JUN 6 1983

Mr. Harold R. Playford
923 Greenbrae Drive
Sparks, Nevada

Re: IMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Idm-8979

Dear Mr. Playford:

Your May 23 inquiry concerning the referenced contract has been referred to this office for reply.

Under the provisions of this contract, as amended, a percentage royalty is payable to the Government on all minerals produced from the Stormy Day Nos. 3, 4, 7, 8, 9, and 10, Stormy Day Fraction Nos. 1, 2, 3, and 4, Extension, and Extension Nos. 1, 2, 3, 4, and 5 claims until July 23, 1967, or until the Government's contribution of $31,097.51 is repaid, whichever occurs first. To date no production has been reported and no royalty has been paid to the Government.

This contract, as originally executed on July 23, 1956, provides that the Operators (John J. Thrasher, Helen C. Thrasher, and Robert E. Taaffe), as principals if the producers or as sureties if not the producers, shall pay to the Government the percentage royalty on production. The Government's March 15, 1957, consent to assignment of the contract to Cordero Mining Company was given with the specific stipulation that the original Operators were not released from any of the terms, provisions, and conditions of the contract.

Furthermore, in consideration of the Government's consent to the assignment, a Consent to Lien and Subordination Agreement was executed on February 14, 1957, by Robert E. Taaffe and Helen C. Thrasher, for herself and as Executrix of the Estate of John J. Thrasher, Deceased. This document specifically grants to the Government a lien upon the sixteen claims and upon any production therefrom to secure the payment to the Government of the percentage royalty.

The contract provides for computation of royalty as follows:

> "Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the 'gross proceeds' as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the 'gross proceeds' as that term is here used. The term 'treatment processes,' as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form."

> "Percentages of royalty.--The percentages of the Government's royalty shall be as follows: One and one-half (1½) percent of amounts ('gross proceeds' or 'value') not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts."

Checks covering royalty should be made payable to the Office of Minerals Exploration and mailed, together with two copies of each pertinent settlement sheet, to the Acting Field Officer, OME Region II, 113 Custom House, 555 Battery Street, San Francisco 11, California.

EDTalbert/ama 6-6-63

Sincerely yours,

George Fumich, Jr.

Director

cc:
Docket
Director's Reading File
CA & A Division
Actg. Field Officer, Region II

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E979, Docket DMEA-4240 (tungsten), dated July 23, 1956, with

John J. Thrasher, Helen C. Thrasher, and Robert E. Taaffe
Gerlach, Nevada
and their assignee
Cordero Mining Company
131 University Avenue
Palo Alto, California

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Stormy Day, et al., Groups of Claims (Thrasher Property) located in Pershing County, Nevada, during the period January 1, 1959, through March 19, 1963.

A certification of discovery or development was issued on March 24, 1958, and, in accordance with Article 6 and Amendment No. 2 of the contract, royalty is payable on all minerals produced from the land described in Article 2, as amended, of the contract for a period of 11 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated March 20, 1958, indicated accepted costs under the exploration contract amounting to $41,463.34 with the Government's contribution on a 75 percent basis being $31,097.51.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which also found no sales subject to the Government's royalty through December 31, 1958. The royalty account as of December 31, 1958, was:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

As of March 19, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

March 26, 1963

E. D. Talbert, OME Auditor

Idm-E979 Cordero Mining Company, Assignee DMEA-4240

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on the land thereunder. At the time the contract was executed, the land consisted of Stormy Day Nos. 3, 4, 7, 8, 9, and 10, and Stormy Day Fraction Nos. 1 and 2 unpatented lode mining claims in the Hooker Mining District. Stormy Day Fraction Nos. 3 and 4, Extension, and Extensions Nos. 1 through 5 claims were added by amendment. All sixteen of the claims were held by location by the Operator.

On January 25, 1957, Helen C. Thrasher, widow of John J. Thrasher, and Robert E. Taaffe granted a lease of the property to the Cordero Mining Company. On March 15, 1957, the Government consented to the assignment of the contract to the lessee without releasing the assignor from any of the provisions of the contract. In consideration of the assignment the Operator-Assignor-Lessor executed a Consent to Lien and Subordination Agreement on February 14, 1957.

Exploration work under the contract was discontinued on August 15, 1957. No ore was produced during the exploration period and subsequent examinations of the property and inquiries have disclosed no further activity on the property through the period covered by this review.

In an April 7, 1958, letter acknowledging receipt of the certification of discovery or development, the Operator-Assignee advised that it had "quit claimed" the property back to the original owners and given up its lease and option. However, no copies of the quit claim instrument were furnished to the Government as required by Article 2(c) of the contract. In an August 2, 1962, reply to a MME Form 63 inquiry, the Operator-Assignee stated that it had no knowledge of the property since return to the owners on September 30, 1957.

In a March 19, 1963, reply to a MME Form 63 inquiry, Helen C. Thrasher, Gerlach, Nevada, indicated that no change in property status has occurred since September 30, 1957, and there has been no production from the property since July 1, 1958.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The files indicate no minerals were produced from the property through the period covered by this review;

(2) The property has been inactive since August 1957; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
555 Battery Street
San Francisco 11, California

April 1, 1963

Memorandum

To: Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington, D. C.

From: Acting Field Officer, OME, Region II

Subject: DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Idm-E979

Enclosed is the original of a Report of Review covering the subject contract.

This office agrees with the facts as stated in this report.

PAUL V. FILLO

Paul V. Fillo

Enclosure

cc:
Chief, Division of Field Operations, OME, Washington, D. C.
Contract Administration and Audit Division, OME, Washington, D. C.

EXTRA COPY
O. M. E
RECEIVED APR 5 1963
DATE
800

MAR 2 6 1963

Memorandum

To: Acting Field Officer, Region II

From: E. D. Talbert, Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Idm-K979

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, U. S. Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 3-26-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

NOV 21 1962

Mr. J. Eldon Gilbert
Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: NMMA-4240 (Tungsten)
Cordero Mining Company, Assignee
Sunny Day, et al., Group of Claims
Pershing County, Nevada
Contract Ldr-2979

Dear Mr. Gilbert:

Your letter of September 11, 1962, expresses surprise at the position of the Department of the Interior concerning Cordero Mining Company's responsibilities with respect to the property involved in Contract NMMA-4240

The position of the Government is based upon the provisions of Article 6(b) of the Contract as follows:

"(b) Royalty on production. The operator, as principal if the operator is the producer or as agent if the operator is not the producer (for example, if the operator either processes or sells on royalty his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: * * *" (Emphasis supplied).

Upon the assignment of the Contract to the Cordero Mining Company it became the operator, and upon its acceptance of the assignment it agreed "to be bound by the terms, provisions and conditions of the Contract." Irrespective of the "ownership" of the property, the Cordero Mining Company is the operator under the Contract and as such is bound by the terms of the Contract, whether or not it has transferred its interest (whatever it may have been) in the property.

Sincerely yours,

George Fumich, Jr.

Director

MMcPhillamey:EBTalbert:fum:mm
cc: Director's Reading File
CAAA Division
Region II (Z) w/2 copies of incoming letter 9/11/62
Docket
Code 500
11-20-62

cc: Mr. McPhillamey

A. H. DOW, JR.
President

A. H. WILLISTON
Vice-President

CORDERO MINING COMPANY

101 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA

CENTRAL FILE COPY
O. M. E.
RECEIVED SEP 18 1962
DATE
9/13

September 11, 1962

George Fumich, Jr., Director
Office of Minerals Exploration
U. S. Department of the Interior
Washington 25, D. C.

Re: DMEA-4240 (Tungsten)
Cordero Mining Company, Lessee
Sherry Day, et al., Lessors
Pershing County, Nevada
Contract Idm-2979

Dear Mr. Fumich:

Thank you very much for forwarding a copy of the subject contract and the assignment of this contract from Taafe et al. to Cordero Mining Company.

We are somewhat surprised at the attitude of your Department considering Cordero's responsibility in respect to this property.

Cordero was never at any time owner of the property. We had an option to purchase but this option was never exercised. We did not and could not sign the contract with DMEA as owners but only as the operators. It is our understanding that DMEA has a lien against the property and hence against production, however, Cordero quitclaimed its interests back to the owners and therefore we do not see how we have an obligation either as Owner or as Operator.

At the current world price for tungsten (about 60 s. per unit) this company certainly cannot be put into competitive production. In [illegible] the activities periodically [illegible] add more work to our present [illegible] weekend staff. Furthermore, I do not see how we have the authority to ask for these figures from the owners since we have no interest in the property.

Very truly yours,

J. Eldon Gilbert
Manager

JEG:L

Mr. Eldon C. Gilbert
Manager
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Bay, et al., Groups of Claims
Pershing County, Nevada
Contract Ldm-2979

Dear Mr. Gilbert:

In accordance with the request in your letter of August 20, 1962, enclosed is a copy of the subject contract, with its amendments. Also enclosed for your information is a copy of the assignment of contract from Robert E. Tanfe and Helen C. Thrasher to Cordero Mining Company.

Sincerely yours,

George Fumich, Jr.

Director

Enclosures

SPKolt/glm
8-24-62
cc to: Director's Reading File
Contract Division
Region II (2) w/2 cys incoming letter
Docket
Code 500

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: IMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Ida-2979

Gentlemen:

We thank you for the information in your reply to our MMS Form 63, Request For Information on Certified Project and Project Under Royalty Agreement.

Although, as stated in your reply, the property has been returned to the owners, please note that under Article 6(b) of the contract your responsibility for the payment of the Government's percentage royalty on all minerals mined or produced from the land of the contract continues, as surety under the contract, from July 23, 1956, to July 23, 1967, until the sum of $31,897.51 is paid.

Also, as you were advised in our letter of March 25, 1958, transmitting the certification of discovery or development, you are requested to notify the Acting Field Officer, Region II, OGM, 113 Custom House, 555 Battery Street, San Francisco 11, California, of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. If production ceases for any extended period, you are requested to notify the Acting Field Officer at six-month intervals that no production has been made, when that is the case.

Sincerely yours,

George Fumich, Jr.

SFMolt/gla 8-10-62 Director
cc to: Director's Reading File
Contract Division
Region II (2) w/ Thermofax copy MMS Form 63 8/2/62
Docket
Code 500

Note to Acting Field Officer, OGM Region II:

A Form 63 was forwarded to Mr. Robert E. Taaffe and Mrs. Helen C. Thrasher, c/o Mr. Robert E. Taaffe, 233 South Sierra Street, Reno, Nevada, on May 9, 1962, and returned by the Post Office, marked "Moved Left No Address." Should you be able to ascertain a current address for the owners, we would appreciate receiving the information.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
555 Battery Street
San Francisco 11, California

March 30, 1962

Memorandum

To: E. D. Talbert, Acting Chief, Contract Administration and Audit Division, OME, Washington, D. C.

From: Acting Field Officer, OME, Region II

Subject: IMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Idm-E979

With reference to your memorandum of March 23, 1962, our files contain no further information regarding activity on the property or changes in lease or ownership status of the subject contract.

PAUL V. FILLO

Paul V. Fillo

MAR 2 3 1962

Memorandum

To: Acting Field Officer, Region II

From: Acting Chief, Contract Administration & Audit Division

(Signed) E. D. Talbert

Subject: DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
Pershing County, Nevada
Contract Tum-E979

A Report of Royalty Review on the subject contract issued by George Mavor on May 13, 1959, was based on the DMEA Field Team's reports through December 31, 1958. The Washington files disclose no later information on the status of the property.

I will sincerely appreciate your advice as to whether the regional files contain any later information regarding activity on the property or changes in lease or ownership status after the Operator-Assignee's "quit claim" in 1958.

EDTalbert/cac
March 23, 1962

cc: Director's reading file
Contract Admin. & Audit Div.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

MAY 15 1959
O.M.E.

REPORT OF ROYALTY REVIEW

I have reviewed the files and records of the OME Field Team, Region II, pertaining to Contract No. Idm-E979, Docket No. DMEA-4240 (Tungsten), dated July 23, 1956, including Amendment Nos. 1 to 4, inclusive, with

Cordero Mining Company, Assignee
131 University Avenue
Palo Alto, California

for the purpose of determining the amount of royalties due the U. S. Government on sales of tungsten from property known as the Thrasher Mine, located in Pershing County, Nevada, during the period July 23, 1956 to December 31, 1958.

A certification of discovery or development was issued on March 24, 1958 and accordingly royalty is payable on all production from the land described in Article 2 and Annex I of the contract, for a maximum period of 11 years from the date of contract as stipulated under Item 4 of Amendment No. 2 of the contract. A Report of Review in lieu of final cost audit dated March 20, 1958, indicated acceptable costs under the exploration contract amounted to $41,463.34 with the Government's contribution on a 75 percent basis, being $31,097.51.

No royalties have been paid to date in connection with this contract.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(a) According to the Field Team's Semi-Annual Report of Certified Projects for the period July 1, 1958 to December 31, 1958, there was no production during the period covered by this review. Cordero Mining Company released option to owners.

(b) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

George Mavor
George Mavor, OME Auditor

May 13, 1959

MAY 15 1959

Memorandum

To: Mr. George Mayer, OME Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Contract No. Idm-E979

In the copies of your Report of Royalty Review of the subject contract, as submitted with your May 13 memorandum, the following words in reason (a) have been deleted:

"no further work was done on property after completion of DMEA contract."

and replaced with:

"there was no production during the period covered by this review."

Distribution of the regional copies is authorized after this revision has been made.

Regarding the question in your memorandum, the proper procedure is to use the latest date for which information is available. If a semi-annual report states that there has been no change, or a project has been inactive, that is sufficient for including the period covered by the report after reference to the prior report.

EDTalbert/ama
May 15, 1959

Copy to: Docket
Director's Reading File
CA & A Division

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
420 Custom House, 555 Battery Street
San Francisco 11, California

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 15 1959

DATE	INITIALS	CODE
5/15	a	220
May 13, 1959		800

Memorandum

To: Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division

From: George Mavor, OME Auditor George Mavor

Subject: Docket No. DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Contract No. Idm-E979

Attached hereto for your approval are 3 copies of Report of Royalty Review for subject contract, on which no royalties have been paid to date. This report has been prepared in accordance with the last paragraph of your letter dated April 27, 1959, on the subject of "Reports of Royalty Review".

You will note the reason given for making this review under item (a) of the report, states that I obtained the information presented from the Field Teams's Semi-Annual Report for the period July 1, 1958 to December 31, 1958. This contract was included with a list of contracts under the caption of "Inactive since last report" and this list was not supported by separate reports for each project. The last separate report for this project was for the period January 1, 1958 to June 30, 1958, where I obtained the information to include under item (a) of the Report of Royalty Review. This same condition will prevail on all of the contracts included in the list of projects "Inactive since last report" attached to the Semi-Annual Report for the period July 1, 1958 to December 31, 1958. In some instances it may be necessary to go back 2 or 3 periods in order to obtain the separate project report, where the last information is shown covering the activities of the project, which is used as a reason given for making the review under item (a) of the Report of Royalty Review.

The question at issue should I use the period of the Semi-Annual Report of Certified Projects as July 1, 1958 to December 31, 1958 when describing the activities of the project under item (a) of Report of Royalty Review or should the period be January 1, 1958 to June 30, 1958, where the activities of the project are given in the last separate project semi-annual report.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Cordero Mining Company
Assignee of
John J. Thrasher, Helen C. Thrasher and Robert E. Thrasher
131 University Avenue
Palo Alto, California

pertaining to Exploration Project Contract No. DMA-3979, Docket No. DMA-4340, including Amendment Nos. 1,2,3 and 4, for the months of August 1956 to August 1957, inclusive, covering a project for the exploration of Tungsten, on property known as the Thrasher Mine, located in Pershing County, Nevada.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 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		$41,463.34
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$41,463.34

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Thirty One Thousand Ninety Seven and 51/100 Dollars, is valid and proper, provided that 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.

Amount payable to Operator	$31,097.51
Amount reimbursed	29,976.23
Balance due Operator	$ 1,121.28

George Naver

George Naver
Auditor

March 20, 1958

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED OCT 9 1958 O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of _____ 195__ Docket No. DMEA _____ Contract No. _____
Operator's Name _____ Minerals _____
Address _____
Contract Amount, $_____ Government Participation: _____% Amount, $_____

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(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						

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

Date _____ *Payee _____

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:

$ 1,121.28 (Per audit Report)

Signature _____
(Authorized Certifying Officer)

Date _____ 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-E979 in accordance with the terms of the contract.

Signature Henry W. Jones Henry W. Jones Title Mining Engineer Date 10/9/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Roscoe M. Smith G. Ricker, Title acting Executive Officer Date 10/9/57

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

RECEIVED OCT 9 1958 O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of _____ 195_____ Docket No. DMEA _____ Contract No. _____
Operator's Name _____ Minerals _____
Address _____

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

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 _____ Operator _____
Per _____ Title _____

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)

Drilling units to date should be 1855
Henry W Jones

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.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION II
RECEIVED
1957 OCT 11 AM 9:52
SAN FRANCISCO, CALIFORNIA

GPO 872894

J. N. PEW, JR.
PRESIDENT

G. H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

MINE OFFICE
McDERMITT, NEVADA

131 University Ave.
Palo Alto, California

August 20, 1957

DMEA Exploration Project
Docket No. 4240 Contract No. IDME 979

OPERATORS NARRATIVE MONTHLY REPORT

August 1957

Two diamond drill holes were completed for the month. Both were drilled as near due east as possible and on an inclination from 40 to 45 degrees.

Hole No. 4, at site No. 4, was at 25 ft. at the end of July. This hole was bottomed in granite at 77 ft. on the 8th of July. The core does not lamp at all. There was good water and sludge return for the complete distance. the contact at this point dips at approximately 70° to the west.

Hole No. 5, at site No. 3, was started on the 8th of August. This hole bottomed in a wide pegmatite at 178 ft. on the 13 th of August. The core does not lamp at all. There was good water and sludge return all the way. The contact at this point dips at approximately 89° to the west.

The pegmatites in these last holes have been very tough on diamond bits. The contractors bit cost has been excessive in this material.

Since none of these holes were even promising, it was decided to halt the program with hole No. 5. Total drill footage on this portion of the program is 1,020 ft.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

EXTRA COPY
O. M. E.
RECEIVED OCT 7 1958

DATE	INITIALS	COPY

Oct. 2, 1958

Memorandum

To: Lloyd Sjolander, Finance Officer, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4240 (Tungsten)
John J. Thrasher
Cordero Mining Company, Assigned
Thrasher Mine
Pershing County, Nevada
Contract No. Idm-E 979

Enclosed is copy of a letter from our Operating Committee, authorizing payment of $1,121.28 as indicated by George Mavor's audit of March 20, 1958. Will you please make payment as authorized?

S. Ricker

Attachment

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
GeoMavor
RMSmith
File
Chron

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

SEP 20

Re: Docket No. DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Contract No. Idm-E979

Dear Mr. Ricker:

By letter dated February 27, 1958, you were requested to temporarily withhold further payments to the referenced Operator pending action by the Attorney General on a matter pertaining to Contract No. Idm-E544, Docket No. DMEA-2448, Jonas and Johnson.

The Attorney General has advised that the matter is closed. Accordingly, you are authorized to pay the Operator the balance due of $1,121.28 as indicated on a Report of Review issued by George Mavor, DMEA Auditor, on March 20, 1958.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank J. Cservenyak
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

cc: Docket
Act. Director's Read. File
Operating Committee
T. H. Kiilsgaard
O. M. Bishop
Mr. Chambers
Mr. George Mavor

EDTalbert/GMcC
September 19, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
San Francisco 11, California

3/31 C 220 800

420 Custom House
555 Battery Street
San Francisco 11, California

March 27, 1958

Mr. S. H. Williston, Vice President
Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Idm-E979, DMEA-4240
Cordero Mining Company
assignee of
John J. Thrasher etal

Dear Mr. Williston:

Attached hereto for your information and files, is a copy of Report of Review for subject contract, which covers the period of operation from August 1956 to August 1957.

Sincerely yours,

"(SIGNED) GEORGE MAVOR"

George Mavor
Auditor

Attachment:

Copy to: Jay L. Chembers

MAR 25 1958

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

Re: Idn-5979, DMEA-4240
Cordero Mining Company

Dear Mr. Mayer:

Your Report of Review covering the referenced project is acceptable and normal distribution is authorized. However, payment of the balance due the Operator should continue to be withheld until such time as the DMEA Operating Committee advises Mr. Ricker that payment may be made.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/ama
March 25, 1958

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

24 1958

C 220

800

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
420 Custom House, 555 Battery Street
San Francisco, California

March 20, 1958

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

Re: Idm-E979, DMEA-4240
Cordero Mining Company
Assignee of
John J. Thrasher et al

Dear Mr. Chambers:

In accordance with letter written by Mr. E. D. Talbert under date of March 7, 1958, I am attaching hereto 3 copies of Report of Review for subject Operator. In Mr. Talbert's letter he stated that after receipt of Report of Review he would advise if the balance due the Operator in amount of $1,121.28 should be paid.

Please let me know if payment should be made to the Operator.

Sincerely yours

George Mavor

George Mavor
Auditor

Copy to: S. Ricker

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

Re: Docket No. DMEA-4240 (Tungsten)
Cordero Mining Company, Assignee
Stormy Day, et al., groups of
claims (Thresher Property)
Pershing County, Nevada
Contract No. Idm-E979

Dear Mr. Mayor:

Enclosed is a copy of the Operating Committee's letter of February 27 to Mr. Ricker. This answers your inquiry of March 4 about this project.

After execution of an amendment authorizing the use of the D-6 bulldozer, a Report of Review may be prepared and submitted to me for approval. In my letter of approval I will advise whether the balance due the Operator may be paid.

Sincerely yours,

(Signed) E. D. Talbert

for Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/ama
March 7, 1958

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

DMEA
RECEIVED MAR 6 1958

3/6	C	220
		800

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

420 Custom House
555 Battery Street
San Francisco 11, California

March 4, 1958

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

Re: Idm-E979, DMEA-4240
Cordero Mining Company
Assignee of John J.
Thrasher et al

Dear Mr. Chambers:

Reference is made to my letter dated October 14, 1957 and your reply dated October 16, 1957, in connection with work performed by the operator under Stage III, Phase I, of the contract, and billed by the Operator at a cost of $3,302.34, whereas you state the cost should have been $3,352.50 in accordance with contract terms, however you also indicated that in view of Operator having performed the bulldozing work with a D6 Caterpillar rather than a larger "D8 or equivalent unit" specified in Amendment No. 3 of the contract, that it would be necessary to further amend the contract in order to accept the bulldozing work performed by the D6 Caterpillar.

The Operating Committee wrote under date of November 8, 1957 to Mr. S. Ricker, Executive Officer, Region II, regarding your letter to me dated October 16, 1957, and in Mr. Ricker's letter dated November 22, 1957, to the Operating Committee, he stated that the work performed by the D6 Caterpillar had been done in a satisfactory manner and that he did not recommend any amendment to the contract and also we should accept the cost of $3,302.34 as billed by the contractor, instead of the $3,352.50, as suggested by you. Apparently the Operating Committee never replied to Mr. Ricker's letter dated November 22, 1957, and his follow-up letter dated February 3, 1958.

At the present time the Operator's final voucher (MF-104) for the month of August 1957, remains unpaid, representing project costs of $1,495.00 and the Government's contribution of 75% in amount of $1,121.25, plus a $.03 adjustment.

As the Operator has already submitted their final report, please let me know if Report of Review can be submitted to your office for approval in order to release the August 1957 payment due Operator.

Sincerely yours,

George Mavor

George Mavor
Auditor

Copy to: S. Ricker

AEC Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
[illegible]		[illegible]
[illegible]		[illegible]

February 27, 1958

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

Re: [illegible]
[illegible], Assignee
[illegible] et al., [illegible] of [illegible]
[illegible] property,
[illegible] County, Nevada
Contract No. [illegible]

[illegible]

Dear Mr. Rickers:

Reference is made to your memorandum of February 3, 1958, in which you refer to your letter of November 22, 1957, relative to payment on MF-104 and MF-104A forms for August.

The contract does not provide for the allowance of any tailhauer costs other than that [illegible] as revised, in Amendment No. 2. Therefore, the contract should be amended to provide for the allowance of [illegible] per ton at the fixed rate of $10.00 per ton. You are advised and requested to prepare an amendment accordingly.

Any payment, however, should be withheld until we hear from the Attorney General concerning notice for the material and supplies used from Contract No. [illegible] (Contractor No. DMEA 2044, Jones and Johnson). We also have filed Contract No. [illegible], Contractor No. [illegible], in Region I with the operator and have in a question as payment for drilling holes not [illegible], specifications [illegible] other contract.

Sincerely yours,

APPROVED:

Chairman, Operating Committee

Member, Bureau of Mines

Member, Geological Survey

0623

6

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

Re: Idm-5979, DMEA-4240
Cordero Mining Company
Assignee of
John J. Thresher, e t al

Dear Mr. Mayer:

Your letter of October 14, 1957, requests advice as to the cost allowable for Stage III, Phase I, work on the referenced project.

The short form of contract covering this project specifically provides in Article 1 (b) that "the fixed cost of each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit "A". Amendment No. 3 modifies Exhibit "A" to provide, among other things, for (1) a maximum of 150 hours of bulldozing with a D8 or equivalent dozer at a fixed unit cost of $14.00 an hour and (2) a unit job of drilling and blasting at a fixed unit cost of $1,504.50.

On the basis of this contract, as amended, the Government is obligated to contribute 75 percent of the fixed unit costs (regardless of the actual costs) of the project work accepted by the Government as conforming to specifications. Accordingly, the acceptable costs for the Stage III, Phase I, work on this project appears to be:

132 hrs. bulldozing	@ $14.00/hr.	$1,848.00
1 job drilling and blasting		1,504.50
Total		$3,352.50

The above computation is premised on verification by the Field Team of the acceptable performance of the units of work indicated. It is noted, however, that the invoice of The Palmer and Decker Company indicates that the bulldozing was done with a D6 Caterpillar rather than the larger "D8 or equivalent unit" specified in Amendment 3. Therefore, if the work was actually performed by a D6 machine, no costs of the bulldozer work may be accepted unless the contract is appropriately amended.

As recommendation for an amendment must originate with the Field Team, a copy of this letter is being sent to Mr. Ricker for his information.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/Wb
October 16, 1957

Copy to: Docket
Admr. Reading File
Mr. Ricker, Region II
Mr. Chambers

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 16 1957

DATE	INITIALS	CODE
10/16	B	220
		800

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
420 Custom House
555 Battery Street
San Francisco, California

October 14, 1957

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

RE: Idm-E979, DMEA-4240
Corder's Mining Company
Assignee of
John J. Thatcher et al

Dear Mr. Chambers:

Reference is made to Amendment No. 3, of subject contract, which shows the following unit costs under Stage III, Phase I:

Bulldoze access roads and drill sites, 150 hours at $14.00/hr.	$2,100.00
Drill and blast access roads 1/	1,504.50
	$3,604.50

1/ The completed work constitutes a unit.

The Operator's MF-104 for the month of June 1957, claims the amount of $3,302.34, for road work and attached a copy of The Palmer and Decker Company invoice dated June 25, 1957, which was detailed as follows:

Building access road and diamond drill sites on Exploration Project, Contract No. Idm-E979, Docket No. DMEA-4240, as amended:

132	Hours Bulldozing with D-6 Cat., fully operated and maintained at $13.50		$1,782.00
	Moving Cat in and out		200.00
120	Hours Labor - 1 miner at $2.50 per hour	$300.00	
40	Hours Over-time pay at $1.25	50.00	350.00
	Payroll Taxes and Industrial Insurance at 10.17%		35.60
3	Pcs. Series X 11 Atlas Copco Drill Steel at $20.00 ea.		60.00
2	Weeks Rental on 106 efm compressor		100.00
2	" " " 4X4 Truck to mount compressor on		100.00
2	" " " Ingersoll-Rand 38A Jackleg		75.00
5	Gals. Rock Drill Oil at $1.25		5.63
	Lot Blasting Powder, Caps and fuse		206.54
5	Gals. Compressor oil at $1.89		9.45
	Gasoline for compressor and 4X4 Truck 248 at $0.31.5		78.12
	Supervision--Albert P. Decker - 2 Weeks		300.00
	Total amount of this invoice		$3,302.34

I presume it is in order to accept the total cost of $3,302.34, as being applicable to the total estimate of Stage III, Phase I, in amount of $3,604.50, and to consider the total cost of $3,302.34, as not exceeding the total "allowable maximum" of $3,604.50. In order to complete the Report of Review for this contract, I would appreciate receiving your advise on the acceptance of the costs as presented by the Operator.

The operator completed the drilling operation under this contract, sometime in August 1957, however the MF-104, has not as yet been received.

Sincerely yours,

George Mavor

George Mavor
Auditor

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

Budget Bureau No. 42-R1036.5

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

RECEIVED OCT 28 1957

Month of July 1957 Docket No. DMEA 4240 Contract No. Ia I-979

Operator's Name Cobalto Mining Company Minerals Tungsten

Address 132 University Avenue Palo Alto, California

Contract Amount, $ 57,253.80 Government Participation: 75 % Amount, $ 42,940.35

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	4,360.00	6,134.50	10,562.50			
Bulldozing	None	4,690.00	4,690.00			
Crosscutting	None	2,405.50	2,405.50			
Drifting	None	18,720.00	18,720.00			
Stoping	None	240.50	240.50			
(2) Labor and Supervision:						
Labor Road	None	3,302.34	3,302.34			
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	40.00	40.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4,360.00	35,532.34	39,892.34			

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

Date Oct. 19, 1957 Payee Cobalto Mining Company

Per H. Eldon Gilbert Title General Manager

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

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

(Instructions on reverse)

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

$ 3276.00

Signature Lloyd F. Stoland, Authorized Certifying Officer
(Authorized Certifying Officer)

Date 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-E979 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date Oct. 4, 1957

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date Oct. 4, 1957

O. 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. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED OCT 28 1957 DMEA

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1957 Docket No. DMEA 424 Contract No. 1[illegible]-979

Operator's Name [illegible] Company Minerals Tungsten

Address 131 University Avenue Palo Alto, California

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Foot	None	None	19,720.00			(1250	32.50
Crosscutting	Foot	None	None	2,605.00			(	
Raising Timbering	Foot	None	None	240.50			105.5	7.00
Shafts								
Winzes Assay	Sample	None	None	40.00	1625		60	6.00
Drilling: Core	Foot	4,360.00	672	10,962.50	~~1072~~	6.50	4207	6.50
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Total	None	None	3,302.34			Total	9604.50
Ballooning	Hour	None	None	4,690.00				
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		4,360.00	672	39,960.34				72,[illegible].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 Oct. 10, 1957 Operator [illegible] Company

Per J. Eldon Gilbert Title General Manager

J. Eldon Gilbert

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)

Total drill units to date should be 1625

Henry W. Jones

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.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION II
RECEIVED
1957 OCT 11 AM 9:51
SAN FRANCISCO, CALIFORNIA

GPO 872894

S. M. PEW, JR.
PRESIDENT

G. H. WILLISTON
VICE PRESIDENT

JOHN C. AGNEW
SECRETARY-TREASURER

CORDERO MINING COMPANY

MINE OFFICE
McDERMITT, NEVADA

131 University Ave., Palo Alto, Calif.

August 5, 1957

IDMEA Exploration Project

Docket No. 4240 Contract No. IDME 979

OPERATORS NARRATIVE MONTHLY REPORT

July 1957

Three Diamond drill holes were completed during the month with work started on the fourth hole. All of these holes are drilled as near to Duo East as possible. They are also drilled on an inclination from 40° to 45° with the exception of hole No. 2, which is drilled at a 32° inclination.

Hole No. 1, at site No. 7, was at 118 ft. at the beginning of the month. This hole was bottomed in granite at 386 ft. on the incline on the 15th of July. An extremely weak zone of scheelite mineralization was cut at around 335 ft., this was far too weak to sample. There was no water or sludge return on this hole. The contact at this point dips at 80° to the west, which is much steeper then found in the underground work just to the south.

Hole No. 2, at site No. 6, was started on the 16th of July and finished on the 25th of July. It was bottomed in granite at 270 ft. on the incline. There is no schoelite at all in this core. Again there was no water or sludge return on this hole. The contact here dips at 76° to the west. This hole does contain some limestone that looks favorable, but shows no traces of the necessary mineralization.

Hole No. 3, at site No. 5, was started on the 25th of July and finished on the 28th of July This hole was bottomed in granite at 109 ft. on the incline. Most of this footage was through very silicious hornfels and a very wide diko that ranged in grain size from Aplite to Pegmatite. No calcite or limestone was found in this core even with the aid of acid. The first 34 ft. of this hole was cased. Water was recovered only during the casing.

Hole No. 4, site No. 4, was started on the 29th of July and only 25 ft. was drilled at the end of the month. Most of this 25 ft. was in a very silicious hornfel. As far as had been drilled there had been good sludge and water return.

It is hoped to finish this drilling project within the first half of August as the rest of the holes will probably be as short as hole No. 3.

The results thus far have all been on the negative side with each hole looking worse than the last.

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

Budget Bureau No. 42-R1036.5

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

Month of June, 1957 Docket No. DMEA 4240 Contract No. 10 D-979
Operator's Name [illegible] COMPANY Minerals Uranium
Address 131 University Avenue Palo Alto, California
Contract Amount, $57,253.00 Government Participation: 75 % Amount, $42,940.35

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	767.00	5427.50	6194.50			
Bulldozing	None	4690.00	4690.00			
Crosscutting	None	2405.00	2405.00			
Drifting	None	18720.00	18720.00			
Timbering	None	240.50	240.50			
(2) Labor and Supervision:	3302.34	None	3302.34			
~~Labor~~ Road Construction (See attached invoice for detailed cost of road)						
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	40.00	40.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4069.34	31,531.00	35,600.34			

RECEIVED AUG 13 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 9, 1957 *Payee [illegible] COMPANY
Per J. Elbon Gilbert Title General Manager
J. Elbon Gilbert

*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:

$3052.00

Signature ..... (Authorized Certifying Officer) under Authorized Certifying Officer
Date AUG 6 1957 Vou. No. SF-07722-3

(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-E979 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date 7/11/57

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date 7/11/57

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. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1957 Docket No. DMEA 220 Contract No. [illegible]-979
Operator's Name [illegible] COMPANY Minerals Tungsten
Address 121 University Avenue Palo Alto, California

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Foot	None	None	12,730.00			1250	32.50
Crosscutting	Foot	None	None	2,[illegible]5.00				
Raising [illegible]	Foot	None	None	2[illegible].00			105.5	7.00
Shafts								
Winzes [illegible]	Complete	None	None	[illegible].00			60	6.00
Drilling: Core	Foot	707.00	113	6,1[illegible].50	953	6.50	4207	6.50
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Total	3,300.34	Total	3,300.34			Total	3,000.50
[illegible]	Four	None	None	4,600.00				
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		4,007.34		33,6[illegible].34				[illegible]

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

Date July 9, 1957 Operator [illegible] COMPANY

Per J. Eldon Gilbert Title General Manager

Remarks: Road Building this month was not included with "Rehabilitation" inasmuch as it was one complete job and the costs are covered by the attached invoice.

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)

Henry W. Jones

RECEIVED AUG 13 1957 D.M.E.A.

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

Note:

Hole not completed. A full log will be furnished with next report.

82' to 118' not yet lamped.

Gordon [illegible] Mining Company
1[illegible]1 University Avenue
Palo Alto, California

Docket [illegible] (A [illegible])
Contract No. [illegible]
Native Prospect
Pershing County, Nevada

[illegible] July 1, 1957

Site No. 7
Hole No. 1
Depth: Due East, Dip, -43°

Depth	Core Rec.	Image	Description
0-10	7.8	none	Crystalline lime. Some tactite inserts.
10-25	[illegible].0	none	Crystalline lime with some tactite minerals.
25-40	1[illegible].7	some	Contains a small zone of tactite 6 to 8 in. thick.
40-45	5.0	none	Crystalline lime with two wider zones of tactite.
45-50	4.3	none	Crystalline lime.
50-57	6.2	none	Almost all tactite.
57-60	2.9	trace	All tactite.
60-65	3.0	none	All tactite.
65-75	[illegible].7	none	Some gray lime with sulfides and garnetiferous tactite.
75-82	2.2	none	Tactite.
82-86	6.0		Granite dike.
86-96	7.0		Tactite with some sulfides.
96-100	3.9		Crystalline lime.
100-104	3.0		Largely tactite.
104-111	6.0		Biotite granite.
111-114	2.5		Gray to black hornfels.
114-118	2.[illegible]		Granite.

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DMEA
RECEIVED AUG 13 1957
DATE | INITIALS | CODE

INVOICE

THE PALMER AND DECKER COMPANY

DIAMOND DRILLING AND MINING

[redacted]

136 Vesta Street
Reno, Nevada
Phone: Fairview 2-7114
DATE June 23, 1957

Invoice No. 707

COPPERO MINING COMPANY
131 University Avenue
Palo Alto, California

Your Order Number:
Exploration Project Contract
No. IDA-5079
(Docket No. DMEA-42 40

	Building access road and diamond drill sites on Exploration Project, Contract No. IDA-5079 (Docket No. DMEA 4240, as amended	
152	Hours Bulldozing with D-6 Cat., fully operated and maintained @ $13.50	$1,782.00
-	Moving Cat. in and out	200.00
160	Hours Labor - 1 Miner @ $2.50 per hour	$400.00
40	Hours Over-time pay @ $1.25 " "	50.00
-	Payroll Taxes and Industrial Insurance @ 10.17%	56.00
8	Pcs Sorian XII Atlas Copco Drill Stool @ $20.00 Each	60.00
2	Weeks Rental on 105 cfm Compressor	100.00
2	" " " 4X4 Truck to mount Compressor on	100.00
2	" " " Ingersoll-Rand 5A Jackleg	70.00
6	Gals. Rock Drill Oil @ $1.123	6.73
-	Lot Blasting Powder, Caps and Fuse	206.54
6	Gals. Compressor oil @ $1.50	9.45
-	Gasoline for compressor and 4X4 Truck ..248.6. $0.31.5	78.12
-	Supervision - Albert P. Decker - 2 Weeks	300.00
	Total amount of this invoice	$3,302.34

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DATE	INITI	

Exploration Surface Exploration

EXTENSIONS CHECKED BY

NARRATIVE DESCRIPTION OF PROGRESS

June 1957

Report No. 4

Docket No. DMEA 4240 (Tungsten)
Contract No. I[illegible]-E979
Cordero Mining Company
Kumiva (Stormy Day)
Pershing County, Nevada

The access road (as per Amendment No. 3) into the new area to be drilled was completed and one hole was being drilled.

A trace of scheelite mineralization was encountered in one of the numerous tactite zones thus far drilled.

Enclosed are reports MF-104, and MF-104A for June, 1957.

OFFICIAL FILE COPY
DMEA
RECEIVED AUG [illegible] 1957

DATE	INITIAL	CODE

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

JUN 12 1957

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 1957 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: 75 % Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	[illegible]	[illegible]	[illegible]			
Bulldozing	[illegible]	[illegible]	[illegible]			
Crosscutting	[illegible]	[illegible]	[illegible]			
Drifting	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
(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	[illegible]	[illegible]	[illegible]			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]			

RECEIVED JUN 20 1957 D.M.E.A.

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

Date [illegible] Payee [illegible]

Per [illegible] Title [illegible]

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

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

(Instructions on reverse)

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

$ 2812 87

Lloyd N. Sjolander
Authorized Certifying Officer

Signature (Authorized Certifying Officer)

JUN 14 1957

Date Vou. No. SF-DMEA-29

(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 E 979 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date 6/10/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 6/10/57

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

JUL 18 1957

Month of May 1957 Docket No. DMEA 4240 Contract No. 1a1 E-979
Operator's Name COCHRAN MINING COMPANY Minerals Tungsten
Address 333 University Avenue Palo Alto, California

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Foot	None	None	1720.00	576	32.50	1250	32.50
Crosscutting	Foot	None	None	2625.00	75	32.50	(	
Raising ~~Stoping~~	Foot	None	None	240.50	35.5	7.00	105.5	7.00
Shafts								
Winzes ~~Assays~~	Sample	None	None	40.00	10	4.00	35	4.00
Drilling: Core	Foot	3750.50	577	5427.50	835	6.50	1000	6.50
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
~~Bulldozing~~	Hour	None	None	4690.00	335	14.00	335	14.00
Total Distributed Costs		3750.50						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3750.50		31581.00				57259.00

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 June 3, 1957 Operator COCHRAN MINING COMPANY

Per J. Elbert Gilbert Title General Manager
J. Elbert Gilbert

→ 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)

RECEIVED JUN 20 1957 D.M.E.A.

Harry W Jones

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 DESCRIPTION OF PROGRESS

Docket No. DMEA 4240 (Tungsten)
Contract No. Idc-8979
Cordero Mining Company
Kumiva (Stormy Day)
Pershing County, Nevada

May 1957

Report No. 3

Four diamond drill holes were completed during the month. Rain and muddy roads interrupted work several days during the period. The two holes at Site 2 each cut about 2 feet of what appears to be quite low grade tungsten bearing tactite. Two holes from Site 3 were drilled to check these at greater depth. One of these lower holes cut no tactite. The other hole had about 5 feet of tactite which lamps a minor amount of scheelite. Cores thru the tactite in these 3 holes, Nos. 3,4, and 6 were split and samples are out for assay; no results have been received. However, the samples appear to be very low grade.

Application has been made for an amendment to the contract to allow further diamond drilling along the contact. This program to substitute for the original stage III of the project.

Enclosed are reports MF-104, and MF-104A for May, 1957.

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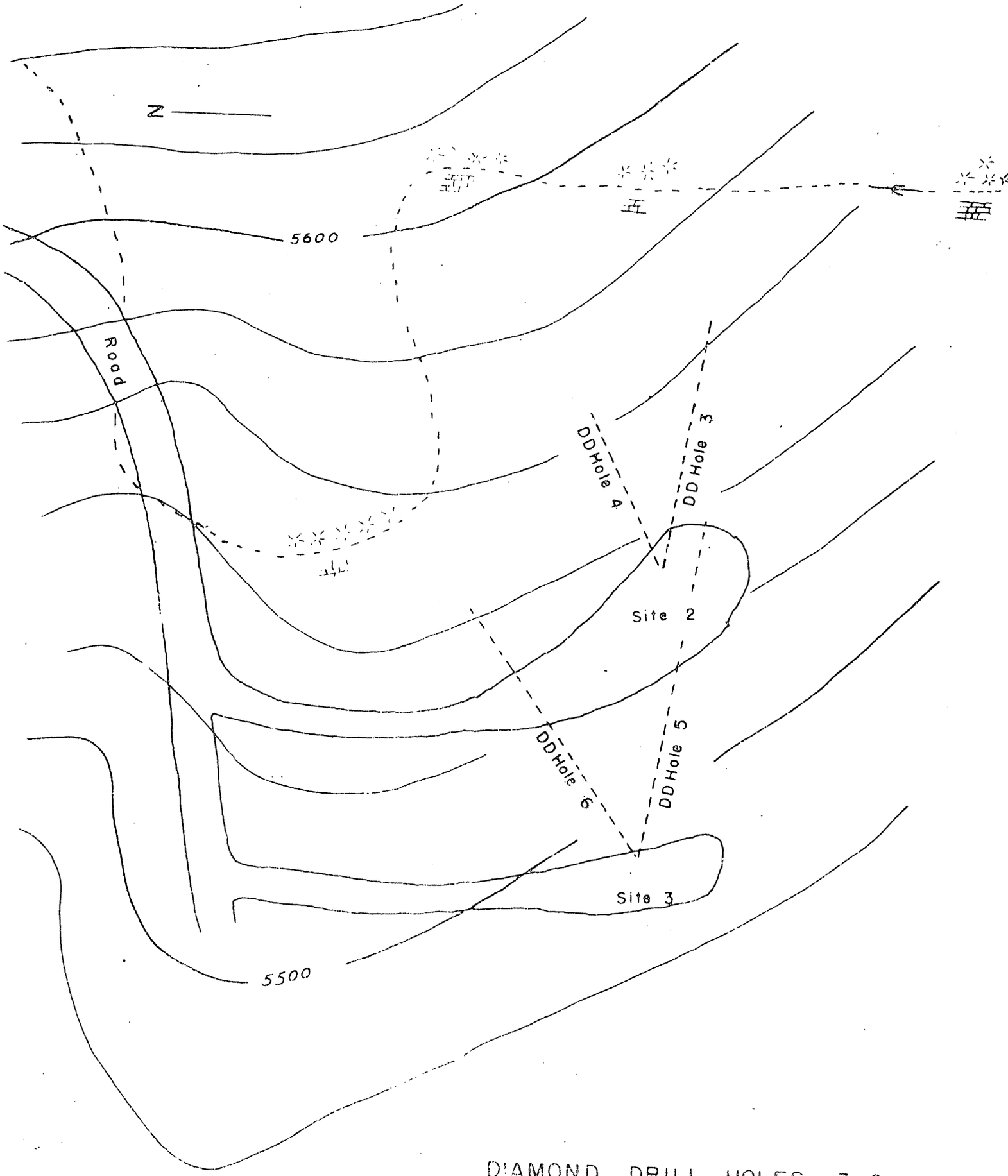

DIAMOND DRILL HOLES 3-6

ale 1 in = 50 ft. June 1957

OFFICIAL FILE COPY
D M E A
RECEIVED JUN 20 1957

DATE	INITIALS	CODE

DIAMOND DRILL LOG

May 21, 1957

Site No. 2
Hole No. 3
Bearing S80°E, Dip -35°

Depth	Core Rec.	Lamps	Description
0-21	12	None	Massive crystalline lms, epidote on cracks and joints
21-24	2	"	Decomposed altered granite with clay & sericite
24-26	2	"	Garnetiferous zone in granite
26-27	1	"	Thin bedded lms.
27-33	4	"	Massive lms.
33-38	5	"	Hornfels, with 2" lms lens, light sulfide
38-83	30	"	Massive lms
83-90	5	"	Massive banded lms.
90-101	10	"	Marbelized lms. increasing epidote
101-102½	1½	"	Tactite lens garnet, epidote
102½-105	2	"	Marbelized lms.
105-109	4	Some "WO_3	Tactite, garnet, epidote, diopside sulfides,
109-116	5	None	Granite
116-126	8	"	Moderately oxidized granite
126	End of hole		

1957

DIAMOND DRILL LOG

Site No. 2
Hole No. 4
Bearing N75°E, Dip -35°

Depth	Core Rec.	Lamps	Description
0-16	8	None	Massive lms. some epidote on fracture faces
16-21	5	"	Altered sandy lms. with some clay
21-52	30	"	Marble & massive lms.
52-52½	½	"	Tactite, garnet
52½-53	½	"	White quartz
53-55	2	Some WO_3	Garnet rich tactite
55-65	10	None	Gradation of tactite to granite
65-83	17	"	Granite, slight oxidation on joints
83	End of hole		

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DATE

DIAMOND DRILL LOG

Site No. 3
Hole No. A
Bearing S80° E , Dip -45°

May 25, 1957

Depth	Core Rec.	Lamps	Description
0-14	10	None	Massive Limstone
14-14.5	0.5	"	Altered lms. some garnet
14.5-17	2.5	"	Massive lms.
17-19	2	"	Sandy lms. , Some MoS_2
19-25	6	"	Massive lms.
25-27	2	"	Sandy lms. , Some MoS_2 , Littl Garnet
27-102	75	"	Massive lms., Some limonite and garnet on fracture faces.
102-103	1	"	Sandy lms., Some MoS_2 and bright sulphide(Pyrrhotite?)
103-155	50	"	Massive lms., Some garnet on fracture faces.
155-156	1	"	2 Lenses of tactite 2" wide, Some sulphide
156			Gouge
156-165	7	"	Altered granite , some garnet and sulphide
165-193	28	"	Hornfels
193-195	2	"	Fresh unaltered granite

DIAMOND DRILL LOG

Site No. 3
Hole No. B
Bearing N55°E, Dip,-45°

May 27, 1957

Depth	Core Rec.	Lamps	Description
0-12	6	None	Massive lms.
12-25	12	"	Sandy lms.
25-50	25	"	Massive lms., Some garnet & limonite on fracture faces
50-57	7	"	Sandy lms.
57-75	18	"	Massive lms.
75-85	20	"	Altered sandy lms.
85-150	60	"	Massive lms. some garnet and limonite on fracture faces
150-159	9	"	Marble, limonite & some sulfide (pyrrhotite)
159-164	5	Some WO_3	Garnet rich tactite, pyrrhotite, molybdenite & scheelite
164-173	9	None	Granite

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

Budget Bureau No. 42-R1036.5

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

Month of April 7, 195 Docket No. DMEA 4240 Contract No. Idn E 979
Operator's Name [illegible] Tungsten Company Minerals Tungsten
Address 131 University Avenue Palo Alto, California
Contract Amount, $ 57,253.80 Government Participation: 75 % Amount, $ 42,940.35

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	747.50	929.50	1,677.00			
Bulldozing	None	4,690.00	4,690.00			
Crosscutting	None	2,405.00	2,405.00			
Drifting	None	18,720.00	18,720.00			
Sinking	None	248.50	248.50			
(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	40.00	40.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	747.50	27,033.00	27,780.50			

RECEIVED MAY 21 1957 D.M.E.A.

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

Date May 6, 1957 *Payee Sonora Mining Company

Per [illegible] Title Vice President

*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:

$ 560.00

Signature [illegible] Authorized Certifying Officer
(Authorized Certifying Officer)

Date [illegible] 1957 Vou. No. SF-07MCA-27

(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-2979 in accordance with the terms of the contract.

Signature Henry W. Jones Henry W. Jones Title Mining Engineer Date 5/8/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] J. Hacker Title Executive Officer Date 5/8/57

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

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

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Drifting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Crosscutting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Raising								
Shafts	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Winzes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		[illegible]						Total Costs Authorized by Contract
Total Distributed Costs								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		[illegible]		[illegible]				[illegible]
Total Costs								

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

Date [illegible] Operator [illegible]

Per [illegible] Title [illegible]

Remarks: [illegible]

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

(Instructions on reverse)

(For Government use only)

RECEIVED
MAY 21 1957
D.M.E.A.

Henry W. Jones

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 DESCRIPTION OF ACCOMPLISHMENTS

Report No. 2 for April 1957

Docket No. DMEA 4240 (Tungsten)
Corderoy Mining Company
Kumiva (Stormy Day)
Pershing County, Nevada

Diamond drilling, prospecting and trenching were done during the month. Drilling was slow and held up for over a week while new casing was obtained. One hole was lost, at 58 feet, and a new hole drilled. Core recovery was low due to the sandy nature of the lime beds cut. The two holes at Site No. 4 were now complete, the rig moved to Site No. 2, drill sites as designated on Bureau of Mines map.

Hand dug trenches along the contact to the East of Site No. 4 opened up a tactite zone with scheelite. This zone appears to be about 4 feet wide, has been opened up for a length of 30 feet and one sample assayed 0.27% WO3. The zone seems to dip about 40°, the general dip of the contact through this section as indicated by drilling. Drilling was not conclusive, through the contact zone the core recovery was less than 10%, showed a trace of scheelite and some molybdenite.

Enclosed are reports MF-134, and MF-134A for April 1957.

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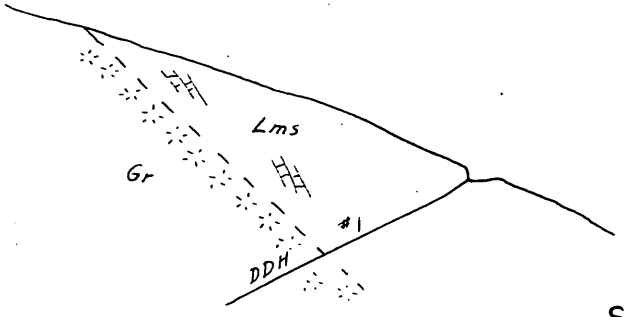
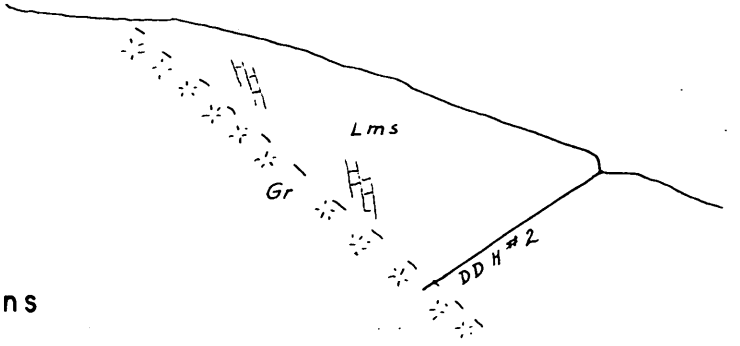
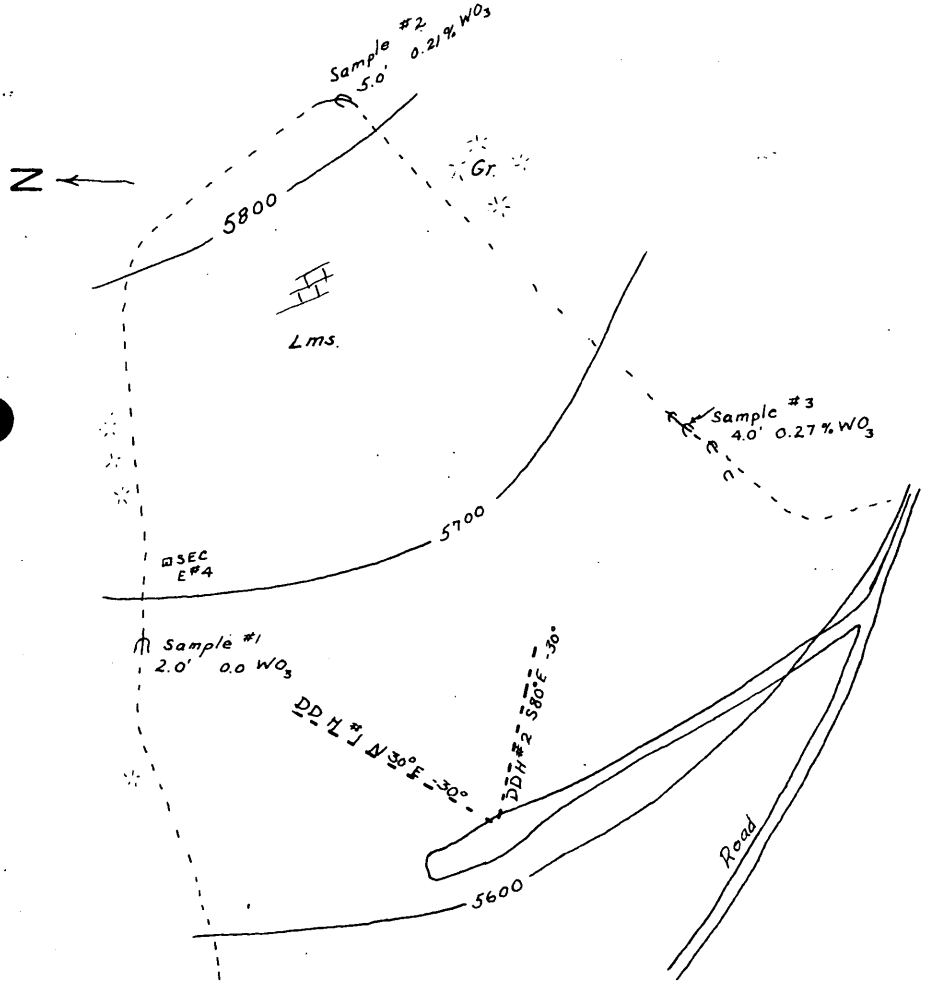
DATE	INITIALS	CODE





Sections



DIAMOND DRILL HOLES 1 & 2
Site No. 4

Scale 1 in = 100 ft May 1, 1957

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

Budget Bureau No. 42-R1036.5

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

Month of March 1957 Docket No. DMEA 420 Contract No. Rio 979
Operator's Name [illegible] Minerals Tungsten
Address 111 University Avenue Palo Alto, California
Contract Amount, $57,250.00 Government Participation: 75 % Amount, $42,[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	929.50	None	929.50			
Bulldozing	3150.00	1540.00	4690.00			
Crosscutting	None	2405.00	2405.00			
Drifting	None	13720.00	13720.00			
Sinking	None	240.50	240.50			
(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	40.00	40.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4079.50	22955.50	27035.00			

RECEIVED MAY 9 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 12, 1957 *Payee [illegible]
Per C. H. [illegible] Title Vice-President

*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:

$3059.62

Signature _____ (Authorized Certifying Officer)
Date _____ 1957 Vou. No. SF-DMEA-26

(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-E979 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date 4/22/57

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature B. Ricker Title Executive Officer Date 4/22/57

B. 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. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 1957 Docket No. DMEA 420 Contract No. [illegible]
Operator's Name [illegible]
Address 101 Beverly Avenue Palo Alto, California
Minerals [illegible]

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Foot	None	None	1730.00	570	32.50	1000	32.50
Crosscutting	Foot	None	None	2465.00	74	32.50		
Raising	Foot	None	None	2[illegible].50	35.5	7.00	100.5	7.00
Shafts								
Winzes	Sample	None	None	60.00	10	6.00	32	4.00
Drilling: Core	Foot	929.50	143	939.50	143	6.50	1000	6.50
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Hour	755.00	235	4070.00	535	20.00	535	12.00
Total Distributed Costs		1679.50						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1679.50		27033.00				37533.00

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

Date April 22, 1957 Operator [illegible]

Per [illegible] Title Vice-President

Remarks: Amendment No. 3 Feb. 4, 1957
Show additions to project and costs

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)

Henry W. [illegible]

RECEIVED MAY 9 1957 D.M.E.A.

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 DESCRIPTION OF PROGRESS

Report No. 1 for March 1957

Docket No. DMEA 4240 (Tungsten)
Cordero Mining Company
Kumiva (Stormy Day)
Pershing County, Nevada

Assignment of the contract to Cordero Mining Company by Thrasher et al was made during February of 1957.

Work was completed on the road and three diamond drill stations prepared. Drilling equipment was brought in and the first hole drilled to a depth of 143 feet.

Mapping and trenching were carried on throughout the month. Results of this work will be available some time during April, when the map is complete. Exploration along the contact will continue.

Enclosed are reports MF-104, and MF-104A for March 1957.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 9 1957

DATE	INITIALS	CODE

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED DEC 1956 DMEA

REPORT OF REVIEW

I have examined the Monthly Reports of:

John J. Thrasher, Helen C. Thrasher,
and Robert E. Taafe
Gerlach, Nevada

pertaining to Exploration Project Contract No. Idm-E979, Docket No. DMEA-4240, including Amendment No. 1, for the months of August, September and October 1956, covering a project for the exploration of tungsten, on property known as the Thrasher Mine, located in Pershing County, Nevada.

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 the contractor	$22,953.50
Exceptions	None
Total Accepted Cost	$22,953.50

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Seventeen Thousand Two Hundred Fifteen and 12/100 Dollars:

** $17,215.12 **

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

December 4, 1956

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

NOV 15 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1956 Docket No. DMEA 4240 Contract No. Idm-E-979
Operator's Name John J. Thrasher, et al Minerals
Address Gerlach, Nevada
Contract Amount, $24,120.00 Government Participation 75 % Amount, $18,090.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	None	1,540.00	1,540.00			
Bulldozing	2,405.	none	2,405.00			
Crosscutting	5,915.	12,805.00	18,720.00			
Drifting	56.	192.50	248.50			
Timbering						
(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	28.00	12.00	40.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	8,404.00	14,549.50	22,953.50			

RECEIVED DEC 10 1956 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2 Nov, 1956 *Payee John J. Thrasher, et al
Per Robert E. Taaffe Title Partner

*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:

$ 6303 00

Signature Lloyd H. Splender, Authorized Certifying Officer
(Authorized Certifying Officer)

Date Vou. No. 2F-Dmea-18
(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. [illegible] in accordance with the terms of the contract.

Signature Henry W. Jones Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Roscoe M. Smith Title [illegible] Date [illegible]

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 10 1956 DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1956 Docket No. DMEA 4240 Contract No. 9dm-E979
Operator's Name John J. Thrasher, et al Minerals Tungsten
Address Gerlach, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Foot	5,915.	182	18,720.00	576	18,720.	650	32.50
Crosscutting	Foot	2,405.	74	2,405.00	74	2,405.		
~~xxxxx~~ Timbering	Foot	56.	8	248.50	35.5	248.50	165	7.00
Shafts								
~~Winzes~~ Assaying	Sample	28.00	7	40.00	10	40.00	75	4.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Hour	None	None	1,540.00	110	1,540.	110	14.00
TOTAL DISTRIBUTED COSTS		8,404.	271	22,953.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		8,404.	271	22,953.50				24,120.00

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 2 Nov., 1956 Operator John J. Thrasher, et al

Per Robert E. Saffle Title Partner

REMARKS: Amendment number one allows cross-cutting.

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)

Henry W. Jones

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

OPERATOR'S NARRATIVE
MONTHLY REPORT

5, November, 1956

We continued to drift the contact and, after receiving permission, Amendment No. 1, we crosscut the hanging wall.

We crosscut the hanging wall in three places. Each of these crosscuts intersected the mineralized bands that we cross in the main drift. (See sketch map).

The scheelite zone has a strike length of 276 feet plus. The ore zone appears to be 25 feet thick. Of this zone, about 7 feet would be mined as commercial ore at today's price for tungsten. We give this 7 foot width an average of approximately 0.5% tungsten.

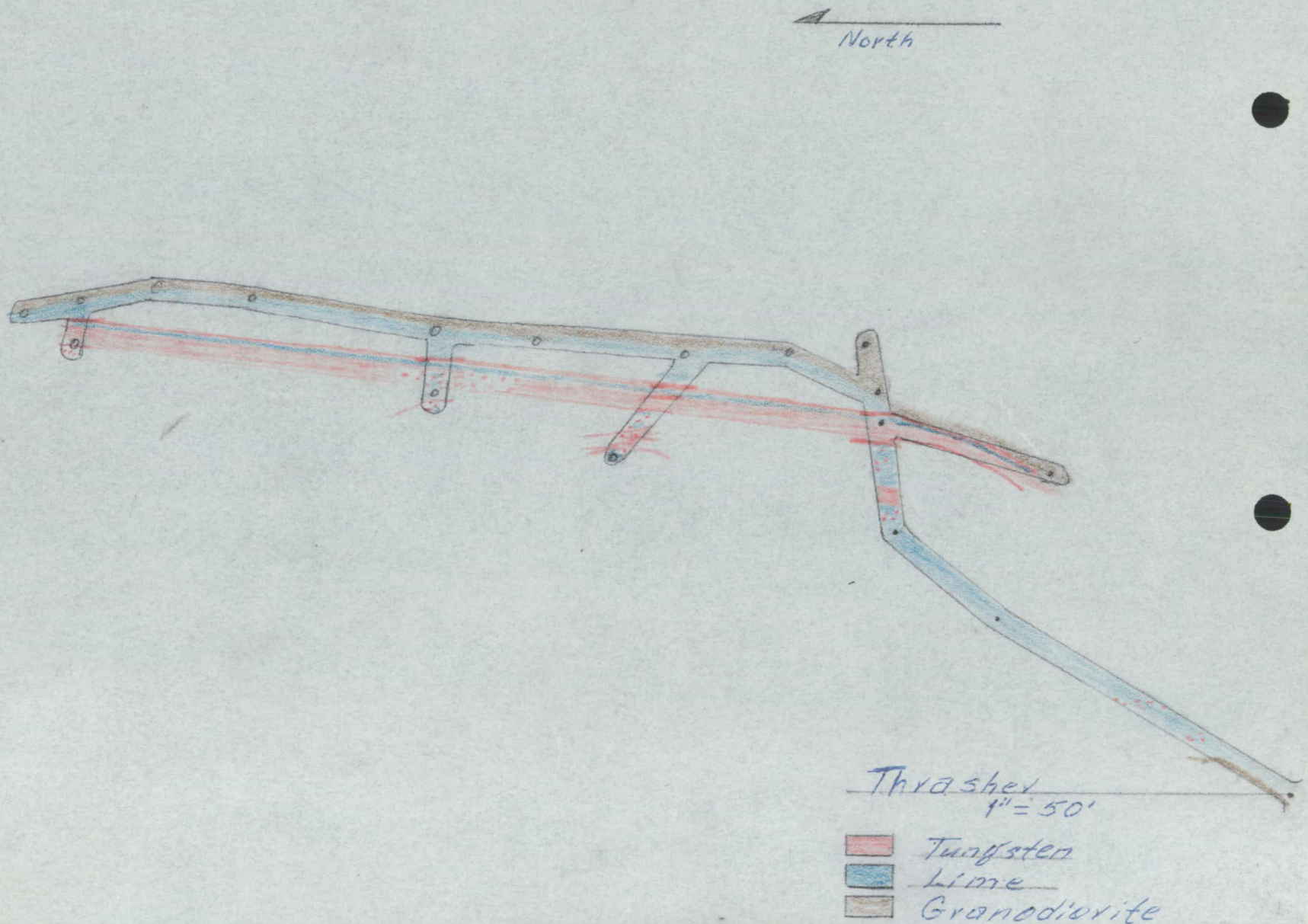
The exploration to date is very encouraging and infers a good block of economic-grade scheelite (See sketch map).

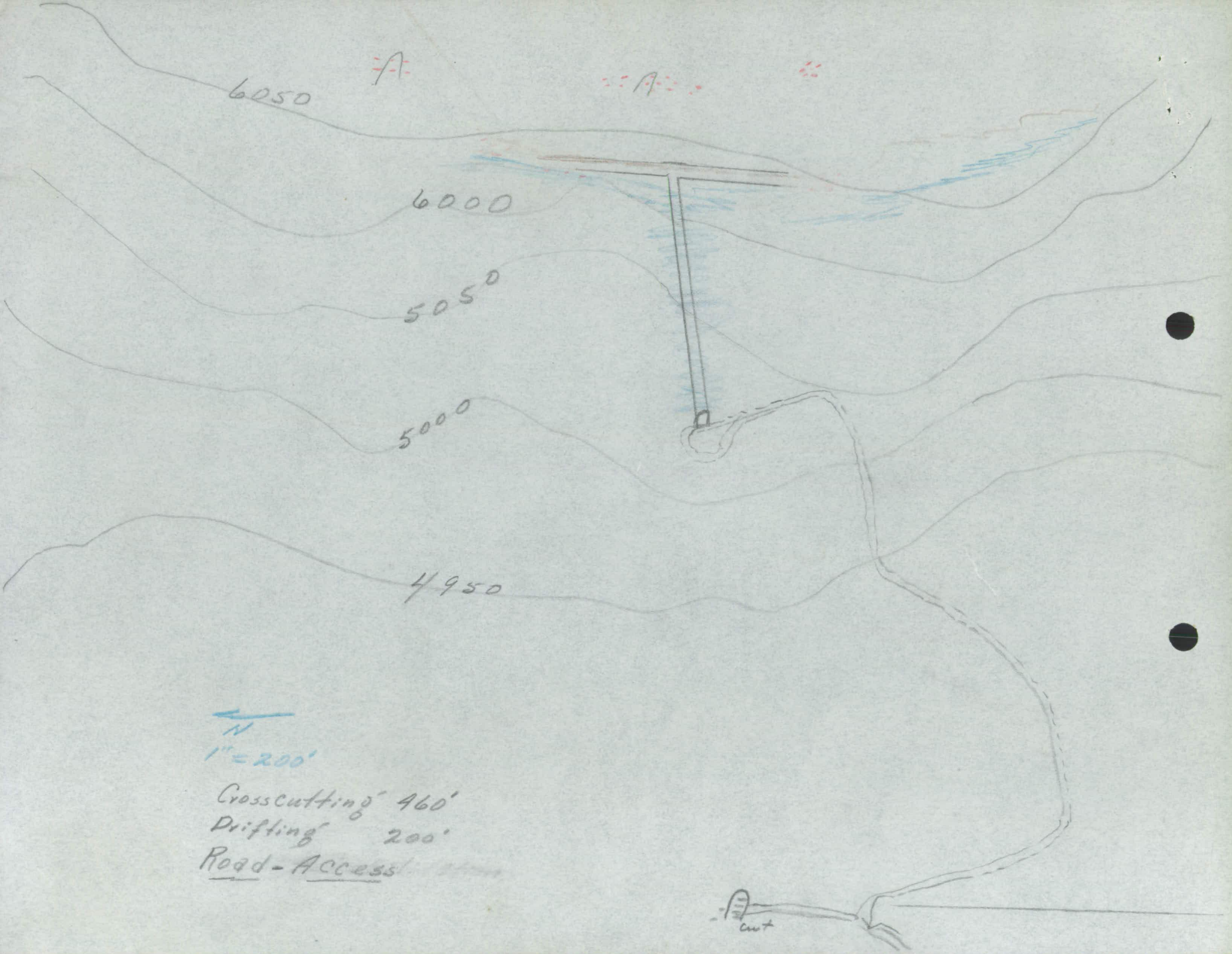
At this time we would like to extend the contract to do four hundred and sixty feet of cross-cutting and two hundred feet of drifting on the adjoining claims, commonly called the Thrasher Extension, making them a part of this contract. (See sketch). Total estimate of this additional work will be:

ROAD ACCESS - - - - - - - - - -	$2,960.00
CROSS-CUTTING - - - - - - - - -	16,100.00
DRIFTING - - - - - - - - - -	7,000.00
TIMBERING 100' @	700.00

No unusual circumstances were encountered in the above work.

Robert E. Taaffe
Partner


North
Thrasher
1" = 50'
Tungsten
Lime
Granodiorite


A
A
6050
6000
5050
5000
4950
N
1" = 200'
Crosscutting 460'
Drifting 200'
Road - Access
cut

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED OCT 18 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 1956 Docket No. DMEA 4240 Contract No. Idm-E 979
Operator's Name John J. Thrasher, et al Minerals Tungsten
Address Gerlach, Nevada 18,090.00
Contract Amount, $ 24,120.00 Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	None	1,540.00	1,540.00			
Crosscutting						
Drifting	10,432.50	2,372.50	12,805.00			
Timbering	192.50	None	192.50			
(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	12.00	None	12.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	10,637.00	3,912.50	14,549.50			

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

Date 30 Sept. 1956 Payee JOHN J. THRASHER, et al

Per Robert E. Lang Title Partner

*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:

$ 7977 25

Signature
(Authorized Certifying Officer)

Date OCT Vou. No. 3F-DMEA-11

(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. [illegible] in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date 20/8/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 20/8/56

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 OCT 18 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 195 6 Docket No. DMEA 4240 Contract No. Idm - E 979

Operator's Name John J. Thrasher, et al Minerals Tungsten

Address Gerlach, Nevada

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	foot	10432.50	321	12,805.00	394	12,805.00	650	32.50
Crosscutting								
~~Raising~~ timbering	foot	192.50	27.5	192.50	27.5	192.50	165	7.00
Shafts								
~~Winze~~ Assaying	Sample	12.00	3.0	12.00	3.0	12.00	75	4.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	0	0	0	1,540.00	110	1,540.00	110	14.00
Total Distributed Costs		10,637.00	351.5	14,549.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		10,637.00	351.5	14,549.50				24,120.00

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 30 Sept. 1956 Operator JOHN J. THRASHER, et al

Per Robert E. Taff Title Partner

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)

Henry W. Jones

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
OCT 1 0 1956

OPERATOR'S NARRATIVE MONTHLY REPORT

SEPTEMBER, 1956

We continued to drift the contact at the rate of 2 shifts per day. At one hundred ninety five feet, we cut a mineralized structure showing two commercial-grade bands of tactite-bearing scheelite.

Assays on this zone have not returned as yet.

Just beyond this zone, we ran into the true granodiorite footwall. We have been drifting the footwall contact. This bulge in the footwall has not shown any indication of scheelite. This correlates the surface showing.

As soon as we get beyond the intrusive out of the footwall, we should have the lime bed granodiorite footwall contact that appears necessary for scheelite mineralization.

No unusual circumstances were encountered in the work.

COPY

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 18 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1956 Docket No. DMEA 4340 Contract No. 10n-3979
Operator's Name John J. Thrasher, et al. Minerals Tungsten
Address Gerlach, Nevada
Contract Amount, $ 24,120.00 Government Participation: 75 % Amount, $ 18,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	1,540.00	None	1,540.00			
Crosscutting						
Drifting	2,372.50	None	2,372.50			
Timbering	None	None	None			
(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	3,912.50	None	3,912.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 31 August *Payee John J. Thrasher, et al
Per Robert E. Tassio Title Partner

*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:

$ 2934.37

Signature Lloyd W. Sylander
Authorized Certifying Officer
(Authorized Certifying Officer)

Date Vou. No. 2F-DMEA-7
(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-E979 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date 9/4/56

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date 9/4/56

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. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
SEP 18 1956

Month of August 1950 Docket No. DMEA 4240 Contract No. 10a-2979
Operator's Name John J. Thrasher, et al Minerals Tungsten
Address Gerlach, Nevada

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Foot	2,372.50	73	2,372.50	73	2,372.50	650	32.50
Crosscutting								
~~Raising~~ Timbering	Foot	None	None	None	None	None	105	7.00
Shafts								
~~Winze~~ Assaying	Sample	None	None	None	None	None	75	4.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Hour	1,540.00	110	1,540.00	110	1,540.00	110	14.00
Total Distributed Costs		3,912.50	183	3,912.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3,912.50	183	3,912.50				24,120.00

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.

Remarks:

Date 31 August Operator John J. Thrasher, et al

Per Robert E. Taylor Title Partner

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)

Henry W. Jones

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 16 1950

OPERATOR'S NARRATIVE
MONTHLY REPORT

AUGUST, 1950

Bulldozing: Units-Hour, allowed 110 units completed 110 hours.

Drifting: Units - feet - Allowed 650 units completed 73 units remainder to complete 577 units.

No unusual circumstances were encountered in the work.

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

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Cordero Mining Company, Assignee
131 University Avenue
Palo Alto, California

Pursuant to the provisions of Exploration Project Contract No. Idm-8979, executed July 23, 1956, (Docket No. DMEA 4240), as amended, hereinafter called the "Contract", between Cordero Mining Company (Assignee of John J. Thrasher (deceased), Helen C. Thrasher and Robert E. Taaffe) and the United States of America, hereinafter called the "Government"; to establish and fix the Government's royalty on production and its lien therefor and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration.

The nature of said discovery or development is described broadly or indicated as follows:

Drifting and crosscutting in the Thrasher mine, with diamond drilling on the surface, have indicated an appreciable tonnage of tungsten ore in the form of scheelite-bearing tactite zones near a contact between granite and limestone.

THE UNITED STATES OF AMERICA

Dated: _____, 1958

By: C. Mittenbergs
Administrator, Defense Minerals
Exploration Administration

SPHOLT:foc 3-19-58
cc to: Docket
Code 400
110
800
Admr. R. File
Oper. Comm.
FT. REG. II

Finance Officer

cc to: Messrs. C. A. Fredell, GSA
F. D. Lamb, USBM
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

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

MAR 25 1958

Cordero Mining Company
131 University Avenue
Palo Alto, California

Re: Docket No. DMEA 4240 - Tungsten
Stormy Day, et al., Groups of Claims
(Thrasher Property)
Pershing County, Nevada
Contract No. Idm-E979

Gentlemen:

Enclosed is a certification of discovery or development which covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and of the certification all minerals mined or produced from July 23, 1956, to July 23, 1967, are subject to the Government's percentage royalty as set forth in the contract until the sum of $31,097.50 (subject to final audit) is paid.

Checks covering royalty should be made payable to the Defense Minerals Exploration Administration, and mailed to the Executive Officer, DMEA Field Team, Region II, 1605 Evans Avenue, Reno, Nevada. The purchaser should be advised to deduct royalties from the amount due on each shipment and forward check to the Executive Officer. Royalty payments to the Government should be accompanied by suitable evidence, such as settlement sheets, showing quantity and grade of the product sold, the name of the purchaser, and the charge certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify the Executive Officer at 6-month intervals that no production has been made, when that is the case.

Sincerely yours,

C. O. [illegible]

Administrator

Enclosure

cc to: Admr. R. File cc to: T. H. Killsgaard, USGS
Oper. Comm. F. D. Lamb, USBM
FT. REG. II R. W. Holliday, USBM

SPHOLT:foc 3-19-58
cc to: Code 400
110
800

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

MAR 25 1958

Mr. Clarence A. Fredell, Acting Director
Technical Services Division
Defense Materials Service
General Services Administration
7th and D Streets, S. W.
Washington, 25, D. C.

Re: Docket No. DMEA 420 - Tungsten
Cordero Mining Company, Assignee
Stormy Day, et al., Groups of Claims
(Thresher Property)
Pershing County, Nevada
Contract No. Idm-979

Dear Mr. Fredell:

Enclosed is a copy of a certification of discovery or development issued under the subject contract.

Contract No. Idm-979 for the exploration of the Stormy Day, et al., Groups of Claims (Thresher property), was executed July 23, 1956. Expenditures up to $57,253.80 were authorized by the contract as amended, of which the Government's share at 75% was $42,940.35. Cost of the work completed was $41,463.24, of which the Government's share was $31,097.50 (subject to final audit).

The object of the exploration program was to test the possible tungsten occurrences in scheelite-bearing tactite zones near a contact between granite and limestone. The program employed drifting and crosscutting, with surface diamond core drilling, to explore the mineralized zones. The contract as amended provided for 1,250 feet of drifting and crosscutting, 335 hours of bulldozing, with job of bulldozing, drilling and blasting, to construct access roads and prepare drill sites, and 4,207 feet of diamond core drilling. Work completed comprised 650 feet of drifting and crosscutting, 335 hours of bulldozing, with job of bulldozing, drilling and blasting, and 1,855 feet of diamond drilling.

Reserves of tungsten ore discovered by project work are estimated as a few tons of measured ore of unstated grade, plus 32,000 tons of indicated ore averaging 0.5 percent tungsten trioxide (WO_3).

Sincerely yours,

C. C. Mitchell

Administrator

Enclosure

cc to: Messers. F. D. Lamb, USBM
R. W. Holliday, USBM
T. H. Kilsgaard, USGS
Admr. R. File
Oper. Comm.
FT. REG. II

SPHOLT:foc 3-19-58
cc to: Docket
Code 400
110
800

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

MAR 25 1958

Certified Mail
Return Receipt Requested

Mr. Robert E. Teaffe
233 South Sierra Street
Reno, Nevada

Re: Docket No. DMEA 1240 - Tungsten Corporation Mining Company, Assignee Storey Inc., et al., Groups of Claims (Thrasher Property) Mineral County, Nevada
Contract No. IDm-979

Mrs. Helen A. Thrasher, individually and as Administratrix of the Estate of John J. Thrasher
% Mr. Robert E. Teaffe
233 South Sierra Street
Reno, Nevada

Enclosed is a copy of a certification of discovery or development, with copy of covering letter to the Operator, which have been issued pursuant to the terms of the above-cited contract.

This correspondence relates to the Consent to Lien and Subordination Agreement executed by you on February 14, 1957, also to the Lease and Option, executed on January 25, 1957, and the Assignment of Contract, executed February 14, 1957. The Government's prior lien on the land and upon any production therefrom will continue in existence for the length of time mentioned in the enclosed copy of the letter to the Operator. You are obligated during that period to commit no act and to assert no claim in conflict with the Government's rights under the agreement signed by you, and to give advance notice of the Government's rights to any transfers or leases of any part of your interest in the land or the production therefrom.

Sincerely yours,

C. C. Mitchell

Administrator

Enclosure

cc to Messrs. Lamb, Holliday, Hillegaard, RGC

cc to ADD Adm. L. File Oper. Comm. Ft. Rep. II

SMOLE:fcc 3-19-58 cc to Docket Code 300

Audit co

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 19 1958
DATE CODE
900

EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY, ASSIGNEE
DOCKET NO DMEA-4240

AMENDMENT NO. 4

It is agreed this 10th day of March, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Cordero Mining Company, Assignee, that Exploration Project Contract No. Idm-E 979 (Docket No. DMEA-4240), dated July 23, 1956, as amended, is further amended as follows:

In Exhibit "A," as modified by Amendment No. 3, the following changes are made:

Under Description of the Work, Stage III, Phase 1 is changed to read:

Bulldoze, and blast where necessary, approximately 3,000 feet of access road and drill site. All bulldozer work shall be with a D6, or equivalent of another make.

Under Estimated Cost of the Project, Fixed Unit Costs, Stage III, Phase 1 is changed to read:

Bulldoze access roads and drill sites 132 hours at $13.50/hr.	$1,782.00	
Drill and blast access roads 1/	1,320.34	
Moving D6 to and from property 1/	200.00	$ 3,302.34
Estimated total cost of Stage III is changed to read:		$20,347.84

This amendment shall not be construed to increase the total estimated cost of the project or the aggregate amount which the Government may be required to contribute.

THE UNITED STATES OF AMERICA

By [signature]
S. Ricker, Executive Officer
DMEA Field Team, Region II

CORDERO MINING CO.,
ASSIGNEE

By [signature]

Title V Pres.

AMENDMENT NO. 4

Docket No. DMEA-4240 Mineral Tungsten

Exploration Project Contract Idm-E 979

Date of Contract July 23, 1956

Date of Amendment March 10, 1958

Operator Cordero Mining Company, Assignee, Thrasher Mine

JUSTIFICATION

For the type of work involved, the D6 bulldozer was equivalent and more suitable than a D8 and the cost of drilling and blasting was minimized. The rental rate of a D8 bulldozer ranges from $16.00 to $18.00 per hour and that of a D6, from $13.50 to $14.00 per hours In addition, a D6 was the only type immediately available.

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

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EXPLORATION PROJECT CONTRACT
CORDERO MINING COMPANY, ASSIGNEE
DOCKET NO. DMEA-4240

AMENDMENT NO. 3

It is agreed this 12th day of July, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Cordero Mining Company, Assignee, that Exploration Project Contract No. Idm-K979 (Docket No. DMEA-4240), dated July 23, 1956, as amended, is further amended as follows:

In Exhibit A, as modified by Amendment No. 2, the following changes are made:

1. Under Description of the Work, Stage III is deleted and there is substituted the following work as indicated on the attached map, Fig. 8:

Stage III

Phase 1

Bulldoze, and blast where necessary, approximately 3,000 feet of access road and drill sites. All bulldozer work shall be with a D8 or equivalent unit of another make.

Phase 2

Diamond drill 7 holes, numbers 1 through 7 (AX minimum size), with dips of about 45 degrees easterly, to lengths of about 100 to 175 feet to intersect the limestone-granite contact.

Phase 3

In the mineralized zones indicated by the drilling performed in Phase II, diamond drill approximately 13 intermediate holes, at intervals of not less than 100 feet, with easterly dips to cut contact at approximately the depth as shown by the holes in Phase 2. Holes to be approximately 100 to 175 feet in depth. The total diamond drilling in this stage shall not exceed 2,607 feet. Mineralized zones shall be sampled and assayed for WO_3.

2. Under Estimated Cost of the Project, Fixed Unit Costs, all costs under Stage III are deleted and the following costs are substituted:

Stage III

Phase 1

Bulldoze access roads and drill sites, 150 hours @ $14.00/hr.	$ 2,100.00	
Drill and blast access roads 1/	1,504.50	$ 3,604.50

Phase 2

Diamond drill 910 feet @ $6.50/ft.		5,915.00

Phase 3

Diamond drill 1,697 feet @ $6.50/ft.	11,030.50	
Assay 25 samples for tungsten @ $4.00/each sample	100.00	11,130.50
Estimated Total Cost of Stage III		$20,650.00

1/ The completed work constitutes the unit.

* * * * * * * * * *

This amendment shall not be construed to increase the total estimated cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

CORDERO MINING COMPANY, ASSIGNEE

By [illegible]

Title V Pres'

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

420 Custom House
555 Battery Street
San Francisco 11, California

April 2, 1957

Mr. S. Ricker, Executive Officer
Defense Minerals Exploration Administration
1605 Evans Avenue
Reno, Nevada

Re: Idm-E979, DMEA-4240
John J. Thrasher et al
Assignment to Cordero
Mining Company

Dear Mr. Ricker:

Reference is made to our conversation in regard to the necessity of showing the day of the month which had been omitted under "Assignee's Acceptance" of subject assignment. A further discussion on this subject with Mr. Metcalf, Office Manager for the Cordero Mining Company in Palo Alto brought the question to a conclusion, and Mr. Metcalf stated that he would have Mr. Brown their attorney in Reno, prepare a letter showing the day of the month to be inserted under the caption of "Assignee's Acceptance", and copies of this letter would be sent to Washington, Reno and San Francisco to complete the Assignment Document. I am in accord with this procedure, as I believe it is quite important to insert the day of the month when required on DMEA documents.

Sincerely yours,

"(SIGNED) GEORGE MAVOR"
George Mavor, Auditor

Copy to: Jay L. Chambers

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E A
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ASSIGNMENT OF CONTRACT

WHEREAS, ROBERT E. TAAFFE, JOHN J. THRASHER and HELEN C. THRASHER, a partnership (hereinafter called the "Assignor"), entered into Exploration Project Contract No. IDM-E979 (Docket No. DMEA-4240), dated July 23, 1956, and Amendment No. 1 thereto dated September 15, 1956, and Amendment No. 2 thereto dated February 4, 1957 (hereinafter called the "Contract"); and

WHEREAS, Cordero Mining Company, a corporation, (hereinafter called the "Assignee") has acquired the right of possession to the land which is the subject of the Contract, and the Assignee desires to perform the work under the Contract;

NOW, THEREFORE, the Assignor, subject to acceptance by the Assignee and the consent of the Government, in consideration of the sum of One Dollar ($1) and other good and valuable consideration received from the Assignee, does hereby assign, transfer, and convey to the Assignee all Assignor's right, title and interest in the Contract.

The Assignor consents to all future amendments and assignments of the Contract and waives notice thereof, and hereby releases the Government from any and all claims arising out of the Contract.

Dated: February 14, 1957.

Robert E. Taaffe
ROBERT E. TAAFFE

ESTATE OF JOHN J. THRASHER, DECEASED

By Helen C. Thrasher Executrix
Helen C. Thrasher, Executrix

Helen C. Thrasher
HELEN C. THRASHER

Subscribed and sworn to before me this 14th day of February, 1957.

Mary M. Lennon
Notary Public in and for the County of Washoe, State of Nevada.

ASSIGNEE'S ACCEPTANCE

The Assignee, Cordero Mining Company, a corporation, hereby accepts the above assignment and agrees to be bound by the

terms, provisions and conditions of the Contract.

Dated: February _____, 1957.

CORDERO MINING COMPANY

By _____
Vice-President

ATTEST:

_____
Assistant Secretary

I, E. A. Williston, certify that I am the Assistant Secretary of the corporation named herein; that S. H. Williston, who signed this instrument on behalf of the corporation, was then Vice-President of said corporation; that said instrument was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

(SEAL)

_____
E. A. WILLISTON
Assistant Secretary

GOVERNMENT'S CONSENT

The government, this 15th day of March, 1957, hereby consents to the above Assignment without releasing the Assignor, Robert E. Taaffe, Estate of John J. Thrasher, Deceased, and Helen C. Thrasher, from any of the terms, provisions and conditions of the Contract.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

MF-[redacted]
(Combines and supercedes MF-[redacted] and MF-203)
June 1956

[redacted]r Government's Use Only
EXPLO[redacted]TION PROJECT CONTRACT
Operator_____
Docket No. DMEA-_____
Contract No. Idm-E_____
Contract Date_____

RECEIVED FEB 26 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Pershing, State of Nevada, described ~~xxxxxxxxxx~~ 2/ in Exhibit A annexed hereto and made a part hereof.

_____,

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

A None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 14th day of February, 1957.

Robert E. Taaffe ROBERT E. TAAFFE	[Seal]	Gerlach, Nevada	[Address]
	[Seal]		[Address]
ESTATE OF JOHN J. THRASHER, DEC'D. By Helen C. Thrasher Executrix HELEN C. THRASHER, Executrix	[Seal]	Gerlach, Nevada	[Address]
	[Seal]		[Address]
Helen C. Thrasher HELEN C. THRASHER	[Seal]	Gerlach, Nevada	[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
[Corporate Seal]

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EXHIBIT A

Those certain lode mining claims and lode claim fractions situated in Pershing County, Nevada, described as follows:

NAME	RECORDED IN MINING RECORDS OF PERSHING COUNTY, NEVADA, AS FOLLOWS:	
Stormy Day #3	Book #10	Page 92
Stormy Day #4	Book #10	Page 93
Stormy Day #7	Book #10	Page 129
Stormy Day #8	Book 10	Page 130
Stormy Day #9	Book #10	Page 131
Stormy Day #10	Book #10	Page 131
Stormy Day Fraction #1	Book #15	Page 238
Stormy Day Fraction #2	Book #15	Page 239
Stormy Day Fraction #3	Book #15	Page 240
Stormy Day Fraction #4	Book #15	Page 241
Extension	Book #10	Page 155
Extension #1	Book #10	Page 156
Extension #2	Book #10	Page 156
Extension #3	Book #10	Page 430
Extension #4	Book #15	Page 241
Extension #5	Book #1	Page 97 Official Records

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LEASE AND OPTION

THIS LEASE made this 25th day of January, 1957, by and between HELEN S. KERAMERE, a widow, and ROBERT E. TAAFFE, of Gerlach, Nevada, Lessors, and TURNBO MINING COMPANY, a corporation, Lessee;

W I T N E S S E T H:

That Lessors, for and in consideration of the rents, covenants, agreements, payments and royalties hereinafter reserved and by Lessee to be paid, kept and performed, have granted, let and demised, and by these presents do grant, let and demise unto Lessee, for a term of thirty-five (35) years from date hereof, subject to the provisions for termination hereinafter contained, and Lessee does hereby take the following described premises:

These certain lode mining claims and lode claim fractions situated in Pershing County, Nevada, Lessors being the owners of and in possession of said unpatented claims and fractions under the mining laws of the State of Nevada and the United States, described as follows:

NAME	RECORDED IN MINING RECORDS OF PERSHING COUNTY, NEVADA, AS FOLLOWS:	
Stormy Day #3	Book #10	Page 92
Stormy Day #6	Book #10	Page 93
Stormy Day #7	Book #10	Page 129
Stormy Day #8	Book #10	Page 130
Stormy Day #9	Book #10	Page 131
Stormy Day #10	Book #10	Page 131
Stormy Day Fraction #1	Book #15	Page 238
Stormy Day Fraction #2	Book #15	Page 239
Stormy Day Fraction #3	Book #15	Page 240

NAME	RECORDED IN MINING RECORDS OF PERSHING COUNTY, NEVADA AS FOLLOWS:		
Stacey Bay Fraction #4	Book #13	Page 241	
Extension	Book #10	Page 153	
Extension #2	Book #10	Page 154	
Extension #1	Book #10	Page 156	
Extension #3	Book #10	Page 430	
Extension #4	Book #13	Page 241	
Extension #5	Book #1	Page 97	Official Recds.
Thrabert #1	Book #13	Page 297	
Thrabert #2	Book #13	Page 297	
Thrabert #3	Book #13	Page 298	
Thrabert #4	Book #13	Page 299	
Thrabert #5	Book #13	Page 300	
Thrabert #6	Book #13	Page 300	
Thrabert #7	Book #13	Page 419	
Thrabert #8	Book #13	Page 420	
Thrabert #9	Book #13	Page 421	
Thrabert #10	Book #13	Page 421	
Thrabert #11	Book #13	Page 422	
Thrabert #12	Book #13	Page 423	
Thrabert #13	Book #13	Page 424	
Thrabert #14	Book #13	Page 425	
Thrabert #15	Book #13	Page 307	
Thrabert #16	Book #13	Page 308	
Thrabert #17	Book #13	Page 308	
North End #1	Book #13	Page 425	
North End #2	Book #13	Page 426	
North End #3	Book #13	Page 242	

TOGETHER WITH the appurtenances thereunto in any way appertaining.

TO HAVE AND TO HOLD the leased and demised premises for the purpose of mining until this Lease is terminated, as hereinafter provided.

IN CONSIDERATION OF THIS LEASE, Lessee hereby covenants and agrees with Lessors as follows:

1. To pay to Lessors the sum of Two Thousand Dollars ($2,000) upon the execution of this Lease and Option, the receipt whereof hereby is acknowledged by Lessors; the sum of

Three Hundred Fifty Dollars ($350) monthly minimum royalty, commencing on March 1, 1957 and continuing for a period of two (2) years; the sum of Seven Hundred Dollars ($700) monthly minimum royalty for the third year; and the sum of One Thousand Five Hundred Dollars ($1,500) monthly minimum royalty thereafter for the term of this Lease.

2. To pay to Lessors a production royalty of seven and one-half per cent (7½%) of the gross selling price of the concentrates and ores, against which will be credited on a monthly basis the minimum royalties payable as provided in Paragraph 1 above. "Gross selling price", as herein used, as applied to the sales of concentrates, shall be defined as the gross return to Lessee from the sale of concentrates after deduction of costs incident to the sale and delivery thereof but without deduction for mining, milling or transportation of the ore. "Gross selling price", as herein used, as applied to sales of ores, shall be defined as the gross return to Lessee from the sale of ores without deduction for mining and transportation charges from the mine.

3. It is understood that the payments provided for in Paragraph 1 hereof (except the initial payment of $2,000) shall be for advance royalties, and Lessee may take credit for such sums so paid in computing the 7½% production royalty; provided, however, that in any event, the minimum royalties hereinabove stated shall be paid on a monthly basis. Lessors, at their option, shall have the right to

take, in lieu of cash payment of royalties, 7½% of the concentrates at the mill.

4. Lessors hereby consent that Lessee may negotiate for D.M.E.A. loans, and may agree to have impressed upon the mining property covered by this Lease any required liens to secure the repayment of any sums obtained under such contract with D.M.E.A. Without limitation, Lessee shall have the right to contract for all further work upon all the mining property covered by this Lease, or any part thereof, as in the judgment of Lessee seems warranted during the term of this Lease.

5. Lessee agrees to spend the sum of not less than Twenty-Five Thousand Dollars ($25,000) of its own funds during the first two years of this Lease upon said mining property. The manner in which Lessee spends such sum is to be left entirely to the judgment of Lessee.

6. Lessee will do all the annual assessment work on the entire group of claims hereinabove described, but reserves the right to relocate the present claims if it seems desirable to Lessee, provided that such relocation shall be made in the names of Lessors; and Lessee reserves the right to quitclaim back to Lessors any claims which in Lessee's opinion are of no value. It is further agreed that the return of claims to Lessors will not in any wise affect the total purchase price set forth hereinafter under the option provisions of this Lease.

7. Lessee, at any time, at its option, may abandon and terminate this Agreement on thirty (30) days' notice to Lessors, in which event it will quitclaim to Lessors all its right, title and interest in and to any of the claims held by Lessee under the agreement, and will restore possession of the claims to Lessors with the workings thereon in good condition, and will leave all underground timber, rails and ties in place. Nothing in his paragraph nor in this agreement shall be construed during the time that Lessee has possession of said mining premises under the terms of this agreement to prevent Lessee from moving from place to place upon said mining premises rails, ties and other property, without limitation, to facilitate the operation of said mining premises in accordance with the judgment of Lessee. Lessee shall have the right within ninety (90) days from the termination of this agreement, as provided for in this paragraph, to remove all mills, machinery, equipment, tools and property of all kind and character belonging to Lessee, save and except those items in this paragraph hereinabove specified. Upon the effective date of such termination, Lessee will have no further obligation under this agreement except the payment of royalties which have theretofore fallen due under this agreement as of the date of its termination.

8. Lessee will keep the property free and clear from liens of laborers, materialmen and others, save and except as permitted under D.M.E.A. contracts, as hereinbefore provided, and will permit Lessors to post and maintain notices

of non-responsibility, and at all times during the term of this agreement, shall fully comply with the provisions of the Workmen's Compensation Act of the State of Nevada and with all the mining laws of Nevada and of the Federal Government.

9. In the event of abandonment of the agreement and the premises by Lessee, all payments therefore made by Lessee to Lessors shall be retained by Lessors, and said payments shall remain the property of Lessors, and Lessee waives all claim thereto.

10. Lessors hereby retain an economic interest in all products of the premises resulting from the operation of the mining property by Lessee during the full term of this agreement.

11. Any work done by Lessee under the terms of this Lease shall be done in a good and miner like fashion.

12. The percentage of royalties shall apply against all ores produced from the mining property of whatever kind or character.

13. Lessors shall have the right at all times during the term of this Lease to examine and inspect the premises and shall have access to all diamond drill logs, maps, underground workings, and all other operations on the property. In the event Lessee shall elect to terminate this agreement, Lessee shall deliver to Lessors all geographical

data, diamond drill logs, copies of assay receipts and all technological analyses of the ore relating to the herein described mining property then in the possession of Lessee.

14. This agreement shall not be assignable without the written consent of Lessors; provided, however, that Lessors agree that they will not unreasonably withhold said consent to the assignment of this contract to a responsible assignee and that such assignment can be so made without penalty.

15. This agreement shall not pass or be assigned by bankruptcy, voluntary or involuntary, or by any operation of law, and should such event occur, Lessors may, at their option, forthwith terminate this Lease.

16. Lessee shall assume all responsibility for and save Lessors harmless from all injury to any person or to property in and upon the premises.

17. Lessors may terminate this agreement and repossess the property upon the failure of Lessee to comply with the provisions of this agreement; provided that in the event of default on the part of Lessee, a notice of default shall be given in writing to Lessee, which notice of default shall state specifically the nature and extent of such default, and if such default is based upon the failure to pay money under the terms of this agreement, the said notice shall state the specific sum payable and due, if ascertainable, and shall give Lessee thirty (30) days from receipt thereof by the agent designated hereinafter within which to correct

the default before a termination or forfeiture may be granted. If said default is not corrected within thirty (30) days, the agreement may be declared forfeited at the option of Lessors.

18. Upon termination of this lease, all unmilled ores, stockpiled ores, dumps, tailings and other materials then on the above described property shall become the property of Lessors, save and except that Lessee shall have the right to remove its own property as provided for in Paragraph 7 above. If, at the termination of the agreement, there remain ores stockpiled off the above described property upon which royalties have not been paid to Lessors, then, in that event, each of the parties to this agreement shall retain their respective ownership interests in such ores.

19. All cash or royalty payments shall not be reduced by any withholding for taxes or other charges, or credited against any other sums whatsoever, save and except as hereinabove provided. All taxes, real and personal, license fees, assessments, excise taxes levied against said premises, any tax on improvements or equipment which may or might be performed on said premises, whether federal, state, county, municipal or district, shall be promptly paid when due by Lessee. It is, however, understood and agreed that Lessee and Lessors, respectively, will not be responsible for the payment by the other of any net proceeds of mines tax assessed against the other as a result of production from the mine.

20. Lessors hereby warrant and agree to defend the claims described in this agreement, and agree that Lessee, at Lessee's option, may purchase or discharge any tax, mortgage or other lien upon said land and thereupon be subrogated to the rights of the holder thereof and may apply royalties accruing hereunder toward satisfying the same or toward reimbursing Lessee. If Lessors' right shall come into dispute or litigation, Lessee may withhold payment of royalties until final adjudication or other settlement of such dispute or litigation, without any impairment of Lessee's rights under Lessors' warranty of title, and it is agreed that if Lessors' interest in said premises is less than the entire estate, the royalties to be paid Lessors shall be in accordance with the claims or interest actually owned by Lessors.

21. Lessors agree that they will do or cause to be done any acts, and to execute, acknowledge and deliver any instrument, which Lessee may from time to time request that they do or execute, including the making and filing of any relocation or amended locations of said claims, or parts thereof, for the sole purpose of perfecting title to the above described claims.

22. Lessors hereby grant to and do grant to Lessee an option to purchase all the claims and property hereinbefore described, and the appurtenances thereof, for the sum of Six Hundred Thousand Dollars ($600,000); that all minimum and production royalties and advance royalties are to be credited against the total of said purchase price. That said option may be exercised at any time during the term of this Lease, upon

sixty (60) days' written notice given to Lessors by Lessee.

23. All notices required to be given hereunder to Lessors shall be given in writing and mailed by registered mail addressed to Robert E. Taaffe, 233 South Sierra Street, Reno, Nevada, or to such other address as may be designated in writing by Lessors. All payments required to be made hereunder to Lessors shall be made to Robert E. Taaffe at the same address. All notices required to be given hereunder to Lessee shall be in writing and mailed by registered mail to Cordero Mining Company, 131 University Avenue, Palo Alto, California, or to such other address as may be designated in writing by Lessee.

24. This agreement shall be construed and enforced under and in accordance with the laws of the State of Nevada, except insofar as it may become necessary to comply with the laws of the Federal Statutes and rules and regulations with respect to Lessee's operations hereunder.

25. This agreement shall inure to the benefit of and be binding upon the heirs, executors and administrators of the Lessors and the successors and assigns of Lessee.

26. Time is the essence of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in their respective names and by the duly authorized officers of Lessee the day and year hereinabove first written.

Helen C. Thresher
HELEN C. THRESHER

Robert E. Taaffe
ROBERT E. TAAFFE

LESSORS

CORDERO MINING COMPANY

By Vice-President

ATTEST:

E. A. Willetson
Assistant Secretary

LESSEE

STATE OF NEVADA,)
:ss
COUNTY OF WASHOE)

On this 25th day of January, 1957, before me, the undersigned, a Notary Public in and for the County of Washoe, State of Nevada, personally appeared HELEN C. TRAUTER and ROBERT E. TAAFFE, known to me to be the persons described in and who executed the foregoing instrument, and they, and each of them, duly acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Mary M. Kinnon
Notary Public

STATE OF CALIFORNIA,)
COUNTY OF SANTA CLARA.) ss

On this 30th day of January, 1957, before me, the undersigned, a Notary Public in and for the County of Santa Clara, State of California, personally appeared S. H. WILLISTON, known to me to be the Vice-President of the corporation that executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Charles A. Keenan
Notary Public

NOTARY PUBLIC IN AND FOR THE COUNTY
OF SANTA CLARA, STATE OF CALIFORNIA
My Commission Expires October 27, 1957

DMEA Form 14

Contract No. Idm-E 979

Docket No. 4240

DEPARTMENT OF THE INTERIOR

terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 23, 1956	II	Nevada	Tungsten

Name and Address of Operator: Cordero Mining Co.

	Reserve	Obligation
Prior Amount	0	42,940.35
Increase	0	0
Decrease	0	11,842.84
Revised Amount	0	31,097.51

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 4.15/58

22845

Contra[illegible] No. Idm-E 979

Docket No. 4240

DEPARTMENT OF THE INTERIOR

Executed amendment

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 23, 1956	II	Nevada	Tungsten

Name and Address of Operator: John J. Thrasher, Helen C. Thrasher
Robert E. Taaffe
Gerlach, Nevada

	Reserve	Obligation
Prior Amount	$24,850.35	$18,090.00
Increase	0	24,850.35
Decrease	24,850.35	
Revised Amount	0	$42,940.35

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 2/14/57

98963

Government's Copy

EXPLORATION PROJECT CONTRACT
JOHN J. THRASHER, HELEN C. THRASHER, and ROBERT E. TAAFFE
DOCKET NO. DMEA-4240

Amendment No. 2

It is agreed this 4th day of February, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and John J. Thrasher, Helen C. Thrasher, and Robert E. Taaffe, that Exploration Project Contract No. Idm-E979 (Docket No. DMEA-4240), dated July 23, 1956, as amended, is further amended, as follows:

1. In Article 1(a) of the Contract, the completion date of the Contract is extended to January 23, 1958.

2. In Article 1(b) of the Contract, the amounts "$57,253.80" and "$42,940.35" are substituted for the figures "$24,120.00" and "$18,090.00," respectively.

3. In Article 2 of the Contract, the following unpatented lode mining claims, situated in Pershing County, Nevada, are owned by the Operator and are added to Annex No. 1 of the Contract.

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Name	Book No.	Page No.
Extension	10	155
Extension No. 1	10	156
Extension No. 2	10	156
Extension No. 3	10	430
Extension No. 4	15	241
Extension No. 5	1	97
Stormy Day Fraction No. 3	10	92
Stormy Day Fraction No. 4	10	93

Notices of Location of the above mining claims to which reference is hereby made for a more complete description are recorded in the official records of Pershing County, Nevada. The general location of all the mining claims described in the Contract is shown on the attached map, entitled "Southern Portion of Mining Claims Owned by J. J. Thrasher . . . . Pershing County, Nevada."

4. In Article 6(b) of the Contract, the maximum period for royalty payments and liens to secure them is extended to "eleven (11) years from the date of the contract."

5. The work performed under the Contract prior to the date of this Amendment No. 2 is designated Stage I. Additional project work is set forth below as Stages II and III, and is outlined on the attached map Figure 6 entitled "Thrasher Mine, Pershing County, Nevada." The Operator shall perform as much of the additional work as is approved by the Government.

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EXHIBIT A
Description of the Work

Stage II

Bulldoze approximately 2,500 feet of access road and diamond drill sites, with a D-8 bulldozer or equivalent, estimated to require 225 hours of bulldozing.

Diamond drill 8 diamond drill holes at or near the sites indicated on Figure 6, and on the courses and in the directions indicated on Figure 6. Each hole shall be not less than AX in size. It is estimated that each hole will be approximately 200 feet in depth, and the total drilling shall not exceed 1,600 feet. The drill holes shall be cemented and redrilled, and reamed and cased, as necessary.

Assay 25 samples for WO_3 from mineralized zones.

Stage III

Crosscut and drift 600 feet, 5 feet by 7 feet in the clear, and timber as necessary. It is estimated that 150 feet of timbering will be required.

Assay 25 samples for WO_3 for mineralized zones.

Estimated Cost of the Project

Fixed Unit Costs

Cost of Stage I			$22,953.80
Stage II			
Bulldoze 225 hours	@ $14.00/hr.	$ 3,150.00	
Diamond drill 1,600 feet (The unit price includes the cost of any cementing and redrilling and reaming and casing that are necessary.)	@ $6.50/ft.	10,400.00	
Assay 25 samples for WO_3	@ $4.00 each sample	100.00	
Estimated Total for Stage II			13,650.00
Stage III			
Crosscut and drift 600 feet	@ $32.50/ft.	$19,500.00	
Timber 150 feet	@ $7.00/ft.	1,050.00	

Assay 25 samples for WO_3 @ $4.00 each sample	$ 100.00
Estimated Total for Stage III	$20,650.00
Estimated Total Cost of the Project	$57,253.80
Government Participation @ 75%	$42,940.35

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

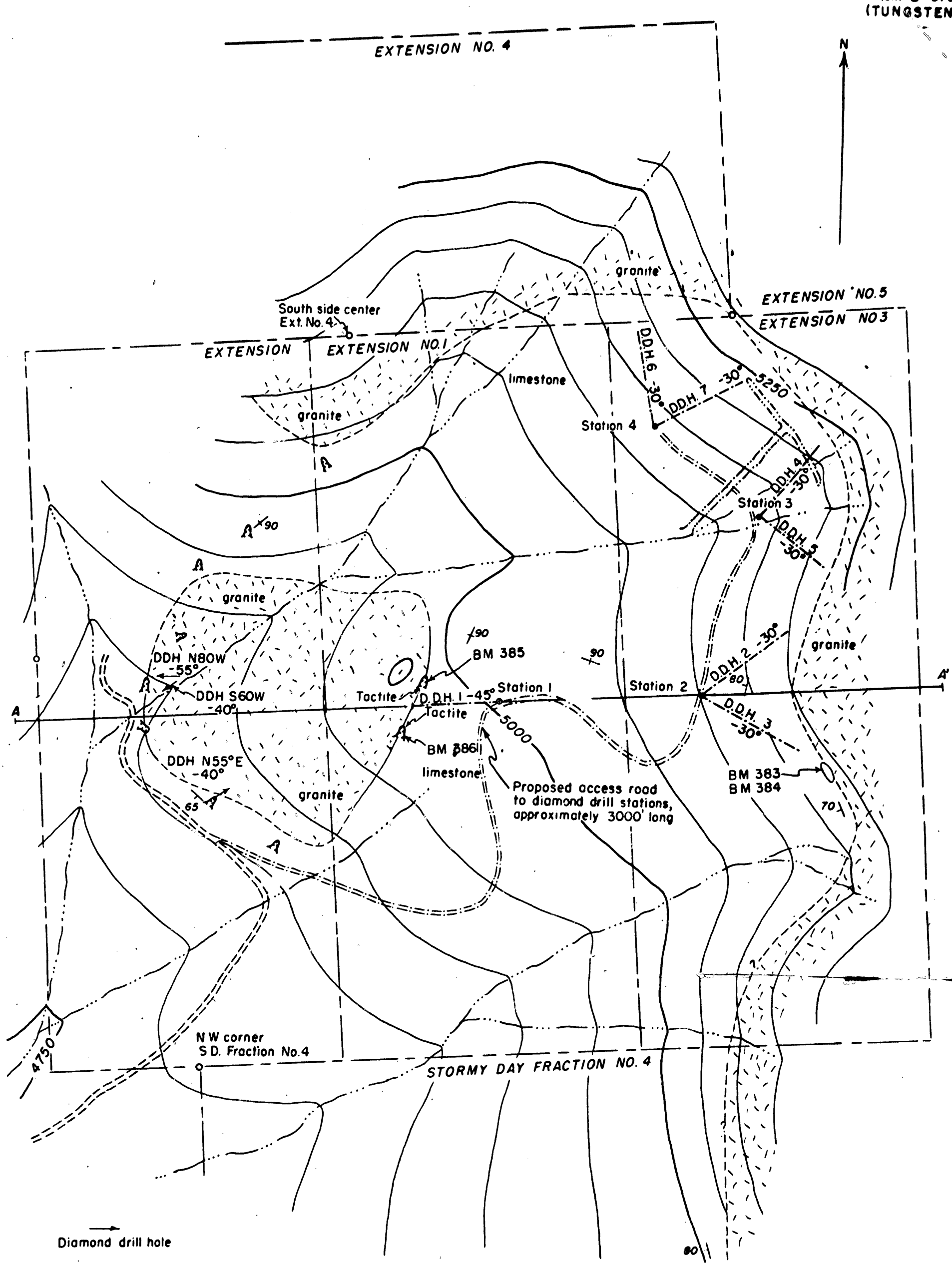
_____ ?, Deceased prior to date.
John J. Thrasher (partner)

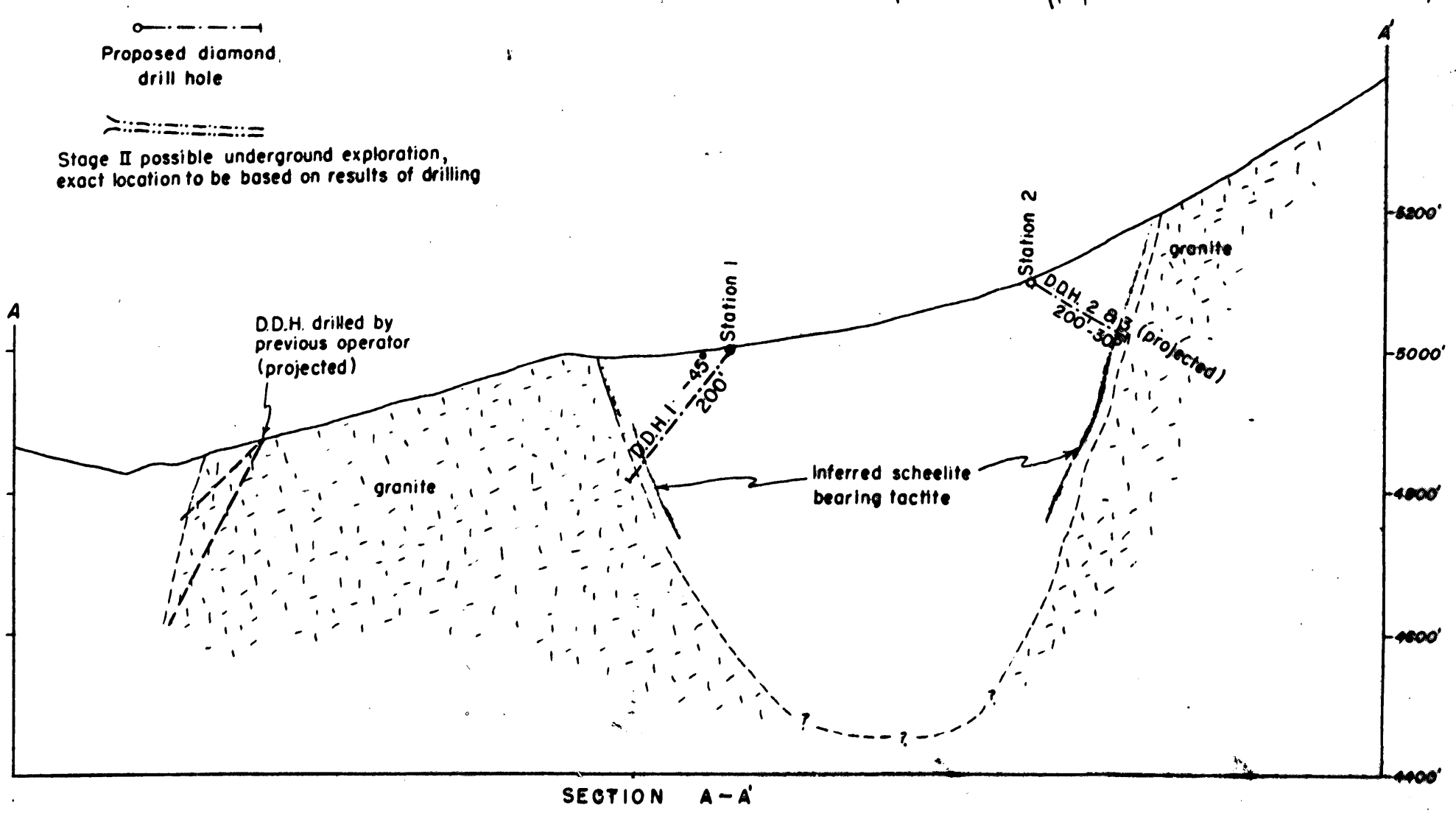
_____
Helen C. Thrasher (partner)

_____
Robert E. Taaffe (partner)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4240
16m E-979
(TUNGSTEN)





SECTION A-A'

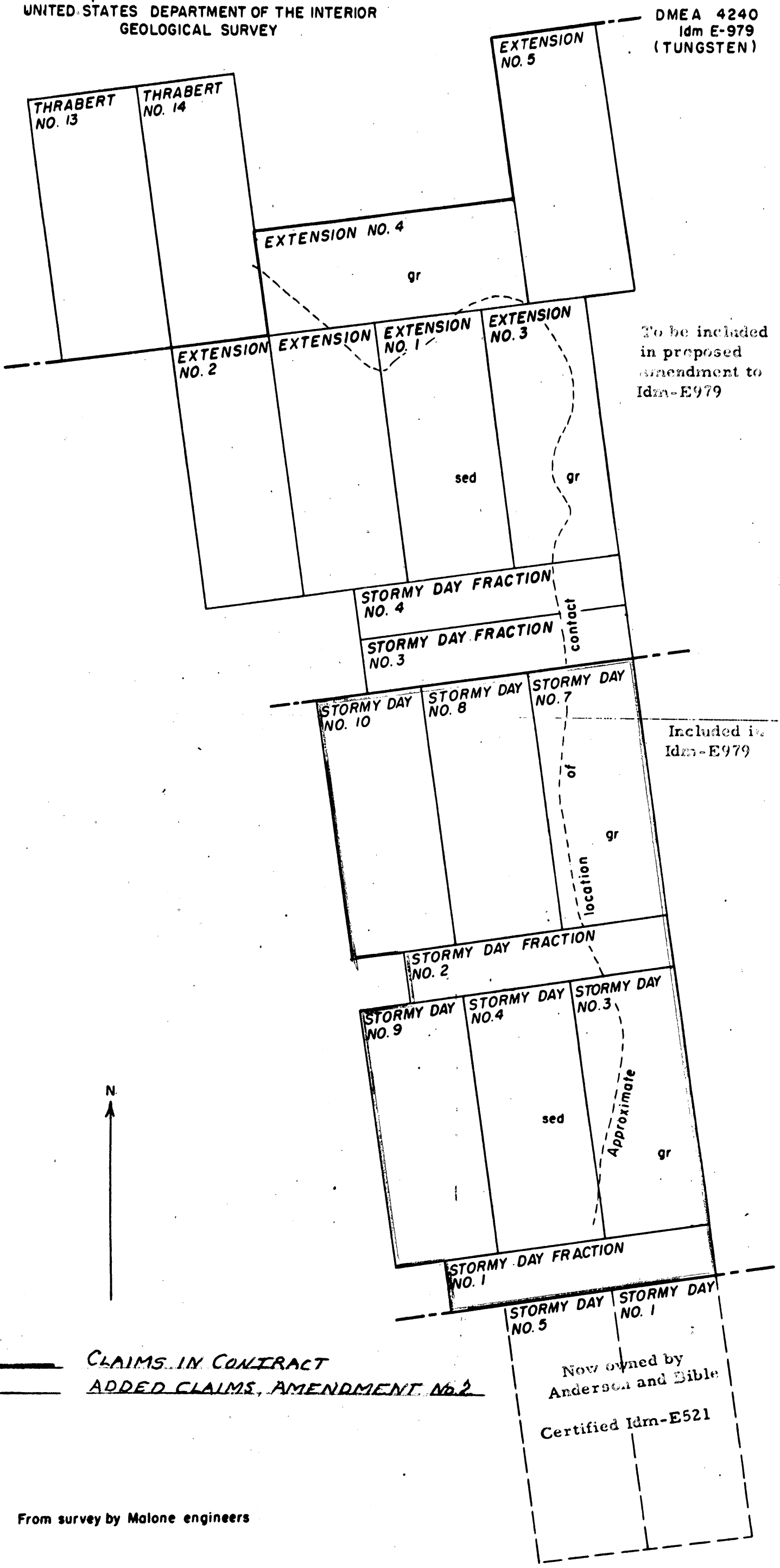
THRASHER MINE, PERSHING COUNTY, NEVADA

0 200 400 600 FEET

Figure 6

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4240
Idm E-979
(TUNGSTEN)



From survey by Malone engineers

Figure 1. SOUTHERN PORTION OF MINING CLAIMS OWNED BY J. J. THRASHER AND R. E. TAAFFE PERSHING COUNTY, NEVADA

0 600 1200 1800 FEET

FIG. 7

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Contra[illegible] No. Idm-E 979

Docket No. 4240

DEPARTMENT OF THE INTERIOR

Approved amendment

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 23, 1956	II	Nevada	Tungsten

Name and Address of Operator: John J. Thrasher, Helen C. Thrasher
Robert E. Taaffe
Gerlach, Nevada

	Reserve	Obligation
Prior Amount	0	$18,090.00
Increase	$24,850.35	0
Decrease	0	0
Revised Amount	$24,850.35	$18,090.00

Remarks:

ALLEN S. DAKAN
(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 2/4/57

98963

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AMENDMENT NO. 1
to
EXPLORATION PROJECT CONTRACT IDM-E979
DATED JULY 23, 1956
DOCKET NO. DMEA-4240
between
THE UNITED STATES OF AMERICA
and
JOHN J. THRASHER, HELEN C. THRASHER, AND ROBERT E. TAAFFE

It is agreed this 15th day of September, 1956 that the contract be amended as follows:

(1) Exhibit "A" - Description of Work (4th line) "driving approximately 650 feet of adit drift" should read "driving and/or crosscutting 650 feet of adit drift".

(2) Exhibit "A" - Fixed Unit Costs (2nd line) "Drifting 650 feet @ $32.50/ft." should read "Drifting and/or crosscutting 650 feet @ $32.50/ft."

This amendment shall not be construed to increase the estimated cost of the project, the aggregate total amount which the Government may be required to contribute, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

John J. Thrasher (Partner)
John J. Thrasher

Helen C. Thrasher (Partner)
Helen C. Thrasher

Robert E. Taaffe (Partner)
Robert E. Taaffe

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OCT 29 1956

AMENDMENT NO. 1

Docket No. DMEA-4240 Mineral Tungsten

Exploration Project Contract Idm-E979

Date of Contract July 23, 1956

Date of Amendment September 15, 1956

Operator John J. Thrasher, Helen C. Thrasher, and Robert E. Taaffe

JUSTIFICATION

Crosscutting at intervals off the drift has been necessary to maintain contact with the ore zone which is at places not on the contact. The contact is however the logical place to drive the drift in order to avoid making too many irregular turns.

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

Contract No. Idm-E 979

Docket No. 4240

DEPARTMENT OF THE INTERIOR **Executed contract**

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 23, 1956	**II**	**Nevada**	**Tungsten**

Name and Address of Operator: **John J. Thrasher, Helen C. Thrasher**
Robert E. Taaffe
Gerlach, Nevada

	Reserve	Obligation
Prior Amount	**$18,090.00**	**0**
Increase	**0**	**$18,090.00**
Decrease	**$18,090.00**	**0**
Revised Amount	**0**	**$18,090.00**

Remarks:

W. N. Chamberlain
(Name)
for **Robert E. Adams, Chief**
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 8/8/56

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Governme[illegible]s Copy

MF-200A
(Rev. April 1956)

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UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4240	Tungsten	979	Pershing	Nevada

It is agreed JUL 23 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John J. Thrasher, Helen C. Thrasher, and Robert E. Taaffe

whose mailing address is Gerlach, Nevada

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before September 1-1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $24,120.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $18,090.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

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

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

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

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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

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

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

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By John J. Thrasher (Partner)
John J. Thrasher

By Helen C. Thrasher
Helen C. Thrasher (Partner)

By Robert E. Taaffe
Robert E. Taaffe (Partner)

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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EXPLORATION PROJECT CONTRACT
JOHN J. THRASHER, ET AL.
DOCKET NO. DMEA-4240

ANNEX I

The land referred to in Article 2 of the Contract is owned by John C. Thrasher, Helen C. Thrasher, and Robert E. Taaffe, and consists of 8 unpatented lode mining claims located in unsurveyed T. 30 N., R. 24 E., (projected), M. D. B. and M., Hooker Mining District, Pershing County, Nevada. The notices of location of the claims are recorded in the official records in the Pershing County Courthouse at Lovelock, Nevada, as follows:

Claim Name	Book No.	Page No.
Stormy Day Fraction 1	15	238
Stormy Day Fraction 2	15	238
Stormy Day No. 3	10	92
Stormy Day No. 4	10	93
Stormy Day No. 7	10	129
Stormy Day No. 8	10	130
Stormy Day No. 9	10	131
Stormy Day No. 10	10	131

The general location of the land is shown on Figure 1, entitled "Location Map, Thrasher Property, Pershing County, Nevada," and the claims are sketched on Figure 2, entitled "Thrasher Mine Property Map, Pershing County, Nevada," both of which are attached hereto and made a part hereof.

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EXPLORATION PROJECT CONTRACT
JOHN J. THRASHER, ET AL.
DOCKET NO. DMEA-4240

EXHIBIT "A"

Description of the Work

The proposed work is shown on Figure 3 entitled "Thrasher Mine, Pershing County, Nevada," attached hereto and made a part hereof, and shall consist of bulldozing an access road approximately 1200 feet long, preparing an adit portal, driving approximately 650 feet of adit drift, and assaying not more than 75 samples for tungsten trioxide (WO_3). The adit drift shall be commenced at or near the point marked "Adit Portal" on Figure 3, and driven in a northeasterly direction, along or near the contact between schist and/or limestone and granite. The adit drift shall be timbered as necessary and shall be not less than 5 feet by 7 feet in cross section in the clear of timber.

Estimated Costs of the Project

Fixed Unit Costs

Bulldozing 110 hours 1/	@ $14.00/hr.	$ 1,540.00	
Drifting 650 feet	@ $32.50/ft.	21,125.00	
Timbering drift, 165 feet	@ $7.00/ft.	1,155.00	
Assaying, 75 samples for WO_3	@ $4.00/sample	300.00	
Estimated Total Cost of the Project			$24,120.00
Government Participation @ 75%			$18,090.00

1/ Bulldozing shall be done with a bulldozer not smaller in size than an RD 8, or equivalent.

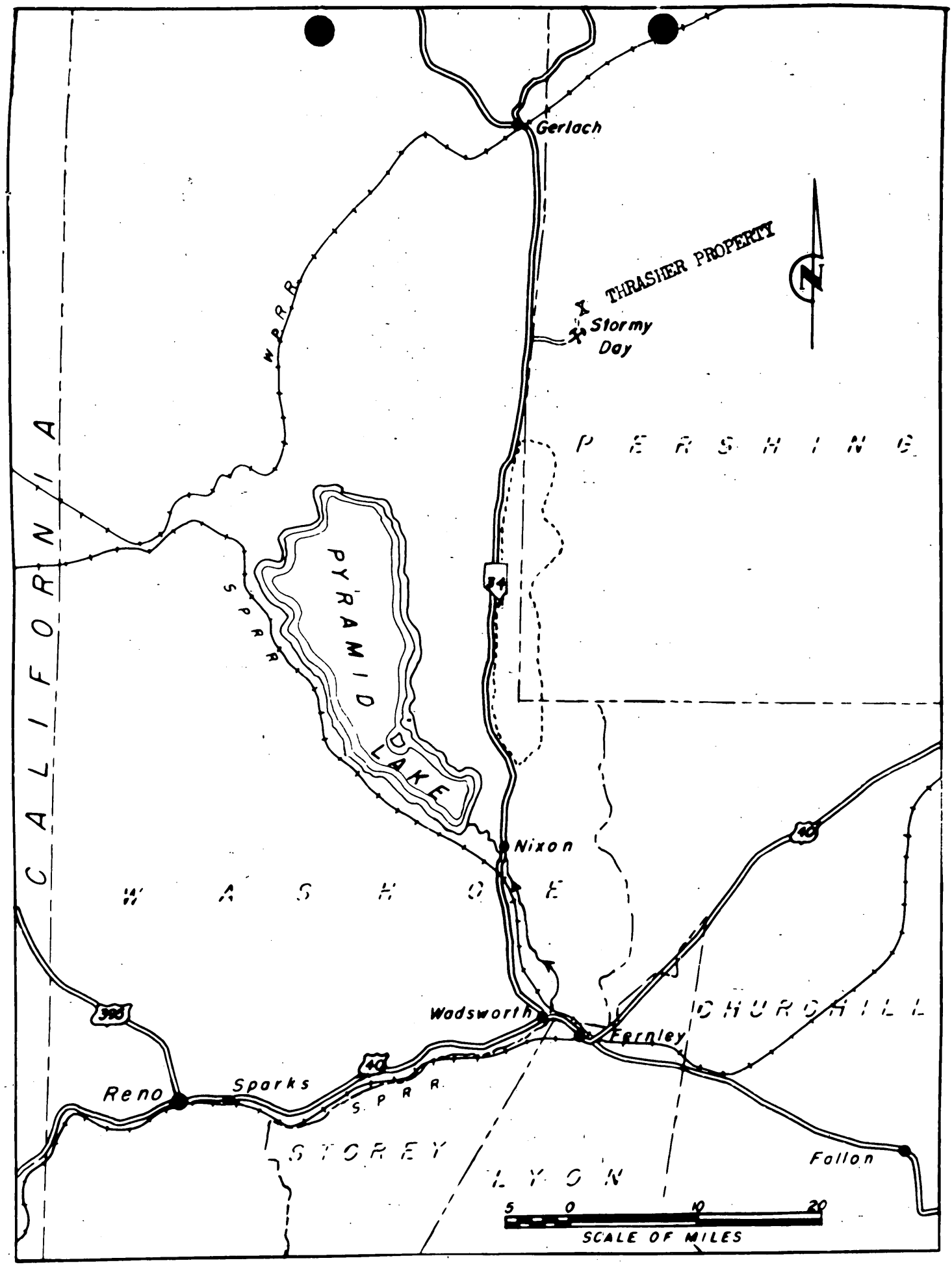

FIG. 1 LOCATION MAP, THRASHER PROPERTY, PERSHING COUNTY, NEVADA

DMEA - 4240

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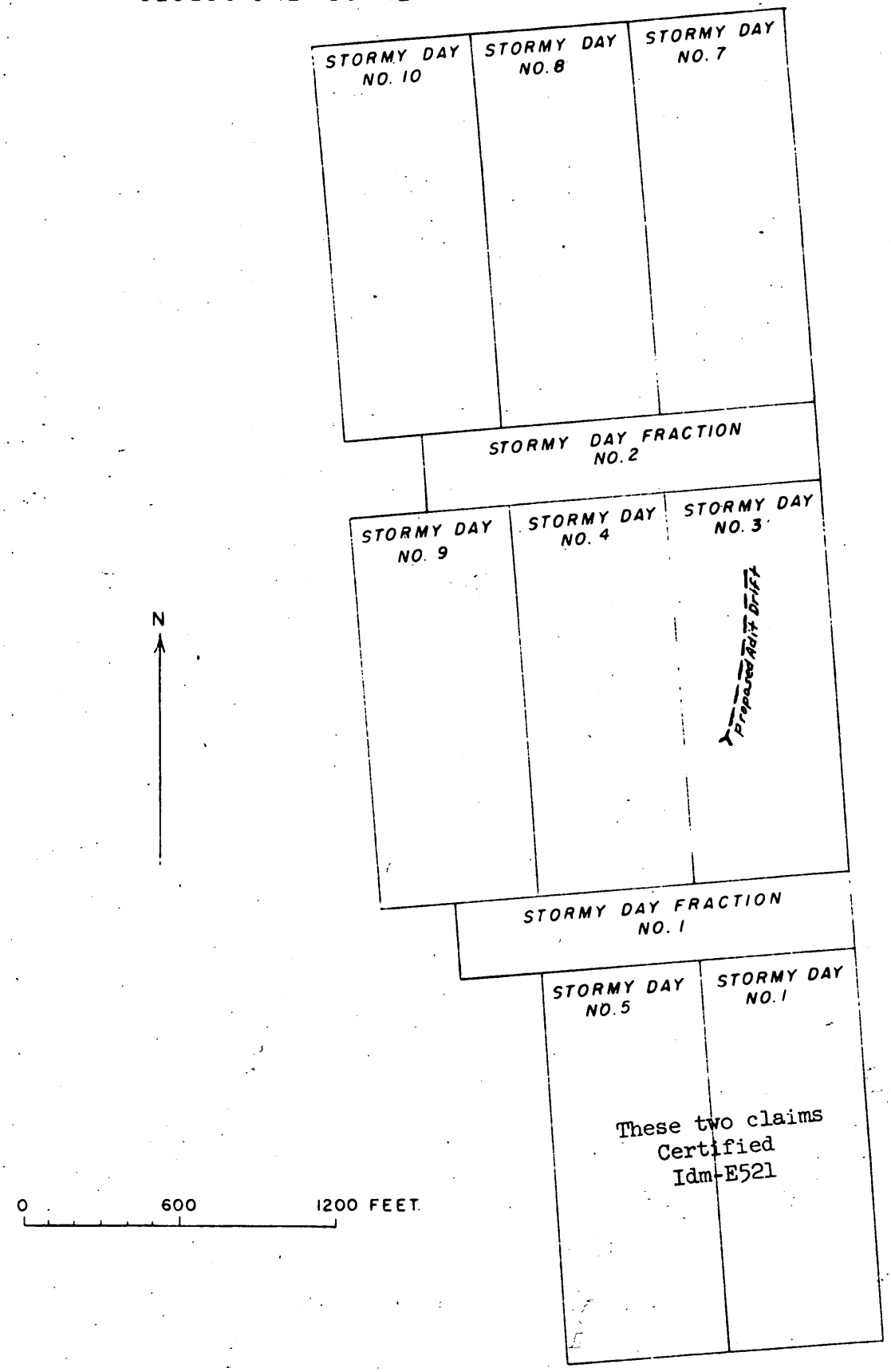
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA 4240
(TUNGSTEN)



THRASHER MINE PROPERTY MAP
PERSHING COUNTY, NEVADA

Figure 2

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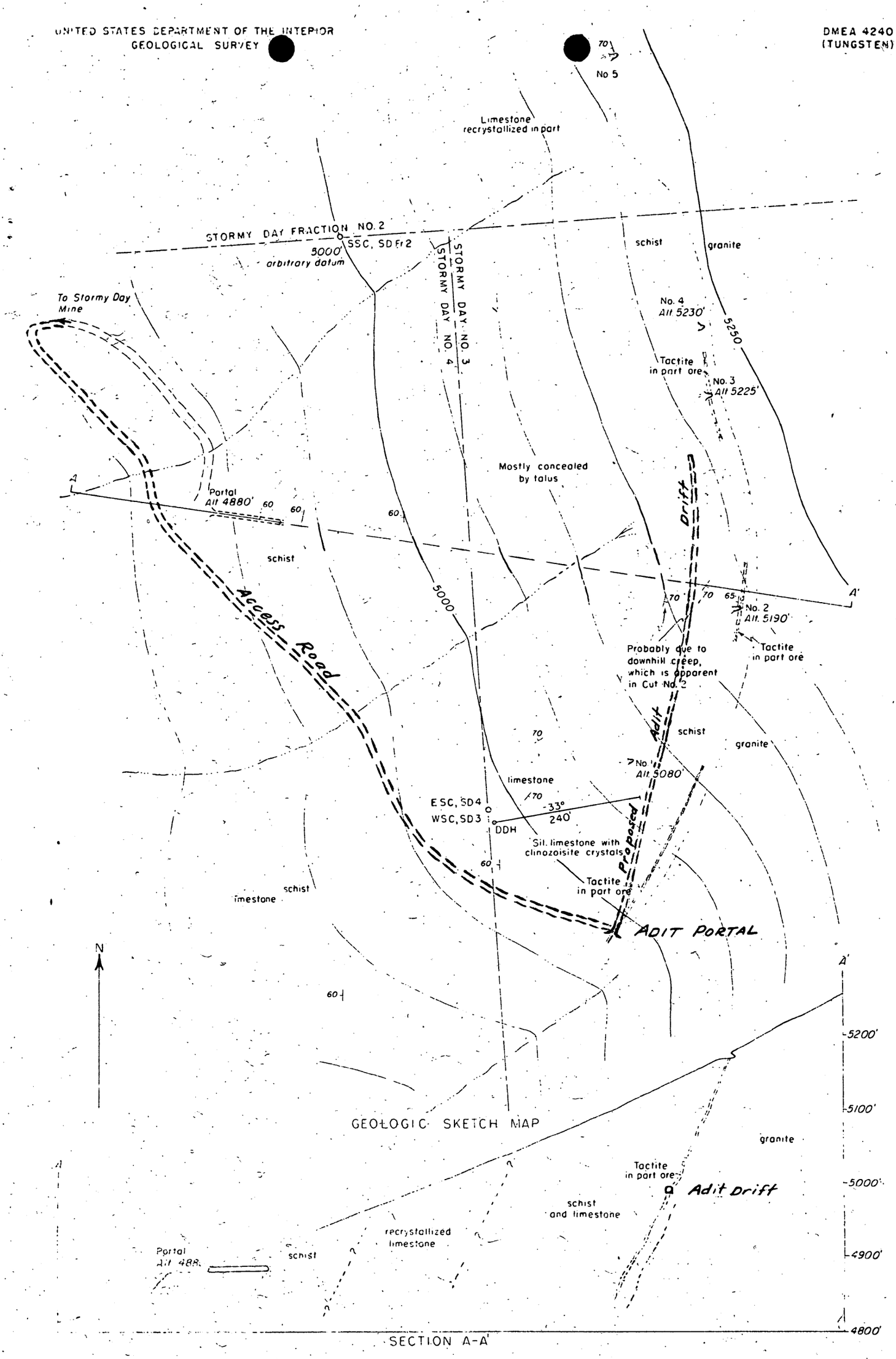

THRASHER MINE, PERSHING COUNTY, NEVADA

0 100 200 300 Feet

Contour interval 50 feet

Figure 3

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Contract No. Idm-E 979

Docket No. 4240

DEPARTMENT OF THE INTERIOR **Approved contract**

DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
July 23, 1956	**II**	**Nevada**	**Tungsten**

Name and Address of Operator: **John J. Thrasher, Helen C. Thrasher**
Robert E. Taaffe
Gerlach, Nevada

	Reserve	Obligation
Prior Amount	0	0
Increase	$18,090.00	0
Decrease	0	0
Revised Amount	$18,090.00	0

Remarks:

(Name)
Robert E. Adams, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 7/24/56

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