UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Section
Washington

JUNE 4, 1965

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 8 1965
INITIALS | CODE
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ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: VICTOR V BOTTS, JR & JOSEPH A JOHNSON
5625 S UNION AVENUE
BAKERSFIELD, CALIFORNIA

Amount Claimed	Differences (Explained Below)	Amount Approved
$7,472.80	$434.55	$7,038.25 (GOV'T SHARE $3,519.13)
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
1865 - 1	ONE 6348 - CONT #2190	FEB - MAR 1965

EXPLANATION

DRILLING CALIMED	$6,647.60
DRILLING APPROVED:	
DRILLING 789' @ 7.15 = 5,641.35	
" 20' @ 5.95 = 119.00	
REAMING 144' @ 3.75 = 540.00	6,300.35
AMOUNT DISALLOWED	347.25
TRANSPORTATION OF BULLDOZER NOT ALLOWABLE UNDER CONT.	87.30
TOTAL DISALLOWED	434.55

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

Signature

OPAL A SHELTON
CHIEF, ACCOUNTS BRANCH

Title

MME FORM
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6348
Contract No. 14-23-090-2190
Contract Amount $20,160.00
Gov't. Participation % 50 $ 10,080.00
Mineral(s) MERCURY

OPERATOR'S MONTHLY VOUCHER

For Month of FEB. & MARCH 1965

Operator's Name VICTOR V. BOTTS, JR & JOSEPH A. JOHNSON
Address 5625 S. UNION AVE, BAKERSFIELD. CALIF.

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	127.50	276.15	403.65	127.50		
Drifting						
Crosscutting						
Drilling	6647.60	6304.10	12,951.70	6,300.35		
TRANSPORTATION OF BULLDOZER	87.30	96.25	183.55	-0-		
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	125.00	120.00	245.00	125.00		
Payroll Taxes						
Employee's Liability Ins.						
INCIDENTAL ALLOWANCE OF 0.60/FT	485.40	468.00	953.40	485.40		
TOTALS	$7472.80	$7264.50	$14,737.50	7038.25	6,782.15	13,820.40

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

Date 4/12/65 *Payee VICTOR V. BOTTS, JR AND JOSEPH A. JOHNSON

Per Victor V. Botts Jr. Title PARTNERSHIP
Joseph A. Johnson

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

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

(INSTRUCTIONS ON REVERSE)

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

$ 3,519.63

Signature [illegible]
(Authorized Certifying Officer)

Date 6/4/65 Vou. No. 1865

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2190

Signature Paul V. Lillo Title Acting Field Officer Date May 28, 1965

Approved by OME Executive Officer or Alternate: OME Region II

Signature Paul V. Lillo Title Acting Field Officer Date May 28, 1965

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

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

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

DON JACKSON CO.

COMPANY Madrone Mining Company

WELL Core drilling

FIELD Cambria Area

COUNTY, STATE San Louis Obispo, Calif.

INVOICE DATE March 25, 1965

INVOICE NO. 10-L

CUST. ORDER NO. Per Agreement

TERMS Per Agreement

2-12-65	Moving CH #7 to CH #9 2 hours at $12.75 per hr.	$ 25.50
	Coring CH #9 40 feet at $7.15 per ft.	286.00
2-13-65	Coring CH #9 40 feet at $7.15 per ft.	286.00
2-14-65	Coring CH #9 38 feet at $7.15 per ft.	271.70
2-15-65	Coring CH #9 40 feet at $7.15 per ft.	286.00
2-16-65	Coring CH #9 37 feet at $7.15 per ft.	264.55
2-17-65	Moving CH #9 to CH #10 2 hours at $12.75 per hr.	25.50
	Coring CH #10 44 feet at $7.15 per ft.	314.60
2-20-65	Coring CH #10 16 feet at $7.15 per ft.	114.40
2-21-65	Coring CH #10 40 feet at $7.15 per ft.	286.00
2-22-65	Moving CH #10 to CH #7 2 hours at $12.75 per hr.	25.50
	Reaming 3 1/4" to 4 1/4" to run DH hammer 0' to 45'. 45 feet at $3.75 per ft.	168.75
2-23-65	Drilling with DH hammer. 10 feet at $5.95 per ft.	59.50
	Stuck DH hammer. Lost circulation.	
2-24-65	Fishing DH hammer. Wash over.	
2-25-65	Moving CH #7 to CH #7A 2 hours at $7.15 per hr.	25.50
	Coring CH #7A 38 feet at $7.15 per ft.	271.70
2-26-65	Coring CH #7A 34 feet at $7.15 per ft.	243.10
2-27-65	Coring CH #7A 32 feet at $7.15 per ft.	228.80
3- 3-65	Coring CH #7A 22 feet at $7.15 per ft.	157.30
3 -4-65	Coring CH #7A 14 feet at $7.15 per ft.	100.10
	Moving CH #7A to CH #11A 2 hours at $12.75 per hr.	25.50
3 -5-65	Coring CH #11A 52 feet at $7.15 per ft.	371.80

DON JACKSON CO.
DRILLING CONTRACTORS
P.O. BOX [illegible]
NEWHALL, CALIF.
PH. [illegible]

COMPANY Madrone Mining Company

WELL Core drilling

FIELD Cambria Area

COUNTY, STATE San Louis Obispo, Calif.

INVOICE DATE March 25, 1965

INVOICE NO. 10-L (cont-d)

CUST. ORDER NO. Per Agreement

TERMS Per Agreement

3 -6-65	Coring CH #11A 48 feet at $7.15 per ft.	$ 343.20
	Moving CH #11A to CH #11B 2 hours at $12.75 per hr.	25.50
3-18-65	Coring CH #11B 60 feet at $7.15 per ft.	429.00
3-19-65	Coring CH #11B 40 feet at $7.15 per ft.	286.00
3-20-65	Moving CH #11B to CH #3 2 hours at $12.75 per hr.	25.50
	Reaming 0' to 100' 100 feet at $3.75 per ft.	375.00
3-21-65	Reaming 100' to 144' 44 feet at $3.75 per ft.	165.00
	Coring 144' to 154' 10 feet at $7.15 per ft.	71.50
3-22-65	Drilling 154' to 174' 20 feet at $5.95 per ft.	119.00
	Total:	$5677.50

Phone MAdison 2-9338 STATEMENT ORE TESTING

LOS ANGELES 13, CALIF. April 1/65 19

M Madrone Mining Co.

Bakersfield, California

The EISENHAUER LABORATORIES

ASSAYERS--METALLURGISTS--CHEMISTS

[illegible] SOUTH SAN PEDRO STREET

Los Angeles 13, Calif.

Balance payable—30 Days

3/10/65--	6 mercury assays	$ 30.00
3/11/65-	5 mercury assays	25.00
3/15/65-	6 mercury assays	30.00
3/27/65-	14 mercury assays	70.00
	Total due	$155.00

#181
4/6/65

MADRONE COMPANY
P. O. Box 4067 - 832-3219
Bakersfield, California

DATE 3/1/65

SOLD TO
MADRONE MINING COMPANY
5625 SOUTH UNION AVENUE
BAKERSFIELD, CALIFORNIA 93307

CUSTOMER'S ORDER NO.

REQ/JOB NO.

LOCATION MARQUART RANCH

REFERENCE NUMBER	DATE	DESCRIPTION	NUMBER OF UNITS	UNIT PRICE	AMOUNT
9801	2/10/65				$ 43.65
9802	2/12/65				127.50
9803	2/19/65				43.65
					$214.80

PLEASE PAY FROM THIS INVOICE
No Statements Will Be Sent Unless Specifically Requested.

All accounts due within 30 days. Interest will be charged on overdue accounts.

MADRONE COMPANY
P O Box 4067 - 832-3219
Bakersfield, California

9801

2/1/65

INVOICE

Sold To

Shipped

Address

MADRONE COMPANY
P O Box 4067 - 832-3219
Bakersfield, California

9802

2/12/65

INVOICE

Sold To

Shipped To

Address

127 50

MADRONE COMPANY
P O Box 4067 - 832-3219
Bakersfield, California

9803

2/19/65

SALESMAN

TERMS

F O B

INVOICE

Sold To

Shipped To

Address

43 60

Rediform
7H 722

MADRONE MINING CO.
BAKERSFIELD, CALIFORNIA

5625 So. Union Ave.

April 12, 1965

Office of Mineral Exploration
450 Golden Gate Avenue
San Francisco, California

Attn: Mr. Paul V. Fillo, Acting Field Officer

Re: Activities Report, February and March 1965. Victor V. Botts, Jr. and Joseph A. Johnson, a partnership, OME 6348 (Mercury)

Drilling was completed on the project in March 1965, with drilling of core holes #3, 7A, 9, 10, 11A, and 11B. The results of the drilling were as follows:

Core Hole #3-depth 174'. Due to extensive lost circulation and subsequent sticking of the drill pipe, this hole was abandoned with no recovery of samples below 140'. Negative assay results substantiated the lack of observable cinnabar in the samples.

Core Hole #7-depth 54'. Traces of cinnabar were observed throughout this hole. After sticking the down-hole hammer at 54' and spending three days fishing it out, the hole was abandoned. A new hole (#7A) was drilled 8' to the Northwest of this location.

Core Hole #7A-depth 140'. Cinnabar was panned throughout the total interval of this hole. Five assay samples spaced throughout the interval indicate that the hole pennetrated 134' of marginal ore averaging 0.11%Hg.

Core Hole #9-depth 195'. Traces of cinnabar were observed between 108'-138' and 190'-195'. Assays of these intervals indicate marginal values of 0.11%Hg in the upper interval and 0.08% in the lower.

Core Hole #10-depth 100'. This hole was drilled almost entirely in fault gouge with negative results.

CORE HOLE #11A-DEPTH 100'. THE TOP 30' OF THIS HOLE CARRIED MINOR AMOUNTS OF CINNABAR WITH ASSAYS INDICATING MARGINAL ORE OF 0.12% HG.

CORE HOLE #11B-DEPTH 100'. THIS HOLE WAS DRILLED ENTIRELY IN FAULT GOUGE WITH NEGATIVE RESULTS.

DRILLING ON THE PROGRAM WAS BEGUN ON OCTOBER 5, 1964 AND TERMINATED ON MARCH 22, 1965. A TOTAL OF 1589' OF CORE HOLES WERE DRILLED AND SAMPLED WITH A SAMPLE RECOVERY OF OVER 90%. INCLEMENT WEATHER, EXCESSIVE LOST CIRCULATION, FRACTURED AND BROKEN ZONES, AND HARD DRILLING CONTRIBUTED TO THE EXTENSIVE TIME REQUIRED TO COMPLETE THE PROJECT. IN ADDITION, THE COSTS WERE RAISED CONSIDERABLY ABOVE THOSE LISTED IN THE ORIGINAL ESTIMATES.

CORE HOLES #4, 7A, 8, 9, AND 11A ENCOUNTERED INTERVALS OF MARGINAL ORE. DETERMINATION OF THE EXTENT OF THESE ORE BODIES WILL REQUIRE ADDITIONAL EXPLORATORY WORK SUCH AS TRENCHING FOR OUTCROP EXPOSURES, ASSAYING AND PROBABLY MORE DRILLING.

Joseph A. Johnson

JOSEPH A. JOHNSON-PARTNER
MADRONE MINING COMPANY

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of FEB. & MARCH 1965 Docket No. OME-6348

Operator's Name VICTOR V. BOTTS, JR & JOSEPH A. JOHNSON Contract No. 14-23-090- 2190

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond		40	118				
Rotary		729	1400				
Drilling, Non-core-Diamond							
Rotary		20	39	$13,905.10	809	1589	12,122.10
Churn							
Percussion		10	32				
Miscellaneous					809	1589	953.40
BULLDOZING				$587.20			587.20
Roads and Trails							499.90
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							245.00
Operating Equipment Purchases				$245.00			275.00
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$14,737.30			13,937.70
							13,820.40

REMARKS

(Continue on back)

REMARKS

789 X 7.15 = 5641.35
144' X 3.75 = 540.00 Neming
20' X 5.95 = 119.00
6300.35
5821.75 Bot Unwater
12,122.10

31 Assay
155
120
$275

(Continue on back)

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 4/12/65 Operator VICTOR V. BOTTS, JR AND JOSEPH A. JOHNSON

Per Victor V. Botts Jr. Title PARTNERSHIP
Joseph A. Johnson

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

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Paul O. Fillo

Title Acting Field Officer
Government Representative
OME Region II

Date May 28, 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6348
Contract No. 14-23-090-2190
Contract Amount $ 20,160.00
Gov't. Participation % 50 $ 10,080.00
Mineral(s) MERCURY

OPERATOR'S MONTHLY VOUCHER

For Month of DECEMBER 1964-JANUARY 1965

Operator's Name VICTOR V. BOTTS, JR. & JOSEPH A. JOHNSON
Address 5625 SOUTH UNION AVE., BAKERSFIELD, CALIF.

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and (1) Independent Contracts:						
Bulldozing		372.40	372.40		372.40	372.40
Drifting						
Crosscutting						
Drilling	3607.10	(3568.74)	6304.10	3,333.55	2,488.20	5,821.75
	AUTHORIZED	2697.00				
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	120.00		120.00	120.00	—	120.00
Payroll Taxes						
Employee's Liability Ins.						
INCIDENTAL ALLOWANCE $0.60/FOOT	259.20	208.80	468.00	259.20	208.80	468.00
TOTALS	$3986.30	$3278.20	$7264.50	3,712.75	3,069.40	6,782.15

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

Date FEB 17, 1965 *Payee VICTOR V. BOTTS, JR. & JOSEPH A. JOHNSON

Per Victor V. Botts Jr. Joseph A. Johnson Title PARTNERSHIP

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

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

(INSTRUCTIONS ON REVERSE)

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

$ 1,856.37

Signature — (Authorized Certifying Officer)

Date 4/12/65 Vou. No. 1556-1

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2190

Signature: Paul D. Lillo Title Acting Field Officer Date April 1, 1965

Approved by OME Executive Officer or Alternate: OME Region II

Signature Paul D. Lillo Title Acting Field Officer Date April 1, 1965

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

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

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

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month ~~JANURRY~~ DECEMBER 1964-1965 Docket No. OME-6348

Operator's Name VICTOR V. BOTTS, JR. & JOSEPH A. JOHNSON Contract No. 14-23-090-2190

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary		11	78				
Drilling, Non-core-Diamond		51	120	$6772.10	432	780	5821.75
Rotary							
Churn		338	572				
Percussion							
Miscellaneous		22	22		432	780	468.00
		427	792				
Roads and Trails BULLDOZING				$372.40			372.40
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				~~$120.00~~			120.00
TOTAL TO DATE (per MME Form 60)				~~$7264.50~~			6782.15

REMARKS

41'
6 hrs
5 sacks gel @ $2.90

(Continue on back)

REMARKS
432 X 7.15 = 3088.80
Reaming 153.75
Cement & Drill. 76.50
Material 14.50
3333.55
Last Voucher Acct. 2488.20
5821.75

(Continue on back)

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

Date 2/17/65 Operator VICTOR V. BOTTS, JR. & JOSEPH A. JOHNSON

Per Victor V. Botts Jr. Title PARTNERSHIP

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

I certify that the information above is complete and accurate to the best of my knowledge and belief

Signature Paul D. Dillo

Title Acting Field Officer

Government Representative OME Region II

Date April 1, 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT:DUP.:D.C.59- 27162

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

APRIL 14, 1965

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: VICTOR V BOTTS & JOSEPH A JOHNSON
5625 SOUTH UNION AVENUE
BAKERSFIELD, CALIFORNIA

Amount Claimed:	Differences (Explained Below)	Amount Approved
$3,986.30	$273.55	$3,712.75 GOV'T SHARE $1,856.37
Bu. Voucher No.	Payee's Invoice No.	Period
1556 - 1	OME - 6348 CONT #2190	DECEMBER 1964 TO JANUARY, 1965

EXPLANATION

AMOUNT CLAIMED UNDER DRILLING .....=$3,607.10

AMOUNT ALLOWED BY ACTING FIELD OFFICER, OME, AT SAN ~~XXX~~ FRANCISCO -

432' DRILL @ 7.15/FT	3,088.80
REAMING	153.75
CEMENT & REDRILLING	75.50
MATERIAL	14.50

TOTAL ALLOWED FOR DRILLING $3,333.55

TOTAL DISALLOWANCE ..... $ 273.55

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

Signature

OPAL A SHELTON
CHIEF, ACCOUNTING SECTION
Title

44616

MADRONE MINING CO.
3127 NINETEENTH STREET - PHONE 327-4804
BAKERSFIELD, CALIFORNIA 93301

March 1, 1965

Office of Mineral Exploration
450 Golden Gate Ave.
San Francisco, California

Attn: MR. PAUL V. FILLO, Acting Field Officer

Re: OME-6348 (Mercury)
Victor V. Botts, Jr. and Joseph A. Johnson
MONTHLY REPORT for DECEMBER 1964 and JANUARY 1965

Dear Mr. Fillo:

Regarding your letter of Feb. 25 I am submitting the following as explanations of your queries.

Included are copies of billing submitted in the October and November report which include the footage that you noted was not included on Jackson's December billing. Core hole #2 was started October 14 with 98 feet sampled, November 4 1 foot was cored, November 5, 13 feet, December 5, 1 foot, and December 9, 19 feet for a total depth of 132 feet as reported.

The bills for the assaying completed totaled $201.55. Of these assays five at $6.75/ were outcrop samples and one at $5.00/ was an outcrop sample for a total of $38.75. This total subtracted from $201.55 gives $162.70 instead of $162.80 as claimed. We neglected to reduce the total to only five dollars a sample as indicated in the contract, which would leave a total of $120.00. I am changing the vouchers to so state.

Very truly yours,

Joseph A. Johnson

Joseph A. Johnson, Partner

~~OFFICIAL~~
COPY
O. M. E.
RECEIVED
APR 14 1965
INITIALS | CODE
| 801

MAR 1965

Cust. order no.
LTR. 9-26-64
Requisition no.
Date entered

HOUSTON TOOL COMPANY

MANUFACTURERS OF VACUUM DRILLING EQUIPMENT

P O BOX 249 SANTA SUSANA, CALIFORNIA 93063

805-526-4266 Telephones 213-348-7660

Invoice no.
5 2 3 7
Invoice date
11-3-64
Terms
NET

SOLD TO

MADRONE MINING COMPANY
3127 NINETEENTH STREET
BAKERSFIELD, CALIFORNIA

SHIP TO

Date Shipped	Shipped via	Prepaid or collect

From no.	Part no.	Quantity	Description	Unit Price	Total Amount
			DRILLING:		
	DATE		FOOTAGE / BITS		
	10-5-64		30'		
	10-6-64		3'		
	10-12-64		38'		
	10-14-64		110' — 1 - 3" TUNGSTEN CORING BIT		
	10-15-64		33' — 1 - 3 1-4" 3-CONE ROLLER		
	10-19-64		21' — 1 - 3" TUNGSTEN CORING BIT		
	10-20-64		18'		
	10-21-64		20' — 1 - 3" CORING BIT, TUNGSTEN		
	10-26-64		35'		
			319' — 4		
			319 FT. @ $8.00 PER FOOT		$2,552.00
			3 - 3" TUNGSTEN CORING BITS @ $90.00 EA.		270.00
			1 - 3 1-4" 3-CONE ROLLER BIT @ $60.00 EA.		60.00
					$2,882.00

Check # 105

11/13/64

No statement will be sent unless requested. Please remit from this invoice.

Prices charged are in accordance with economic stabilization agency general price ceiling regulations dated January 26, 1951 or subsequent regulations applicable. Seller represents that with respect to the production of the articles and/or the performance of the services covered by this invoice it has fully complied with section 12(a) of the fair labor standards act of 1938 as amended.

It is understood and agreed that, by acceptance of the above shipment, buyer shall hold seller harmless from any sales, use, excise or other tax imposed or asserted upon the subject transaction by any city, county, state or federal authority.

DRILLING
DON JACKSON CO.
CONTRACTORS
P. O. BOX 153
NEWHALL, CALIF.
PH. 25[illegible]18

COMPANY	Madrone Mining Co.	INVOICE DATE	December 5, 1964
WELL	Core drilling	INVOICE NO.	10-B
FIELD	Cambria Area	CUST. ORDER NO.	Per Agreement
COUNTY, STATE	San Louis Obispo, Calif.	TERMS	Per Agreement

Oct. 27, 1964	CH #3	9 ft. at $8.00 per ft.	$ 72.00
Oct. 31, 1964	CH #3	2 ft. at $8.00 per ft.	16.00
Nov. 5, 1964	CH #2	13 ft. at $8.00 per ft.	104.00
Nov. 6, 1964	CH #6	5 ft. at $8.00 per ft.	40.00
Nov. 21, 1964	CH #6	7 ft. at $8.00 per ft.	56.00
Nov. 22, 1964	CH #6	88 ft. at $8.00 per ft.	704.00
Nov. 23, 1964	CH #1	2 ft. at $8.00 per ft.	16.00
Nov. 24, 1964	CH #1	2 ft. at $8.00 per ft.	16.00
Nov. 25, 1964	CH #5	100 ft. at $8.00 per ft.	800.00
Nov. 29, 1964	CH #1	18 ft. at $8.00 per ft.	144.00
Nov. 30, 1964	CH #1	6 ft. at $8.00 per ft.	48.00
		Total footage: 252 ft.	$2016.00

Bits:

#212 Varel 3-cone rock 31/4"	$ 60.00
#14811 Varel 3-cone rock 37/8"	60.00
#12077 Varel 2-cone rock 31/4"	60.00
	$ 180.00
Tax:	7.20
Total:	$ 187.20
Total:	$2203.20

Phone MAdison 2-9328

STATEMENT

ORE TESTING

LOS ANGELES 13, CALIF. Dec. 30/64 19

M Madrone Mining Co.

Bakersfield, Calif.

The EISENHAUER LABORATORIES

ASSAYERS--METALLURGISTS--CHEMISTS

320-322 SOUTH SAN PEDRO STREET

Los Angeles 13, Calif.

Accounts payable—30 Days

	Total
12/30/64- 9 mercury assays @ $ 5.00 per unit-	$ 45.00

We have had to raise our prices on the mercury assays due to the present rise in silver foil used in the assaying of same.

Phone MAdison 2-9328

STATEMENT

ORE TESTING

LOS ANGELES 13, CALIF. Feb. 1/65 19

M Madrone Mining Co.

Bakersfield, Calif.

The EISENHAUER LABORATORIES

ASSAYERS--METALLURGISTS--CHEMISTS

320-322 SOUTH SAN PEDRO STREET

Los Angeles 13, Calif.

Accounts payable—30 Days

1/21/65- 8 mercury assays-	$ 40.00
1/26/65-11 mercury assays	55.00
Assay Jan. total	$ 95.00
Shipping charges pulps	.80
Total now due	$ 95.80

HORNKOHL LABORATORIES, INC.

CHEMICAL ENGINEERS

114838

CONSULTANTS; ANALYSES OF OIL CORES, OILS, MUDS, SOILS, WATER, FERTILIZERS, FEEDS, INDUSTRIAL HAZARDS, BACTERIOLOGY, PHYSICAL TESTING

714 TRUXTUN AVENUE — P. O. BOX 867 — FAirview 7-8567

BAKERSFIELD, CALIFORNIA

DATE January 5 1965

NAME Madrone Mining Co. ATTN. J. N. Hylton

ADDRESS 3127 17th Street CITY Bakersfield

SAMPLE NO.	TESTS	AMOUNT	
159504	9 Mercury Analyses @ 7.50 ea	67	50
Due			
157532	Less 10%	6	75
		60	75
	Market: OC-1 CH7 {7-1		
	OC-2 {7-2		
	OC-3 40C-1		
	OC-4		
	CH 8 {8A-5 #130		
	{8A-6 1/6/65		

DON JACKSON CO.

COMPANY Madrone Mining Company

WELL Core drilling

FIELD Cambria Area

COUNTY, STATE San Louis Obispo, Calif.

INVOICE DATE January 1, 1965

INVOICE NO. 10-F

CUST. ORDER NO. Per Agreement

TERMS Per Agreement

Dec.- 1-64	Coring CH #1 15 ft. at $7.15 per ft.	$ 107.25
	Air compressor. 8 hours at $15.00 per hr.	120.00
Dec.- 2-6	Coring CH #1 2 feet at $7.15 per ft.	14.30
	Reaming 2 3/8" to 3 1/4" from 96 ft. to 137 ft. 41 ft. at $3.75 per ft.	X153.75
	Air compressor. 4 hrs. at $15.00 per hr.	60.00
Dec.- 3-64	Coring CH #1 6 ft. at $7.15 per ft.	42.90
	Air compressor. 8 hrs. at $15.00 per hr.	120.00
Dec.-4 -64	Moved from CH #1 to CH #2 2 hrs. at $12.75 per hr.	25.50
	Mixing gel. Lost circulation. 6 hrs. at $12.75 per hr.	X 76.50
	Hauling water 2 hrs. at $8.75 per hr.	17.50
	5 sacks gel at $2.90 per sack.	X14.50
Dec.- 5-64	Coring CH #2 1 foot at $7.15 per ft.	7.15
	Hauling water. 2 hrs. at $8.75 per hr.	17.50
	Air compressor 4 hrs. at $15.00 per hr.	60.00
Dec.- 7-64	Moving from CH #2 to CH #4 2 hrs. at $12.75 per hr.	25.50
	Coring CH #4 54 feet at $7.15 per ft.	386.10
Dec.- 8-64	Coring CH #4 28 feet at $7.15 per ft.	200.20
Dec.- 9-64	Coring CH #4 18 ft. at $7.15 per ft.	128.70
	Moving from CH #4 to CH #2 2 hrs. at $12.75 per hr.	25.50
	Coring CH #2 19 ft. at $7.15 per ft.	135.85
	Moving from CH #2 to CH #8 2 hrs. at $12.75 per hr.	25.50
Dec.-10-64	Coring CH #8 38 ft. at $7.15 per ft.	271.70
Dec.-11-64	Open hole from 0' to 30'. Set casing 30 ft. at $3.75 per ft.	112.50
	Drilling 30 ft. to 56 ft. with D.H. hammer 26 ft. at $5.95 per ft.	154.70
	Air compressor. 5 hrs. at $15.00 per hr.	75.00
	Coring 23 ft. at $7.15 per ft.	164.45
Dec.-12-64	Coring CH #8 39 ft. at $7.15 per ft.	278.85
Dec.-13-64	Coring CH #8 14 ft. at $7.15 per ft.	100.10
	Air compressor. 9 hrs. at $15.00 per hr.	135.00
Dec.-14-64	Coring CH #8 38 feet at $7.15 per ft.	271.70
	Air compressor. 8 hrs. at $15.00 per hr.	120.00

DRILLING
DON JACKSON CO.
CONTRACTORS
P. O. BOX 358
NEWHALL, CALIF.
PH. 259-3718

COMPANY	Madrone Mining Company	INVOICE DATE	January 1, 1965
WELL	Core drilling	INVOICE NO.	.0-F (cont'd)
FIELD	Cambria Area	CUST. ORDER NO.	Per Agreement
COUNTY, STATE	San Louis Obispo, Calif.	TERMS	Per Agreement

Dec.-15-64	Coring CH #8 17 feet at $7.15 per ft.	$ 121.55
	Air compressor. 8 hrs. at $15.00 per hr.	120.00
Dec.-16-64	Coring CH #8 1 ft. at $7.15 per ft.	7.15
	Air compressor. 5 hrs. at $15.00 per hr.	75.00
Dec.-17-64	Opened hole from 30 ft. to 60 ft. Set casing. 30 ft. at $3.75 per ft.	112.50
	Coring CH #8 23 feet at $7.15 per ft.	164.45
	Air compressor. 5 hrs. at $15.00 per hr.	75.00
Dec.-18-64	Moved from CH #8 to CH #7. 2 hrs. at $12.75 per hr.	25.50
	Coring CH #7. 45 feet at $7.15 per ft.	321.75
	Total:	$4,471.10
	Less water truck and compressor charge	994.00
	Plus mobilization two units at 25¢/mi/vehicle-260 miles	130.00
		$3,607.10

(Above note added by J. A. Johnson)

MADRONE MINING CO.
3127 NINETEENTH STREET - PHONE 327-4804
BAKERSFIELD, CALIFORNIA 93301

February 17, 1965

Office of Mineral exploration
450 Golden Gate Ave.
San Francisco, California

Attn: MR. PAUL V. FILLO, Acting Field Officer

Re: ACTIVITIES REPORT, DECEMBER 1964 and JANUARY 1965
Victor V. Botts, Jr and Joseph A. Johnson, a Partnership
OME-6348 (Mercury)

During the month of December we completed Core Holes #2, #4 and Stage II #8. The completion of Core Hole #3 was deferred because of location problems caused by the rain. Core Hole #7 was started prior to shutting down drilling operations because of the rain.

Core Hole #2 - Total depth 132 feet. Encountered excessive lost circulation at bottom of hole. Unable to get casing below 100 feet, left 100 feet of casing in the hole. Negative results.

Core Hole #4 - Total depth 100 feet. Minor shows of cinnabar, not considered to be commercial.

Core Hole #8 - Total depth 200 feet. Minor shows of cinnabar, not considered to be commercial. (30 feet of casing left in hole)

Drilling was suspended during the month of January. Samples from core holes completed were assayed with some minor showings. The assay results are plotted on the core log sections included herewith, i.e. Core Holes #2, #4 and #8, and a complete list is included to add to the previously submitted core logs on holes #1, #5 and #6.

Joseph A. Johnson
JOSEPH A. JOHNSON, Partner

MADRONE MINING CO.
312 N. SEVENTH STREET - PHONE 327 4804
BAKERSFIELD, CALIFORNIA 93301

Victor V. Botts, Jr. and Joseph A. Johnson, a Partnership
CME-6348

ASSAY RESULTS TO DATE

CORE HOLE #1 - Total Depth 174 feet

33'-35'	0.055% Hg	1.1#/ton

(Other samples displaced by assayer, will be resampled)

CORE HOLE #2 - Total Depth 132 feet

10'-16'	0.02% Hg	0.4#/ton
40'-42'	Trace	
55'-59'	0.075% Hg	1.5#/ton
77'-79'	Nil	

Negative results.

CORE HOLE #4 - Total Depth 100 feet

8'-14'	0.04% Hg	0.8#/ton
28'-34'	0.05% Hg	1.0#/ton
69'-75'	0.11% Hg	2.2#/ton

Considered to be non-commercial

CORE HOLE #5 - Total Depth 100 feet ✓

44'-46'	0.02% Hg	0.4#/ton
65'-67'	0.03% Hg	0.6#/ton
74'-76'	Trace	
94'-96'	0.02% Hg	0.4#/ton

Negative results

CORE HOLE #7 - Total Depth 100 feet

21'-24'	Trace	
32'-34'	0.04% Hg	0.8#/ton
62'-64'	Trace	
97'-100'	Trace	

Negative results

CORE HOLE #8 - Total Depth 200 feet

126'-132'	0.02% Hg	0.4 #/ton	167'-173'	0.08% Hg	1.6#/ton
120'-126'	Trace		181'-187'	0.02% Hg	0.4#/ton
148'-154'	0.25% Hg	5.0#/ton	188'-194'	Less than 0.1% Hg	
154'-161'	0.03% Hg	0.6#/ton	194'-200'	0.04% Hg	0.8#/ton

Not considered to be commercial. Upper portion of hole to be sampled.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

February 26, 1965

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

The property was inspected February 18, 1965 by the Acting Field Officer, accompanied by the operators, Joseph Johnson and Victor Botts.

At the time of the inspection, hole No. 7 was being drilled. They will try to complete their program as quickly as possible while the weather is in their favor. They are hoping to find some cinnabar mineralization. Hole No. 7 should be completed by the end of this month.

The operators were instructed to drill hole No. 10, as shown on the contract map, and if, within the first 100 feet the results are negative, the drilling should stop; there is no need to spend more money on a blank hole, since the rest of the holes to the west were negative. It has been a disappointment and yet the production in the early days was from that area. The area is obscured by overburden that makes it difficult to determine what actually took place in the strongly folded and altered Franciscan formation within the northwest trending thrust-fault zone.

If the results of hole No. 7 show some encouragement of cinnabar showing, I have instructed the operator to drill, in lieu of hole No. 11 (200') as shown on the contract map, a 100 foot hole northwest from hole No. 7 of approximately 150 feet, and the hole will be designated as 11-A and the balance of the footage (100') will be drilled southeast of the open cut where two faults are shown. This drill hole will be designated as 11-B.

The contract states "the Government will not contribute to the cost of any hole which does not reach the approximate depth indicated". It appears that if the drilling is continued to the designated depth of 200 feet, it would be negative. I surmise that an amendment will be required. The unfavorable results received on the previous drill holes strongly indicates that a change should be made by an amendment.

In reference to the penultimate paragraph of your letter of January 26, 1965,

this can best be explained in the operator's letter of November 5, 1964 to me. Core recovery has been unsatisfactory at times, so the next best method to use was the reverse circulation under a vacuum, with 100 percent recovery, and this is very satisfactory. I am enclosing a pamphlet of the type of rig they are using. The bags are marked and stored in one of Mr. Marquart's ranch buildings. In each drill hole, coring has started, but after a short distance the core recovery is very low. They must immediately switch to the vacuum method. If there is a considerable amount of moisture encountered, then they must use a 315 or 600 compressor to recover the cuttings.

The project hasn't been easy and they have had the added problem of Jackson's drilling contract with the operator not conforming with the OME contract.

Paul V. Fillo

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

MME FORM 60
SEPT. 1959

JAN 13 1965

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6348
Contract No. 14-23-090-2190
Contract Amount $20,160.00
Gov't. Participation % 50 $10,080.00
Mineral(s) Mercury

OPERATOR'S MONTHLY VOUCHER

For Month of October & November

Operator's Name Victor V. Botts, Jr. & Joseph A. Johnson
Address 3127 19th St., Bakersfield, California

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing		$372.40	$372.40		372.40	372.40
Drifting						
Crosscutting						
Drilling	$3568.74	—	$3568.74	2,488.20	—	2,488.20
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Incidental allowance of 60¢/foot	$208.80	—	$208.80	208.80	—	208.80
TOTALS	$3777.54	$372.40	$4149.94	2,697.00	372.40	3,069.40

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

Date November 1964 *Payee Victor V. Botts, Jr. & Joseph A. Johnson

Per Victor V. Botts Jr. Joseph A. Johnson Title Partnership

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

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

(INSTRUCTIONS ON REVERSE)

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

$ 1,348 50

Signature BHB
(Authorized Certifying Officer)

Date 1/7/65 Vou. No. 1003-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2190

Signature Paul V. Gillo Title Acting Field Officer Date Jan. 5, 1965

Approved by OME Executive Officer or Alternate: OME Regional

Signature Paul V. Gillo Title Acting Field Officer Date Jan. 5, 1965

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

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

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

DRILLING
DON JACKSON CO.
CONTRACTORS
P. O. BOX
NEWHALL, CALIF.
PH.

COMPANY Madrone Mining Co.

WELL Core drilling

FIELD Cambria Area

COUNTY, STATE San Louis Obispo, Calif.

INVOICE DATE December 5, 1964

INVOICE NO. 10-B

CUST. ORDER NO. Per Agreement

TERMS Per Agreement

Oct. 27, 1964	CH #3	9 ft. at $8.00 per ft.	$ 72,00
Oct. 31, 1964	CH #3	2 ft. at $8.00 per ft.	16.00
Nov. 5, 1964	CH #2	13 ft. at $8.00 per ft.	104.00
Nov. 6, 1964	CH #6	5 ft. at $8.00 per ft.	40.00
Nov. 21, 1964	CH #6	7 ft. at $8.00 per ft.	56.00
Nov. 22, 1964	CH #6	88 ft. at $8.00 per ft.	704.00
Nov. 23, 1964	CH #1	2 ft. at $8.00 per ft.	16.00
Nov. 24, 1964	CH #1	2 ft. at $8.00 per ft.	16.00
Nov. 25, 1964	CH #5	100 ft. at $8.00 per ft.	800.00
Nov. 29, 1964	CH #1	18 ft. at $8.00 per ft.	144.00
Nov. 30, 1964	CH #1	6 ft. at $8.00 per ft.	48.00
		Total footage: 252 ft.	~~$2016.00~~

Bits:

#212 Varel 3-cone rock 31/4"	$ 60.00
#14811 Varel 3-cone rock 37/8"	60.00
#12077 Varel 2-cone rock 31/4"	60.00
	$ 180.00
Tax:	7.20
Total:	$ 187.20
Total:	$2203.20

Cust. order no.
LTR. 9-26-64
Requisition no.
Date entered

HOUSTON TOOL COMPANY

MANUFACTURERS OF VACUUM DRILLING EQUIPMENT

P O BOX 248 SANTA SUSANA CALIFORNIA 93063

805-526-4266 Telephones 213-348-7660

Invoice no.
5237
Invoice date
11-2-64
Terms
NET

SOLD TO

MADRONE MINING COMPANY
3127 NINETEENTH STREET
BAKERSFIELD, CALIFORNIA

SHIP TO

Date Shipped	Shipped via	Prepaid or collect

Item no.	Part no.	Quantity	Description	Unit Price	Total Amount
			DRILLING:		
DATE			FOOTAGE / BITS		
10-5-64			30'		
10-6-64			3'		
10-12-64			38'		
10-14-64			110'	1 - 3" TUNGSTEN CORING BIT	
10-15-64			33'	1 - 3 1-4" 3-CONE ROLLER	
10-19-64			21'	1 - 3" TUNGSTEN CORING BIT	
10-20-64			18'		
10-21-64			20'	1 - 3" CORING BIT, TUNGSTEN	
10-26-64			38'		
			319'	4	
			319 FT. @ $8.00 PER FOOT		$2,552.00
			3 - 3" TUNGSTEN CORING BITS @ $90.00 EA.		270.00
			1 - 3 1-4" 3-CONE ROLLER BIT @ $60.00 EA.		60.00
					$2,882.00

Houston

No statement will be sent unless requested. Please remit from this invoice.

Prices charged are in accordance with economic stabilization agency general price ceiling regulations dated January 26, 1951 or subsequent regulations applicable. Seller represents that with respect to the production of the articles and/or the performance of the services covered by this invoice [illegible] with section 12(a) of the fair labor standards act of 1938 as amended

[illegible] that, by acceptance of the above sh[illegible] excise or other tax imposed or asser[illegible] federal authority.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of OCTOBER-NOVEMBER 1964 Docket No. OME-6348

Operator's Name Victor V. Botts, Jr. & Joseph A. Johnson Contract No. 14-23-090- 2190

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond	800	~~61~~ 62		8673.01	62'	62'	443.30
Rotary		69		8749.00	69'	69'	493.35
Drilling, Non-core-Diamond							
Rotary		217		12355.53	217'	217'	1551.55
Churn				5777.54			
Percussion							
Miscellaneous						348'	208.80
Bulldozing				8372.40			372.40
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				34119.94			3069.40

REMARKS

(Continue on back)

REMARKS

Using $7.15 per foot basis as shown in the contract

(Continue on back)

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 November 1964 Operator Victor V. Botts, Jr. & Joseph A. Johnson

Per Victor V. Botts Jr. / Joseph A. Johnson Title Partnership

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

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Paul V. Zillo

Title Acting Field Officer OME Government Representative

Date Region II Jan. 5, 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

JOSEPH A. JOHNSON
GEOLOGICAL CONSULTANT
3127 NINETEENTH STREET - PHONE 327-4804
BAKERSFIELD, CALIFORNIA

DEC 1964
BUREAU OF MINES
OFFICE OF
MINERALS EXPLORATION
REGION 11

December 21, 1964

Office of Mineral Exploration
450 Golden Gate Ave.
San Francisco, California

Attention: MR. PAUL V. FILLO, Regional Director

Re: October and November Monthly Report
OME-6348 (Mercury)

Dear Paul;

Enclosed is the October and November monthly report wherein I have just included the holes completed during that time.

To get the chargeable footage for the voucher I utilized the total allowable amount for the drilling for Stage I, divided the amount of footage authorized into the total and came up with $10.255/foot. As we discussed this does not follow the form of the present contract but certainly the authorization and intent.

I am sorry I didn't get ahold of you last week but I had nothing to report relative to core hole #8. We didn't finish it until Friday. There wasn't any real significant revelation from this hole although I did see some rare recognizable cinnabar. I am having some assays run now. We didn't pentrate any high grade ore body, that I'm sure of.

We did find another occurence of fairly good looking ore which lies in between core holes #7 and 9, we'd like to check it out.

I hope this present report is satisfactory, we can use the money!

Very truly yours,

Joe Johnson

JOSEPH A. JOHNSON, Partner

Victor V. Potts, Jr. and Joseph A. Johnson, a Partnership
Contract [illegible]
[illegible]

ACTIVITIES REPORT FOR THE MONTHS OF OCTOBER AND NOVEMBER 1964

Drilling commenced October 5, 1964. Through the end of November we had completed Core Holes 1, 5, and 6. Core Holes 2 and 3 were partially completed during this period but were deferred until additional drilling equipment could be utilized.

Continual drilling problems such as lost circulation due to open fractures, flowing waters, caving hole, stuck casing and core barrels in conjunction with inclement weather, rain, equipment malfunctions and contributed to the small amount of footage sampled.

Core Hole 1 - total depth 148' with a 5 foot core barrel left in the hole. Core shavings of Cinnabar at 30' and 70-75'. No assay as yet.

Core Hole 5 - Sampled to the programmed depth of 100'. Negative results.

Core Hole 6 - Sampled to the programmed depth of 100'. Questionable Cinnabar at [illegible]'. No assay as yet.

Enclosed with this report are columnar sections depicting the section penetrated in each core hole completed.

Joseph A. Johnson

JOSEPH A. JOHNSON, Partner

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Section
Washington

JANUARY 8, 1965

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: VICTOR V BURNS, JR & JOSEPH A JOHNSON
3127 19TH STREET
BAKERSFIELD, CALIFORNIA

Amount Claimed:	Differences (Explaoned Below)	Amount Approved
$ 3,777.54	$ 1,080.54	$ 2,697.00
1093 - 2	O M B 6348	OCT & NOV 1964
Bu. Voucher No.	Payee's Invoice No.	Period

EXPLANATION

TOTAL DRILLING FOOTAGE OF 348 FT IS APPROVED BY MR PAUL FILLS AT THE CONTRACT RATE OF $7.15 PER FOOT RATHER THAN THE COMPUTED RATE OF $10.255 AS NOTED IN YOUR LETTER TO MR FILLS, DATED DECEMBER 21, 1964.

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

Signature
OPAL A ANDERSON
CHIEF, ACCOUNTING SECTION

Title

52887

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXTRA COPY
RECEIVED
DATE

December 14, 1964

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Interim Inspection

The property was inspected December 8, 1964 by the Acting Field Officer, accompanied by Joseph Johnson, partner of the contract. At the time of the visit, the operator was drilling on the new location for drill hole No. 4 and it was down 40 feet. The area has an outcrop of cinnebar mineralization. It is hoped that favorable results will occur from this drill hole.

The results of drill holes Nos. 1, 2, and 3 show that the projected cross-faulting is more to the north than what was originally projected (northeasterly). The next drill hole will be a new location for drill hole No. 8; the reason for this change from the original location is outlined in the operator's letter of November 5, 1964. The operator was given approval for this change. As of this date, all the holes that have been drilled on the property have had negative results.

In reviewing the subject contract and the contract the operator made with J. A. Jackson, I find myself in a perplexing position in approving their monthly voucher because of different items allowed in the Government contract, but not allowed in Jackson's contract; items such as cementing, casing, reaming, redrilling, and drilling materials. Do you think that the contract can be amended to conform with what the operator has approved? Anything along these lines will be appreciated, as I need your advice on this particular contract.

Paul V. Fillo

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. ~~OME-6348~~
Contract No. 14-23-090-2190
Contract Amount $20,160.00
Gov't. Participation % 50 $10,080.00
Mineral(s) Mercury

OPERATOR'S MONTHLY VOUCHER

For Month of ~~SEPTEMBER 1964~~

Operator's Name VICTOR V. BOTTS and JOSEPH A. JOHNSON, Partnership
Address 3127 19th St., Bakersfield, California

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	276.15		276.15			
Drifting						
Crosscutting						
Drilling						
Transportation in out, bulldozer	96.25		96.25			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$372.40		$372.40	372.40		372.40

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

Date September 1964 *Payee Victor V. Botts, Jr. and Joseph A. Johnson

Per Victor V. Botts Jr. Joseph A. Johnson Title Partnership

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

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

(INSTRUCTIONS ON REVERSE)

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

$ 186.20

Signature [illegible]
(Authorized Certifying Officer)

Date 10/23/64 Vou. No. 554-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2199

Signature Paul V. Gillo Title Acting Field Officer Date Oct. 20, 1964

Approved by OME Executive Officer or Alternate: OME Region 16

Signature Paul V. Gillo Title Acting Field Officer Date Oct. 20, 1964

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

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

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

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of SEPTEMBER 1964 Docket No. OME-6348

Operator's Name VICTOR V. BOTTS, Jr. and JOSEPH A. JOHNSON Contract No. 14-23-090-2190

OPERATION	UNITS	FOR OPERATOR'S USE			FOR GOVERNMENT USE		
		UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Moving in bulldozer		96.25	96.25	96.25	96.25	96.25	96.25
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work Roads and drillsites		276.15	276.15	276.15	276.15	276.15	276.15
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$372.40			372.40

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 September 1964 Operator Victor V. Botts, Jr. and Joseph A. Johnson

Per Victor V. Botts Jr. Joseph A. Johnson Title Partnership

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

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Paul C. Tillson

Title Acting Field Officer
OME Government Representative

Date Region VI Oct. 20-64

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

REMARKS (Cont.)

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT:DUP.,D.C.59- 27162

MADRONE MINING CO.
3127 19th St.
Bakersfield, Calif.

Activities Report for the month of September, 1964, OME-6348 (Mercury)

During the month of September a control survey for elevation and drill site locations and also for a general indication of the location of the access roads, was completed. Enclosed is a portion of that survey for the Stage I area.

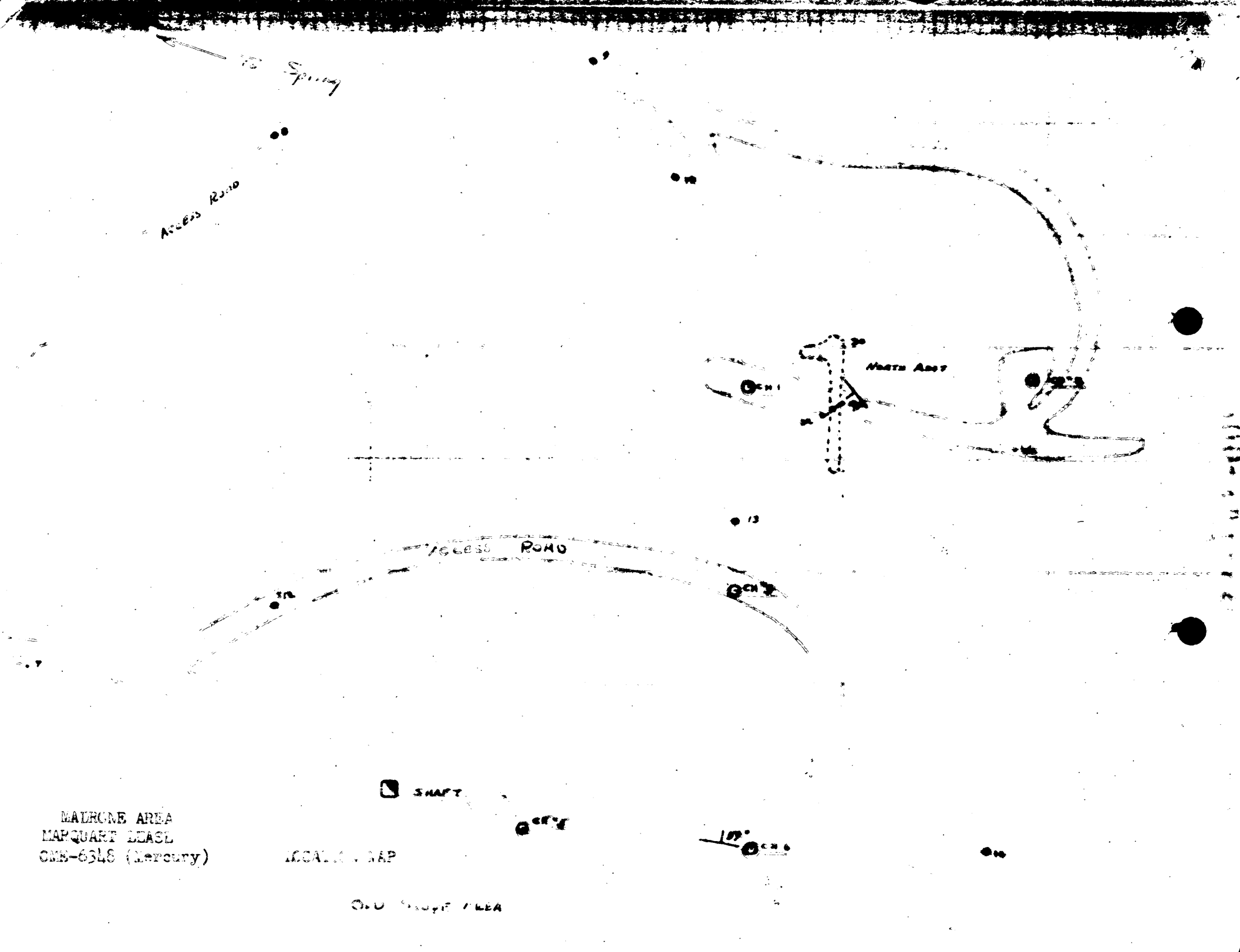
Stage I bulldozing was also completed with access roads and drill site locations prepared. A spring where the drilling water supply will come from was cleaned out and there is storage of three to four thousand gallons in the collecting pond tha was prepared.

In the preparation of drill site location for Core Hole #6 it was determined that the anticipated fault zone was there as evidence by considerable gouge but that the strike of the fault may be more northerly than was indicated on the geologic map. Therefore, Core Hole #4 location was eliminated for the time being because it would fall too close to Core Hole #2 if we still located it west of the suspected fault.

Activities relating to assaying, storage and handling of the cores, plus the negotiation for and solicitation of, additional bids and availability of drilling contractors were undertaken during the month.

Joseph A. Johnson

JOSEPH A. JOHNSON. Partner
MADRONE MINING CO.



MAIRONE AREA
MARQUART LEASE
CMS-6348 (Mercury)

LOCATION MAP

OLD MINE AREA

EXTRA COPY
O. M. E
RECEIVED OCT 23 1964

DATE	INITIALS	CODE

Audit's Copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
d/b/a MADRONE MINING COMPANY
OME-6348

AMENDMENT NO. 6

It is agreed this 30th day of December, 1965, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and Victor V. Botts, Jr. and Joseph A. Johnson, partners, doing business as Madrone Mining Company, hereinafter called the "Operator," that Exploration Contract 2190 (OME-6348), dated June 12, 1964, as amended, is further amended effective July 1, 1965, as follows:

1. Under the heading Estimated Costs of the Project, Stage III, the Actual Costs are deleted and the following is added to Fixed Unit Costs:

Bulldozing (trenching)

Transportation of dozer in and out	$ 100.00
128 hours (rounded) @ $14.00 per hour	1,800.00

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank C. Johnson
Chief, Office of Minerals Exploration
U. S. Geological Survey

By Victor V. Botts, Jr.
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title _____
Partners

FEB 7 1966

Memorandum

To: Chief Auditor

From: Chief, Office of Minerals Exploration

Subject: OME-0348 (Mercury)
Victor V. Rocco, Jr. and Joseph A. Johnson
dbaas Quicksilver Mine
San Luis Obispo County, California
Contract 2190

Enclosed are the original copy of the Operator's Progress Report for the months of August, September, and October 1965, and a copy of the Field Officer's memorandum of December 8, 1965, requesting a Report of Review in lieu of a final on-site audit.

It is suggested that a pre-audit analysis of the Operator's claimed costs be made in order to determine whether the supporting invoices have been sufficient and the work having met the terms of the contract. Later this can serve as the basis for a Report of Review.

Amendment No. 4 relating to Stage III of the contract has not been executed to date. We shall write the Field Officer.

This is one of the audits that should take precedence over some of the others where there is little question concerning the claimed costs. The Operator under this contract furnished a Performance Bond and would like to drop it if the contract is not to be certified, which probably it won't. However, we would not want to release the bond until the account has been audited and whatever amendments that are necessary are executed.

(signed) FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
Budget & Finance
OME File

OME Reading File
Mr. Selfridge
CAAA Division
OME Region I

GCSelfridge/um (2/7/66)

Audit's Copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
d/b/a MADRONE MINING COMPANY
OME-6348

AMENDMENT NO. 5

It is agreed this 21st day of June, 1965, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Victor V. Botts, Jr. and Joseph A. Johnson, partners, d/b/a Madrone Mining Company, hereinafter called the "Operator", that Exploration Contract 2190 (OME-6348), dated June 12, 1964, as amended, is further amended effective June 1, 1965, as follows:

1. The time fixed by the contract, as amended by Amendment No. 3, for completion of the work is extended from 12 to 15 months from the date of the contract, or until September 12, 1965.

2. In Exhibit A, the first paragraph is revised to read as follows:

The purpose of this project is to explore by trenching and diamond drilling for ores of mercury occurring within a wide fault zone traversing, in part, silica carbonate rocks of the Franciscan formation and also explore the footwall thereof.

3. In Exhibit A under the heading General Provisions the last paragraph as amended by Amendment No. 1 is further revised to read as follows:

The work is divided into three stages; Stage I work shall be performed as outlined herein and as much of the Stage II and Stage III work shall be performed as is approved in advance by the Government.

4. Under the heading Description of the Work a new Stage III is added as follows:

Stage III

Three trenches shall be excavated to bed rock in a southwesterly direction across the general strike of the formations. One trench shall extend from the vicinity of Diamond Drill Hole No. 11-A, one from the vicinity of Diamond Drill Hole No. 7-A, and one approximately midway between those two holes.

5. Under the heading Estimated Costs of the Project, Stage III costs are added as follows:

Stage III

Actual Costs

Category (1) Independent Contracts

Bulldozing (trenching)

Transportation of dozer in and out	$ 100.00
120 hours @ $15.00 per hour	1,800.00

Fixed Unit Costs

50 determinations for mercury @ $5.00	250.00
**Incidental allowance for each hour of bulldozing completed, 120 hours @ $5.00	600.00
Total Stage III*	$2,750.00
Government Participation @ 50%	$1,375.00

*Unused funds from Stages I and II may be used for Stage III.

**Includes all costs, Categories 2 through 7, except assaying.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Acting Director, Office of
Minerals Exploration

By Victor V. Botts Jr
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title Partners

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

May 7, 1965

RECEIVED
MAY 12
INITIALS
900

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed are the original and two copies of Amendment No. 4 of the above subject contract, properly executed by the Operator. The remaining copies of the Amendment have been distributed in the usual manner.

Paul V. Fillo

Enclosures

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

Audit's copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
d/b/a MADRONE MINING CO.
OMX-6348

AMENDMENT NO. 4

It is agreed this 20th day of April, 1965, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Victor V. Botts, Jr. and Joseph A. Johnson, Partners, d/b/a Madrone Mining Co., hereinafter called the "Operator," that Exploration Contract 2190 (OMX-6348), dated June 12, 1964, as amended, is further amended effective November 15, 1964, as follows:

1. In Amendment No. 2, dated December 21, 1964, the second specification under the heading Description of the Work is deleted.

2. In Exhibit A under the heading Description of the Work all descriptions and specifications for Stage II are deleted and replaced as follows:

Stage II

Under Stage II a maximum of six additional holes may be drilled at locations mutually agreed upon by the Government and the Operator. Prior to the drilling, such bulldozing shall be done as is necessary for access roads and drill site preparation. Not to exceed a total combined footage of 950 feet of drilling nor more than 30 hours of bulldozing may be performed under this Stage II of the contract.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnock
Acting Director, Office of
Minerals Exploration

MADRONE MINING CO.

By Victor V. Botts Jr.
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

April 13, 1965

800

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed are the original and two copies of Amendment No. 3 of the above subject contract, properly executed by the Operator. The remaining copies of the Amendment have been distributed in the usual manner.

Paul V. Fillo

Enclosures

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

Audit's Copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
d/b/a MADROME MINING CO.
OME-6348

AMENDMENT NO. 3

It is agreed this 19th day of March, 1965, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Victor V. Botts, Jr. and Joseph A. Johnson, Partners, d/b/a Madrome Mining Co., hereinafter called the "Operator", that Exploration Contract 2190 (OME-6348), dated June 12, 1964, as amended, is further amended as follows:

1. The time fixed by the contract for the completion of the work is extended from 8 months to 12 months from the date of the contract, or until June 12, 1965.

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

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]
Acting Director, Office of
Minerals Exploration

MADROME MINING CO.

By Victor V. Botts Jr.
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

~~OFFICIAL~~
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INITIALS CODE

April 7, 1965

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obisop County, Calif.
Contract No. 2190

In reference to the last paragraph of your memorandum of the above subject dated March 19, 1965, it was suggested that an amendment will be needed in order to authorize the changes that were given to the operator at the time of the inspection as described in my letter of February 26, 1965. The changes were made because of the negative results the operator was obtaining from the previous drill holes. It is recommended that an amendment be prepared. In lieu of drilling hole No. 11 as shown on the contract map, two 100-foot drill holes would be drilled in the southeast part of the property near the open cut where a showing of cinnabar is exposed along or near two faults.

In the third paragraph of my letter of February 26, 1965, I also instructed the operator that if the results are negative within the first 100 feet of drill hole No. 10, the drilling should stop; it would be a waste of money if they continue on to 200 feet as scheduled. The amendment would show that drill hole No. 10 was drilled only to the 100 foot mark because of the negative results.

As of this date, the operator has completed most of the drilling, and the entire program has been a disappointment. Enclosed is a copy of a letter from the operator giving a resume of his final drilling and a catalog of different size drills from the Houston Tool Co. You will note in the last paragraph of page 1 of his letter that he is interested in continuing the program by amending the contract to do some bulldozing because their extensive panning has disclosed some cinnabar showing. It appears to me that they are getting into the area of prospecting. The drilling results of their program have not been favorable; it is recommended that their request be denied.

Paul V. Fillo

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

February 23, 1965

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed is a copy of the subject operator's letter and the unsigned original amendment No. 3 and five copies.

The operator wishes to eliminate the suspension period from amendment No. 3 and to extend the contract period from eight months to 12 months. The reason for this change is that favorable drilling weather has removed the necessity for a suspension period.

Although the amendment authorizes the extension of time to complete their contract, their main concern was item 1 of the amendment, and this should be deleted since they are drilling again.

They hope to complete their drilling program by the end of March or the middle of April.

Paul V. Fillo

Enclosures

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

January 15, 1965

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Gold)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed are two letters dated January 12, 1965 with a recapitulation and comparison of billing from the subject operator for your information and instruction.

In answering the first letter (No. 1), it is recommended that the project be recessed until April 1, 1965, because of the seasonal rains, in order to complete Hole No. 7. If the results from Hole No. 7 are as poor as the previous holes, Stage II drill holes do not appear to warrant drilling.

The second letter (No. 2) gives a summary explaining why they decided to accept the Jackson contract on the basis of their interpretation of OME contract. The operator was told about Article 3 under Independent Contracts, but Mr. Johnson's impression is that Article 6 allows the total maximum costs, which he has shown on page three of his letter, third paragraph, the way he interprets the cost per foot.

Your advice on this matter will be appreciated.

Paul V. Fillo

Enclosures

cc:
Chief, Division of Field Operations, OME, Washington, D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

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January 8, 1965

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed are the original and two copies of Amendment No. 2 of the above subject contract properly executed by the operator. The remaining copies of the amendment have been distributed in the usual manner.

Paul V. Fillo

Enclosures

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

Audit's Copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
d/b/a MADRONE MINING CO.
OMX-6348

AMENDMENT NO. 2

It is agreed this 21st day of December, 19 64, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and Victor V. Botts, Jr. and Joseph A. Johnson, Partners, d/b/a Madrone Mining Co., hereinafter referred to as the "Operator," that Exploration Contract 2190 (OMX-6348), dated June 12, 1964, as amended, is further amended effective November 15, 1964, as follows:

In Exhibit A, under the heading Description of the Work:

1. Under Stage I the Approximate Declination of -90° specified for drill holes Nos. 5 and 6 are revised to read -80° and vertical, respectively.

2. Under Stage II the location of drill hole No. 8, as indicated on Figure 2 is changed to a location about 390 feet southwesterly of the one shown.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnick
Acting Director, Office of Minerals Exploration

MADRONE MINING CO.

By Victor V. Botts Jr.
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title Partners

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

December 8, 1964

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

In reference to your letter of November 27, 1964 of the above subject and the operator's letter of November 5, 1964, it appears that the justifications as outlined in the operator's letter are valid and this office approves an amendment for these changes, if this is required.

Paul V. Fillo

cc:
Chief, Division of Field Operations, OME, Wash., D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

November 30, 1964

EXTRA COPY

O. M. E
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Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Joseph A. Johnson and
Victor V. Botts, Jr.
Madrone Quicksilver Mine
San Luis Obispo County, Calif.
Contract No. 2190

Enclosed are the original and two copies of Amendment No. 1 of the subject contract properly executed by the operator. The remaining copies of the amendment have been distributed in the usual manner.

Paul V. Fillo

Enclosures

cc: Chief, Division of Field Operations, OME, Washington, D. C.

Audit's Copy

EXPLORATION CONTRACT
VICTOR V. BOTTS, JR. AND JOSEPH A. JOHNSON
OME-6348

AMENDMENT NO. 1

It is agreed this 16th day of November, 1964, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and Victor V. Botts, Jr. and Joseph A. Johnson, Partners, hereinafter referred to as the "Operator," that Exploration Contract 2190 (OME-6348), dated June 12, 1964, is amended effective November 1, 1964 as follows:

In Exhibit A under the heading General Provisions the last paragraph is revised to read as follows:

> The work is divided into two stages; Stage I work shall be performed as outlined herein and as much of the Stage II work shall be performed as is approved in advance by the Government.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnick
Acting Director, Office of Minerals Exploration

By Victor V. Botts Jr.
Victor V. Botts, Jr.

By Joseph A. Johnson
Joseph A. Johnson

Title Partners

MME Form 14
March 1961

Contract No. Idm-E) 14-23) 2190

No. 295

Docket No. DMEA) MME) 6348

Date of Action July 6, 1964
Executed contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Botts, Victor V. Jr. and Johnson, Jos. A.
3127 19th St. Bakersfield, California

Date of Contract	Region	State	Commodity
June 12, 1964	II	California	Mercury

	Reserve	Obligation
Prior Amount	$10,080.00	0
Increase	0	$10,080.00
Decrease	~~10,080.00~~	0
Revised Amount	0	$10,080.00

Remarks:

6½% interest

cc: 110
800
210

88995-61

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
450 Golden Gate Avenue, Box 36012
San Francisco, California, 94102

Memorandum

July 2, 1964

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Victor V. Botts, Jr., & Joseph A. Johnson
Madrone Quicksilver Mine
San Luis Obispo County, California
Contract No. 2190

We are enclosing the Government's, Fiscal Section's, and Audit's signed copies of the subject contract executed by the operators.

PAUL V. FILLO

Paul V. Fillo

Enclosures

cc: Chief, Division of Field Operations, OME, Washington, D. C.

EXTRA COPY
O. M. E
RECEIVED JUL 6 1964
DATE

Audit's Copy

MME Form 50
June 1963

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6348	Mercury	14-23-090- 2196	San Luis Obispo	California

It is agreed JUN 12 1964 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Victor V. Botta, Jr. and Joseph A. Johnson, a partnership

whose mailing address is 3127 19th Street, Bakersfield, California, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before 31 Aug 1964 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 8 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $20,160.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $10,080.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest at the rate of 6-¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

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

See Annex I

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

See Annex I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

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

ARTICLE 4. Contribution by the Government.-- The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

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

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

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

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

(Forms for reporting under (1) and (2) above will be provided by the Government; however, the original of the Operator's Monthly Voucher shall be supported by documentary evidence, such as certified copies or transcripts of payrolls and invoices, for all costs claimed under Article 6 (a) (1).)

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

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

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

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--In addition to the limitations imposed by paragraph (a) of this Article 6 the Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. The provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.-- If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

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

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

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

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

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

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

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

(e) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

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

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

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

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

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 11. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 12. Nondiscrimination in Employment. The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961 as amended and supplemented are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

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

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for

Our Modern Equipment Cuts the Costs

MOTOR SCRAPERS • RIPPERS
MOTOR GRADERS • COMPACTORS
'DOZERS--D4's to D8's
CARRYALLS, ETC.
LOADER AND DUMP TRUCKS

RAINEY CONSTRUCTION
Earth Moving

1144 PASO ROBLES STREET
PASO ROBLES, CALIFORNIA 93446
Phone 238-3813

Sept. 8, 1964

Madrone Mine Co.
% J. A. Johnson
3127 - 19 th. St.
Bakersfield, Calif.

Sept. 4 Invoice #0343	52.50
Sept 7 Invoice #0344	276.15
Sept. 8 Invoice #0345	43.75
	372.40

OME-6348 (Mercury)

R[illegible]LY CONSTRUCTION
Rt. 1, Box 199 Phone 238-3013
Paso Robles, Calif.

INVOICE

Sold To Johnson

Shipped To

Address

OUR NUMBER	
	0343
DATE	9-4-64
CUSTOMER'S ORDER	
SALESMAN	Bob
TERMS	
F. O. B.	

Moved D6 FROM SMITH PIT		
TO MARQUEST RANCH	3 HR	
3 hr @ [illegible]		52 50

Rediform 7H 723

RAILROAD CONSTRUCTION
Rt. 1, Box [illegible] Phone 238-3813
Paso Robles, Calif.

OUR NUMBER 0344

DATE 9-7-64

CUSTOMER'S ORDER

SALESMAN

TERMS

F. O. B.

INVOICE

Sold To Mindrone Mine Co.
c/o J. A. Johnson
1717 9 St
Bakersfield Calif

Shipped To

Address

	Grade Road at above		
	also for last month		
	Marguerite Lake		
	D-6 Dozer		
9-5-64	8 hrs @ 15.50		124.00
9-7-64	8 hrs @ 16.50		132.00
	overtime for		
	the 8 hrs @ 6.40		20.80
			276.80

Rediform 7H 723

R

OUR NUMBER

0345

DATE

CUSTOMER'S ORDER

SALESMAN

TERMS

F. O. B.

Sold To

Shipped To

Address

INVOICE

	[illegible]		
	[illegible]		
	[illegible]		
	[illegible]		
	[illegible]		
	[illegible]	@ 19.50	43.75

Form 23

liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

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

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

Victor V. Bolts Jr.

By Victor V. Bolts, Jr.
Joseph A. Johnson

Title Partners

THE UNITED STATES OF AMERICA

By George Turnick

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

EXPLORATION CONTRACT
VICTOR V. BOYES, JR. AND JOSEPH A. JOHNSON
OME-6348

ANNEX I

The land referred to in Article 2 of the contract consists of five land parcels as listed below, with all rights pertaining thereto, in secs. 22, 27, and 28, T. 27 S., R. 10 E., Mount Diablo B.M., in the Madrone-Cypress Mountain area, San Luis Obispo County, California.

SW¼, sec. 22

W½ of NE¼ sec. 22

S½ of NW¼ sec. 27

NE¼ of NE¼ sec. 28

NW¼ of NE¼ sec. 27

Total 400 acres more or less.

The land is owned in fee by Nicholas A. and Irene E. Marquart. The Operator is in possession of the land under a Mining Lease dated January 17, 1964.

The property is recorded in volume 780, pages 599 and 600 at the Recorder's Office of San Luis Obispo County.

The land is shown in blue color on the attached Figure 1, "Property Map".

In lieu of a Lien or Subordination Agreement covering the fee land, the Government accepts the attached Performance Bond in the sum of $10,000.00.

EXPLORATION CONTRACT
VICTOR V. ROTTS, JR. AND JOSEPH A. JOHNSON
OMR-6348

EXHIBIT A

The purpose of this project is to explore by diamond drilling for ores of mercury occurring within a wide fault zone traversing, in part, silica carbonate rocks of the Franciscan formation and also explore the footwall thereof.

General Provisions

No work under this contract shall be performed at locations that are within 200 feet of the exterior boundaries of the property. No hole shall be drilled at a location which is within 100 feet of any other hole. All holes shall be cased through overburden and then continued NX wireline size (core diameter approximately 1-9/16").

The Government will not contribute to the cost of any hole which does not reach the approximate depth indicated.

Significantly mineralized core shall be split and one split assayed for mercury. The other split shall be stored in proper sequence with the unmineralized core. No sample shall represent a hole length of greater than five feet.

Facilities shall be provided for recovering drill sludges and such sludges shall be retained when drilling in significantly mineralized formations. Whenever the core recovery is less than 60 percent, the corresponding retained sludges shall be sampled and assayed, as shall also such core segments as may have been recovered. Such results shall be combined according to standard practice to form a representative sample.

The core from the diamond drilling shall be stored in core boxes, identified as to hole number and with markers to indicate the represented depths. Splits of the sludge and core segment samples shall be stored in suitable containers properly identified as to source and location.

The stored core and splits of samples from whatever source shall be made available for Government inspection and possible use. With prior Government approval, the Operator may dispose of such stored material.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
450 Golden Gate Avenue, Box 36012
San Francisco, California, 94102

EXTRA COPY
O. M. E
RECEIVED JUL 8 1964
DATE | INITIALS | CODE
800

Air Mail

July 6, 1964

Memorandum

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

From : Acting Field Officer, OME, Region II

Subject: OME-6348 (Mercury)
Botts & Johnson
San Luis Obispo, California
Contract No. 2190

Enclosed is a duplicate Performance Bond signed by the subject operators. The original copy was forwarded to your office June 29, 1964. We have made a copy for our files.

PAUL V. FILLO

Paul V. Fillo

Enclosures:
Performance Bond
Power of Attorney notice

cc: Chief, Division of Field Operations, OME, Washington, D. C.

BOND NO. B-435034
EXECUTED IN DUPLICATE

Standard Form 25
November 1950 Edition
General Services Administration
Fed. Proc. Reg. (41 CFR) 1-16.801
25-102

PERFORMANCE BOND

(See Instructions on Reverse)

DATE BOND EXECUTED: 24 June, 1964

PRINCIPAL

VICTOR V. BOTTS, JR., AND JOSEPH A. JOHNSON, a Partnership, at 3127 19th Street, Bakersfield, California

SURETY

UNITED PACIFIC INSURANCE COMPANY, a Washington Corporation, having its principal place of business at Tacoma, Washington.

PENAL SUM OF BOND (*express in words and figures*)	CONTRACT NO.	DATE OF CONTRACT
TEN THOUSAND EIGHTY DOLLARS AND NO/100 ($10,080.00)	14-23-090-2190	12 June, 1964

KNOW ALL MEN BY THESE PRESENTS, That we, the PRINCIPAL and SURETY above named, are held and firmly bound unto the United States of America, hereinafter called the Government, in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the Government, numbered and dated as shown above and hereto attached;

NOW THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Government, with or without notice to the surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In Presence of:

WITNESS		INDIVIDUAL PRINCIPAL	
1. Lorine M. Fulham	as to	Victor V. Botts Jr. VICTOR V. BOTTS, JR.	[SEAL]
2. Lorine M. Fulham	as to	Joseph A. Johnson JOSEPH A. JOHNSON	[SEAL]
3.	as to		[SEAL]
4.	as to		[SEAL]

WITNESS		INDIVIDUAL SURETY	
1.	as to		[SEAL]
2.	as to		[SEAL]

Attest:

CORPORATE PRINCIPAL

BUSINESS ADDRESS

BY

TITLE

AFFIX CORPORATE SEAL

Attest:

Catherine Mattiaccia

Catherine Mattiaccia

CORPORATE SURETY: UNITED PACIFIC INSURANCE COMPANY

BUSINESS ADDRESS: Tacoma, Washington, and 616 So. Shatto Pl., Los Angeles, California

BY: Robert E. Harris

TITLE: ROBERT E. HARRIS Attorney-in-Fact

AFFIX CORPORATE SEAL

STANDARD FORM 25
NOVEMBER 1950 EDITION

The rate of premium on this bond is $7.50 per thousand.

Total amount of premium charged, $151.20

(The above must be filled in by corporate surety)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, ..., certify that I am the ..... secretary of the corporation named as principal in the within bond; that .....,

who signed the said bond on behalf of the principal, was then ..... of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed, and attested for and in behalf of said corporation by authority of its governing body.

..... [CORPORATE SEAL]

INSTRUCTIONS

1. This form shall be used for construction work or the furnishing of supplies or services, whenever a performance bond is required. There shall be no deviation from this form except as authorized by the General Services Administration.

2. The surety on the bond may be any corporation authorized by the Secretary of the Treasury to act as surety, or two responsible individual sureties. Where individual sureties are used, this bond must be accompanied by a completed Affidavit of Individual Surety for each individual surety (Standard Form 28).

3. The name, including full Christian name, and business or residence address of each individual party to the bond shall be inserted in the space provided therefor, and each such party shall sign the bond with his usual signature on the line opposite the scroll seal, and if signed in Maine or New Hampshire, an adhesive seal shall be affixed opposite the signature.

4. If the principals are partners, their individual names shall appear in the space provided therefor, with the recital that they are partners composing a firm, naming it, and all the members of the firm shall execute the bond as individuals.

5. If the principal or surety is a corporation, the name of the State in which incorporated shall be inserted in the space provided therefor, and said instrument shall be executed and attested under the corporate seal as indicated in the form. If the corporation has no corporate seal the fact shall be stated, in which case a scroll or adhesive seal shall appear following the corporate name.

6. The official character and authority of the person or persons executing the bond for the principal, if a corporation, shall be certified by the secretary or assistant secretary, according to the form herein provided. In lieu of such certificate there may be attached to the bond copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

7. The date of this bond must not be prior to the date of the instrument in connection with which it is given.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1959 O—512918

UNITED PACIFIC INSURANCE COMPANY XXX

SYMBOL OF SERVICE

A MEMBER OF UNITED PACIFIC INSURANCE GROUP

HOME OFFICE: TACOMA 1, WASHINGTON

FIDELITY AND SURETY DEPARTMENT

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the UNITED PACIFIC INSURANCE COMPANY, a corporation of the State of Washington, having its principal offices in the city of Tacoma, Washington, pursuant to authority granted by By-Law No. 37-A of its By-Laws, which reads as follows:

"The President, any Executive Vice-President, any other Vice-President, any Assistant Vice-President, or any Resident Vice-President of this Corporation, shall have authority to appoint in writing such attorneys-in-fact as the business of the Company may require, and to authorize such attorneys-in-fact, and each of them, to execute on behalf of the Company, any bonds, recognizances, stipulations, contracts of indemnity and other undertakings of like character, or to exercise any lesser number of said powers as hereinbefore set forth.

"Said appointments shall be attested by the Secretary or an Assistant Secretary of this Corporation under its seal. The signature of the Secretary or any Assistant Secretary to certified copies of such powers of attorney may be original or facsimile, and when the corporate seal is affixed thereto, any third party may rely on said certified copies of powers of attorney as the act and deed of this Corporation. The President, any Executive Vice-President, any other Vice-President, any Assistant Vice-President, or any Resident Vice-President may revoke any appointment made pursuant hereto, and revoke any and all authority conferred by any such appointment."

does hereby nominate, constitute and appoint **Robert E. Harris, of Newport Beach, California**

its true and lawful Attorney-in-Fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, **any and all bonds or undertakings of suretyship.**

The execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Tacoma, Washington, in their own proper persons.

IN WITNESS WHEREOF, the UNITED PACIFIC INSURANCE COMPANY has caused these presents to be signed by its **Assistant** Vice-President and its corporate seal to be hereto affixed, duly attested by its Assistant Secretary, this **4th** day of **October**, 19**56**.

UNITED PACIFIC INSURANCE COMPANY

Attest: **/s/ Keith W. Swartz**
Keith W. Swartz Assistant Secretary

By **/s/ C. M. Slininger** (SEAL)
C.M.Slininger, Asst. Vice-President

STATE OF **CALIFORNIA**
County of **Los Angeles** } ss.

On this **4th** day of **October**, 19**56**, before me, the undersigned, a Notary Public in and for the State of **CALIFORNIA**, duly commissioned and sworn, personally appeared **C. M. Slininger** and **Keith W. Swartz** to me known to be the **Assistant** Vice-President and Assistant Secretary, respectively, of UNITED PACIFIC INSURANCE COMPANY, the corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

/s/ Esther Garcia
Esther Garcia
Notary Public in and for the State of **California**
residing at **Los Angeles, California**
My Commission expires June 25, 1960

STATE OF **CALIFORNIA**
County of **Los Angeles** } ss.

I, **Keith W. Swartz**, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the copy of By-Law No. 37-A, set forth in the foregoing instrument, is a true copy of said by-law and now in force, and I do hereby further certify that the Power of Attorney above set forth was duly and regularly executed by said UNITED PACIFIC INSURANCE COMPANY in its usual form, and that the seal thereto affixed is the corporate seal of said Company, and that said Power of Attorney is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company at the City of **Los Angeles** this **4th** day of **October**, 19**56**.

/s/ Keith W. Swartz (SEAL)
Keith W. Swartz Assistant Secretary

STATE OF WASHINGTON
County of PIERCE } ss.

I, GERRY L. WHITE, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the foregoing instrument is a true copy of a Power of Attorney duly and regularly issued by said Company, and that the same is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company at the City of TACOMA this **12th** day of **June,** 19**64**.

Gerry L. White (SEAL)
Assistant Secretary

B-1027A—Rev. 5-57—General—Power of Attorney

True copies of assay certificates of all samples shall be submitted with the Operator's monthly report, which shall also include maps or sketches showing the work completed during the reporting period. The maps shall show the locations and values of the samples, with the general rock formations, plus logs of holes drilled.

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

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

The bulldozer used for construction of access roads and for drill site preparation shall be not less than D-7 size or equivalent dozer of other make.

The work is divided into two stages; Stage I work shall be done as outlined herein and as much of the Stage II work shall be done as is approved in advance by the Government. Such approval shall be contingent upon favorable results having been obtained under the first stage.

Description of the Work

Stage I

The northwesterly area of the project shall be explored by six diamond drill holes, numbered one through six, as indicated in red on the attached Figure 2, "Proposed Diamond Drill Holes". Prior to such drilling, bulldozing shall be done for the necessary access roads and preparation of drill sites. A total combined footage not to exceed 800' of drilling may be done. The combined hours of bulldozing may not exceed 20 hours.

The following tabulation indicates the proposed holes:

No.	Approximate Inclination	Approximate Depth
1	Vertical	150'
2	Vertical	150'
3	Vertical	200'

No.	Approximate Inclination	Approximate Depth
4	Vertical	100'
5 (S20W)	-90°	100'
6 (S20W)	-50°	100'

A wooden core house, of a minimum size of 10 x 4 x 6 feet shall be constructed for core storage.

Stage II

Five additional holes shall be drilled, holes seven through eleven, to explore the central and southeasterly areas of the project, as indicated in green on Figure 2. Prior to the drilling, such bulldozing shall be done as is necessary for access roads and drill site preparation. Not to exceed a total combined footage of 950 feet of drilling may be done and not to exceed 30 hours of bulldozing may be performed.

The following tabulation indicates the proposed holes:

No.	Approximate Inclination	Approximate Depth
7	Vertical	150'
8 (S45W)	-60°	200'
9	Vertical	200'
10	Vertical	200'
11	Vertical	200'

Estimated Costs of the Project

Stage I

Category (1) Independent Contracts

Bulldozing

Transportation of dozer in and out	$100.00	
20 hours @ $16.00/hr.	320.00	$ 420.00

Diamond drilling			$8,204.00
Mobilization and demobilization	$765.00		
Overburden drilling and casing, per ft.	5.95		
NXWL drilling, per ft.	7.15		
Reaming and casing, per ft.	3.75		
Cementing and redrilling, per hr.	12.75		
Cementing and drilling materials	400.00		$8,604.00
Fixed Unit Costs			
80 cardboard core boxes @ $0.95		$ 76.00	
Core house		350.00	
60 determinations for mercury @ $5.00		300.00	
* Incidental allowance for each foot of drilling completed, 800' @ $0.60		480.00	$1,206.00
Total Stage I			$9,830.00

STAGE II

Category (1) Independent Contracts

Bulldozing			
30 hrs. @ $16.00			$ 480.00
Diamond drilling			$8,835.00
Overburden drilling and casing per ft.	$ 5.95		
NXWL drilling, per ft.	7.15		

Reaming and casing, per ft.	$ 3.75		
Cementing and redrilling, per ft.	12.75		
Cementing and drilling materials	500.00		
			$9,315.00

Fixed Unit Costs

100 cardboard core boxes @ $0.95	$ 95.00	
70 determinations for mercury @ $5.00	350.00	
* Incidental allowance for each foot of drilling completed, 950' @ $0.60	570.00	$1,015.00
Total Stage II		$10,330.00

SUMMARY

Total Estimated Cost Stage I	$ 9,830.00
Total Estimated Cost Stage II	10,330.00
Total Estimated Cost of the Project	$20,160.00
Government Participation @ 50%	$10,080.00

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* Includes all costs, Categories 2 through 7, except core boxes, core boxes, and assaying.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 301, Executive Order 10925, March 6, 1961, as amended)

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

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, as amended, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

'(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, as amended, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

'(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

MME Form 14
March 1961

Contract No. Idm-E) 14-23) 2190

289

Docket No. DMEA) MME) 6348

Date of Action June 12, 1964
Approved Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:
Victor V. Botts, Jr., and
Joseph A. Johnson
3127 19th Street
Bakersfield, California

Date of Contract	Region	State	Commodity
June 12, 1964	II	California	Mercury

	Reserve	Obligation
Prior Amount	$ 0	$ 0
Increase	$10,080.00	0
Decrease	0	0
Revised Amount	$10,080.00	0

Remarks:

6-1/4% interest

cc: 110
800
210

88995-61

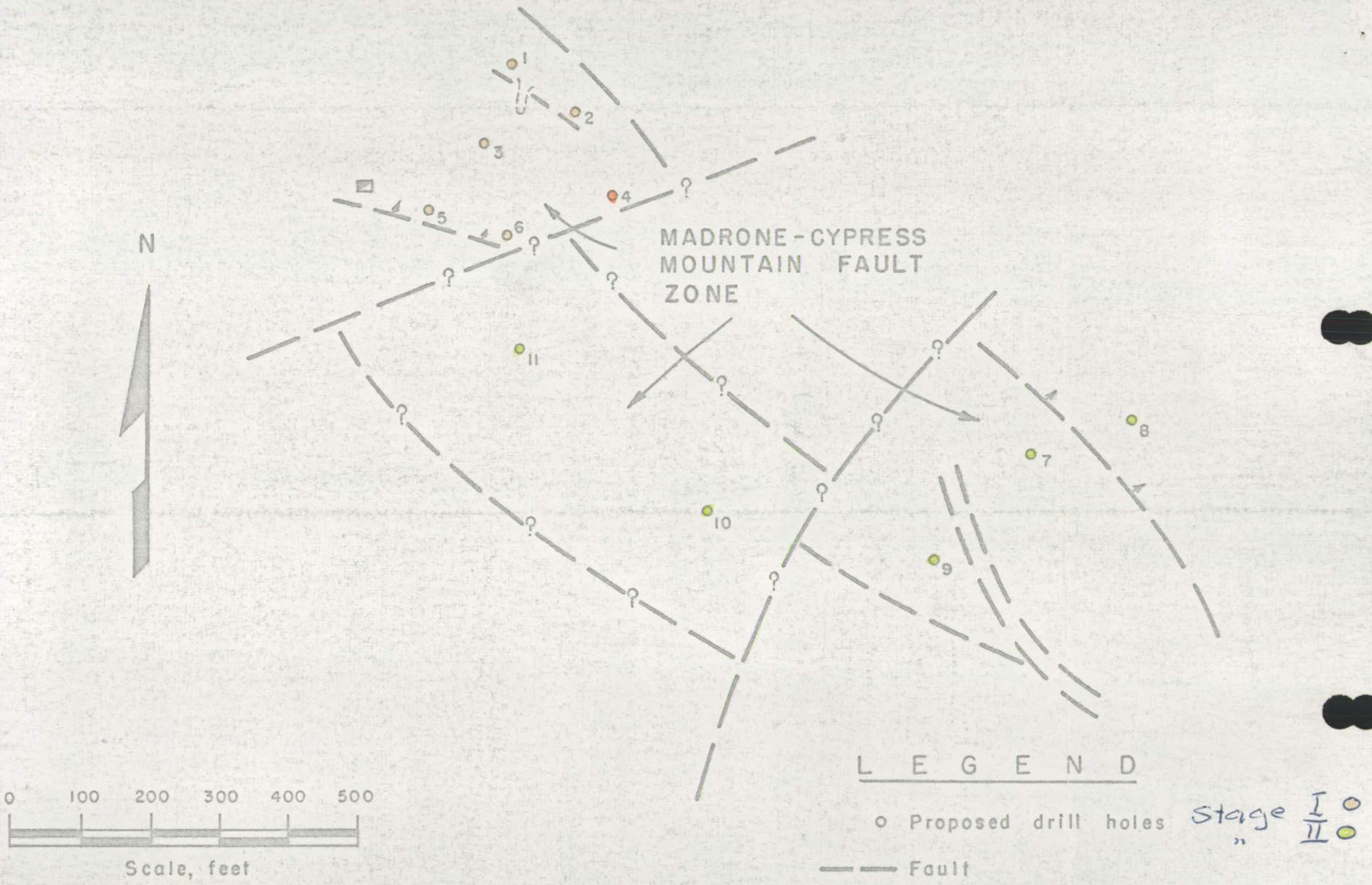


FIGURE 2 - Proposed diamond drill holes.

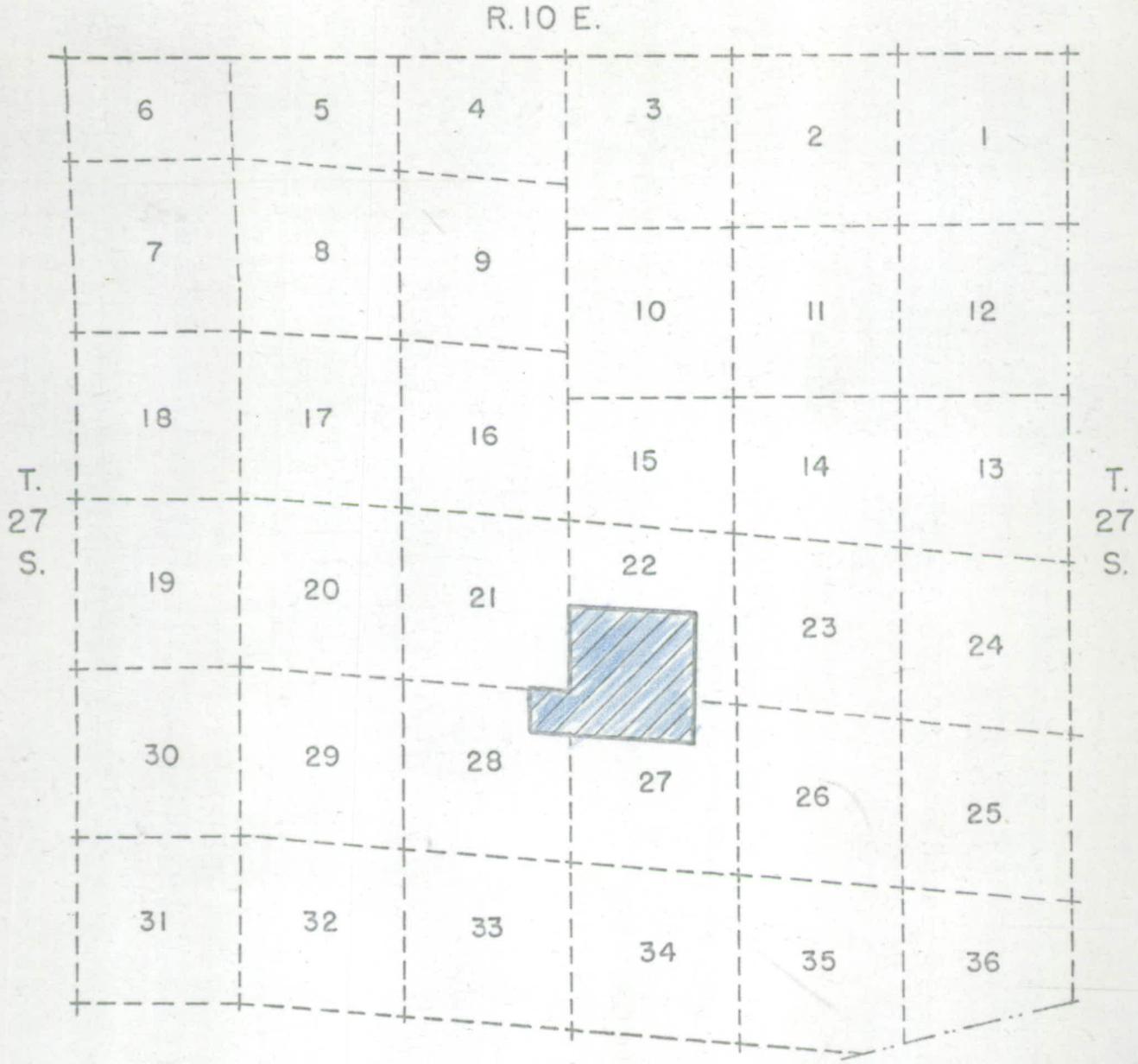


FIGURE 1.- Property map.

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	OME-6348 (Mercury)
CORE HOLE NUMBER	#5	ELEVATION	2055'
CONTRACTOR	Houston Tool Co	TOTAL DEPTH	100'
START	November 1964	FINISH	November 1964
COST PER FOOT		GEOLOGIST	JOHNSON

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						Silica-carbonate, ochre, green siliceos rx w/ white calcite vein frags, very hard	
						Silica-carbonate, light tan, fairly soft.	
10	2045					Silica-carbonate, darker ochre-brown, firm.	
						Silica-carbonate, medium ochre-brown, abund kaolinitic material and dark gray mylonitic gouge, minor greenish rx frags.	
20	2035						
						Silica-carbonate, as before, increased amounts of kaolinitic material in spots, color changes to more gray.	
30	2025						
						Silica-carbonate, ochre, common amounts of siliceous dark gray shale, or mylonite.	
40	2015						
						Silica-carbonate, kaolinized sands, minor calcite vein frags.	
50	2005						
						Fault gouge, dark to varying lighter grays, began at 52'	
						Fault gouge, dark gray	
60	1995						
						Fault gouge	
70	1985						
						Fault gouge ended at 70.5'	
						Silica-carbonate, ochre to light tan, w/ fairly common clacite vein frags.	
80	1975					Silica-carbonate, multicolored, ochre, brown, tan. Color depending on the amts. of koalin and calcite material.	
						Silica-carbonate, ochre, w/ common amts of vein frags, some siliceous, common iron-staining, greenish rx frags common.	
90	1965						
						Silica-carbonate, as above.	
100	1955						

MADRONE MINING COMPANY

CORE LOG

OME-6348
(Mercury)

PROPERTY	MADRONE	LOCATION	
CORE HOLE NUMBER	#6	ELEVATION	2040'
CONTRACTOR	Houston Tool Co	TOTAL DEPTH	100'
START	November 1964	FINISH	November 1964
COST PER FOOT		GEOLOGIST	BOTTS-JOHNSON

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						Silica-carbonate, multicolored, breccia	
						Breccia, siliceous, recemented, massive calcite veining and silica-carbonate rx frags in breccia.	
						Quartz, massive, minor silica-carbonate, common green rx	
10	2030						
						Predominantly siliceous rx, multicolored, browns, blacks, whites and greens, very hard to 22'	
20	2020						
						Silica-carbonate, light tan, common vein material. (Rare traces cinnabar)	
30	2010					Silica-carbonate, common dark apple green mineral.	
						Silica-carbonate, lighter colored w/ common dark gray inclus.	
						Silica-carbonate, common to abundant bright green inclusions.	
						Silica-carbonate, with common fault gouge material.	
40	2000						
						Silica-carbonate, as above.	
50	1990					Fault gouge beginning at 51' to 59'	
60	1980					Silica-carbonate, light tan w/ common pyrite.	
						Silica-carbonate, w/ common rose-colored quartz.	
						Silica-carbonate, ochre, becoming more damp	
70	1970						
						Silica-carbonate, ochre to light tan, minor vein material.	
80	1960					Fault gouge, dark gray, brown w/ minor silica-carbonate and vein material	
						Fault gouge, as above.	
90	1950					Fault gouge, becoming more clayey	
						Fault gouge, kaolinitic	
						Fault gouge, began at 78.5, ended at 97'	
						Silica-carbonate, med yellow-brown w/ very rare vein material.	
100	1940						

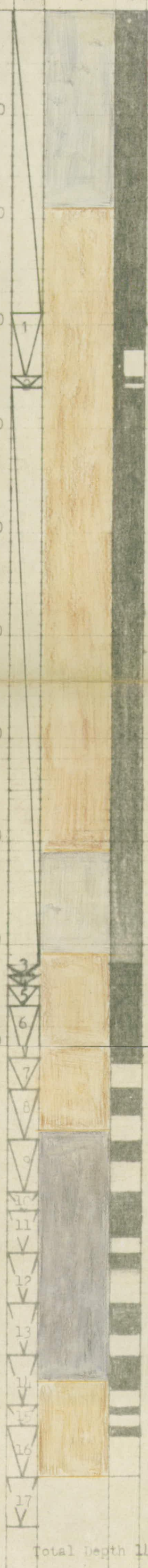
MADRONE MINING COMPANY

CORE LOG

OME-6348
(Mercury)

PROPERTY	MADRONE	LOCATION	
CORE HOLE NUMBER	#1	ELEVATION	1990
CONTRACTOR	HOUSTON	TOTAL DEPTH	147'
START	10/5/64	FINISH	November 1964
COST PER FOOT		GEOLOGIST	JOHNSON-BOTTS

A NOTE: SHADED AREA INDICATES 100% RECOVERY



DEPTH	ELEV	DESCRIPTION	ASSAY RESULT
		FAULT GOUGE: PREDOMINATELY KAOLINITIC SANDSTONE, LT GY-LT TAN	
10	1980		
		SILICA-CARBONATE: OCHRE-TAN	
20	1970		
		ENCOUNTERED MINOR AMOUNTS OF WATER (24'-27')	
30	1960	CORE #1(29'-35') SILICA-CARBONATE: BRECCIATED, W/ABUNDANT CARBONATE VEINS, DIP 60°, POSSIBLE FLECKS CINNABAR AT TOP OF CORE	
		CORE #2(35'-36') SILICA-CARBONATE: AS ABOVE W/POSSIBLE TRACES CINNABAR	
40	1950	SILICA-CARBONATE: LT-MED TAN	
50	1940		
60	1930		
70	1920		
		FAULT GOUGE: GY BRN-MED BRN, W/COMMON RDD DK GY ROCK GRNLS, COMMON STREAKS LT GY GOUGE	
80	1910		
90	1900		
		SILICA-CARBONATE: MED BRN, ENCOUNTERED ABUNDANT WATER	
		SILICA-CARBONATE: W/COMMON CALCITE VEINING	
100	1890		
		Silica-carbonate and dark gray gouge material rubble.	
		Silica-carbonate and kaolinized sands. Core broken badly.	
110	1880	Kaolinized sands and black and brown clayey gouge, soft.	
		Black, clayey fault gouge, minor frags of silica-carbonate.	
120	1870	Black fault gouge as above, abund frags calcite and greenish rx.	
		Fault gouge, as above.	
		Fault gouge and kaolinized sands, more indurated.	
130	1860		
		Sands, kaolinized, clays, and silica-carbonate, ochre to light gray, unconsolidated, wet.	
		As above, unconsolidated, clayey, very wet.	
140	1850	Sands and fault gouge as above	
		Left 5 foot core barrel in hole.	
	1843		

Total Depth 148'

MADRONE MINING COMPANY

CORE LOG

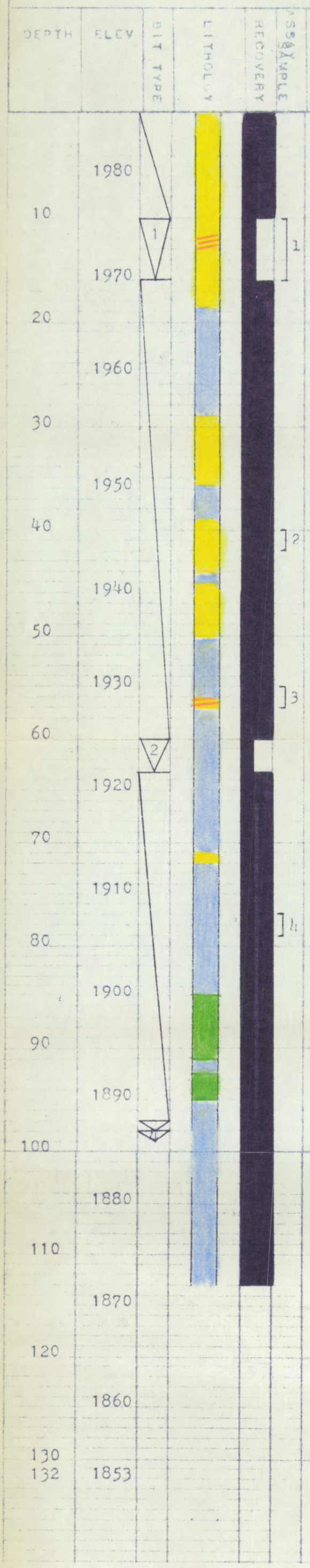
PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#4	ELEVATION	2000
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	100
START	DECEMBER 1964	FINISH	DECEMBER 1964
COST PER FOOT		GEOLOGIST	JOHNSON

DEPTH	ELEV	BIT TYPE	LITH	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						SILICA-CARBONATE: DK BRN WITH MINOR FRAGS DK GY SHALE	
10	1990				1	SILICA-CARBONATE: OCHRE W/MINOR CALCITE VEINS	#1 0.8#
						SILICA-CARBONATE: AS ABOVE, BECOMING CLAYEY	
20	1980					SILICA-CARBONATE: OCHRE-GY BRN, W/MINOR FAULT GOUGE	
						FAULT GOUGE: MED-DK GY, W/MINOR SILICA-CARBONATE AND CALCITE VEIN MATERIAL	
						SILICA-CARBONATE: GY BRN, COMMON-ABUNDANT DK GY SILICEOUS SHALE FRAGMENTS W/POSSIBLE TRACES CINNABAR AT 28-30	
30	1970				2	FAULT GOUGE: MED GY	#2 1.0#
						SILICA-CARBONATE: DK BRN W/ABUNDANT VEIN MATERIAL	
40	1960					FAULT GOUGE: DK GY, CEMENTED	
						SILICA-CARBONATE: OCHRE W/FREE WATER	
						FAULT BRECCIA: PREDOMINATELY MASSIVE CALCITE W/MINOR MED GY GOUGE	
50	1950					FAULT GOUGE: MED GY, CLAYEY	
						FAULT BRECCIA: COMMON VEIN MATERIAL	
						SANDSTONE, MED-DK GY, KAOLINITIC W/MINOR MED GY GOUGE	
60	1940						
						SILICA-CARBONATE: BRN W/MINOR MED GY SS, COMMON MULTICOLORED VEIN MATERIAL	
70	1930				3		#3 2.2#
						SILICA-CARBONATE: AS ABOVE W/COMMON RED TAN CHERT	
80	1920					SILICA-CARBONATE: OCHRE W/ABUNDANT RED CHERT	
						CHERT: RED	
						CHERT: RED W/TRACES SILICA-CARBONATE	
90	1910					CHERT: RED, MASSIVE	
100	1900						

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#2	ELEVATION	1985
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	132
START	OCTOBER 1964	FINISH	DECEMBER 1964
COST PER FOOT		GEOLOGIST	BOTTS-JOHNSON



DEPTH	DESCRIPTION	ASSAY SAMPLE
	SILICA-CARBONATE: MED BRN	
10	SILICA-CARBONATE: MED BRN	#1 C.4#Hg
20	SILICA-CARBONATE: MED BRN FAULT GOUGE: MED GY BRN	
	FAULT GOUGE: MED GY, KAOLINITIC	
30	SILICA-CARBONATE: TAN-LT BRN	
	FAULT GOUGE: LT GY	
40	SILICA-CARBONATE: LT BRN	#2 Trace
	FAULT GOUGE: LT GY SILICA-CARBONATE: LT BRN	
50	FAULT GOUGE: MED GY-TAN	
60	SILICA-CARBONATE: LT TAN FAULT GOUGE: MED GY-TAN FAULT GOUGE: MED-DK GY, MINOR BUFF, MINOR CALCAREOUS VEINS, COMMON PATCHY DK GREEN STAIN	#3 1.5#Hg
	FAULT GOUGE: LT GY-TAN	
70	SILICA-CARBONATE: LT BRN FAULT GOUGE: MED BRN W/SLIGHT PURPLE CAST	
80		#4 Nil
90	SERPENTINE OR ALTERED ULTRA-BASIC IGNEOUS ROCKS: LT GREEN GY	
100	FAULT GOUGE: RED BRN-PURPLE BRN SERPENTINE: LT GREEN FAULT GOUGE: MED BRN WITH PURPLE CAST FAULT BRECCIA: BROKEN DK GY SILICEOUS GOUGE W/COMMON VEINS CALCITE	
110	FAULT GOUGE: LT GY KAOLINITC SS, DK GY BRECCIATED SHALE	
120	FAULT GOUGE: AS ABOVE	
130 132	NOTE: BEGAN LOSING CIRCULATION AT 98 FT. UNABLE TO MAINTAIN CIRCULATION. RAN CASING TO 100 FT. CORED AHEAD TO 113 FT WITH PARTIAL CIRCULATION. LOST COMPLETE CIRCULATION AT THAT POINT. DRILLED AHEAD TO 132 FT WITH COMPLETE LOST CIRCULATION. UNABLE TO REGAIN CIRCULATION BY ANY MEANS. SUSPENDED HOLE AT 132 FT. UNABLE TO RETRIEVE CASING.	

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC 22-27S-10E
CORE HOLE NUMBER	#3	ELEVATION	2026'
CONTRACTOR	HOUSTON	TOTAL DEPTH	174'
START	10/15/64	FINISH	5/22/65
COST PER FOOT		GEOLOGIST	BOTTS-JOHNSON

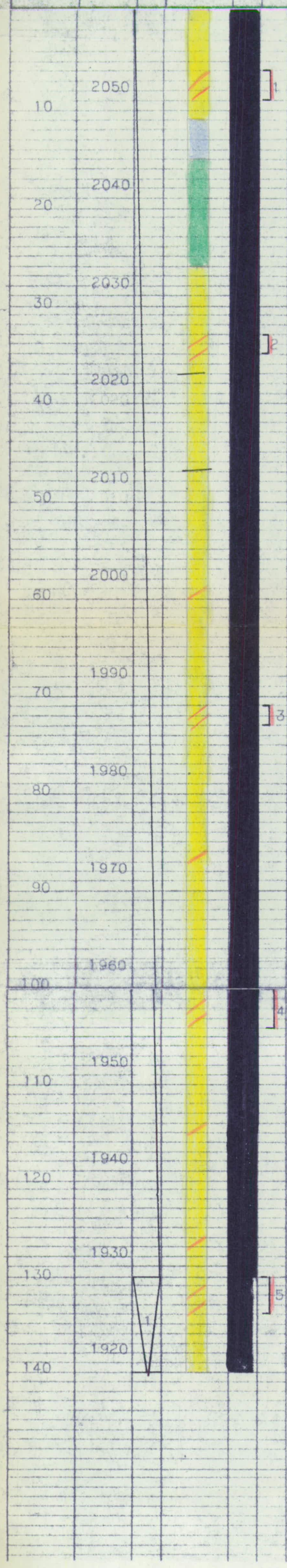
A NOTE: SHADED AREA INDICATES 100% RECOVERY

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						FAULT GOUGE: LT GY-MED BRN, COMMON CARBONATE VEIN MATERIAL	
	2020						
10							
	2010						
20		1				CORE #1(20-21') MASSIVE CALCITE, FRACTURED, W/RARE DK GY ROCK FRAGMENTS	0.3#
						CALCITE AND DOLOMITE: MASSIVE W/COMMON DK GY ROCK FRAGMENTS	
	2000	2				CORE #2(26-27') CALCITE AND DOLOMITE: AS ABOVE	
		3				CORE #3(27-29') CALCITE AND DOLOMITE: AS ABOVE W/2" DK GY BRECCIA	
30		4				CORE #4(29-30') CALCITE AND DOLOMITE: AS ABOVE W/4" SILICA-CARBONATE ON BOTTOM	
		5				CORE #5(30-33')	
		6				CORE #6(33-35') SILICA-CARBONATE: W/COMMON CALCITE VEINS	
	1990	7				CORE #7 (35-42') SILICA-CARBONATE: W/ABUNDANT CARBONATE VEINS	NIL
40							
		8				CORE #8 (42-52') SILICA-CARBONATE AND CARBONATE VEIN MATERIAL	
	1980						
50							
		9				CORE #9 (52-54') MASSIVE CARBONATE VEIN MATERIAL	
	1970	10				CORE #10(54-58.5') BRECCIA: W/ABUNDANT CARBONATE VEIN MATERIAL	
60		11				CORE #11(58.5-62.5') BRECCIA: AS ABOVE	
	1960					SILICA-CARBONATE: W/COMMON CARBONATE AND DK GY ROCK FRAGMENTS	
70							
		12				CORE #12(72-81') SILICA-CARBONATE: W/COMMON CARBONATE VEIN MATERIAL	
	1950						
80							
		13				CORE #13(81-84') SILICA-CARBONATE: AS ABOVE	
	1940	14				CORE #14(84-87') SILICA-CARBONATE: W/MINOR CALCITE VEINS	
		15				CORE #15(87-88') BRECCIA: W/FRAGMENTS DK CHERT	
90		16				CORE #16(88-91') BRECCIA: W/ABUNDANT CARBONATE VEINS	
		17				CORE #17(91-93') BRECCIA: AS ABOVE	
		18				CORE #18(93-97') NO RECOVERY	
	1930						
100						FAULT GOUGE: MED GY SILICA-CARBONATE: W/MINOR LT GY GOUGE	
							TRACE
	1920					CARBONATE VEIN MATERIAL; W/COMMON FRAGMENTS SILICA-CARBONATE	
110							
						FAULT GOUGE: MED GY:, COMMON VEIN MATERIAL	
	1910					SILICA-CARBONATE: MED-DK BRN	
120							
						FAULT GOUGE: LT GY	
	1900						
130							
						FAULT GOUGE: LT GY GRADING TO LT TAN	
	1890					FAULT GOUGE: LT GREEN GY	
140						FAULT GOUGE: AS ABOVE W/COMMON FRAGMENTS CARBONATE VEIN MATERIAL	
		19				NO RECOVERY (140-143) CORE #19	
	1880	20				CORE #20 (144-154') NO RECOVERY	
150							
	1870						
160						DRILLED INTERVAL 154-174', NO RETURNS, LOST CIRCULATION, PIPE STICKING, ABANDONED HOLE.	
	1860						
170							
	1850						
180							
	1840						
190							
	1830						
200							

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#7A	ELEVATION	2058'
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	140'
START	MARCH 1965	FINISH	MARCH 1965
COST PER FOOT		GEOLOGIST	JOHNSON



DESCRIPTION	ASSAY RESULT
SILICA-CARBONATE: MEDIUM GRAY BROWN-OCHRE, ABUNDANT DARK GRAY ROCK FRAGMENTS W/TRACES CINNABAR	#1 2.6#HG
FAULT GOUGE: MEDIUM GRAY	
SERPENTINE: LIGHT GREEN	
SILICA-CARBONATE: MEDIUM YELLOW BROWN, HARD WITH COMMON QTZ AND CALCITE	
SILICA-CARBONATE: AS ABOVE WITH TRACES CINNABAR	#2 2.4#HG
SILICA-CARBONATE: AS ABOVE WITH OCCASIONAL TRACES CINNABAR	
	#3 1.8#HG
SILICA-CARBONATE: MEDIUM YELLOW BROWN, WITH COMMON REDDISH IRON STAIN COMMON DARK MINERALS, HARD	
SILICA-CARBONATE: LT TAN-BUFF, COMMON CALCITE FRAGMENTS, TRACES CINNABAR	
SILICA-CARBONATE: DARK BROWN-OCHRE, WITH TRACES CINNABAR	
SILICA-CARBONATE: LT BROWN	#4 2.6#HG
SILICA-CARBONATE: LT BROWN-OCHRE, WITH TRACES CINNABAR	
SILICA-CARBONATE: DARK BROWN WITH TRACES CINNABAR	
	#5 2.2#HG

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#9	ELEVATION	2110
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	195'
START	FEBRUARY 1965	FINISH	FEBRUARY 1965
COST PER FOOT		GEOLOGIST	BOTTS

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						FAULT GOUGE: TAN-MEDIUM BROWN WITH MINOR GRAY STREAKS, MINOR VEIN FRAGMENTS, SOFT	
10	2100						
20	2090						
						FAULT GOUGE: MEDIUM GRAY BROWN, SOFT	
30	2080					SERPENTINE AND ALTERED SERPENTINE, MEDIUM GRAY GREEN-MEDIUM OLIVE GREEN WITH MINOR VEIN FRAGMENTS, COMMON DARK MINERALS, SOFT	
40	2070						
50	2060						
60	2050						
70	2040						
80	2030						
90	2020						
						SILICA-CARBONATE: LIGHT-MEDIUM YELLOW BROWN WITH SLIGHT TRACE-COMMON	
100	2010					VEIN MATERIAL, PANNED TRACES CINNABAR THROUGHOUT	
					1		#1 2.6#Hg
110	2000						
120	1990						
130	1980						
					2		#2 2.0#Hg
140	1970						
						FAULT GOUGE: LIGHT-DARK GRAY, PREDOMINATELY SHALE AND KAOLINITIC SANDSTONE WITH RARE TO COMMON VEIN FRAGMENTS, SOFT	
150	1960						
160	1950						
170	1940						
180	1930						
190	1920					FAULT BRECCIA: WHITE-DK GRAY, ABUNDANT VEIN MATERIAL, ABUNDANT BRIGHT GREEN MATERIAL, PANNED TRACES CINNABAR IN GREENISH WHITE VEIN MATERIAL, TRACES PYRITE	
					3		#3 1.6#Hg
200	1910						

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#10	ELEVATION	2058
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	100'
START	FEBRUARY 1965	FINISH	FEBRUARY 1965
COST PER FOOT		GEOLOGIST	BOTTS

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						SILICA-CARBONATE: LIGHT-MEDIUM YELLOW BROWN, WITH COMMON SHALE AND GOUGE FRAGMENTS, PANNED TRACES CINNABAR	
10	2050						
						FAULT GOUGE: LT-DK GRAY, SOFT, KAOLINITIC, RARE TO COMMON VEIN MATERIAL, OCCASIONAL TRACES GREEN MATERIAL	
20	2040						
30	2030						
40	2020					FAULT GOUGE: AS ABOVE, ENCOUNTERED ABUNDANT WATER AT 38'	
						FAULT GOUGE: AS ABOVE, WET, SOLUBLE	
50	2010						
60	2000						
70	1990						
80	1980						
90	1970						
100	1960						

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#11A	ELEVATION	2058'
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	100'
START	MARCH 1965	FINISH	MARCH 1965
COST PER FOOT		GEOLOGIST	JOHNSON

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
					1	SILICA-CARBONATE: LT BROWN, VERY SILICEOUS GOOD TRACE CINNABAR	#1 3.0#HG
					2		#2 2.0#HG
	2050						
10					3	SILICA-CARBONATE: OCHRE, SILICEOUS, HARD	#3 1.2#HG
	2040						
20					4	SILICA-CARBONATE: LIGHT TAN, SILICEOUS, WITH TRACE CINNABAR	#4 2.2#HG
	2030				5	SILICA-CARBONATE: AS ABOVE WITH COMMON DARK GREEN MINERAL AND TRACE CINNABAR	#5 1.8#HG
30							
	2020					SILICA-CARBONATE: LT TAN, CLAYEY, SOFT, NO HEAVY MINERALS	
40							
	2010						
50							
	2000						
60							
						SILICA-CARBONATE: AS ABOVE, SOME KAOLINITIC	
	1990						
70							
	1980						
80							
	1970					SILICA-CARBONATE: MEDIUM BROWN, CLAYEY, SOFT, KAOLINITIC, COMMON TRACES DARK GREEN MATERIAL	
90							
	1960						
100							

MADRONE MINING COMPANY

CORE LOG

PROPERTY	MADRONE	LOCATION	SEC. 22-27S-10E
CORE HOLE NUMBER	#11B	ELEVATION	1960'
CONTRACTOR	HOUSTON-JACKSON	TOTAL DEPTH	100'
START	MARCH 1965	FINISH	MARCH 1965
COST PER FOOT		GEOLOGIST	JOHNSON

DEPTH	ELEV	BIT TYPE	LITHOLGY	RECOVERY	ASSAY SAMPLE	DESCRIPTION	ASSAY RESULT
						FAULT GOUGE: MEDIUM GRAY, WITH RARE FRAGMENTS SILICA-CARBONATE	
10	1950						
20	1940						
30	1930						
40	1920						
50	1910						
60	1900						
70	1890						
80	1880						
90	1870						
						FAULT GOUGE: AS ABOVE	
100	1860						