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

September 18, 1962

Re: DMEA-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract Idm-E460

Mr. Tom J. Russell

Payson, Arizona

Dear Mr. Russell:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2445
Idm-E460

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 1, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [X] No [ ]
This property was leased on the 11th day of June, 1962.
Enclosed herewith is a copy of the lease.

2. Since March 1, 1960, has there been any production from the land subject to the contract? Yes [ ] No [X]

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

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.
There has been no stockpile.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by: ORD MERCURY MINES,
an Arizona corporation

Name By George M. Hill Title Vice President

Address 512 Arizona Bank Bldg. Date October 8, 1962
Phoenix 3, Arizona

4511

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

OFFICIAL BUSINESS

Office of Minerals Exploration
Washington 25, D. C.

POSTAGE AND FEES PAID
DEPARTMENT OF THE INTERIOR

RETURN
TO
WRITER

20

Adamson
Anderson
To

M. Hart
220

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

August 17, 1962

Re: DMEA-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract Idm-E460

Uranium Enterprises, Inc.
c/o Mr. James Paulos, Agent
7th and Pitkin Streets
Grand Junction, Colorado

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2445
Idm-E460

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

2. Since March 1, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

OFFICIAL BUSINESS

Office of Minerals Exploration
Washington 25, D. C.

SCOTTSDALE
AUG 1
2-PM
1962
ARIZ.

POSTAGE AND FEES PAID
DEPARTMENT OF THE INTERIOR

RETURNED TO WRITER

REASON CHECKED
Unclaimed
Unknown
Insufficient addr
Moved, Left
No su

Not Delivered

REASON FOR NON-DELIVERY CHECKED
MOVED, LEFT
UNCLAIMED
UNKNOWN
NO SUCH NUMBER
ILLEGIBLE
INSUFFICIENT ADDRESS
REFUSED
CARRIERS INITIALS
ROUTE

Mr. Hart
220

20

SCOTTSDALE
AUG 2
5 PM
1962
ARIZ.

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

July 26, 1962

Re: DMEA-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract Idm-E460

Ord Mercury Mines, Inc.
258 South Scottsdale Road
P. O. Box 875
Scottsdale, Arizona

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 31, 1960 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since March 31, 1960 , has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

July 26, 1962

Re: DMEA-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract Idm-E450

Ord Mercury Mines, Inc.
258 South Scottsdale Road
P. O. Box 875
Scottsdale, Arizona

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **March 31, 1960**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since **March 31, 1960**, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

July 26, 1962

Re: [illegible]A-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract Idm-2460

Ord Mercury Mines, Inc.
258 South Scottsdale Road
P. O. Box 673
Scottsdale, Arizona

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 31, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since March 31, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

July 26, 1962

Re: [illegible]-2445 (Mercury)
Ord Mercury Mines, Inc.
Ord Mercury Mine
Gila County, Arizona
Contract I[illegible]-2460

Ord Mercury Mines, Inc.
258 South Scottsdale Road
P. O. Box 675
Scottsdale, Arizona

Gentlemen:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 31, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since March 31, 1960, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 11 1960

DATE	INITIALS	CODE
4-11	gad	770
		110
4/12		800
4/25	glh	500
		225

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

~~WASHINGTON 25, D. C.~~
Building 20 - Federal Center
Denver 25, Colorado

April 8, 1960

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Statement in Lieu of Annual Report of Certified Project.

Enclosed are the original and two copies of the following subject report for the period January 1, 1959 through December 31, 1959:

DMEA Docket 2445
Contract Idm-E460 (Mercury)
Ord Mercury Mines, Inc.
(Ord Mercury mine)
Gila County, Arizona.

J. W. Townsend

J. W. Townsend

Enclosure

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 11 1960
DATE | INITIALS

OFFICE OF MINERALS EXPLORATION

REGION III

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

Reporting Period January 1, 1959 to March 31, 1960

Docket and Contract Number DMEA-2445, Idm-E460 (Mercury)

Operator Ord Mercury Mines, Inc.
(Ord Mercury mine) Gila County, Arizona

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

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

Remarks: Mr. R. T. Beckman, Mining Engineer, U.S.B.M., visited the property March 31, 1960 in connection with a Mercury Survey and obtained the following information from Mr. D. V. Cunningham, watchman.

1. The property has not been active since Cunningham first arrived at the property during May 1955.

2. James Poulos, 7th and Pitkin, Grand Junction, Colo., is the owner's agent.

Signed T M Romslo
T. M. Romslo

Date April 7, 1960

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1, 1958 - December 31, 1958
Docket and Contract Number DMEA 2445, Idm-E460 (Mercury)
Operator Ord Mercury Mines

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

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

Remarks:

No DMEA ore stockpiled.

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE	INITIALS	CODE
4-9	C	220
4/10	EEF	~~110~~
4/10	WSM	800
		400

Original signed by

Signed T. M. Romslo

Date April 2, 1959

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

April 1, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

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

DMEA Docket 2445 (Mercury)
Contract Idm-E 460
Ord Mercury Mines, Inc. (Sunflower Mining District)
Gila County, Arizona

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

E. M. Hazelman

Acting Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:dp

cc: Semiannual Report File E 460
Emerick
DMEA/TUC.
Chron.

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1 to Dec, 31, 1957
Docket and Contract Number	DMEA-2445 - Idm-E460
Operator	Ord Mercury Mines, Inc.

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

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

Remarks:

Findings during my inspection of the property March 20, 1957 are as follows:

1. Roads on the property and mine openings probably have not been used for an extended period of time;

2. Mr. D. V. Cunningham, caretaker and resident of the property from May 1955, reported that subsequent activity has been confined to the removal of all mining equipment and supplies during early 1957.

Signed TMRomslo

T. M. Romslo

Date March 24, 1958

CC W. H. King
DMEA-2445

Cert. file
DF

TMRomslo:frj

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 25 1957
DATE | INITIALS | CODE
7/25 | CMW | 100

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

July 23, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 2445 (Mercury)
Contract Idm-E 460, Ord Mercury Mine (Sunflower Mining District)
Gila County, Arizona

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

W S King
~~XXXXXXXXXXXX~~
Executive Officer, DMEA
Field Team, Region III

Enclosures

MHM/vj
cc: Semiannual Report File E 460
Harshman
DMEA/DFC
DMEA/TUC
Emerick
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 25
DATE | | CO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	1/1/57 - 6/30/57
Docket and Contract Number	DMEA 2445 - Contract Idm-E460
Operator	Ord Mercury Mine

The project has been inactive during the reporting period [ ]

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

Remarks:

Don V. Cunningham, caretaker, reports that Ord has left Arizona.

DMEA
DEPARTMENT OF THE INTERIOR
JUL 19 1957
REGION III
DENVER, COLORADO

Signed W. D. McMillan Date

W. D. McMillan

7/17/57.

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

224 New Customhouse
Denver 2, Colorado

Date: February 28, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 2445 (Mercury)
Contract Idm-E 460, Ord Mercury Mines, Inc. (Sunflower Mining District), Gila County, Arizona

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

E. N. Harshman

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

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

Enclosures
MHM/vj
cc: Semiannual Report File E 460
W. R. Storms
E. N. Harshman
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period	July 1, to December 31, 1956
Docket and Contract Number	DMEA 2445 (Mercury) Idm-E460
Operator	Ord Mercury Mines, Inc.

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

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

Remarks:

The property was inspected on February 2, 1957, and appeared to be inactive over an extended period of time. The watchman, and Mr. Tom Russel, the prior owner, were questioned regarding operations at the mine, and both parties assured me that no development, mining or milling operations were engaged in during the reporting period.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

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

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

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

400

RECEIVED
JAN 30 1956

FINAL DISTRIBUTION
MADE JAN 26 1956

224 New Customhouse
Denver 2, Colorado

January 10, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-2445 (Mercury), Contract Idm-E460, Ord Mercury Mines, Sunflower Mining District, Gila County, Arizona - FINAL PAYMENT

Reference is made to our memorandum of October 20, 1955 whereby we transmitted the final Form MF-104, Operator's Monthly Progress Report and Voucher for the period October-November 10, 1954 and requested that you withhold the entire amount of payment ($354.37) pending release of the Report of Review of contract expenditures by the Contract Administration and Audit Division, DMEA.

We now recommend that final payment to the Operator be made on the following basis which is in conformance with the Report of Review by the Contract Administration and Audit Division, dated November 22, 1955, which was released to this office December 2, 1955. The matter of royalties due has been satisfactorily resolved.

Basis for Final Payment

Total accepted cost	$25,423.43
Government participation at 75 percent	19,067.57
Total prior payments	18,713.20
Recommended Final Payment	$ 354.37

W. M. TRAVER

W. M. Traver

JDC:jy
cc: MF-104 File E460
Sec. Op. Comm. (2)
Storms
Townsend
Chron.

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Iron and Ferro Alloys

Report Period: 1/1/56 to 6/30/56

DMEA No.	Operator	Contract No.
2445	Ord Mercury Mine	460

ORE ESTIMATES

	Tons	Flasks	Analysis
DMEA	8530	426	3.8#/Ton
Operator to date	None		
Total	8530	426	
Production to date	2.526	152	
Ore in ground	6004	274	

INVESTMENT

Type	Size	Feet	Cost
Shafts			
Winzes			
Drifts and Crosscuts	Not Given	43	Not Given
Raises	" "	80	" "
Drilling	Type		
Rehabilitation	Description		

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Prepared by [signature] Date

31398

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

RECEIVED
OCT - 9 1956

224 New Customhouse
Denver 2, Colorado

Date: October 5, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket-2445 (Mercury)
Contract Idm-E 460
Ord Mercury Mines, Inc. (Ord Mine)
Gila County, Arizona

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

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

Enclosures

cc: Semiannual Report File E-460 w/copy report
W. R. Storms " "
E. N. Harshman " "
Chron.

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

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

September 24, 1956

RECEIVED
OCT - 1 1956

Memorandum

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

From : Superintendent, Southwest Experiment Station

Subject : Semi-Annual Report of Certified Project, January 1 - June 30, 1956, Docket DMEA-2445 (Mercury), Contract Idm-E460, Ord Mercury Mines, Inc. (Ord Mine), Gila County, Ariz.

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

Walter R. Storms

Walter R. Storms

CC W. M. Traver (8)
DMEA-2445
Cert. File
DF

WRStorms:frj

Semiannual Report of Certified Projects

RECEIVED
OCT - 9 1956

Reporting Period	Jan. 1 to June 30, 1956
Docket and Contract Number	DMEA-2445, Idm-E460
Operator	Ord Mercury Mines, Inc.
Commodity	Mercury
Mine Name	Ord
County and State	Gila County, Arizona
Date of Contract	Nov. 10, 1952
Date of Certification	April 13, 1956
Expiration Date of Royalty Payments	Nov. 10, 1962
Date of Examination for this Report	Aug. 13, 1956
Total Amount of Contract	$28,000.00
Total Expenditures under Contract	$25,423.43
Amount of Government Participation at 75 %	$19,067.57
Royalty Payments this Period	0.00
Previous Royalty Payments	$2,367.62
Total Royalty Payments to Date	$2,367.62
% Loan Repayment Completed	12.42
Amount of Royalty Due	None
Royalty Remarks	

CC W. M. Traver (Orig. & 8)
W. L. Emerick
DMEA-2445
Cert. file
DF

TMRomslo:frj

Original Estimate of Reserves
(from Final Engr.-Geol. Report): 20,500 tons of 3.4 pounds mercury/ton 917 flasks

Increase of Reserves by work performed subsequent to expiration or termination of contract: None

Revised Estimate of Reserves: _____

Production this Period (Ore or Concentrates)	0.000
Amount of Previous Production (since date of contract)	2,526 tons of 4.57 pounds mercury/ton 152 flasks
Total DMEA Production to date	Same as above
% of Revised Reserves Mined	16.6

Production Remarks:

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

Other Remarks: The corporation maintains a watchman at the property. His duties include dewatering of workings below the main adit at weekly intervals. The watchman told me the property has been inactive since he started work during May 1955.

Signed T M Romslo (Engineer)
T. M. ROMSLO

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

RECEIVED
DEC - 5 1955

224 New Customhouse
Denver 2, Colorado

December 2, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2445 (Mercury), Contract Idm-E460, Ord Mercury Mines, Inc., Gila County, Arizona

Enclosed are the original and three copies of an interim report from William R. Hardwick, Mining Engineer, dated November 19, 1954, and transmittal thereof from the Chief, Mining Methods Branch, Mining Division, Region IV, dated November 22, 1954.

The report recommending termination of the contract and certification as a discovery or development has been held in this office pending resolution of the matter of the Operator's request for additional funds, which was denied by letter from the Administrator, dated September 30, 1955.

The material is belatedly forwarded to you to clear our files and for your consideration regarding the issuance of a certification of discovery or development.

The Operator's final report was requested of the Ord Mercury Mines by our letter of October 6, 1955, but has not been received to date.

E. N. Harshman

E. N. Harshman

Enclosures

2445

ACTION ON TYPED
OR FINAL FIELD TEAM REPORT

Date 12-5

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Dona Jones, Atlanta Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Certification
2. Recommendation
3. Termination
4. Recommended
5. No grade of ore reported

and take appropriate action.

- - - - -

Action taken by Division:

R.P. Smith
17,164.32
12,373.00
1887.06 [illegible]

F.T. has been asked to send report here
WSM 12/16/55

ROBERT F. ADAMS

Initials

Mining Division
Date Rec'd.

NOV 24 1954

BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

TUCSON, ARIZONA

November 22, 1954

Memorandum

RECEIVED
DEC - 5 1954

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

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

Subject : Interim Report, DMEA Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

As requested in John F, Shaw's memorandum ofNovember 19, W. R. Hardwick visited the Ord Mercury mine on November 18 to check contract work as the contract completion date was November 10, 1954. Hardwick found that 26.5 feet of drifting had not been completed by November 10. However, the operator evidently does not intend to complete this footage as the vein in the face of the drift on the 240-foot sublevel was very narrow and contained very little mercury. We recommend that the contract be terminated as of November 10 and that this 26.5 feet of drifting be cancelled.

Under DMEA Exploration Project Contract No. Idm-E460, the operator rehabilitated certain of the upper mine workings and sampled same, repaired several company houses, sank a winze 93 feet to the 300-foot level, then drifted and crosscut for 265 feet on that level beneath a known ore shoot. However, no ore was found on the 300-foot level. The contract then was amended and drifting started on the 240-foot sublevel from the winze. Several good ore-shoots were found on this sublevel and a considerable amount of ore was mined. Up to November 10, 208.5 feet of drifting and crosscutting had been done under terms of the contract on this sublevel. Over 50 flasks of mercury had been produced from ore mined during the contract from the area subordinated under it.

As ore was discovered on the 240-foot sublevel by work done under the terms of the contract, I recommend that a "Certification of Discovery or Development" be issued. No accurate estimate of ore reserves has been made to date, but W. R. Hardwick estimates from 3,000 to 5,000 tons,

Walter R. Storms

Walter R. Storms

CC W. H. King (8)
J. N. Faick
DMEA-2445-contract
DF

WRStorsm:frj

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

TUCSON, ARIZONA

RECEIVED
DEC - 5 1954

November 19, 1954

Memorandum

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

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

Subject : Interim Report Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury mine was visited on November 18, 1954. Tom J. Russell was at the mine. All progress completed under contract Idm-E460 was examined and measured. The status of the contract as of November 10 is as follows:

	Authorized	Expended	Unexpended
Rehabilitation	$2,700.00	$1,540.93	$1,159.07
Repair Houses	800.00	800.00	0.00
Drifting and crosscutting	17,500.00	16,572.50	927.50
Sinking winze	7,000.00	6,510.00	490.00
Total	$28,000.00	$25,423.43	$2,576.57

The actual work completed, in addition to rehabilitation and repairing houses, was 473½ feet of drift and crosscut, and 93 feet of winze.

Calculation of the ore reserves that have been discovered have not yet been completed, however, a small but substantial amount of ore has been discovered. The operator is mining this ore and producing quicksilver. A total of 58 flasks of quicksilver have been produced. Royalty has been paid on 8 flasks. Fifteen flasks were sold in November to Braun Corp. in Los Angeles for a price of $325.00 per flask.

There remains 26.5 feet of drifting and crosscutting that has not been completed. It is believed that the completion of this work will not greatly increase the amount of ore already discovered.

CC W. H. King (Orig. & 8)
DMEA-2445
DF

WRHardwick:frj

On November 18, Tom Russell stated that the Ord Mercury Co. intends to do a considerable amount of additional exploration. As outlined by Russell, this work will be largely diamond drilling and it will be done on claims adjacent to those subordinated under contract Idm-E460. Russell inquired as to whether additional assistance could be obtained through DMEA and he was advised to submit an outline of the work that he proposes to do in the form of a regular application.

Russell stated that it is the intention of the company to have a geologist map the Ord mine and estimate the ore reserves as soon as possible. At the same time the additional exploration work will be outlined. Russell stated that this work should be completed in approximately one month.

It is recommended that the existing contract be terminated as of November 10, 1954 and that a "Certification of Discovery or Development" be issued as a result of the work completed.

William R. Hardwick

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

Hackett

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

RECEIVED
JUL 25 1955

224 New Customhouse
Denver, Colorado

July 21, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA 2445, Contract Idm-E460, ~~Old~~ Mercury Mine, Gila County, Arizona

Enclosed are the original and three copies of an Interim Report by T. M. Romslo, U.S.B.M., and transmittal thereof by W. R. Storms.

Your attention is directed to Mr. Romslo's statement with regard to ownership of the contract.

W. M. Traver

W. M. Traver

Enclosures

DMEA
Date Rec'd
JUL 5 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION
TUCSON, ARIZONA

June 30, 1955

RECEIVED
JUL 25 1955

Memorandum

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

From : Superintendent, Southwest Experiment Station.

Subject : Interim Report, DMEA Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed are original and 8 copies of a short interim memorandum report on the above property by T. M. Romslo of the Bureau of Mines.

On November 10, 1954, exploration work under the original Exploration Project Contract No. Idm-E460 was completed as this was the contract termination date. However, at that time the company requested a recess and extension of time so a geological study could be made for further possible exploration work. DMEA officials then granted an extension until March 31, 1955. On April 1, 1955, the company applied for an amendment to Contract Idm-E460 so a large amount of additional exploratory work could be done.

On June 22 and 23, 1955, T. M. Romslo of the Bureau of Mines and J. N. Faick of the Geological Survey visited the property. They found that the company had been sold to Uranium Enterprises, Inc. and that Tom J. Russell, who supervised work under the original DMEA Contract, no longer was with the company. Evidently the property of Ord Mercury Mines, an Arizona corporation, had been sold to Uranium Enterprises, Inc. Whether this will change the status of the original contract is unknown. Evidently the company name is the same (the Ord Mercury Mines, Inc.), but all company officers are different.

A complete report on the requested amendment to Contract Idm-E460 will be submitted at a later date.

Walter R. Storms

Walter R. Storms

CC - W. M. Traver (8)
J. N. Faick
DMEA-2445
DF (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

RECEIVED
JUL 25 1955
TUCSON, ARIZONA

SOUTHWEST EXPERIMENT STATION
Box 4097
UNIVERSITY STATION

June 30, 1955

Memorandum

To : W. R. Storms

From : T. M. Romslo

Subject : Interim Report, Contract Idm-E460, Docket DMEA 2445, Ord Mercury Mine, Gila County, Ariz.

The following brief review of the status of subject contract summarizes information obtained during a recent field examination of the Ord Mine and adjacent properties and from records at Tucson. The information appears to be in order as no contract work has been performed since November 1954.

The field examination was made on June 22 and 23, 1955, by J. N. Faick, geologist, U.S. Geological, and me in connection with an application for assistance on proposed additional exploratory work. Proposed explorations, costing an estimated $176,500.00, involved various types of work on property covered by subject contract and on adjacent ground. At present, Faick and I agree that much of the proposed work is not warranted, but we have not reached a definite decision as to whether some diamond drilling may be justified.

Jim Paulos, superintendent of the Ord Mine for Uranium Enterprises, Inc., was present during the field investigations and furnished information regarding present ownership and operations since July 1, 1954. On that date Uranium Enterprises, Inc. acquired control of the Ord Mines under an option agreement to purchase 65 percent of the stock. A copy of the agreement was furnished with the application for additional exploration. Operations were continued under the agreement until May 9, 1955, when Uranium Enterprises became full owner of the company by purchasing all stock of the Ord Mercury Mines.

Following completion of contract work on Nov. 10, 1954, the company requested a 4-month extension of the contract in order to have time to prepare an application for additional explorations. DMEA granted the recess by stating that final settlement of project accounts would be postponed to March 31, 1955. The new application was received by DMEA on April 1, 1955 and was the subject of the previously mentioned field examination. It reportedly was prepared by a geologist for Uranium Enterprises, Inc. and was signed by J.E. O'Conner, business manager of that corporation. Transfer of ownership apparently will not require a change in the name and address of

Изъяснение [illegible]
[illegible]

UNITED
DEPARTMENT OF
OFFICE OF MINERA

Address.
Tom V. Russell
Payson, Ariz

U.S. DEPARTMENT OF THE INTERIOR

March 3, 1849

the applicant, the Ord Mercury Mines, an Arizona Corporation, 330 East Camelback Road, Phoenix, Arizona. However, it will necessitate a change in the applicant's property rights and officers. Incidently, Mr. Tom J. Russell, secretary and treasurer, Ord Mercury Mines, Payson, Ariz., is not associated with the present applicant.

Records in the Tucson office show that 8 flasks of mercury was produced by retorting a small amount of high grade ore prior to initiation of Uranium Enterprise's mining and milling operations in August 1954. The records also show that the net value of the 8 flasks was $1,556.24 and that the Government received $77.81 as full royalty payment on the production. According to Jim Paulos, 2,526 tons of ore was mined and milled from August 1954 to March 4, 1955 when all operations, except clean-up of the furnace, were terminated. The total production of 11,251 pounds of mercury included recoveries during clean-up operations that ended in May 1955. Tucson records show that Uranium Enterprises made total royalty payments of $2,330.82 on 148 flasks of mercury having a net value of $46,616.49. This net value is before a possible reduction of $0.54 for warehouse charge on flask numbers 16217 - 16219, inclusive and additional income from the sale of flasks 16293 to 16306. The weight of mercury sold (148 flasks @ 76 lbs. 1 oz. each, less 2.25 lbs. shortage in flask 16220) was 11,255 pounds or 4.0 pounds more than the recorded production. A shortage of less than 0.5 ounce in each flask could account for the excess. Thus, all reported mercury appears to have been sold and the Government has received royalty payments on all production except that noted above.

On January 19, 1955, the Final Engineering Report on subject contract was sent to W. M. Traver, Executive Officer, DMEA Field Team, Region III.

T. M. Romslo
Mining Engineer

CC - W. M. Traver (orig. & 8)
J. N. Faick
DMEA-2445
DF

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

~~October 20, 1955~~

Hardwick seems to believe a decision was made
WM
10/26/55

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2445, (Mercury), Contract Idm-E460, Ord Mercury Mines, Sunflower Mining District, Gila County, Arizona - Operator's Monthly Progress Report for the period October-November 10, 1954

Enclosed are the following:

(a) Two copies of Form MF-104
(b) One copy of the Inspecting Engineer's Report, dated November 19, 1954
(c) One copy of the Supervising Engineer's memorandum transmitting the Monthly Progress Report to the Executive Officer, DMEA Field Team, Region IV, dated November 19, 1954
(d) One copy of Form MF-104A
(e) One copy of the Operator's Narrative Report

One copy each of the last four items were forwarded to you in our memorandum of December 30, 1954.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 7, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2445, (Mercury) Contract, Idm-E460, Ord Mercury Mines, Sunflower Mining District, Gila County, Arizona - Operator's Monthly Progress Report, for the period October-November 10, 1954.

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

Work has been accomplished as authorized in the contract and Government participation is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deduction.

Withhold the entire amount pending receipt of the Operator's Final Engineering and Geologic Report, and release of the Final On-Site Audit Report or Report of Review by the Contract Administration and Audit Division, DMEA.

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E460
Sec. Op. Comm. (2)
Storms
Townsend
Chron.

RECEIVED
OCT 24 1955

November 19, 1955

Memorandum

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

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

Subject : October-November 30, 1955 Progress Report, DMA Contract [illegible], Section [illegible] Mercury Mine, Beatliner Mining Districts, Elko County, Nev.

Enclosed in quintuplicate are the following:

(1) Report of Agnew engineer's report;

(2) Operator's narrative report;

(3) Forms [illegible] and [illegible].

Also enclosed are 6 extra copies of our engineer's report.

All work is within the terms of the contract and its amendments. However, as the contract has expired on November 30, 1954, I recommend that this final payment not be made until the operator's final report is received.

Walter R. Storms

Walter R. Storms

cc: L. H. King (3)
DMA-2303
[illegible]

WRStorms:[illegible]

RECEIVED
OCT 2 4 1955

November 19, 1954

Memorandum

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

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

Subject : Progress Report for Period October 1 to November 10, 1954, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on November 18, 1954. Tom J. Russell was at the mine and assisted in measuring the progress. Thirteen and a half feet of drift were completed during the period. The time limit on this contract expired on November 10, 1954, and the operator has not asked for an extension, therefore, this is the last voucher to be submitted.

The status of the contract is as follows:

	Authorized	Completed	Uncompleted
Rehabilitation	$2,700.00	$1,540.93	$1,159.07
Drift & Crosscut	17,500.00	16,572.50	927.50
Winze	7,000.00	6,510.00	490.00
Repair houses	800.00	800.00	0.00
Total	$28,000.00	$25,423.43	$2,576.57

During the period covered by this report, 13½ feet of drifting was completed. This footage is included in the above table. The 13½ feet are in accordance with the terms of the contract and are approved. The total footage completed under the contract is as follows:

Winze	93 feet
Drift on 300-foot level	225 "
Crosscut on 300-foot level	40 "
Drift on 240-foot level	174½ "
Crosscut on 240-foot level	34 "

The 13½ feet that were completed in October discovered no ore. The alteration and leaching of the schist appears to be decreasing.

CC W. H. King (orig. & 8)
DMEA-2445
DF

WRHardwick:frj

Information is not yet available to complete an estimate of the extent of the discovery, but it is believed that from 3,000 to 5,000 tons of ore has been discovered.

The Operator is mining the ore and producing quicksilver. A total of 58 flasks have been produced. Royalty was paid on the returns of 8 flasks. Fifteen flasks were just recently sold to Braun Corp. in Los Angeles, and 35 flasks are in storage.

According to the Tucson Records, the operator has not been paid for the Government's agreed part of the work that was completed in August and September. The total amount now due the operator is as follows:

Due for	August	$577.50
" "	September	288.75
" "	Oct. 1-Nov.10	354.38
Total due		$1,220.63

As the contract is now completed it is recommended that no further payment be made until the operator has presented a final report and the contract has been audited.

William R. Hardwick

William R. Hardwick, Mining Engineer

Mining Methods Branch
Mining Division, Region IV

RECEIVED
OCT 24 1955

ORD MERCURY MINES

Payson, Arizona

NARRATIVE REPORT

MONTH OF: October, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460

During October we advanced the west drift on the sub-level 13½ feet, bringing our total to 399½ feet of drifting, 74 feet of crosscut and 93 feet of winze.

Beside this work we have done 80 feet of raises, 43 feet of drifting and other work that does not go on the contract.

We will send in a final report as soon as possible on the total project as our time was up on the 10th of November.

Respectfully

ORD MERCURY MINES

Tom J Russell

Secr'y-Treas.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
OCT 24 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Bulldozing						
Crosscutting		2590.00	2590.00			
Drifting	472.50	13510.00	13982.50			
Shaft		6510.00	6510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs		800.00	800.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	472.50	24,950.93	25,423.45			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov 13, 1954 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

$ No payment

Signature RKO
(Authorized Certifying Officer)

Date 10/14/55 Vou. No. —
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA 46 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 11/19/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Lacey Title Executive Officer Date OCT 7 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
OCT 24 1955

Month of Oct 1954 Docket No. DMEA 2445 Contract No. Idm-2460
Operator's Name ORO MERCURY MINES Minerals Mercury
Address Payson, Arizona

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	ft	472.50	13½	13,932.50	399½	35.00		
Crosscutting				2,590.00	74	35.00		
Raising								
Shafts								
Winzes				6,510.00	93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1,540.93				
TOTAL DISTRIBUTED COSTS		472.50		24,623.43				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				800.00				
New Buildings, Improvements, etc.								
				4				
TOTAL COSTS		472.50		25,623.43				

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 Nov. 13, 1954 Operator ORO MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

December 15, 1954

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2445 (Mercury), Ord Mercury Mines, Inc., Contract Idm-E460, Gila County, Arizona

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

W. H. King

Encls.

MF-104
Sept

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

224 New Customhouse
Denver 2, Colorado

November 22, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report, for the period September 1954.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations. This portion of the contract work is on a unit cost basis.

Remarks:

Date of Report	October 15, 1954
Date Received in Field Office	October 26, 1954
Date Received in Region Office	November 8, 1954

Held in Region Office pending completion of winding up operations.

John F. Shaw
for W. H. King

Enclosures

RDB:dm
cc: Sec. to Oper. Comm. (2)
WRStorms
Subject
Chron

November 5, 1954

Memorandum

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

From : Lincoln A. Stewart, Mining Engineer, for W. R. Stearns, Chief, Mining Methods Br., Mining Div., Region IV

Subject : September 1954 Progress Report, Contract Idm-8460, Docket DMEA-2445, Grd Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

Also enclosed are 4 extra copies of our engineer's report.

The drifting reported for September is in accordance with the terms of the contract and amendments.

It is noted that the operator has not been paid the Government's share of the August work, which, with the September work, amounts to $866.25. Some additional unreported drifting has been done in October and a little more may be done in November, but the operator states no extension of time will be asked. Therefore, the contract expires November 10.

It is recommended that some part of this payment be withheld pending submission of the operator's final report and completion of the necessary audit.

Lincoln A Stewart

Lincoln A. Stewart, Mining Engineer
for Walter R. Stearns, Chief
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (8)
DMEA-2445
DF

LAStewart:frj

November 5, 1954

Memorandum

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

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

Subject : Progress Report for September 1954, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Operator's voucher for September was received in Tucson on October 26, 1954, and the mine was visited on November 3, 1954. Tom J. Russell, Secretary-treasurer of the company was at the mine and assisted in measuring the progress.

The total drifting and crosscutting on the 240 level was found to be 258.6 feet. Russell reports that 11 feet of drifting was completed in September.

Russell stated that the 30-ton Foster furnace was operated intermittently during September on low-grade dump ore and some mercury was produced. The total reported production is eight flasks of mercury on which royalty of $77.81 has been paid.

The drifting during September exposed some low-grade mercury ore. Several thousand tons of mercury ore have been discovered below the adit level.

The 11 feet of drift that the operator reported for September was in accordance with the provisions of amendment 4 to the contract and is approved. The total cost of this work was $385.00 and the Government's agreed part of this cost is 75 percent or $288.75.

According to the Tucson records the Operator has not yet been paid for the Government's agreed part of the cost of the 22 feet of drifting that was completed in August, 1954. The total amount now due the operator is as follows:

CC W. H. King (Orig. & 8)
DMEA-2445
DF

WRHardwick:frj

Due for August	$577.50
Due for September	288.75
Total	$866.25

The time limit of this contract will end on November 10, 1954. Russell indicated on November 3, 1954 that no further extension will be requested. Therefore, it is recommended that the usual amount be withheld until a final report has been received and the accounts of the project have been audited.

William R. Hardwick

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

ORD MERCURY MINES

Payson, Arizona

NARRATIVE REPORT

Month of: Sept., 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During the month of September we have advanced the sub-level drift only 11 feet.

We have driven a raise up to the 50 ft. level, 128 feet from the winze. This raise went up in good grade ore.

We also started a raise 40 ft from the winze and ha ve put in some sill timbers and chutes under both raises.

The face of the drift is showing some mineralization in the form of meta cinnibar. We are advancing same at present.

Respectfully

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Form [illegible]-104 (Rev. [illegible]il 1952)

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

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

Month of Sept., 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting		2,590.00	2,590.00			
Drifting	385.00	13,125.00	13,510.00			
Shaft		6,510.00	6,510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs		800.00	800.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	385.00	24,[illegible]	24,950.93			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct 15, 54 *Payee ORD MERCURY MINES
Per Tom J Russell Title Secr'y-Treas.

*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:
$ 288.75
Signature [illegible]
(Authorized Certifying Officer)
Date 12/9/54 Vou. No. 2[illegible]55-38
(See other side)

Sept 1954

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IdmE A60 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 11/5/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: WRB by [illegible] R.D.B.

Signature [illegible] W. H. KING Title Executive Officer Date NOV 22 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

F[illegible]IF-104A
([illegible]pril 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept 195 4 Docket No. DMEA 2445 Contract No. Idm-2460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	Ft	385.00	11	13,510.00	386	35.00		
Crosscutting				2,590.00	74	35.00		
Raising								
Shafts				6,510.00	93	70.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1,540.93				
TOTAL DISTRIBUTED COSTS		385.00		24,150.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				600.00				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		385.00		24,550.93				

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. 15, 56 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'ty-Treas.

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)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

DEPARTMENT OF THE INTERIOR
Central Records Administration
RECEIVED
DEC - 6 1954

224 New Customhouse
Denver 2, Colorado

December 1, 1954

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-1460, Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the month of August, 1954

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

W. H. KING

W. H. King

Enclosures

Copy to: W. F. Storms, w/copy of report

sub
chron

Id

MF-104
Aug

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

224 New Customhouse
Denver 2, Colorado

November 2, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the month of August 1954.

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

Work has been completed as authorized under State III at an agreed unit cost. Therefore we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of operator's report	Sept. 15, 1954
Date report received in B.O.M. Branch office	Sept. 17, 1954
Date report received in Regional office	Sept. 20, 1954

Report deferred from processing pending execution of amendment No. 5, which is now in affect.

W. H. King

Enclosures

JWT:dm
cc: Subject
Secretary to Oper. Comm. (2)
WRStorms
Chron

September 17, 1954

Memorandum

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

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

Subject : August 1954 Progress Report, DMEA Contract Idm-E460
Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

Also enclosed are 4 extra copies of our engineer's report.

All work is in accordance with terms of the contract and its amendments. However, as this contract expired on September 10, I recommend that the Government's share of these August costs be withheld until the final audit has been made and the final report has been submitted by the operator, unless the operator requests a time extension. The operator has requested an amendment to the contract to do additional work, but has not asked for extension of the contract expiration time although this extension would have to be granted if the amendment for additional work were approved.

Walter R. Storms

Walter R. Storms

CC W. H. King (8)
DMEA-2445
DF

WRStorms:frj

September 17, 1954

Memorandum

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

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

Subject : Progress Report for August 1954, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury mine was visited on September 2, 1954. Tom J. Russell, secretary-treasurer of the company was at the mine and assisted in measuring the progress for August.

On September 2, when the mine was visited, the operator had completed 22 feet of progress in the west 240 level drift. This advanced the face of the drift to a point 209 feet from the winze. This advance is in accordance with the provisions of the contract and is approved.

In addition to drifting on the 240-foot level, the operator has started a raise on ore approximately 50 feet east of the face of the drift. This raise was up 15 feet and showed good ore in the back.

During the last two weeks of August, the operator has produced approximately 15 tons of ore per day which was treated in a 30-ton Foster furnace. Several flasks of mercury were produced. Eight flasks of mercury were produced from test runs during February and March and $77.61 in royalty on this production was paid in August by the operator.

This contract provides for Government participation in the costs of the project to the extent of 75 percent. The total agreed estimated cost of the 22 feet of drift was completed in August was $770.00 and the Government's agreed part was $577.50.

CC W. H. King (Orig. & 3)
DMEA-2445
DF

WRHardwick:frj

The effective period of this contract ended on September 10, 1954. Russell has asked for an amendment to do additional work. If the operator's request for additional work is approved and the time extended, it is recommended that the operator be paid. However, if no extension is granted, it is recommended that the amount now due the operator be withheld until the contract has been audited and a final report has been presented by the operator.

William R. Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: August, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-3460

During the month of August we have advanced the sublevel drift for 22 feet. The heading is in mineralized material and the drift has passed through three ore shoots between the winze and the heading. We are at present driving a raise on one of the chowings. This raise is in good ore. We are continuing the heading west.

Respectfully,

ORD MERCURY MINES.

Tom J. Frances

Secr'ty-Treas.

Aug 54

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Contract Commission
RECEIVED
DEC 6 1954

Month of August, 1954 Docket No. DMEA 2445 Contract No. KCn-7460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 26,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting		2590.00	2590.00			
Drifting	770.00	12355.00	13125.00			
Shaft		6510.00	6510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Grease		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs		800.00	800.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.00	15.00			
Liability Insurance		70.00	70.00			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	770.00	23795.93	24,565.93	770.00	23795.93	24,565.93

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

Date Nov. 15, 1954 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secy.-Treas.

*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:

$ 577.50

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 11-3-54 Vou. No. DMA-55-31
(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 F 46 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 9/17/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H King Title Executive Officer Date NOV 2 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC - 6 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name ORD MERCURY MINES Minerals Mercury
Address Payson, Arizona

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	Ft	770.00	222	13125.00	375	35.00		
Crosscutting				2590.00	74	35.00		
Raising								
Shafts								
Winzes				6510.00	93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		770.00		23765.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				800.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		770.00		24565.93				

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 Sep. 15, 1954 Operator ORD MERCURY MINES

Per Tom J. Ramsey Title Secr'y-Treas.

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)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

September 10, 1954

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona.

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

W. H. King

Enclosures

MF-104

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

224 New Customhouse
Denver 2, Colorado

September 7, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period, July 1954.

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

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 75 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	Aug. 17, 1954
Date Received in Field Office	Aug. 30, 1954
Date Received in Region Office	Sept. 2, 1954

W. H. King

Enclosures

RDB:mb

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

August 31, 1954

Memorandum

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

From : Lincoln A. Stewart for Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Ariz.

Subject : July 1954 Progress Report DMEA Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

1. Bureau of Mines engineer's report;
2. Operator's narrative report;
3. Forms MF-104 and MF-104a.

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

The monthly progress was checked on August 17 but the operator's reports did not arrive until August 30.

As all work is in accordance with the terms of the contract and its amendments, it is recommended that the Government's share of the July costs be paid.

Lincoln A Stewart

Lincoln A. Stewart, Mining Engineer
for Walter R. Sterns, Chief
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (7)
DMEA-2445
DF

LAStewart:frj

August 30, 1954

Memorandum

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

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

Subject : Progress Report for July 1954, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on August 17, 1954. Tom J. Russell, secretary treasurer of the company, was at the mine. Robert J. Sundwall, a newly employed mine foreman, was in charge of the mine and assisted in measuring the progress for July.

On August 17, when the mine was visited, the operator had completed 83 feet of progress in addition to that which had previously been reported. This progress consisted of advancing the 240-foot level west drift for a distance of 49 feet, and driving a crosscut southward from a point 30 feet west of the winze on the same level, for a distance of 34 feet. This advance is in accordance with the provisions of the contract and is approved.

The drift discovered low-grade mercury ore to a point approximately 140 feet west of the winze. Beyond this point no mercury minerals were visible. Although the crosscut was driven approximately under a large stope on the 150-foot level, no mercury minerals were visible. The attached sketch shows the progress on the 240-foot level and the check assays that have been taken.

In addition to the drift and crosscut, the operator has requested payment for the item "Repairs to company owned houses - $800.00" which is a part of Stage II. A part of this item was completed in September of 1953 and T. J. Russell asked to present the item in two parts, but he was told that since the item is set up as a single unit he probably would be allowed to present it only once. The repairs are now complete.

CC W. H. King (Orig. & 7)
DMEA-2445
DF

WRHardwick:frj

Russell stated that a large interest in the operation had been sold to Vance Thornburg and associated interests who will provide additional capital to place the mine in operation but that no immediate change in organization is contemplated.

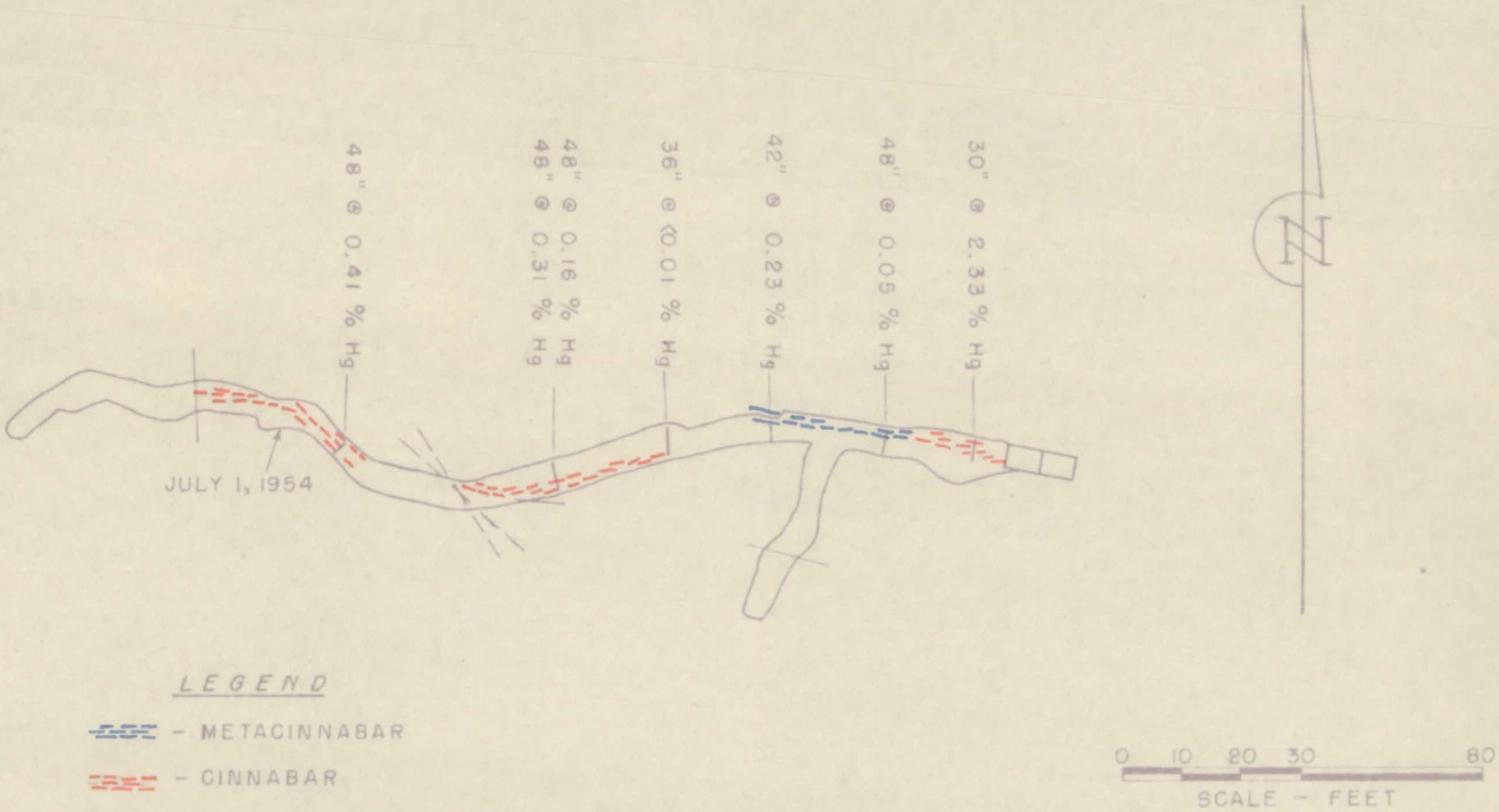
Robert J. Sundwall, Mine foreman, stated that the company will have a geologist on the job in a very short time and that all openings will be mapped and sampled and an estimate of the ore reserves will be possible. Several samples have been taken by the DMEA inspecting engineer. These samples indicate that the ore will be spotty in grade. However, it is believed that a substantial production of mercury may be possible.

On August 17, Russell was starting the fire in the 30-ton Foster furnace and he expects to be in steady production from now on. The only production so far has been eight flasks of mercury that were produced by retorting a small amount of ore in a test run. No Royalty has been paid on this production which was sold to a California buyer. The gross return was reported to be $1,582.00. Russell was asked to make royalty payments on this production and stated that he would do so.

This contract provides for Government participation in the costs of the project to the extent of 75 percent. The total agreed estimated cost of the 93 feet of drift and crosscut is $2,905.00. The "repair company buses "was set up as a single item at $800.00. The total cost of the work completed in July was $3,705.00 and the Government's agreed part was $2,778.75. It is recommended that the operator be paid this amount as provided by the contract.

William R. Hardwick

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



JULY 1954

DMEA 2445

PLAN - 240 LEVEL ORD MERCURY MINE

GILA COUNTY, ARIZONA

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: July, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During the month of July we crosscut south to the footwall of the mineralization 34 feet and advanced the west drift 49 feet.

We have also repaired the houses in the camp and have expended some $2,500.00 on same. The repairs consist of tin, and paper for roofing, screens, nails, wall board for ceilings and other rehabilation repairs and have entered $800.00 on our report for same.

We have also repaired the mill completely and are conditioning the mine for production of ore.

We have made this work possible by the sale of some of our personal stock in the Ord Mercury Mines to Vance Thornburg and associated interests, of 330 East Camel Back, Phoenix Arizona. All officers of the corporation remain the same as before. Also the corporate structure remains the same.

Respectfully,

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

July 15

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
SEP 13 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $28,000.00 Government Participation: 75 % Amount, $21,000.00

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						
Crosscutting	1190.00	1400.00	2590.00			
Drifting	1715.00	10640.00	12355.00			
Shaft		6510.00	6510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs	800.00		800.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	3705.00	20090.93	23795.93	3705.00	20090.93	23795.93

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

Date Aug. 17, 54 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

$2778.75

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 9-8-54 Vou. No. DMA-55-18

(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. dmEA60 in accordance with the terms of the contract.

Signature William P. Hazelwood Title Mining Engineer Date 8/31/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: WPS by LBS R.S.B.

Signature W. H. King Title Executive Officer Date SEP 7 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

RECEIVED
SEP 13 1954

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

Month of July 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	ft	1715.00	49	12355.00	353	35.00		
Crosscutting	ft	1190.00	34	2590.00	74	35.00		
Raising								
Shafts								
Winzes				6510.00	93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		2905.00		22995.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		800.00		800.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		3705.00		23,795.93				

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 August 17, 1954 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

August 4, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona.

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

W H King
W. H. King

Enclosures

MF-104
June '54

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

224 New Customhouse
Denver 2, Colorado

July 26, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the month of June 1954.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

This portion of the contract is on a unit cost basis of $35.00 per foot of advance.

Remarks:

Date of Report	July 3, 1954.
Date Received in Field Office	July 12, 1954.
Date Received in Region Office	July 26, 1954.

Delay in Field Office due to work load of inspecting engineer.

W. H. King

Enclosures

RDB:cwm

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

Memorandum July 22, 1954

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

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

Subject : June 1954 Progress Report, DMEA Contract Ida-5460, Docket DMEA-2445, Grd Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

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

The operator's report was received in the Tucson office on July 12, but because of other DMEA work, W. R. Hardwick, the Bureau's engineer, was not able to submit his report until today.

As all work is in accordance with terms of the contract and its amendments, I recommend that the Government's share of the June costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (7)
DMEA-2445
MF

WRStorms:frj

July 22, 1954

Memorandum

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

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

Subject : Progress Report for June 1954, Docket DMEA-2445, Contract Idm-2460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury mine was visited on July 6, 1954, the progress was measured, and two check samples were cut. Tom J. Russell was at the mine and assisted in measuring the progress.

On July 6, 1954, the 240-level drift had been advanced westward a total distance of 132 feet for a net gain of 74 feet. The operator states that 60 feet of this work was completed in June, and has presented a voucher requesting payment of the Government's agreed part of the cost. The Government's agreed part is 75 percent of an agreed estimated cost of $36.00 per foot of drift. The total cost of the 60 feet was $2,415.00 and the Government's part is $1,811.25. It is recommended that the operator be paid.

At 95 feet west of the winze the 240 drift cut a fault. Turning northward along the fault, the drift followed it for about 20 feet where a continuation of the ore stringer was found and followed on the west side of the fault. The two samples cut were both taken for a width of 36 inches and contained 0.31 percent and 0.41 percent mercury.

Russell now believes thathe has discovered enough ore to justify starting his large (30 ton) furnace and is preparing to do so.

William R. Hardwick

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

CC W. H. King (Orig. & 7)
DMEA-2445
DF

WRHardwick:frj

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: June, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMA 2445
Contract No. Idm-9460
Mineral: Mercury

During June we have advanced the sub-level 69 feet. The heading is in ore wider than the drift. The ore is increasing in size and value as we continue along the north wall of the mineralization and is following approximately the same pattern as in the level above. We are continuing the drift west.

We have four men re-conditioning the mill and expect to start milling ore from the old workings, combined with ore from the drifting as soon as we can.

Respectfully

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

June 1954

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting		1400.00	1400.00			
Drifting	2415.00	8225.00	10640.00			
Shaft		6510.00	6510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	2415.00	17675.93	20,090.93			

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

Date July 3rd, 54 *Payee ORD MERCURY MINES

Per Tom J. Runnels Title Secr'y-Treas.

*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:

$ 1811.25

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 7-30-54 Vou. No. DMA-55-10

(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. 1 fm E-460 in accordance with the terms of the contract.

Signature William R Hardwick Title Mining Engineer Date 7/22/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature John F. Shaw for W. R. King Title Executive Officer Date JUL 26 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 4 Docket No. DMEA 2445 Contract No. Idm-P460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	Ft	2415.00	69	10,640.00	304	35.00		
Crosscutting				1,400.00	40	35.00		
Raising								
Shafts								
Winzes				6,510.00	93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1,540.93				
TOTAL DISTRIBUTED COSTS		2415.00		20,090.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2415.00		20,090.93				

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 3rd, 1954 Operator ORD MERCURY MINES

Per Tom J. Rumsey Title Secr'y-Treas.

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)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Color ado

July 14, 1954

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona.

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

W. H. King

Enclosures

May MF-104

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

JUL 19 1954

Administrative Audit Difference Statement

Date: July 0, 1954
Payee's
Reference: Progress Report
Mar. 1954

Ord Mercury Mines
Payson Arizona
Idm - E 460

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

75% of $350.00 unt Claimed $ 262.50

Difference * $ 500.00

Amount Approved $ 862.50

The reason for the difference was due to:

* Reinstatement of $500.00 withhold from payment on March, 1954 Progress Report.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

July 8, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445 (Mercury), Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the month of May 1954.

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

Work has been completed as authorized under Stage III at an agreed unit cost. Therefore we recommend that payment be made for 75 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

In addition and in reference to our memorandum of April 6, 1954, please reinstate the amount of $300.00 we instructed you to withhold from reimbursement to the Operator on repayment of his claim for the month of March 1954.

Remarks:

Date of Operator's report	June 10, 1954.
Date report received in Field Office	June 22, 1954.
Date report received in Regional Office	July 6, 1954.

W. H. King

Enclosures

JWT:cwm

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

June 30, 1954

Memorandum

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

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

Subject : May 1954 Progress Report, DMEA Contract Idm-2460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report;

(3) Forms MF-194 and MF-104A.

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

As all work is in accordance with the contract and its amendments, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (7)
DMEA-2445
DF

WRStorms:frj

June 30, 1954

Memorandum

To : Walter R. Storms, Chief, Mining Methods Branch, Mining Division, Region IV, Tucson, Ariz.

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

Subject : Progress Report for May 1954, Docket DMEA-2445, Contract Idu-2460, Ord Mercury Mines, Gila County, Ariz.

The voucher for the May work under contract Idu-2460 was received in the Tucson office of the U. S. Bureau of Mines on June 15. It was not correctly prepared, so was returned to the operator on June 17, 1954. At that time the mine was visited by John H. Faich, geologist, U. S. Geological Survey, and the undersigned engineer, and the progress was measured.

Tom J. Russell was not at the mine, but a crew was at work extending the drift westward on the 240 level. On June 17, the 240 level west drift had reached a point 95 feet west of the winze for a net gain of 47 feet since the amendment which provides for drifting on the 240 level was approved. The operator reports that 10 feet of this drifting was completed in May.

At 95 feet west of the winze, the drift cut a strong fault that strikes N. 60° W. and is vertical. A small stringer of cinnabar starts at a point 65 feet west of the winze and continues to the fault. Two samples were taken, one at a distance of 60 feet and one at 80 feet from the winze. The samples from this level are as follows:

Sample No.	Distance west of winze	Percent mercury
13008	6 ft.	2.33
13007	20 ft.	0.05
13008	40 ft.	0.28
13025	60 ft.	0.01
13026	80 ft.	0.16

CC W. H. King (Orig. & 7)
DMEA-2445
DF

WRHardwick:frj

Six flasks of mercury have been produced and sold. The records at the Tucson office of the U. S. Bureau of Mines show no royalty payments.

The 10 feet of drift that the operator reported for May was in accordance with the provisions of amendment No. 4 to the contract and is approved. The total cost of this work was $350.00 and the Government's agreed part of this cost was 75 percent, or $262.50. In addition, there is due the operator $300.00 which was withheld pending approval of amendment No. 4. Since additional work has been authorized and completed this can now be paid.

William R Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: May, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During this period, after confirmation of the changes in our Contract, we advanced the sub-level drift 10 feet west. We were delayed a few days in getting our crew together after the lay-off.

This work is going ahead very well at present and we anticipate good results during the month of June.

Sincerely

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

May 1954

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

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

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

Month of May, 1954 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting		1470.00	1470.00			
Drifting	350.00	7875.00	8225.00			
Shaft		6510.00	6510.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase		90.00	90.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.90	15.90			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	350.00	17325.93	17675.93	350.00	17325.93	17675.93

I certify that the above bill is correct and just and that payment therefor has not been received.
Date June 10, 54 *Payee ORD MERCURY MINES
Per Tom J. Russell Title Secr'y-Treas.

*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:

$562.50

Signature [illegible]
(Authorized Certifying Officer)

Date 7/9/54 Voucher No. DMA 55-4
(See other side)

* Reinstatement of $800 withheld from March report

(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. 7dmE460 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 6/30/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. Kung Title Executive Officer Date JUL 8 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 195 4 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	ft	350.00	10	8225.00	235	35.00		
Crosscutting				1400.00	40			
Raising								
Shafts								
Winzes				6510.00	93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		350.00		17675.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		350.00		17675.93				

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 10, 1954 Operator ORD MERCURY MINES

Per Tom J Russell Title Secr'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

April 12, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

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

W. H. King

W. H. King

Enclosures

mf-104
March
1954

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

Administrative Audit Difference Statement

Date: April 8, 1951
Payee's
Reference: Progress Report
March, 1951

Ord Mercury Mine
Payson,
Arizona
IDM-E460

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

75% of the	Amount Claimed	1,170.00
	Difference	$ 300.00
	Amount Approved	$ 1,170.00

The reason for the difference was due to:

$300 is being withheld pending authorization of additional work or receipt of Operator's Final Report.

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

Very sincerely yours,

N.E.Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

April 6, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-2460 (Mercury), Ord Mercury Mine, Gila County, Arizona - Operator's Monthly Progress Report for the period March 1954

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

This portion of the contract is on a unit cost basis and does not require documentation.

An amount of $300.00 of the payment due the Operator is to be withheld pending authorization and performance of additional work or receipt of the Operator's final report.

Remarks:

Date of Report.....March 29, 1954
Date Received in Field Office.....March 30, 1954
Date Received in Region Office.... April 5, 1954

W. H. King
R. H. King

Enclosures

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

April 1, 1954

Memorandum

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

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

Subject : March 1954 Progress Report, Contract Idm-6460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

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

All work is in accordance with the terms of the contract. However, as this may be the last work done under the contract, I recommend that the customary amount be withheld until the operator's final report is received or until further work is done under terms of the contract.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
MF

WRStorms:frj

April 1, 1954

Memorandum

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

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

Subject : Progress Report for March 1954, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on March 22 to 25, 1954, by John N. Faick, geologist, U. S. Geological Survey, and the undersigned. The progress was measured and the geology mapped. The findings were discussed with Tom J. Russell, Secretary-Treasurer of the company.

After drifting westward on the 240 sublevel for a distance of 48 feet, the operator returned to the 300-foot level and advanced the drift west for a distance of 56 feet. The drift winds and twists in an attempt to follow the bleached, or favorable beds in the schist. In the face, this drift cut a very strong flat fault which makes water.

No ore was found. The schist has the same characteristics as that above which carries ore minerals. Three samples were taken at the most favorable location on the 300-foot level. No cinnabar, only small amounts of metacinnabar, have been found on this level. The operator thinks now that it is possible that the ore bottoms out somewhere between the 240-foot level and the 300-foot level. He will submit a request for an amendment to check this possibility.

From the 48-foot drift on the 240-foot level, approximately 100 tons of ore was mined and 9 tons of high-grade lump hand-sorted and retorted. From this 9 tons of ore, 6 flasks of mercury was recovered and sold. The remaining stock pile of ore was grab sampled and this sample ran 0.28 percent mercury, or approximately 6 pounds of mercury per ton. Weighting this with the 9 tons of high-grade ore, an average grade of approximately 10 pounds of

CC W. H. King (Orig. & 6)
DMEA-2445
DF

WRStorms:frj

mercury per ton of ore is indicated for the 100 tons of ore mined. An estimate of probable ore reserves will be included with an interim report to accompany the operator's request for an amendment.

The operator has submitted forms MF-104 and MF-104A requesting reimbursement for the Government's agreed part of the costs of the 56 feet of drifting that were completed in March. This drifting was in accordance with the terms of the contract and is approved. The agreed unit cost of drifting is $35.00 per foot. The cost of 56 feet was $1,960.00. The contract provides for Government participation to the extent of 75 percent of the cost or $1,470.00.

In all probability no more work will be done on this contract unless the operator's request for an amendment is approved. Therefore, it is recommended that the customary amount be withheld to assure a final report by the operator, and that the operator be paid any balance due him.

William R. Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: March, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During March we have advanced the drift west 56 feet. This work has been in altered and faulted material all the way and has encountered considerable water near the face of the drift. This condition will call for heavy timbering for further advancement of this drift.

Respectfully,

ORD MERCURY MINES

Tom J. Russell
Secr'y-Treas.

March 1954

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

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

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

Month of March, 1954 Docket No. DMEA 2445 Contract No. Idm-DA60
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $30,000.00 Government Participation: 75 % Amount, $21,000.00

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						
Bulldozing			1400			
Crosscutting		~~1470.00~~	~~1470.00~~		1470.00	1470.00
Drifting	1960.00	~~5015.00~~	7075.00			
Shaft		~~6650.00~~	~~6650.00~~ 6510		6650.00	6650.00
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Greases & Fuel		113.04	113.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.09	15.09			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
			17325.93			
TOTALS	1960.00	~~15575.93~~	~~17535.93~~	1960.00	15575.93	17,535.93
					- 210.00	- 210.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date March 29/54 Payee ORD MERCURY MINES
Per Tom J. Russell Title Secr'y-Treas.

*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)

* Previous Disallowance

* Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
1960.00 15,365.93 17,325.93
$1170.00

Signature (Authorized Certifying Officer)
Date 4/8/54 Voucher 54-104
(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 460 in accordance with the terms of the contract.

Signature William R Hardinge Title Mining Engineer Date 4/1/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W H King Title Executive Officer Date APR 6 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1954 Docket No. DMEA 2445 Contract No. Idm-E460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Ariz ona

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	Ft	1960.00	56	7875.00	225	35.00		
Crosscutting	Ft	[illegible]		~~1470.00~~ 1400	~~42~~40	35.00		
Raising								
Shafts								
Winzes				~~6650.00~~ 6510	~~95~~93	70.00		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		1960.00		17,~~535~~325.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1960.00		17,~~535~~325.93				

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 March 29/54 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

March 25, 1954

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

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

John F. Shaw
For W. H. King

Enclosures

MF-104
Jan + Feb

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

Received
MAR 29 1954

Administrative Audit Difference Statement

Date: March 29, 1954
Payee's Reference: Progress Report
January & February, 1954

Grd Mercury Mines
Dayton Arizona
Mr-3140

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

Amount Claimed $ 2,030.00

Difference $ 70.00

Amount Approved $ 1,960.00

The reason for the difference was due to:

Contract provides for 10 feet of crosscutting at $35.00 per foot. This report shows two feet in excess of contract or $70.00 which is disallowed.

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

March 18, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period January - February 1954.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Contract provides for only 40 feet of crosscutting, the total reported to date being 42 feet. Therefore, a disallowance of 2 feet of crosscut at the approved unit cost of $35.00 per foot - $70.00 - is to be made.

Remarks:

Date of Report	March 3, 1954.
Date Received in Field Office	March 8, 1954.
Date Received in Region Office	March 17, 1954.

W. H. King

W. H. King

Enclosures

RDB:cwm

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

March 15, 1954

Memorandum

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

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

Subject : January-February 1954 Progress Report, Contract Idm-2460, Docket DMEA-3445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

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

Also enclosed are 2 extra copies of our engineers report.

The operator has reported 28 feet of drifting and 30 feet of crosscutting. However, this 30 feet of crosscutting, plus 12 feet driven in December, brings the total to 42 feet, some 2 feet over the 40 feet allowed by the contract. Therefore, I recommend that only 28 feet of drifting, and 28 feet of crosscutting be approved, instead of 30 feet. This is 56 feet of drifting and crosscutting at $35 per foot for a total of $1,960, or the Government's share of $1,470.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-3445
DF

WRStorms:frj

March 15, 1954

Memorandum

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

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

Subject : Progress Report for January and February 1954, Docket DMEA-2445, Contract Ida-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on March 2, 1954. Tom J. Russell, Secretary-Treasurer of the company, was present and assisted in measuring the progress.

This property was last visited on January 12, 1954. At that time the operator was starting a drift 60 feet above the 300 level on the west side of the winze. In December, the west drift on the 300 level had encountered heavy, badly broken ground which the operator could not correlate with respect to known ore bodies. He believed that the drifting in the ore 60 feet above the 300 level would give some information as to the most favorable direction to drift on the 300 level. During January 1954, this sub-level drift was driven 46 feet westward at no expense to the Government.

At the start, this sub-level drift was in high-grade cinnabar ore. As the drift progressed westward, the cinnabar became less, and metacinnabar increased until at 40 feet, no cinnabar was observed. Samples were taken across the drift in this metacinnabar-bearing area.

All material from the sub-level drift was stockpiled, and from this material approximately nine tons of high-grade lump ore was hand-picked and retorted. From the nine tons of ore, six flasks of mercury were recovered. The remainder of the stockpile was sampled. When the black metacinnabar ore was retorted, an unusual deep red sublimate formed. Some of this sublimate, together with some of the metacinnabar, has been collected for analysis by the U. S. Bureau of Mines laboratory.

Only the 46 feet of drifting on the sub-level 60 feet above the 300-feet level was completed in January at company expense. In February, the operator drove the 18-feet crosscut on the 300 level,

CC W. H. King (Orig. & 6)
DMEA-2445
DF

WRHardwick:frj

that had been started in December southward an additional 30 feet to what he considered the footwall schist and quartz. The Operator then advanced the west drift to the south and west for a distance of 28 feet.

The contract allows only 40 feet of crosscuts in stage II. The completion of 30 feet during February brings the cumulative total to 42 feet, therefore only 28 feet of the reported 30 feet of crosscut are in accordance with the terms of the contract. The 28 feet of drift that was completed during February is in accordance with the contract. This drift winds and twists, but the ground is badly broken and it follows the most favorable trend of the schist beds.

The operator has presented a narrative report, map, and Forms MF-104 and MF-104A requesting payment for 58 feet of crosscut and drift. However, as has been pointed out above, 2 feet of the crosscut are in excess of the provisions of the contract. Therefore, it is recommended that the Government participate in the costs for 28 feet of crosscut and 28 feet of drift.

The total cost of 56 feet of drift and crosscut is $1,960.00. The Government's agreed part of this cost is 75 percent or $1,470.00. It is recommended that the operator be paid this amount.

William R. Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: February, 1954
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During February we have advanced the drift in the lower level 28 feet south and west. Also finished the crosscut south to the footwall schist and quartz. This was advanced 30 feet. The west drift should encounter the footwall at this point where we plan to turn this to a south 80 degree west bearing until we encounter the main mercury vein that is in the 50' level of the adit winze.

We have also made six flasks of mercury in testing the ore taken from the sublevel we started last month. This ore was 9 ton selected from 46 feet of drift driven west at a point 60 feet from the bottom of the shaft. The balance of this rock was stockpiled for use in the furnace.

Sincerely

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Feb 1954

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

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

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

Month of February, 1954 Docket No. DMEA 2445 Contract No. Idm-B460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Bulldozing						
Crosscutting	1050.00	420.00	1470.00	980.00	420.00	1400.00
Drifting	980.00	4935.00	5915.00			
Shaft		6650.00	6650.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	2030.00	13,545.93	15,575.93	1960.00	13,545.93	15,505.93
					110.00	110.00

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

Date Mar. 3rd, 54 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secty-Treas.

*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:

1960.00 13,405.93 15,365.93
$1470.00

Signature
(Authorized Certifying Officer)

Date 3/24/54 Vou. No. DMA 54-95

(See other side)

*Previous Disallowances

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Un E460 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 3/15/54

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

Signature W H Ring Title Executive Officer Date MAR 19 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1954 Docket No. DMEA 2445 Contract No. Idm-E460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Arizona

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	ft	980.00	28	5915.00	169	35.00		
Crosscutting	ft	1050.00	30	1470.00	42	35.00		
Raising								
Shafts								
Winzes				6650.00	95			
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		2030.00		15,575.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2030.00		15,575.93				

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 Mar. 3rd, 54 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

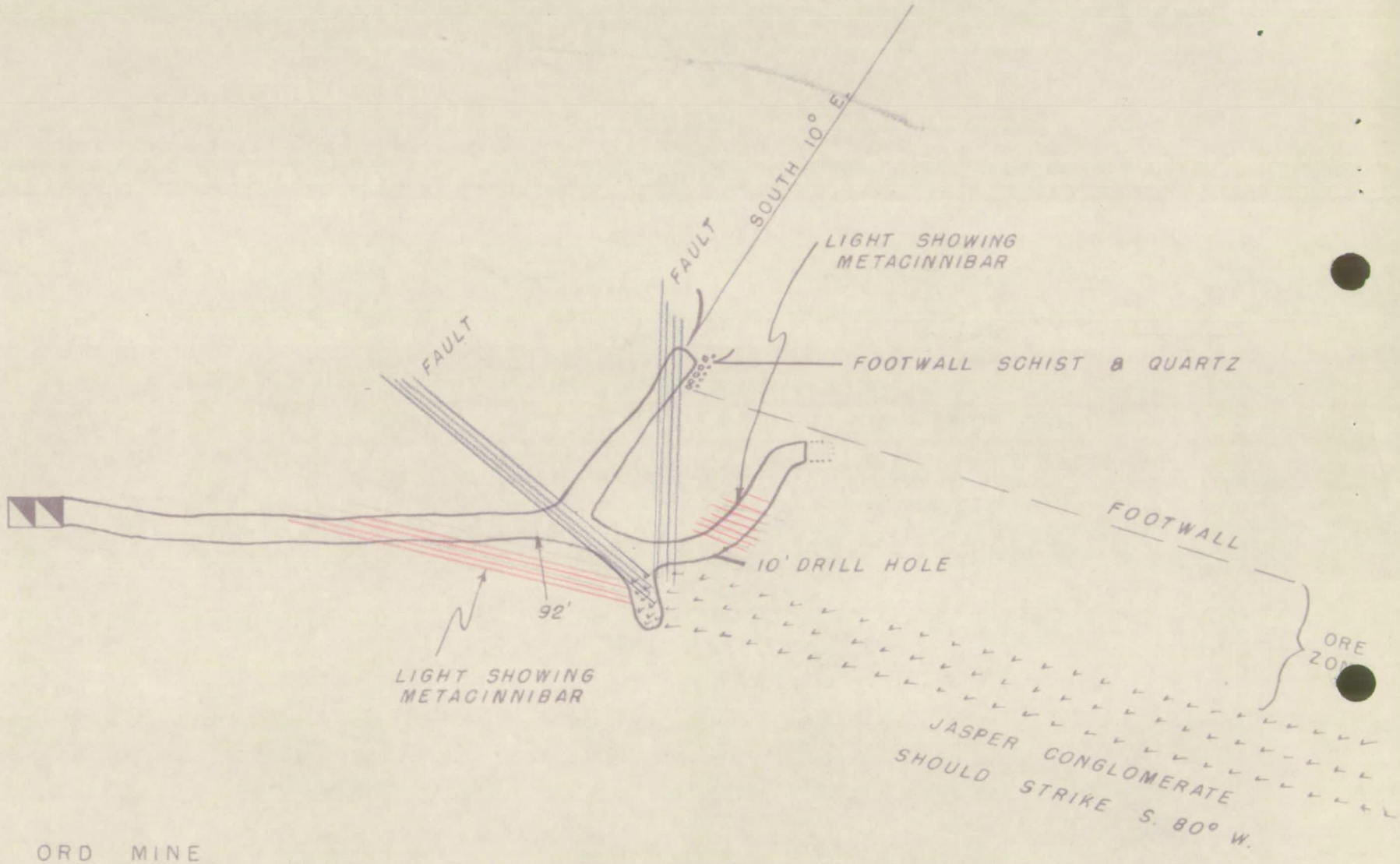
INSTRUCTIONS

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

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

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

GPO 83-38475



ORD MINE
LOWER LEVEL

MARCH 1, 1954

TOM RUSSELL

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

224 New Customhouse
Denver 2, Colorado

January 29, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

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

W. H. King

Enclosures

Dec 1953

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

224 New Customhouse
Denver 2, Colorado

January 25, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona-Operator's Monthly Progress Report, for the period December, 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Stage II work of this contract is on a unit foot basis which provides for payment of $35.00 per foot for drifting and cross-cutting.

Remarks:

Date of Report---------- January 13, 1954
Date Received in Field Office--- January 15, 1954
Date Received in Region Office---- January 20, 1954

W. H. King

Enclosures

RDB:es

cc: Contract
Sec. to the Oper. Comm. (2)
Chron.
Storms

January 18, 1953

Memorandum

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

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

Subject : December 1953 Progress Report, Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report with map;

(2) Operator's narrative report;

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

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

January 18, 1954

Memorandum

To : Walter M. Storms, Chief, Mining Methods Br., Mining Division, Region IV, Tucson, Ariz.

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

Subject : Progress Report for December 1953, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury mine was visited on January 12, 1954. Tom J. Russell, Secretary-Treasurer of the company, was present and assisted in measuring the progress.

The west drift of the 300-foot level had been advanced two rounds when a heavy fault was encountered. Tom Russell reported that at this point he was unable to hold the ground with timber and approximately 18 feet of drift was lost.

Starting at a point 104 feet west from the bottom of the winze, the drift on the 300-foot level was driven S. 63° W. to avoid the heavy ground. This drift was driven west 18 feet when a drill hole in the face made water. While this face drained, the operator drove a 12-foot crosscut south from a point 94 feet west of the bottom of the winze. This crosscut discovered a small stringer of metacinnabar.

No ore was discovered during the month. The operator started a drift out of the winze at the point where the ore bottomed. This point is about 40 feet below the 200-foot level. Mr. Russell stated that he intended to drive west on the ore and mine enough ore to operate the small retort which he has repaired. Most of the 13,362 tons of indicated ore that have been discovered are above this level. Russell expects to mill one ton per day.

Mr. Russell stated that he intends to get a diamond drill and drill a prospect hole both to the north and to the south on the 300-foot level and attempt to locate the ore. He stated that he would do very little drifting on the 300-foot level in January.

CC W. M. King (orig. & 6)
DMEA-2445
MF

WRHardwick:frj

The 18 feet of drift and the 12 feet of crosscut that were completed in December are in accordance with the terms of the contract which provides for Government participation to the amount of 75 percent of an agreed estimated cost of $35.00 per foot. The total cost for the month was $1,050.00 and the Government's part is $787.50. It is recommended that the operator be paid this amount.

William R. Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: December, 1953
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460

During December we completed only 18 feet of drift and 12 dt of crosscut. Due to encountering a heavy fault in the north drift running 325 degrees, we were forced to turn 18 feet from the face on a line of 243 degrees to stay in the altered mineral zone. At 18 feet in this drift a ten foot hole in the face showed faulted material with considerable water. While this was draining we stepped back 26 feet and started to crosscut south across the altered section containing some meta cinnibar mineralization. Carrying this crosscut 12 feet. We are still in the same material. Have also replaced 35 feet of timber in the drift and set 7 new sets of timber.

We have started a sublevel 40 feet below the 200 level in the winze. This tunnel is in 12 feet and has very good ore (estimate 2%) over about 1/3 of the heading. This ore is getting wider each round. We will probably start producing some mercury from our small closed retort the last of this month, while going ahead with the other work.

Sincerely,

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Dec '53

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1083
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1953 Docket No. DMEA 2445 Contract No. Idm E-460
Operator's Name ORD MERCURY MINES Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting	420.00		420.00			
Drifting	630.00	4305.00	4935.00			
Winze			6620.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	1050.00	12495.93	13545.93	1050.00	12495.93	13545.93

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

Date Jan 13-54 *Payee ORD MERCURY MINES

Per Tom J. Russing Title Secr'y-Treas.

*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:

$787.50

Signature
(Authorized Certifying Officer)

Date 1/26/54 Voucher 54-76
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm E-466 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 1/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W S King Title Executive Officer Date JAN 25 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 2448 Contract No. Idn D-460
Operator's Name ORD MERCURY MINES Minerals Mercury
Address Payson, Arizona

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	ft	630.00	18	4335.00	141	35.00		
Crosscutting	ft	420.00	12	420.00	12	35.00		
Raising								
Shafts								
Winzes				6650.00	95			
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.93				
Total Distributed Costs		1050.00		13545.93				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1050.00		13545.93				

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 Jan 13, 1954 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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

Remarks:

(Instructions on reverse)

(For Government use only)

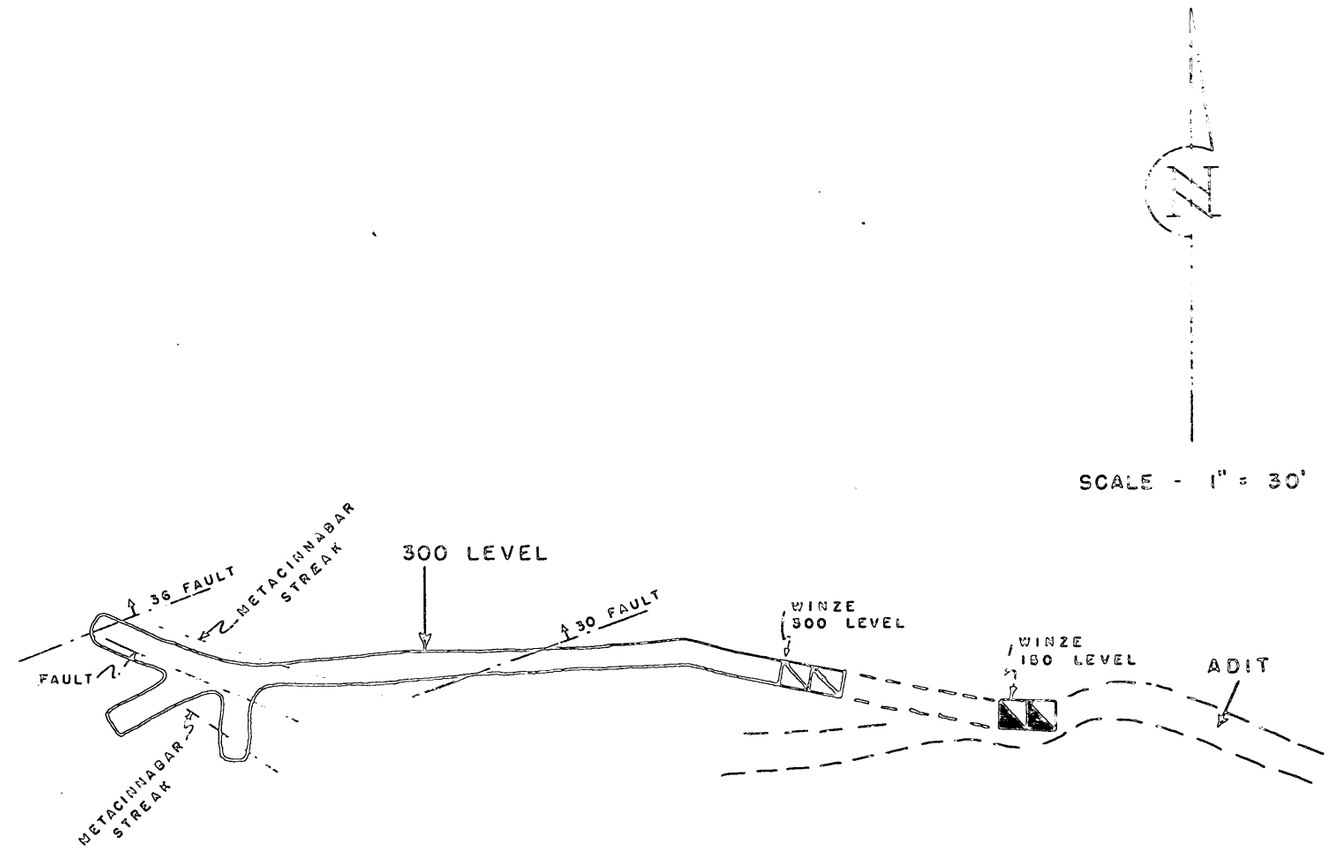
INSTRUCTIONS

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

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

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

GPO 83-38475



DMEA 2445

PLAN - 300 LEVEL - ORD MERCURY MINE
GILA COUNTY, ARIZONA

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

22[illegible] New Customhouse
Denver 2, Colorado

January [illegible], 195[illegible]

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, [illegible] Field Team, Region IV

Subject: Docket 2[illegible]5, Contract 1[illegible]-1160, (Mercury) Ord Mercury Mine, Gila County, Arizona - Operator's Monthly Progress Report for the Period November, 195[illegible]

Enclosed are two copies of the Operator's Monthly Progress Report Form [illegible]-10[illegible] and 10[illegible], Operator's Narrative Report, Resident Engineer's Narrative Report, and other supporting data pertaining to Docket [illegible] 2[illegible]5, Contract 1[illegible]-1160, Ord Mercury Mine, for the period November, 1953.

W. H. King
W. H. King

Enclosures

1.

2.

3. [illegible]

[illegible]

mf-104
nov
153

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

224 New Customhouse
Denver 2, Colorado

December 17, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona - Operator's Monthly Progress Report for the period November 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions.

Stage II of this contract is on a unit cost basis and therefore no documentation is required.

Remarks:

Date of Report	December 10, 1953.
Date Received in Field Office	December 14, 1953.
Date Received in Region Office	December 16, 1953.

W H King
W. H. King

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

December 14, 1953

Memorandum

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

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

Subject : November 1953 Progress Report, Contract Idm-8460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's Narrative Report with map;

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

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
BF

WRStorms:frj

MINING DIVISION
REGION IV

December 14, 1953

Memorandum

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

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

Subject : Progress Report for November 1953, Docket DMSA-2445, Contract Idm-2460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on December 9, 1953. Tom J. Russell, Secretary Treasurer of the company, was present and assisted in measuring the progress.

The drift on the 300 level required considerable maintenance during November and most of the timber was replaced. During the month the face of the 300 level drift was advanced to a point approximately 103 feet west of the winze. Here a strong talc seam was cut and the drift was turned to follow this seam. By the end of the month the drift had advanced 20 feet along this seam for a total advance of 35 feet during the month.

No ore was discovered during the month. At several points in the last 35 feet of the drift, small lenses of altered material containing Meta Cinnibar were discovered. The operator states that in the upper part of the mine gouge seams similar to the one which the drift is now following, almost always lead to ore.

The 35 feet of drift that were completed in November are in accordance with the terms of the contract and are approved. The total cost of the 35 feet is $1,225.00 and the Government's agreed part is 75 percent, or $918.75. It is recommended that the operator be paid this amount as provided by the contract.

William R. Hardwick

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

CC W. H. King (Orig. & 6)
DMSA-2445
MF

WRHardwick:frj

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: November, 1953 Docket No. DMEA 2445
Operator: Ord Mercury Mines Contract No. Idm-E460
Payson, Arizona Mineral: Mercury

During November we have advanced the drift in a westerly direction 35 feet and have had to replace several sets of timber in the fault zone near the shaft. At 103 feet we started a turn to the north to cut the hanging wall. The last 20 feet is in highly altered material, containing sone (black Meta-Cinnibar). This formation is very bad ground and requires timber all the way.

We plan to continue this drift to the hanging wall, then turn west along the wall.

Sincerely

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Nov 1953

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

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

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

Month of November 195 3 Docket No. DMEA 2440 Contract No. 1Or-3660

Operator's Name GRD MERCURY MINES Minerals Mercury

Address Payson, Arizona

Contract Amount, $ 30,000.00 Government Participation: 75% Amount, $ 21,000.00

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						
Bulldozing						
Crosscutting	1300.00	3000.00	4300.00			
Drifting						
Shaft		6650.00	6650.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		500.00	500.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.02	63.02			
Explosives						
Pipe						
Fuels & Grease		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		15.00	15.00			
Sampling and Analysis		15.93	15.93			
Payroll Taxes		79.09	79.09			
Liability Insurance						
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	1300.00	11,270.93	12,490.93	1225.00	11,270.93	12,495.03
					110.00	110.00
				1225.00	11,130.93	12,355.93

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

Date Dec. 10, 53 *Payee GRD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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 $ 918.75

Signature (Authorized Certifying Officer)

Date 12/18/53 Vou. No. DMA 54-62

(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. IdpE 460 in accordance with the terms of the contract.

Signature William R. Hackinson Title Mining Engineer Date 12/14/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. DB.

Signature W. H. King Title Executive Officer Date DEC 17 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April, 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1953 Docket No. DMEA 2645 Contract No. Idm-5460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	Ft	1225.00	30	4,309.00	123	35.00	260	35
Crosscutting							40	35
Raising								
Shafts								
Winzes				6,650.00	95			
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1,540.00				
Total Distributed Costs		1225.00		12,499.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1225.00		12,499.00				28,000

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

Date Dec 10, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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)

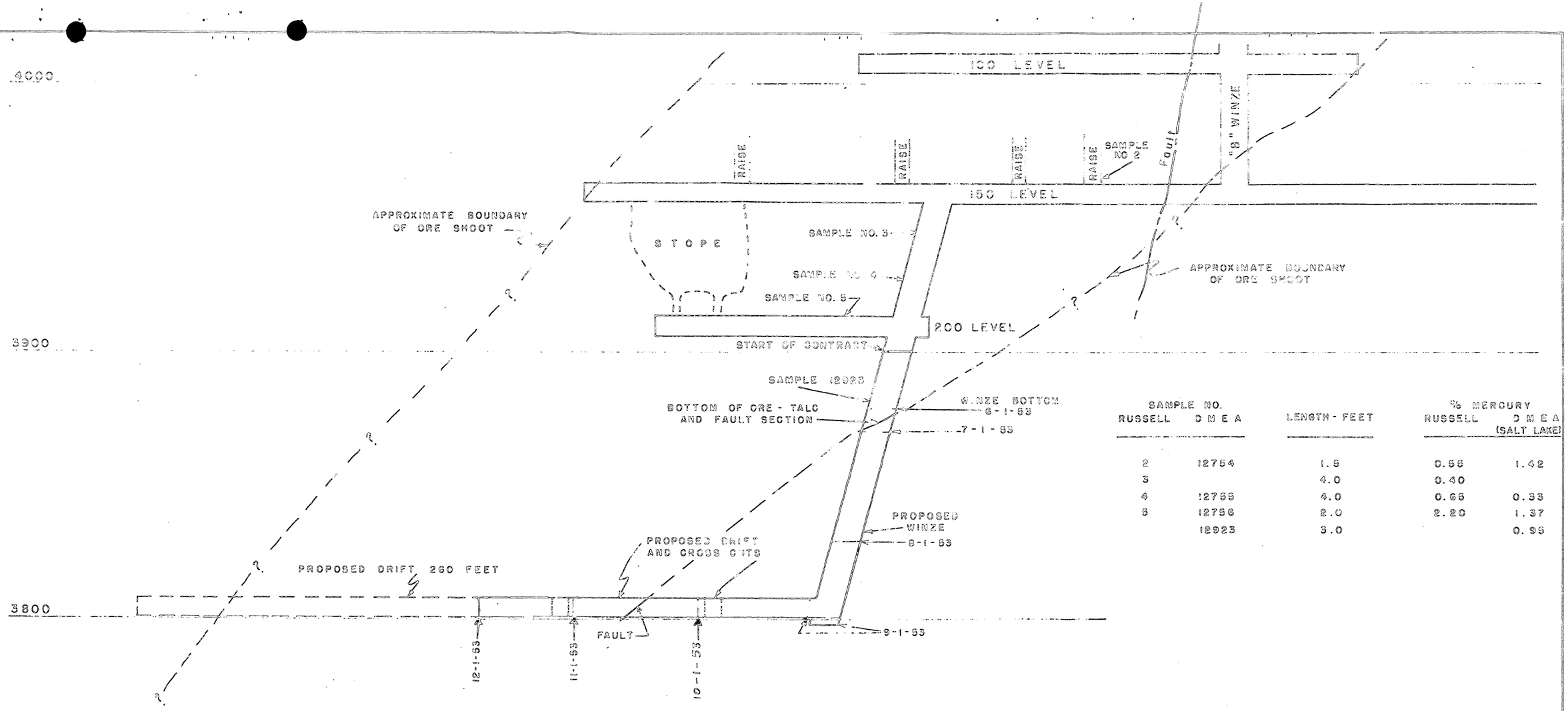
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO. RUSSELL	SAMPLE NO. D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.56	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445

Scale 1" = 30'

1953

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

224 New Customhouse
Denver 2, Colorado

November 25, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

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

W H King
W. H. King

Enclosures

MF-104
Oct
'53

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

224 New Customhouse
Denver 2, Colorado

November 16, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-2460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period October 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report	November 6, 1953.
Date Received in Field Office	November 9, 1953.
Date Received in Region Office	November 16, 1953.

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

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

November 13, 1953

Memorandum

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

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

Subject : October 1953 Progress Report, Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report with map;

(2) Operator's narrative report;

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

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

MINING DIVISION
REGION IV

November 13, 1953

Memorandum

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

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

Subject : Progress Report for October 1953, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on November 3, 1953. Tom J. Russell, Secretary-Treasurer, was present and assisted in measuring the progress. Extra copies of MF-104 and MF-104A forms were left at the mine.

The face of the 300-level drift had advanced to a point 88 feet west of the shaft. This represents an advance of 45 feet during the month of October.

No ore was discovered during the month. The drift passed through the fault at the point shown on the attached map and is now in better ground. A few traces of cinnabar were observed near the present face of the drift and the operator stated that he expects to crosscut to the north where he hopes to discover the faulted segment of the ore body at about 20 feet distance. The ore discovered to date is estimated to be 13,362 tons with a grade of 0.99 percent mercury.

The 45 feet of drifting that were completed in October were in accordance with the terms of the contract and are approved. The Government's agreed part is 75 percent of an estimated cost of $35.00 per foot. The total cost of work completed in October was $1,575.00, and the Government's part is $1,181.25. It is recommended that this amount be paid to the operator as provided by the contract.

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

CC W. H. King (Orig. & 6)
DMEA-2445
DF

WRHardwick:frj

ORD MERCURY MINES

PAYSON, ARIZONA

NOV 27 1953

NARRATIVE REPORT

MONTH OF: October, 1953
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During this period we have advanced our proposed 300 Ft. level drift 45 feet to a total of 88 feet. At 73 feet from the winze we crossed the heavy fault that crossed the winze above. Since that time for 15 feet we have been in altered material that seems to be more or less in place, with considerable quartz minerals and a slight showing of ore in talc fractures with a north-westerly trend. At 88 feet we have encountered a very heavy talc and quartz fracture with the same n.w. trend. These fractures are the same as are in the ore bodies above, so this would indicate our ore is north of the present heading. This is in line with the general dip of the ore body, also considerable moisture is coming through this fracture. After crossing this fracture we will follow the trend of same for a few rounds.

We have had trouble with swelling ground in the fault section and have had to replace considerable timber. This has slowed up our work quite a bit, but have always had good ground within the mineral zone and hope to encounter it soon.

Respectfully,

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Oct '53

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting						
Drifting	1575.00	1505.00	3080.00			
Shaft		6650.00	6650.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	70.09			
Bookkeeping		500.00	500.00			
(8) Contingencies (specify):						
TOTALS	1575.00	9695.93	11,270.93	1575.00	9695.93	11270.93
					- 140.00	- 140.00

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

Date Nov. 6th, 53 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

1575.00 9555.93 11,130.93

$1181.25

Signature (Authorized Certifying Officer)

Date 11/18/53 Vou. No. DMA 54-50

(See other side)

* Previous Disallowance

(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. DMEA 460 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 11/13/53

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

Signature W. H. KING Title Executive Officer Date NOV 16 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 3 1953 Docket No. DMEA 2445 Contract No. Idm-E460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Arizona

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	Ft.	1575.00	45	3080.00	88	35.00	260	35.00
Crosscutting							40	35.00
Raising				6650.00	95	70.00	100	70.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Underground Rehab.				1540.93				
TOTAL DISTRIBUTED COSTS		1575.00		11,270.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1575.00		11,270.93				28000.00

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 Nov 6th, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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)

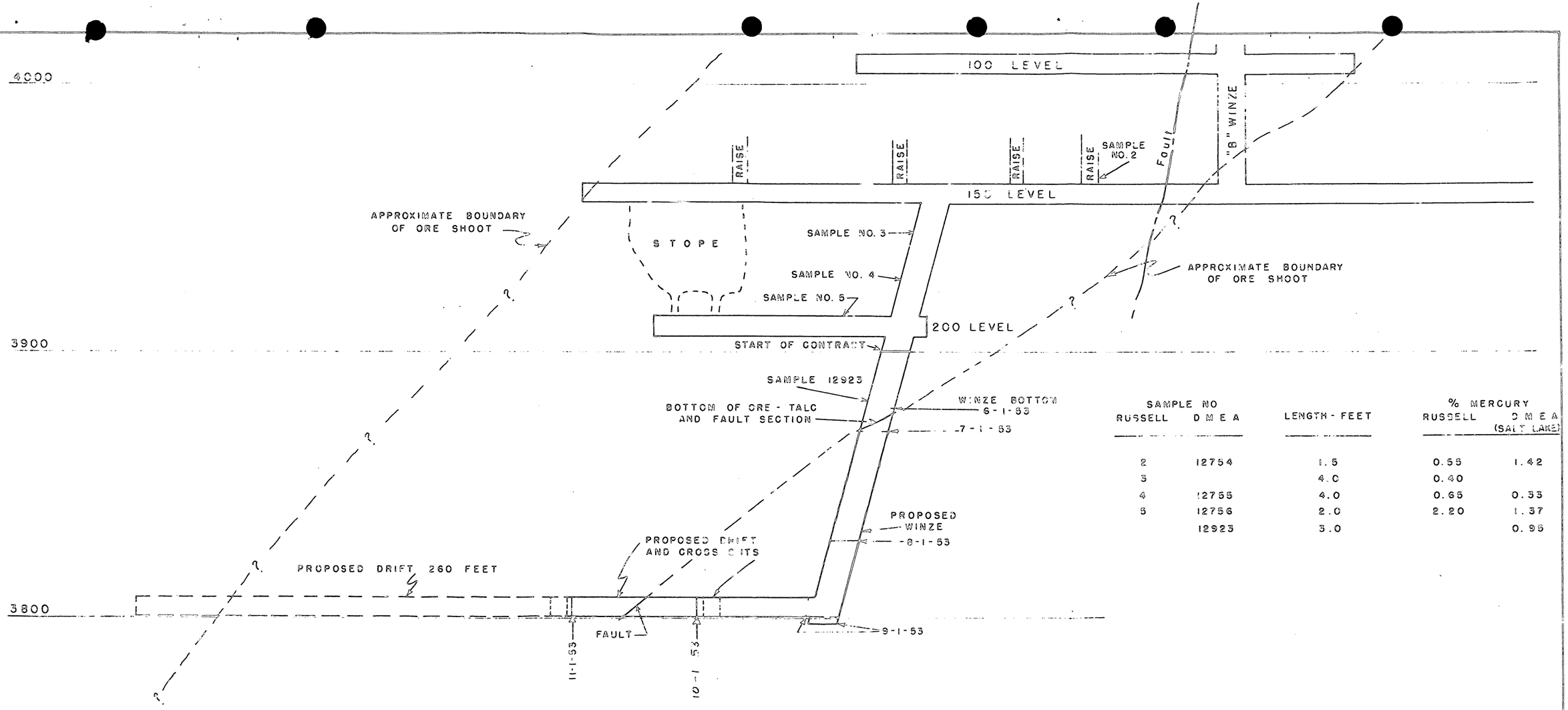
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO RUSSELL	SAMPLE NO D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.55	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445

Scale 1" = 30'

1953

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

DEPARTMENT OF THE INTERIOR
Bureau Mines Administration
RECEIVED
OCT 30 1953

224 New Customhouse
Denver 2, Colorado

October 28, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104 - DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of September 1953, pertaining to DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

W. H. King

W. H. King

Enclosures

MF-104
Dep

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

RECEIVED
OCT 30 1953

224 New Customhouse
Denver 2, Colorado

October 19, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-2460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period September 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Stage II work is on a unit cost basis as per contract; therefore no documentation is required.

Remarks:

Date of Report	October 8, 1953.
Date Received in Field Office	October 12, 1953.
Date Received in Region Office	October 19, 1953.

John F. Shaw
For W. H. King

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

October 13, 1953

Memorandum

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

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

Subject : September 1953 Progress Report, Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

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

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

MINING DIVISION
REGION IV

October 13, 1953

Memorandum

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

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

Subject : Progress Report for September 1953, Docket DMEA-2445, Contract Idm-L460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on October 6, 1953. Tom Russell, Secretary-Treasurer, was present and assisted in measuring the progress.

A sump, 7 feet deep, had been completed below the drift station. A drift had been driven 43 feet in a western direction. The timber in the winze had been strengthened, and some sets were doubled.

No ore was discovered. The drift now is passing through a fault zone which the operator estimates will extend for another 10 feet. After the drift passes out of this fault zone the operator will crosscut to the north where he expects to find the ore at a distance of about 20 feet. The ore discovered to date is estimated to be 13,362 tons at a grade of 0.99 percent mercury.

The43 feet of drifting that were completed in September are in accordance with the provisions of the contract and are approved. The cost of 43 feet of drift is $1,505.00 at the contract rate of $35.00 per foot. The Government's agreed part is 75 percent, or $1,128.75. It is recommended that the operator be paid this amount as provided by the contract.

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

CC W. H. King (Orig. & 6)
DMEA-2445
DF

WRHardwick:frj

ORD MERCURY MINES

PAYSON, ARIZONA

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
OCT 30 1953

NARRATIVE REPORT

Month of: September, 1953
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During September we have advanced the drift west for 43 feet. We also timbered the shaft to the bottom and continued the shaft 7 feet for a sump.

The drift has been in a blue schist laced with quartz stringers. We have encountered numerous shall faults with a n.w. strike and a westerly dip. This faulted condition is getting more intense as we near the point we should encounter the ore zone. We have timbered the drift all the way and will probably have to continue this, at least until we get into the mineral zone, where conditions have always been more favorable here.

We had considerable trouble with the last 50 feet of the shaft and had to double up on some of the timber. However this swelling has stopped as we are draining the water from this area.

Respectfully,

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

Sept 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 30 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Sept., 1953 Docket No. DMEA 2445 Contract No. Idm E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting						
Drifting	1505.00		1505.00			
Shaft		~~6510.00~~ 6650.00	6650.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
		8190.93	9695.93	1505.00	8,190.93	9,695.93
TOTALS	1505.00	~~8050.93~~	~~9555.93~~		*-140.00	*-140.00
				1505.00	8,050.93	9,555.93

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct 8th, 1953 *Payee ORD MERCURY MINES
Per Tom J. Ruane Title Secr'y-Treas.

*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:

$ 1128.75

Signature
(Authorized Certifying Officer)

Date 10/23/53 Vou. No. DMA 54-41
(See other side)

* Previous deductions

(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. DMEA 460 in accordance with the terms of the contract.

Signature William P. Hardwick Title Mining Engineer Date 10/13/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature John F. Shaw for W. H. KING Title Executive Officer Date OCT 20 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 30 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept 1953 Docket No. DMEA 2445 Contract No. Tom 8400
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	Ft	1505.00	43	1505.00	43	35.00	300	35
Crosscutting								
Raising								
Shafts				~~6610.00~~	~~95~~	70.00	100	70
Winzes				~~6550.00~~	95			
Drilling: Core				6650.00				
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1540.00				
Total Distributed Costs		1505.00		~~9555.93~~ 9695.93				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
				9695.93				
Total Costs		1505.00		~~9555.93~~				28,000

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

Date Oct. 6th, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secy-Treas.

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)

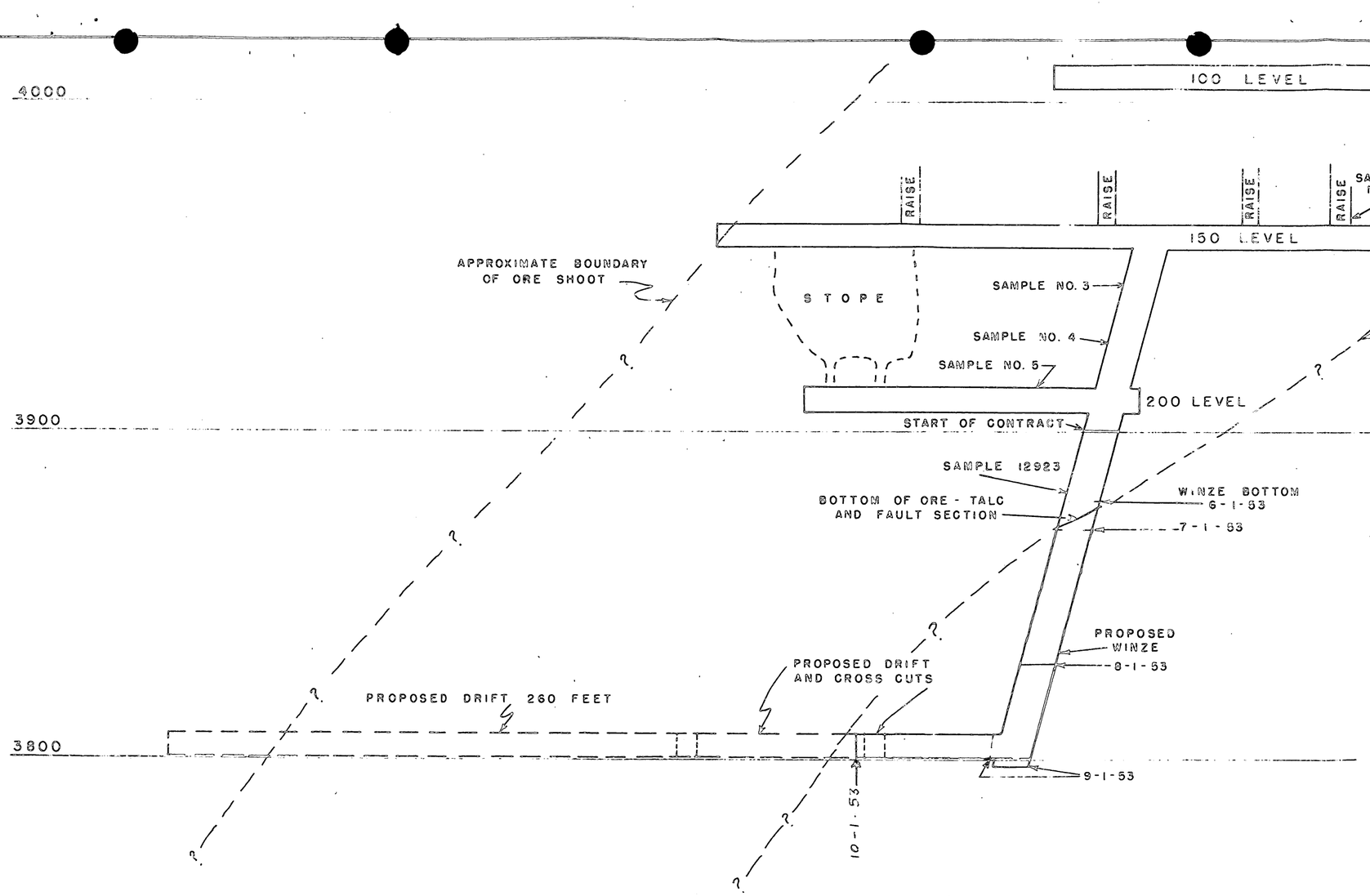
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO. RUSSELL	SAMPLE NO. D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.55	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

D M E A 2445

Scale 1" = 30'

_____ 1953

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

224 New Customhouse
Denver 2, Colorado

September 24, 1953

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mines, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of August 1953, pertaining to Docket No. DMEA 2445, Contract Idm-E460, Ord Mercury Mines, Gila County, Arizona.

W. H. King
W. H. King

Enclosures

MF-104
Aug 1953

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

DEPARTMENT OF THE INTERIOR
General Minerals Administration
RECEIVED
SEP 28 1953

Administrative Audit Difference Statement

Date: Sept 17, 1953
Payee's
Reference: Progress Report

August, 1953

Ord Mercury Mines
Payson, Arizona
I-DMA-E160

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

Amount Claimed $ 1540.00

Difference $ 140.00

Amount Approved $ 1400.00

The reason for the difference was due to:

Two feet excess winze sinking at 070.00 0140.00

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

224 New Customhouse
Denver 2, Colorado

September 15, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-2460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period August 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations, except for the following deductions:

Two feet of winze sinking at the specified rate of $70.00 per foot is to be disallowed as the contract only provides for 100 feet of winze below the 200 level.

Remarks:

Date of Report	September 5, 1953.
Date Received in Field Office	September 10, 1953.
Date Received in Region Office	September 14, 1953.

An amendment is being prepared to extend the completion of the contract.

W. H. King
W. H. King

Enclosures
HDB:cwm

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

Department of ...
Bureau Library
Rec...
SEP 30 1953

MINING DIVISION
REGION IV

September 10, 1953

Memorandum

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

From : Lincoln A. Stewart for Walter R. Storms, Chief, Mining Methods Br., Mining Div., Region IV

Subject : August 1953 Progress Report, DMEA Docket 2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

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

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

As pointed out by Hardwick, only 20 of the 22 feet of advance is in accordance with the contract, therefore I recommend that the Government's share of the project cost be limited to 20 feet of advance.

Lincoln A. Stewart

Lincoln A. Stewart, Mining Engineer
for Walter R. Storms, Chief
Mining Methods Branch
Mining Division, Region IV

CC W. H. King (6)
DMEA-2445
DF

LAStewart:frj

MINING DIVISION
REGION IV

September 10, 1953

Memorandum

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

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

Subject : Progress Report for August 1953, Docket DMEA-2445, Contract Idm-E460, Mercury, Ord Mercury Mine, Gila County, Ariz.

With John N. Faick, geologist, U. S. Geological Survey, the undersigned engineer visited the Ord Mercury Mine on September 4, 1953. Mr. Tom J. Russell, Secretary-Treasurer and active manager of the company was present and assisted in measuring progress.

The winze had been advanced to a point 102 feet below the 200 level for an advance of 22 feet during the month of August. The operator was timbering a station in the bottom of the winze. He stated that he intended to collar and excavate a sump below the present bottom. The bottom of the winze is not in ore.

From the station which the operator is setting at 102 feet below the 200 level he intends to drive a drift south 80° west. This is the strike of the ore in the level above. At a distance of 35 feet the operator expects to cross the fault which displaces the ore. After crossing this fault the operator expects to crosscut to the north until he finds the ore zone. He believes this will be approximately 20 feet. This plan seems justified and is approved.

At a depth of 90 feet in the winze the operator reported a small drag remnant of ore. The talc gouge in which this ore occurred strikes south 80° west and will be followed by the drift in that direction. The ore indicated to date is estimated to be 13,362 tons at a grade of 0.99 percent mercury.

The operator has presented a voucher requesting payment for the 22 feet of winze completed during August. The contract provides "Stage II consists of - - - sinking the adit winze 100 feet below the 200 foot level - - - ".

EE W. H. King (Orig. & 6)
DMEA-2445
DF

WRHardwick:frj

It would therefore appear that the contractor is entitled to payment for only 20 feet or to a depth of 100 feet instead of 102 as claimed. Of the 22 feet of winze completed during August 20 feet are in accordance with the provisions of the contract and are approved. The contract provides for payment by the Government of 75 percent of an estimated cost of $70.00 per foot of winze. The total cost of 20 feet of winze at $70.00 per foot is $1,400.00, and the Government's agreed part of this amount of $1,050.00. It is recommended that the operator be paid this amount in accordance with the terms of the contract.

William R. Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

RECEIVED
SEP 23 1953

NARRATIVE REPORT

Month of: August, 1953 Docket No. DMEA 2445
Operator: Ord Mercury Mines Contract No. Idm-E460
Payson, Arizona Mineral: Mercury

During this period we have advanced the proposed winze 22 feet to a depth of 102 feet and have gone through the faulted material that we had so much trouble with.

We had some ore showing at 90 feet and are following the talc gouge this occurred on to the west.

We are now timbering the bottom station and have advanced the drift 15 feet from the bottom. The drift shows some vein material following the regular ore strike in the level above. However the ore body is probably displaced to the north some, but cannot tell until we open up some length in the drift.

Respectfully

ORD MERCURY MINES

Tom J Russell

Secr'y-Treas.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
SEP 28 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting						
Drifting						
Shaft	1540.00	5110.00	6650.00	1,400.00	5110.00	6510.00
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuels & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	1540.00	6650.93	8190.93	1,400.00	5,110.00	6,510.00

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

Date Sept 5th 1953 Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

$ 1,050.00

Signature [illegible]
(Authorized Certifying Officer)

Date 9-17-53 Vou. No. DMA 511-29

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

Signature William R. Hardwick Title Mining Engineer Date Sept. 10, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Letter W.R.S. R.D.B.

Signature W. H. King Title Executive Officer Date SEP 15 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	ft	1540.00	22	6650.00	95	70.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab				1540.93				
TOTAL DISTRIBUTED COSTS		1540.00	22	8190.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1540.00	22	8190.93				

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 Sept 5, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

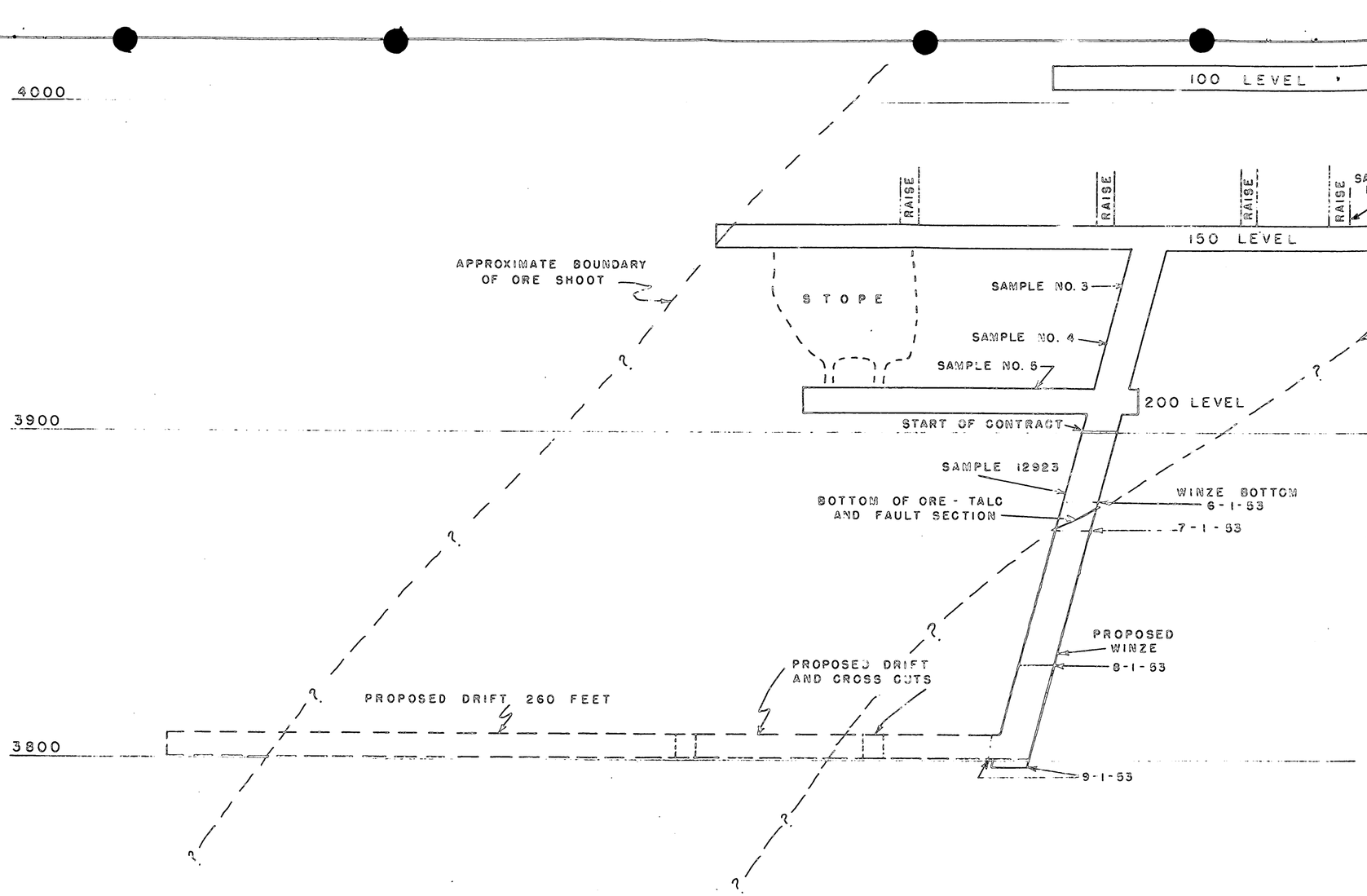
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO. RUSSELL	SAMPLE NO. D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.55	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445

Scale 1" = 30'

AUGUST 1953

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

224 New Customhouse
Denver 2, Colorado

September 4, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period July 1953, pertaining to DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

W. H. King
W. H. King

Enclosures

MF-104
July '53

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

224 New Customhouse
Denver 2, Colorado

August 31, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period July 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report	August 13, 1953
Date Received in Field Office	August 17, 1953
Date Received in Region Office	August 19, 1953

Held up pending request for amendment to extend the completion date of the contract.

W. H. King

W. H. King

Enclosures

RDB:cwm:jp
cc Contract
Chron
WRStorms w/copy of report
Sec. to Oper. Comm. (2) w/copies of report

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SEP 8 1953

MINING DIVISION
REGION IV

August 17, 1953

Memorandum

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

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

Subject : July 1953 Progress Report, Contract Idm-E460, Docket DMA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

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

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMA-2445
DF

WRStorms:frj

MINING DIVISON
REGION IV

August 17, 1953

Memorandum

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

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

Subject : July 1953 Progress Report, Contract Idm-D460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury mine was visited on August 13, 1953. Tom J. Russell, Manager, was at the property and was present when the measurements were made. Mr. Russell stated that in addition to the underground work, some repairs were made on buildings to house employees. Some additional work remained to be completed before this part of Stage II is completed, and the operator stated that he would not claim reimbursement until the repair of company buildings was complete.

The winze had advanced to a point 80 feet below the rail of the 200 level for a gain of 44 feet during the month.

The operator stated that of the 44 feet of advance, 28 feet were through a fault zone and the gouge was very difficult to handle. The bottom is in better ground and the operator expects to complete the winze in about two weeks, then start drifting.

No ore was discovered during July. The oreshoot has passed out of the winze in a rake to the west. The ore indicated to date is estimated to be 13,362 tons at a grade of 0.99 percent mercury.

The 44 feet of winze which were completed in July are in accordance with the terms of the contract and are approved. The contract provides for reimbursement to the operator at the rate of 75 percent of an agreed price of $70.00 per foot. The total cost of 44 feet is $3,080.00 and the Government's part is $2,310.00. It is recommended that the operator be paid for the 44 feet completed in July in accordance with the terms of the contract.

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

CC W. H. King (Orig. & 6)
DMEA-2445
DF

WRHardwick:frj

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Month of: July, 1953
Operator: Ord Mercury Mines
Payson, Arizona

Docket No. DMEA 2445
Contract No. Idm-E460
Mineral: Mercury

During this period we have advanced the sinking in the winze 44 feet.

We have had considerable water for about thirty feet but it has slowed up for the last ten feet and is apparently draining the country above.

We are working two shifts in the winze and hope to finish the sinking in the next two weeks. There has been considerable faulted material for about 25 feet which has made us keep our timber close. We are now through this and the bottom is in the regular blue schist that lies south and east of the regular vein. The ore body had followed its regular trend to the west before this fault was encountered.

Have also roofed five houses and have been reconditioning the furnace and crushing plant. Have also had to practically renew the ties in the 900 feet of track in the adit tunnel.

Respectfully

ORD MERCURY MINES

Tom J Russell

Secry-Treas.

July 1953

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name ORD Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $21,000.00

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						
Crosscutting						
Drifting						
Shaft	3080.00	2030.00	5110.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & Greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	3080.00	3570.93	6650.93	3080.00	3570.93	6650.93

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

Date Aug 13, 1953 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

$ 2310.00

Signature
(Authorized Certifying Officer)

Date 9/2/53 Voucher DMA 54-24

(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. DME A6 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 8/17/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.R.

Signature W. H. King Title Executive Officer Date AUG 31 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	Ft	3080.00	44	5110.00	73	70.00	100	70.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab				1540.93				
TOTAL DISTRIBUTED COSTS		3080.00	44	6650.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3080.00	44	6650.93				25,000.00

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

Date Aug 13, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

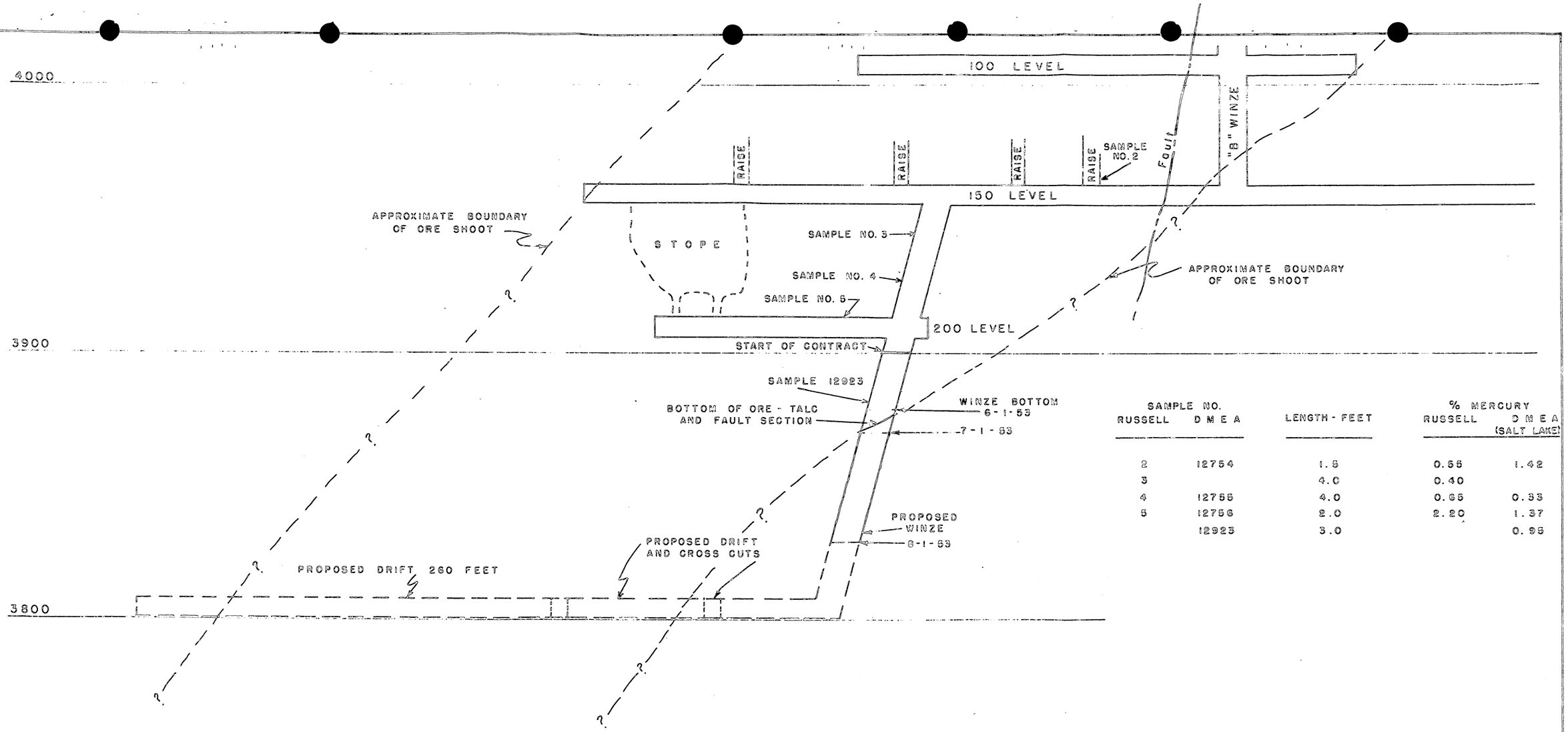
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO. RUSSELL	SAMPLE NO. D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.55	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445

Scale 1" = 30'

JULY 1953

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

224 New Customhouse
Denver 2, Colorado

August 14, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of June, 1953, pertaining to DMEA Docket 2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona.

W. H. King
W. H. King

Enclosures

MF-104
June
1953

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

224 New Customhouse
Denver 2, Colorado

August 3, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona-Operator's Monthly Progress Report, for the period June 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Remarks:

Date of Report----------July 15, 1953
Date Received in Field Office---------July 20, 1953
Date Received in Region Office--------July 29, 1953
Date Processed for Payment----------July 31, 1953

W. H. King
W. H. King

Enclosures

RDB:es

cc: Contract
Sec. to the Oper. Comm. (2)
Chron.
Storms

MINING DIVISION
REGION IV

27
July ~~25~~, 1953

Memorandum

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

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

Subject : June 1953 Progress Report, Contract Idm-5460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operater's narrative report with map;

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

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

As the winse sinking is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

MINING DIVISION
REGION IV

July 13, 1953

Memorandum

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

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

Subject : Progress Report for June 1953, Docket DMEA-2445, Contract Idm-5460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on July 3, 1953. Tom J. Russell, Manager, was at the property. Mr. Russell stated that he had been unable to keep a full crew but that he had now hired additional men and expected to continue sinking on two shifts starting after the 4th of July holiday.

The winze had advanced to a point 36 feet below the track of the 200 level for a gain of 8 feet during the month of June. This measurement was made to the top of a muck pile resulting from a round which had been drilled and blasted but not yet mucked out.

The operator reported that a talc section was encountered at approximately 30 feet below the 200 level and that there was no ore in the schist below this point. A thin mineralized zone, 6 to 7 inches thick, continued along the hanging wall in the conglomerate. No sample was taken since the winze is now below the oreshoot which plunges to the west. A sample taken at 20 feet below the 200 level ran 0.95 percent mercury for a width of 3 feet.

Assuming that the oreshoot plunges uniformly from the point at which it intersects the 150 level to the point where the winze passed out of ore, and furthermore, assuming that the oreshoot continues for a distance of 40 feet to the west of the winze, 13,362 tons of ore containing 0.99 percent Mercury ore indicated. This grade is based on samples No. 2, 3, 4, 5, and 12923. It is probable that this grade will be reduced considerably by dilution when the ore is mined.

The 8 feet of winze that were completed in June are in accordance with the terms of the contract and are approved. The contract provides for payment at the rate of $70.00 per feet or a total of $560.00, of which the Government's agreed part is 75 percent, or $420.00. It is recommended that the operater be paid in accordance with the terms of the contract.

William R Hardwick

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

CC W. H. King (Orig. & 6)
DMEA-2445
DF
WRHardwick,:frj

ORD MERCURY MINES

PAYSON, ARIZONA

Month of: June, 1953 Docket No. MRN 2400 Contract No.
Operator: Ord Mercury Mines XCm-2400
Payson, Arizona Mineral: Mercury

Gentlemen:

During this period report there only 3 feet advance with the winze, we have had some delay on account of losing three men during this time. However we have ever enough ore to continue this rest: on a two shift basis, which should show good results in July.

During the time we were short of men we did considerable timbering in the adit level, also put logging solid in the winze above the two hundred level where we started sinking. We also installed a pump in the two hundred level, next drift with a sump to catch the water from this level, also using this pump station to relay the water from the bottom of the winze to the adit level. We had considerable water for a few days from 22 feet to 35 feet down, but this flow has dropped back to normal.

We have also done considerable rock dumps getting the surface plant ready to operate.

Sincerely,

ORD MERCURY MINES

Tom J. Russell

Secty-Treas.

June 1953

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

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

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

Month of June, 1953 Docket No. DMEA 2445 Contract No. Idm-E460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona
Contract Amount, $ 28,000.00 Government Participation: 75 % Amount, $ 21,000.00

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						
Crosscutting						
Drifting						
Shaft	560.00	1470.00	2030.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	560.00	$3,010.93	$3,570.93	560.00	3,010.93	3,570.93

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7/15/53 *Payee Ord Mercury Mines
Per Tom J. Russell Title Sec'ry-Treas.

*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:

$ 420.00

Signature [illegible]
(Authorized Certifying Officer)

Date 8/10/53 Vou. No. DMA 54-14

(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 46 in accordance with the terms of the contract. WRH

Signature William R. Hardwick Title Mining Engineer Date 7/20/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.H.

Signature W. H. Kung Title Executive Officer Date AUG 3 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 2445 Contract No. Ida-2460
Operator's Name Ord Mercury Mines Minerals Mercury
Address Payson, Arizona

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	ft.	560.00	8	2,030.00	29	70.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab.				1,540.93				
TOTAL DISTRIBUTED COSTS		560.00	8	$3,570.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		560.00	8	3,570.93				

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 7/16/53 Operator Ord Mercury Mines

Per Tom J. Russell Title Secr'y-Treasy.

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)

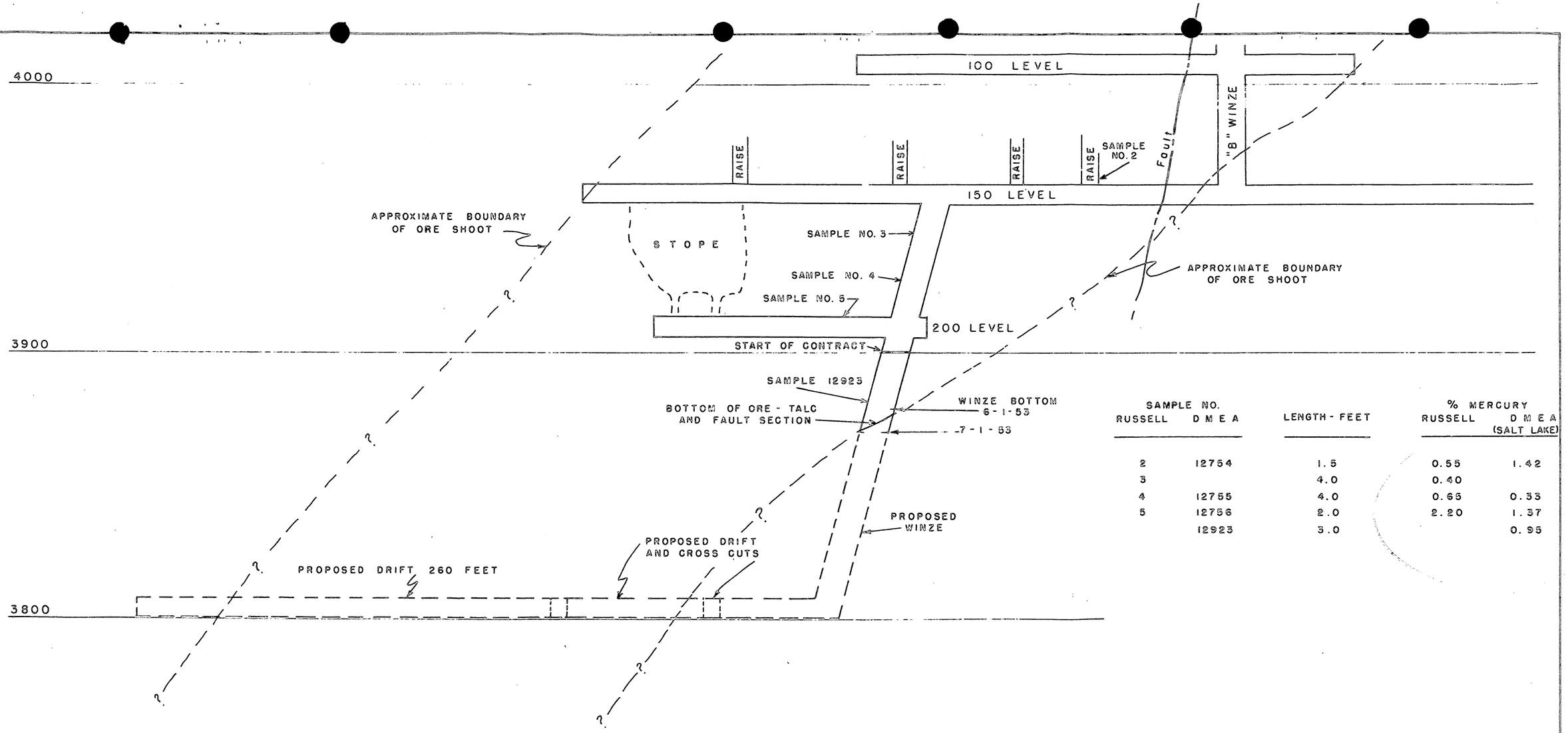
INSTRUCTIONS

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

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

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

GPO 83-38475



SAMPLE NO. RUSSELL	SAMPLE NO. D M E A	LENGTH - FEET	% MERCURY RUSSELL	% MERCURY D M E A (SALT LAKE)
2	12754	1.5	0.55	1.42
3		4.0	0.40	
4	12755	4.0	0.65	0.33
5	12756	2.0	2.20	1.37
	12923	3.0		0.95

PROGRESS MAP OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445

Scale 1" = 30'

JUNE 1953

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

224 New Customhouse
Denver 2, Colorado

July 3, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of May, 1953, pertaining to DMEA Docket 2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Arizona.

W. H. King
W. H. King

Enclosures

mf-104
May

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

224 New Customhouse
Denver 2, Colorado

June 25, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket #445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona - Operator's Monthly Progress Report, for the period May 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Written approval for Stage II work was given in a letter dated April 15, 1953 from W. R. Storms, a copy of which is on file in this office.

Remarks:

Date of Report	June 10, 1953
Date Received in Field Office	June 12, 1953
Date Received in Region Office	June 18, 1953
Date Processed for Payment	June 25, 1953

W. H. King
W. H. King

Enclosure

RDB:fwo

cc Sec Oper Comm
WRStorms
Contract
Chron

MINING DIVISION
REGION IV

June 16, 1953

Memorandum

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

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

Subject : May 1953 Progress Report, Contract Idm-E460, Docket DMEA-2445, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

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

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

As the shaft sinking is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

MINING DIVISION
REGION IV

June 16, 1953

Memorandum

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

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

Subject : Progress Report for May 1953, Docket DMEA-2445, Contract Idm-E-460, Ord Mercury Mine, Gila County, Ariz.

The Ord Mercury Mine was visited on June 10, 1953. Tom J. Russell, Manager, was on the property and with four employees was sinking a winze as authorized in Stage II of the contract. The winze had advanced to a point 28 feet below the track of the 200 level. The starting point was 7.0 feet below the track, thus the advance was 21 feet. The operator stated that this advance was completed in May.

The winze is following the footwall of a bed which the operator called a conglomerate dike. The face of the conglomerate forms the north edge of the winze which inclines approximately 5 degrees from the vertical as shown on the plans submitted with the progress report for April. The conglomerate apparently forms the north limit of the ore. The mineralized zone is approximately 3 feet thick. In this zone, pink cinnabar-colored schist was quite prominent and some crystalline cinnabar was visible. A sample was cut across the mineralized zone at a depth of 20 feet below the 200 level. An estimate of the ore reserves is not included with this report because much of the reported ore-bearing ground is inaccessible. The location of the known assays is shown on the progress map for May. These assays have been corrected to show the results of the Salt Lake City analyses.

The operator has presented a narrative report which is adequate. The 21 feet of winze which the operator reports for May are in accordance with the provisions of the contract and are approved. This contract provides for a cost of $70.00 per foot of winze or a total of $1,470.00 for the 21 feet. The Government's agreed part is

CC W. H. King (Orig. & 6)
DMEA-2445
DF
WRHardwick:frj

75 percent of this amount, or $1,102.50. It is recommended that the operator be paid this amount in accordance with the terms of the contract.

William R Hardwick

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

ORD MERCURY MINES

PAYSON, ARIZONA

NARRATIVE REPORT

Period of: April 29 th June I, 1953 Dpcket No. DMEA 2445
Operator's Name: Ord Mercury Mines Contract No. IDM-E460
Address: Payson, Arizona Mineral: Mercury

Defense Minerals Exploration Administration
University Station
Tucson, Arizona

Gentlemen:-

During this period we have completed 21 feet of the proposed shaft. Before starting to sink the shaft we completed the timbering of the 200 level station and put in a bearer set on the 200 level. We have also had to replace ties and repair a good portion of the track from the hoist station to the dump.

While about one half of the shaft width has been ore of very good grade (estimate 1%) we have been unable to separate this material and have been stock-piling same along the track to the ore bin for future use. About 75 tons here. This ore shows a decided rake to the west and is placed against the hanging wall on the north side of the shaft. At 28 feet down from the 200 level it shows a tendency to narrow down in the east end of the shaft, however, what is left is very good.

We have not milled or shipped any ore during this period.

Sincerely

ORD MERCURY MINES

Tom J. Russell

Secr'y-Treas.

4/29/53
5/31/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Period ~~Month~~ of Apr 29th-June 1 195 3 Docket No. DMEA 2445 Contract No. IDM-2460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Arizona

Contract Amount, $ 28,000.00 Government Participation: 75% Amount, $ 21,000.00

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						
Crosscutting						
Drifting						
Shaft	1,470.00		1,470.00			
(2) Labor and Supervision:						
Labor		715.00	715.00			
Supervision		300.00	300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		63.82	63.82			
Explosives						
Pipe						
Track						
Fuel & greases		112.04	112.04			
(4) Operating Equipment:						
Rental		100.00	100.00			
Purchase						
Depreciation		90.00	90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		15.00	15.00			
Payroll Taxes		15.98	15.98			
Liability Insurance		79.09	79.09			
Bookkeeping		50.00	50.00			
(8) Contingencies (specify):						
TOTALS	1470.00	1,540.93	2,010.93	1470.00	1,540.93	2,010.93

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

Date June 10, 1953 *Payee ORD MERCURY MINES

Per Tom J. Russell Title Secr'y-Treas.

*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:

$1102.50

Signature [illegible]
(Authorized Certifying Officer)

Date 6/30/53 Vou. No. DMA-54-2

(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. 7 DMEA 160 in accordance with the terms of the contract.

Signature William R. Hardwick Title Mining Engineer Date 6/16/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.R.

Signature W. H. King Title Executive Officer Date JUN 25 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Period ~~Month~~ of Apr. 20-June 1953 Docket No. DMEA 2445 Contract No. KDM-2460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Arizona

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	foot	1470.00	21	1,470.00	21	70.00		
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Underground Rehab	Job			1,540.93				
TOTAL DISTRIBUTED COSTS		1470.00	21	2,010.93				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1470.00		2,010.93				

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 10, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secty-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-3847.5

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

224 New Customhouse
Denver 2, Colorado

April 29, 1953

Memorandum:

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period February 11, 1953 to March 23, 1953, pertaining to DMEA Docket 2445, Contract Idm-E460 (Mercury), Ord Mercury Mine, Gila County, Arizona.

Robt. F. Shaw
for W. H. King

Enclosures

MF-104
2/11/53
3/23/53

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

224 New Customhouse
Denver 2, Colorado

April 20, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2445, Contract Idm-2460 (Mercury), Ord Mercury Mine, Gila County, Arizona. Operator's Monthly Progress Report for the period February 11, 1953 to March 23, 1953.

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

Work has been accomplished as authorized in the contract and payment is recommended for 75 percent of the amount as reported on Form MF-104, contingent on your verification of the correctness of applicable rates and arithmetical accuracy of computations.

Although the contract specifies "Labor - 2 miners for 4 weeks $718.00" no exception is taken to use of one miner and one laborer as the amount claimed is within the estimated cost specified in the contract.

Remarks:

Date of Report	April 2, 1953.
Date Received in Field Office	April 6, 1953.
Date Received in Region Office	April 20, 1953.
Date Processed for Payment	April 20, 1953.

W. H. King
W. H. King

Enclosures

RDB:cwm

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

MINING DIVISION
REGION IV

April 16, 1953

Memorandum

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

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

Subject : March 1953 Progress Report, Docket DMEA-2445, Contract Idm-E460, Ord Mercury Mine, Gila County, Ariz.

Enclosed in quintuplicate are the following:

(1) Bureau of Mines engineer's report;

(2) Operator's narrative report with map;

(3) Forms MF-104 and MF-104a with documentation.

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

As all work is in accordance with the terms of the contract, I recommend that the Government's share of the costs be paid.

Walter R. Storms

Walter R. Storms

CC W. H. King (6)
DMEA-2445
DF

WRStorms:frj

MINING DIVISION
REGION IV

April 16, 1953

Memorandum

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

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

Subject : Progress Report for March 1953, Ord Mercury Mine, Gila County, Ariz., Docket DMEA-2445, Contract Idm-E460.

The Ord Mercury mine was visited March 31, 1953 to check progress, to determine if the work done was in accordance with subject contract and to determine if further work is warranted. An inspection of the project was made in the company of Tom Russell, secretary-manager.

The inspection showed that the work of Stage I had been completed. This work was reportedly done during the period February 11 to March 23. It consisted of the following:

1. "O" level ("B" Tunnel) - cleaned up muck and timbered the portal, and mucked out and timbered a caved zone at "B" winze.

2. 150 level (new adit) - several minor rock-falls were mucked out, drainage ditch cleaned from Adit winze to portal, and bad ground was supported by repairing existing timbers and by installing new timber sets.

3. Mine dewatered, by pumping, from 150 level to bottom at the 200 level.

4. 200 level - cleaned to a point where drift is closed tight with muck from stope, a distance of 40 feet from winze.

5. Sampling - sampled 5 places shown on map attached to Operator's Narrative Report.

During the inspection of the mine I took 4 samples. The samples were assayed by the U. S. Bureau of Mines at Tucson. They then were sent to the Bureau's Salt Lake City office for rechecking.

CC W. H. King (orig. & 6)
DMEA-2445
DF

TMRomslo:frj

In accordance with the mutual agreement of my Interim Report of Feb. 27, Russell stopped all work upon completion of Stage 1. Written approval to reopen the project and to proceed with work authorized by stage 2, was mailed to Russell on April 15. The decision to approve continuance of the project was made without awaiting the result of check-assays. It was based on data that indicated the authorized exploratory work could reasonably be expected to encounter significant reserves of ore and that some ore, probably of present economic grade, remains above the 200 level. The possibility that ore may be encountered at depth is based on the occurrence of ore at sample location 5 and by Russell's claim that the drift below the stope from the 200 level contains a 4-foot vein of high-grade ore. Further, what appears to be a fault segment of this ore body has notbeen mined below the 200-foot level. That some partially developed ore exists is supported by the assays of Russell's samples. However, the inspection indicated that possible ore above the 150 level is much less than claimed by Russell. An estimate of these reserves cannot be made because faces of stopes reportedly in ore are inaccessible and portions of the potential ore zone have not been exposed by mine workings.

The starting point for winze sinking operations of stage 2 was established at 7.0 feet below the track of the 200 level.

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

The following conclusions are based on the inspection of the project and a review of subject data:

1. The work performed and for which claim is made is in accordance with the contract;

2. The charges of Form MF-104, supported by proper documents, do not appear to be excessive;

3. The Operator's Narrative Report is considered adequate.

T. M. Romslo

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

ORD MERCURY MINES

PAYSON, ARIZONA April 2nd, 1953

U. S. BUREAU OF MINES
MINING DIVISION
APR 6 1953
TUCSON, ARIZONA

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

Period: Feb. 11 to Ma r. 23, 1953 Docket No. DMEA 2455 Contract No. IDM-E 460

NARRATIVE REPORT

We have completed stage one of this contract as far as I think it is practical to go with it. Upon getting the water out of the bottom level of the winze we find that 40 feet back in the west drift the whole section has caved, making it not practical to continue further. Inasmuch as most of this material is ore that can be pulled from the proposed level after sinking the winze. This level will dry up in the meantime. The present winze is in good condition.

While I had been working on this since the Ist of January, we actually started work under this contract February 11, 1953. After cleaning up the main adit portal and water ditch we installed the rental pump and began pumping while we were cleaning up and installing timber in the main adit drift.

We also cintinued pumping while mucking out the caved portal of "B" tunnel and timbering same. Also had to muck out and catch up a collapsed raise at "B" winze in "B" tunnel.

We rea ched the bottom of the winze and recovered our own pump on March 2, 1953. However I found that this pump had to be repaired before we could return the rental pump. This was done and our own pump in operation in the one month rental period. There being considerable talc and mud in the caved section, con siderable water was impounded in and behind this caved area. As it drained out we had to pump sporadically for the last ten days. While doing this we repaired the timber under the first raise west of the winze on the bottom level and bulkheaded the east drift from the bottom of same. This drift was only 20 feet long and had encountered a fault that water slacked upward into the floor of the main drift 20 feet east of the collar of the adit winze. We filled this hole with muck from the west bottom drift. We finished this rehabilitation work on Ma rch 23rd. Your Tucson office wa s notified and Mr. Romslo inspected the work and check sampled ny assays on March 30th and 31st.

I am continuing pumping and some repair work while waiting to hear about the second stage of the work.

ORD MERCURY MINES,

Tom J. Russell
Secr'y

2/11/53
3/23/53

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

MAY 4 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Period ~~Month~~ of Feb 11 to Mar 23, 1953 Docket No. DMEA 2445 Contract No. IDM-E460

Operator's Name Ord Mercury Mines Minerals Mercury

Address Payson, Arizona

Contract Amount, $ 28,000.00 Government Participation: 75% Amount, $ 21,000.00

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						
Crosscutting						
Drifting						
Shaft						
(2) Labor and Supervision:						
Labor	715.00		715.00			
Supervision	300.00		300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	63.82		63.82			
Explosives						
Pipe						
Track						
Fuel & Greases	112.04		112.04			
(4) Operating Equipment:						
Rental	100.00		100.00			
Purchase						
Depreciation	90.00		90.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	15.00		15.00			
Payroll Taxes	15.98		15.98			
Liability Insurance	79.09		79.09			
Bookkeeping	50.00		50.00			
(8) Contingencies (specify):						
TOTALS	1540.93		1540.93	1540.93		1540.93

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

Date April 22, 1953 Payee ORD MERCURY MINES

Per Tom Russell Title Secretary-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:

$ 1155.70

Signature [illegible] (Authorized Certifying Officer)

Date 4/23/53 Vou. No. DMEA 53-127

(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-460 in accordance with the terms of the contract.

Signature T M Romolo WRR Title Mining Engineer Date April 16, 1953

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

Signature W. H. King Title Executive Officer Date APR 20 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Period ~~Month~~ of Feb 11 to Mar 23 195 53 Docket No. DMEA 2445 Contract No. IDI-2460

Operator's Name ORD MERCURY MINES Minerals Mercury

Address Payson, Ariz na

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 DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Underground Rehabilit		1540.93		1540.93				
TOTAL COSTS		1540.93		1540.93				

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 2, 1953 Operator ORD MERCURY MINES

Per Tom J. Russell Title Secrty-Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

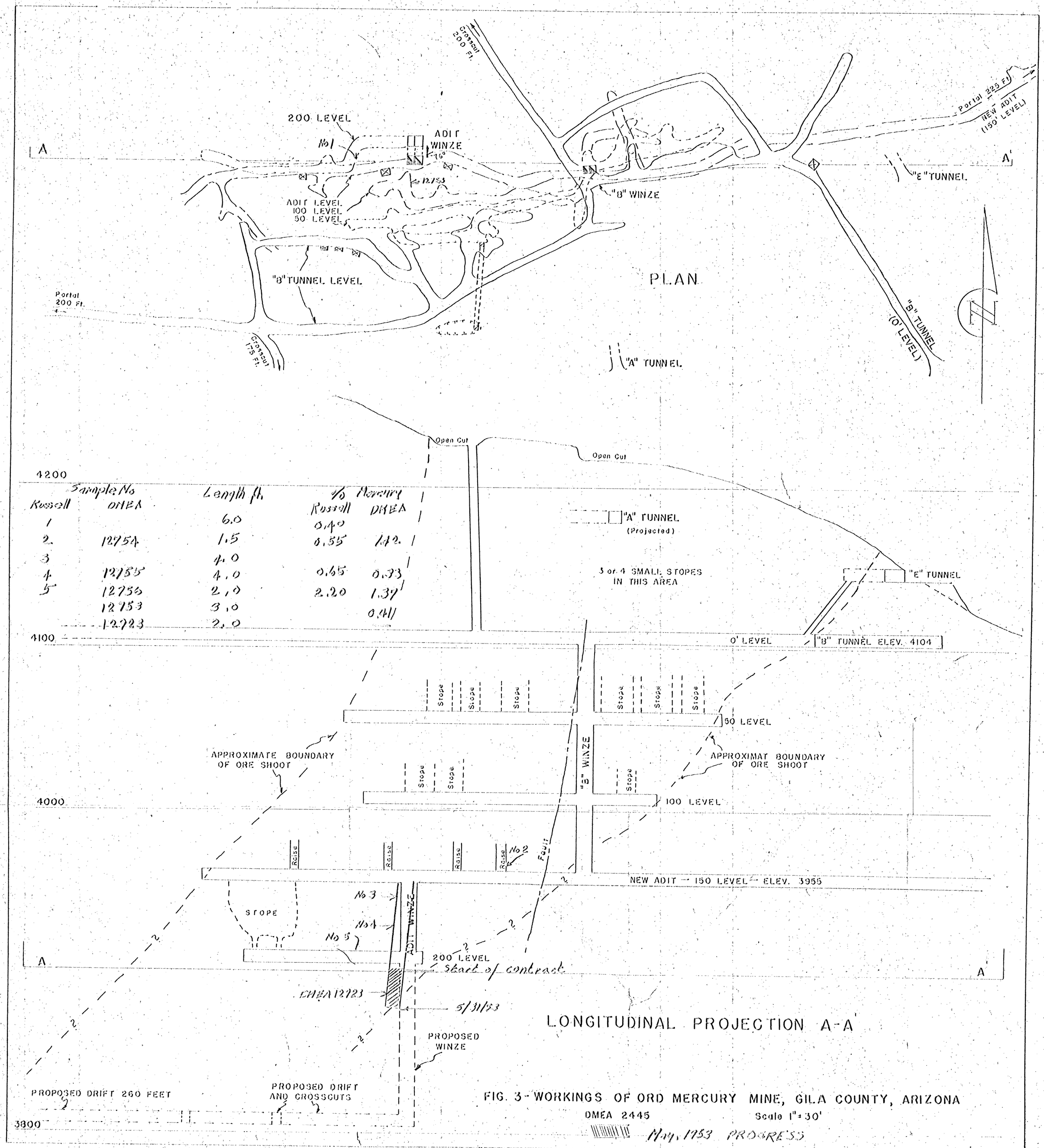
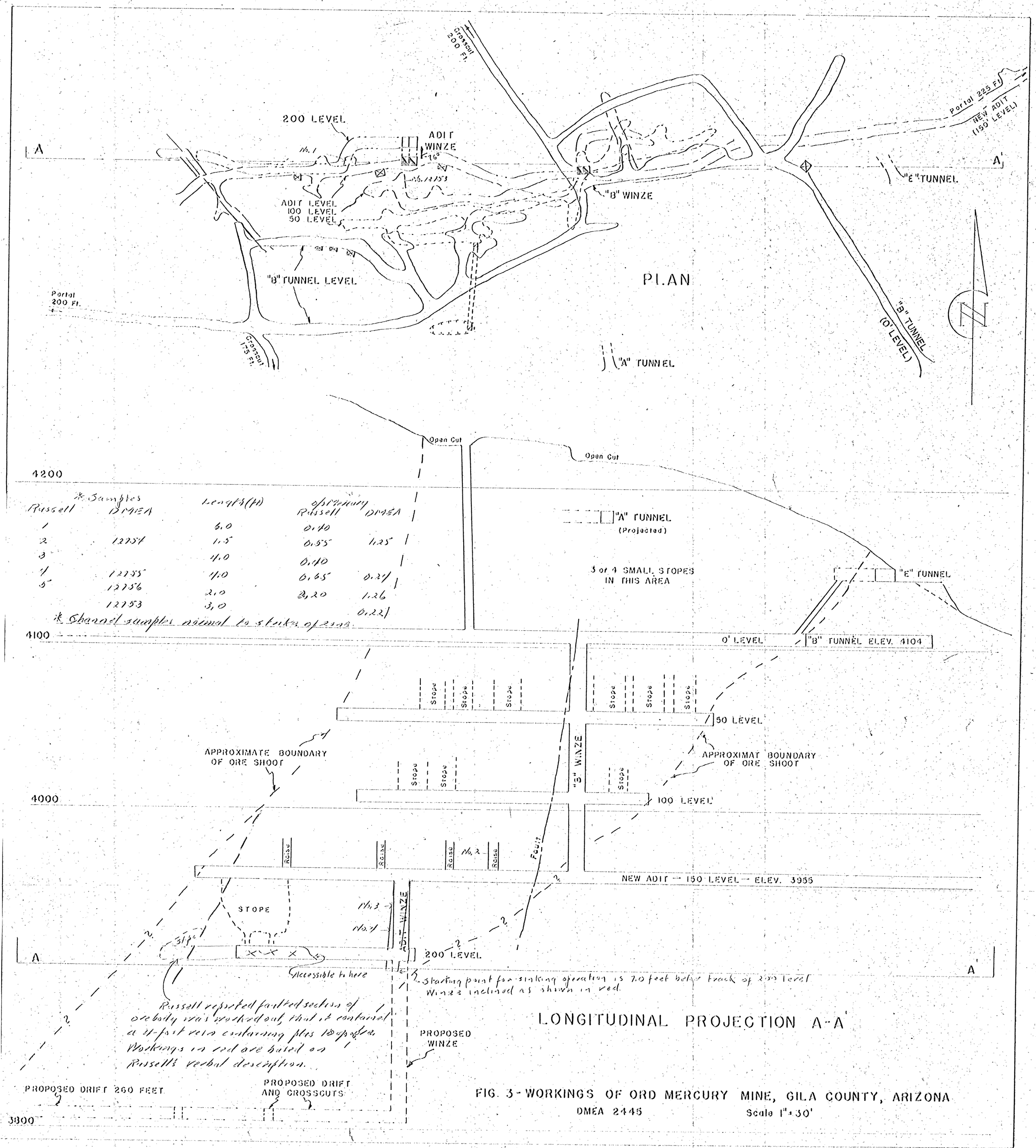


FIG. 3 - WORKINGS OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2445 Scale 1" = 30'



* Samples Russell	DMEA	Lengths (ft)	opportunity Russell	DMEA
1		6.0	0.40	
2	12754	1.5	0.55	1.25
3		4.0	0.40	
4	12755	4.0	0.65	0.24
5	12756	2.0	0.20	1.26
	12753	3.0		0.22

* Channel samples normal to strike of zone.

Russell reported faulted section of orebody was worked out, that it contained a 4-foot vein containing plus 15 opt Au. Workings in red are based on Russell's verbal description.

LONGITUDINAL PROJECTION A-A'

FIG. 3 - WORKINGS OF ORD MERCURY MINE, GILA COUNTY, ARIZONA

DMEA 2446 Scale 1" = 30'