

Subject: DMEA-3698 (Mercury)
Dr. Hugh Simmons
Granada Quicksilver Mine
Napa County, California
Contract No. Idm-E829
INTERIM REPORT

An interim inspection of the Granada mine was made April 4, 1956 by Donald B. Tatlock, U. S. Geological Survey.

On the lower adit level, 245 feet of crosscutting under Stage II had been completed. About 195 feet of underground work remains in Stage II.

No ore grade rock has yet been encountered. However, five feet from the face in the north crosscut on the lower adit level, an irregular one inch seam, striking northwest and dipping steeply northeast, contains an estimated 20 lbs. Hg per ton. Long holes, drilled by the operator to the east ahead of both crosscuts on the lower adit level, have intersected medium-grained graywacke containing visible disseminated cinnabar. The trend of this mineralized zone is about N. 20° W.

It is recommended that both the north and the south crosscuts on the lower adit level be driven 40 feet N. 70° E. so as to intersect the mineralized zone penetrated by the long holes.

The remaining 115 feet of exploration work under Stage II in the Granada mine should await mapping which will tie in both the adjoining Toyon and the Granada properties. This mapping will be completed by April 16, 1956.

The operator has been urged to assay his samples regularly. So far none of the samples taken by the Bureau of Mines has assayed more than 0.5 lbs. Hg/ton.

An examination of the Toyon mine, (DMEA-4155) was also made on April 4 and it will be recommended that the Toyon application be approved. The exploration programs in the two mines should be tied together as closely as possible because favorable structures in one may carry through to the other.

402

RECEIVED
MAR 23 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 3/21/56

Memorandum

WSM

To: Operating Committee, DMEA, Interior Bldg., Wash., D.C.

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

3698

Attached are four copies of Interim Report on

Docket No. DMEA-3698

Contract No. Idm-2329

Commodity Mercury

Operator Hugh M. Simmons

Property Granada Quicksilver Mine, Napa County, California

By J. D. Warne

Dated 3/19/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

INTERIM REPORT

Docket No. : DMEA-3698 (Mercury) March 19, 1956

RECEIVED
MAR 23 1956

Name and address of operator: Hugh M. Simmons
801 Alhambra Blvd.
Sacramento, Calif.

Name and location of property: Granada Quicksilver Mine
Napa County, California

Contract No. : Idm-E829

This project was inspected on March 17, 1956. A total of 210 feet of drifting on the lower adit level under Stage II has been completed.

Slight cinnabar mineralization along this drift, and in long holes drilled from the drift by the operator, have been sufficiently encouraging to warrant continuation of the drift beyond the footage planned at the beginning of Stage II.

Unless more cinnabar mineralization is encountered within about 20 feet beyond the present face, it is recommended that drifting work be discontinued; and crosscutting work be done to explore for downward extension of the most favorable mineralized zones shown in the upper adit. An early inspection of this project by a geologist and engineer should be made for the purpose of mapping and planning final work to be performed in connection with this project.

Work completed:

A total of 210 feet of drifting in a northerly direction from the lower adit level and 28 feet of timbering has been completed to date under the contract. Total work completed and costs are outlined below:

Stage I:	
Rehabilitation - 200 feet @ $12.00/ft.	$2,400.00
Stage II:	
Drifting - 210 feet @ $30.00/ft.	6,300.00
Timbering - 28 feet @ $7.00/ft.	196.00
Total to date	$8,896.00
Government participation @ 75%	$6,672.00

Comments:

Recent long hole drilling in advance of the present drift face has indicated some cinnabar mineralization. Therefore, the drift should be continued to about 230 feet and crosscutting should then be performed to explore for downward extension of the most favorable mineralized zone shown after rehabilitating the upper adit.

Heavy rains and floods in the vicinity of the Granada mine have hampered work progress and made access to the mine almost impossible since late December 1955.

Four samples of material derived from drifting along the interval 194 to 210 feet were taken for future analysis. Results of previous samples taken during a previous inspection were as follows:

Sample No.	Lbs. of Hg/Ton	Description
12	0.1	Grab sample from lower drift round muck at 82 foot point.
13	0.1	Grab sample of dump from initial 82 feet of drifting along lower level.

J. D. Warne
Mining Engineer

400

RECEIVED
DEC 12 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 12/8/55

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

WSM

Attached are four copies of Interim Report on -

Docket DMEA 3698

Contract Idm-E 829

Commodity Mercury

Operator - Hugh M. Simmons

Property - Granada Quicksilver Mine, Napa County, Calif.

By John D. Warne

Dated Mining Engineer - 12/8/55

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith--USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

RECEIVED
DEC 12 1955

INTERIM REPORT

Docket No.: DMEA-3698 (Mercury) December 8, 1955

Operator: Hugh M. Simmons
801 Alhambra Blvd.
Sacramento, California

Property: Granada Quicksilver Mine
Napa County, California

Contract No.: Idm-E829

This project was inspected on December 2, 1955 by J. D. Warne of U.S. Bureau of Mines and H. K. Stager of the U. S. Geological Survey.

The operator had completed 82 feet of drifting and 28 feet of timbering on the lower adit level under Stage II of the contract. Work is being performed in a satisfactory manner.

It was recommended to the operator that he obtain a representative muck pile sample from each drift round for possible later analysis.

Work completed:

A total of 82 feet of drifting in a northerly direction from the lower adit level, and 28 feet of timbering has been completed to date under Stage II of the contract. Total work completed and costs to date are as follows:

Stage I:	
Rehabilitation - 200 feet @ $12.00/ft.	$2,400.00
Stage II:	
Drifting - 82 feet @ $30.00/ft.	2,460.00
Timbering - 28 feet @ $7.00/ft.	196.00
Total to date	$5,056.00
Gov/t. participation @ 75%	$3,792.00

Two samples were taken during this inspection. Analysis will be included in the next interim report.

John D. Warne
Mining Engineer

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

400

RECEIVED
SEP - 8 1955

1605 Evans Avenue
Reno, Nevada

September 6, 1955

WSM

Mr. Hugh M. Simmons
801 Alhambra Blvd.
Sacramento, California

Mercury

Re: Docket No. DMEA-3698 - ~~Uranium~~
Hugh M. Simmons
Granada Mine
Napa County, California
Contract No. Idm-E829

Dear Mr. Simmons:

You are hereby advised that you can proceed with Stage II of above referenced contract. Work permitted under Stage II consists of 220 feet of drifting and crosscutting as shown in red on attached plan. Any additional work under Stage II will depend on the results obtained from the 220 feet allowed.

Very truly yours,

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attach.

SRicker:gh
cc: Finance Officer, Region II
Operating Committee, DMEA, Wash., D.C.
Geo. Mavor, Auditor, Region II
H. C. Miller, Region II
R. M. Smith, USGS
File

GRC.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

8/30/55

RECEIVED
SEP - 1 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 8693

Contract No. Idm-E 829

Commodity Mercury

Operator Hugh M. Simmons

Property Granada Quicksilver Mine
Napa County, California

By John D. Warne

Dated 8/30/55

S. Ricker
S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

INTERIM REPORT

RECEIVED
SEP - 1 1955

Docket No.: DMEA-3698 (Mercury) August 30, 1955

Name and address of operator: Hugh M. Simmons
801 Alhambra Blvd.
Sacramento, Calif.

Name and location of property: Granada Quicksilver Mine
Napa County, California

Contract No.: Idm-E829

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This project was inspected on August 15, 1955 by John D. Warne of the U. S. Bureau of Mines and E. H. Pampeyan of the U. S. Geological Survey. The operator has completed rehabilitation work under Stage I of the contract.

Some cinnabar mineralization was encountered in the north drift, northwest of the caved winze located about 180 feet from the portal of the upper adit, indicating a mineralized zone or vein trending approximately N. 20° W. on the upper adit level. Other slight cinnabar showings were located by panning and sampling in the rehabilitated area.

The following work under Stage II is recommended:

Drift and crosscut 220 feet in the lower adit as illustrated on the attached map. Work now recommended includes only one half of the work in the lower adit included in the contract; however, this amount of work should adequately explore the downward extension of the most favorable mineralized zone shown after rehabilitating the upper adit. This

work will also explore for the continuation of mineralization reported in the 200 foot inaccessible winze below the upper adit level.

WORK COMPLETED

Work outlined under Stage I of the contract was completed by August 15, 1955. This work consisted of rehabilitating 200 feet of the upper adit and sampling of the most mineralized zones (as indicated on the attached map). The operator reopened on his own account the balance of the north drift (about 180 feet) for inspection and sampling.

Total cost of the work to date is: 200 feet of rehabilitation at $12.00 per foot - $2,400.00. The Government's share of the cost for work completed to date is $1,800.00.

SAMPLING AND ANALYSIS

Seven samples from reopened portions of the upper adit (as shown on attached map) were taken and analized by the Bureau of Mines:

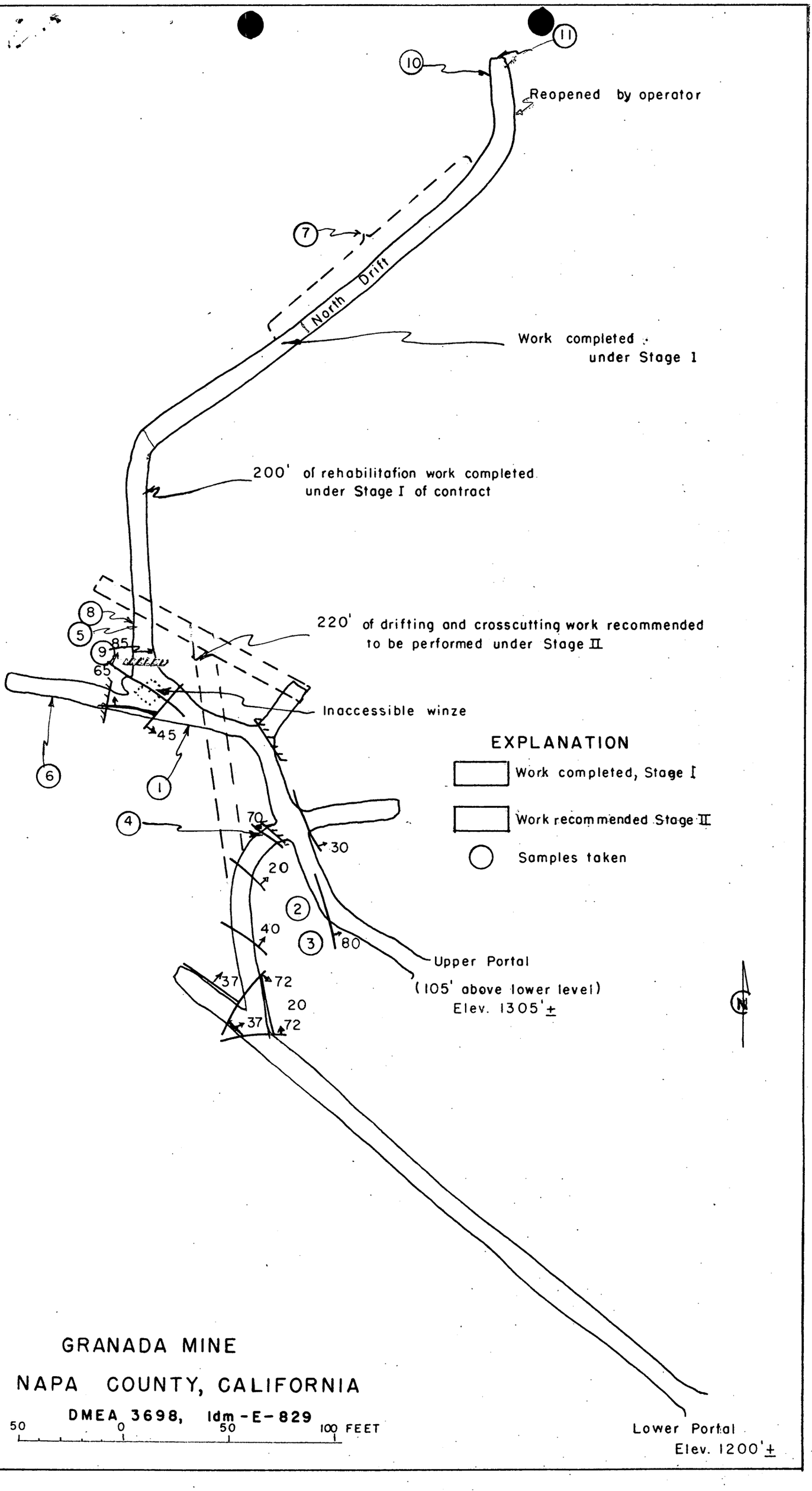
Sample No.	Lbs. Hg/T.	Description
5*	138.0	Specimen sample of mineralized shale about 0.2 feet thick from caved zone 10 feet above north drift.
6*	0.5	Specimen chip sample of mineralized sandstone from west drift.
7*	0.2	Chip sample along 100 feet of north drift.
8*	6.5	Chip sample across 0.4 feet of mineralized shale from caved zone 10 feet above north drift.
9	0.5	2.7 foot channel sample across sandstone in footwall of mineralized shale in north drift.

Sample No.	Lbs. Hg/T.	Description
10	-0.1	Specimen chip sample adjacent to spring 10 feet from face of north drift.
11	-0.1	Chip specimen sample of shale in face of north drift.

*Samples taken by operator.

Note:- Four previous samples were taken at the time of examination.

John D. Warne
Mining Engineer



GRANADA MINE

NAPA COUNTY, CALIFORNIA

DMEA 3698, ldm-E-829