MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2257 Docket No. 6638

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits 1/70
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes 3-8-68
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab) 1/70
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

RECORDING REQUESTED BY

MARIPOSA COUNTY TITLE COMPANY

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

NAME S.A.Q., Inc.
ADDRESS 2518 First Avenue
CITY & STATE ZIP San Diego, California 92103

Title Order No. Escrow No. 77727

RECORDED AT THE REQUEST OF MARIPOSA COUNTY TITLE COMPANY
Dec 29 1977 AT 35 MIN PAST 11 O'CLOCK A.M. IN
VOL. 175 OF OFFICIAL RECORDS, PAGE 567
MARIPOSA COUNTY RECORDS.
Barbara P. Sayer RECORDER FEE $ 4.00
Dianna DiNapoli, Dep.

PHOTOGRAPHED AND INDEXED

No 4668

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned declares that the documentary transfer tax is $ 88.00 and is
☒ computed on the full value of the interest or property conveyed, or is
☐ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale. The land, tenements or realty is located in
☒ unincorporated area ☐ city of

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

JOHN P. FULHAM

hereby GRANT(S) to

S.A.Q., INC., a California corporation

the following described real property in the county of Mariposa, state of California:

Patented Claim

The Diltz Patented Mine, being Lot No. 37 in Section 29, Township 4 South, Range 18 East, M.D.B.&M., as recorded on October 30, 1885, in Volume O of Patents at Page 258, Mariposa County Records.

There is reserved to the GRANTOR for the term of his Life the use and occupation of the surface of the Southerly 250 feet of the Diltz Patented Mine.

Unpatented Claims

The Pioneer Quartz Claim located on the 23rd day of June, 1897, and recorded the 29th day of June, 1897 in Volume I of Preliminary Location of Quartz Mining Claims at Page 26, Mariposa County Records, and the Certificate of Location of the Pioneer Quartz Claim being recorded on the 30th day of July, 1897, in Volume I of Certificates of Location of Quartz Mining Claims at Page 5, Mariposa County Records.

The Star of Hope Quartz Claim located on November 1, 1930, and recorded on November 21, 1931, in Volume U of Quartz Records at Page 269, Mariposa County Records.

The Recorder Quartz Claim located July 1, 1920, [illegible] being recorded July 1, 1929, in Book U of Quartz Records at Page 175, Mariposa County Records.

[illegible], known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.

Robert G. Stonum
Signature of Notary

ROBERT G. STONUM
NOTARY PUBLIC - CALIFORNIA
MARIPOSA COUNTY
My Commission Expires Sept. 29, 1978

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

Name Street Address City & State

L-1 (G.S.) (Rev. 4-75) 8 pt.

[redacted] Escrow No. 77727

[redacted] Lot 37 in Section 29, T18, [redacted] in and to the surface

We hand you herewith the sum of $ 00.00
A Trust Deed to secure note for $ 80,000.00

[redacted]

ACCOUNTING AS FOLLOWS:

Full Purchase Price	$ 85,000.00
-Note & Deed of Trust	80,000.00
	5,000.00
-Paid outside of escrow	5,000.00
	00.00

Charges:

½ Policy of Title Insurance	173.62
Deed of Trust (1/2)	10.00
Recording fee, Deed (1/2)	2.00
Recording fee, Deed of Trust (1/2)	3.00
Prorate Taxes 12/18/77 to 12/31/77	7.56
~~Prorate Insurance~~ 1/2 Transfer tax	44.00
½ Escrow Fee	89.00
Due to close escrow	$ 329.18

You are authorized to pay the purchase money and deliver evidence of indebtedness, if any, to John P. Fulham

Grantors, when they shall place in your hands a good and sufficient grant deed conveying said property to: S.A.Q., Inc., a California corporation

and record the documents in connection herewith when you can issue a Standard Policy of Title Insurance showing property vested as above, free and clear of encumbrance, except: with a liability of $80,000.00

1. Second installment of general and special taxes for the fiscal year 1977/78, a lien now due and payable.

2. Deed of Trust ;to record.

If you are unable to comply with these instructions prior to the **expiration** of 15 days from this date, you are instructed to comply with same within such additional time as may be required by you, unless a demand is written and delivered to you (subsequent to such expiration and prior to the filing of any document required in this escrow) by any party who has signed this escrow, for the return of the money and documents to the parties who deposited same with you.

No notice, demand or change of instructions shall be of any effect in this escrow or recognized by said escrow holder unless given in writing by all parties affected thereby. In the event conflicting demands are, or may be, made or notices served upon the escrow holder growing out of or relating to this escrow the parties hereto expressly agree and consent that said escrow holder shall have the absolute right at its election to do either or both the following things: Withhold and stop all further proceedings in and performance of this escrow and of all instructions herein, or file a suit in interpleader and obtain an order from the court requiring them to interplead and litigate in such court their several claims and rights amongst themselves. In the event suit is brought they jointly and severally agree to pay said escrow holder all costs, expenses, and reasonable attorney's fees which it may expend or incur in such interpleader suit, the amount thereof to be fixed and a judgement therefore to be rendered by the court in such suit. Upon the filing of such suit said escrow holder shall thereupon be fully released and discharged from all obligation to further perform any and all duties or obligations imposed on it in this escrow. Your liability as escrow holder shall be confined to the things specifically provided for in my written instructions in this escrow.

Signed this 2nd day of December, 1977 S.A.Q., Inc.

by: Richard D. Betts Pres

by: William Henson Secy

No. 1481

MINING LEASE AND OPTION TO PURCHASE

This Agreement, made and entered into this 27th day of May, 1976, by and between JOHN P. FULHAM, hereinafter referred to as "FIRST PARTY" and S.A.Q., INC., a California corporation, hereinafter referred to as "SECOND PARTY",

W I T N E S S E T H:

In consideration of the terms, covenants, provisions and conditions hereinafter set forth, it is agreed by and between FIRST PARTY and SECOND PARTY as follows:

1. FIRST PARTY hereby leases to SECOND PARTY the following personal property and the following patented and unpatented mining claims situated in Mariposa County, California, and more particularly described as follows:

Patented Claim

The Diltz Patented Mine, being Lot No. 37 in Section 29, Township 4 South, Range 18 East, M.D.B.&M., as recorded on October 30, 1885, in Vol. 0 of Patents at Page 258, Mariposa County Records.

There is reserved to FIRST PARTY the use and occupation of the surface of the Southerly 250 feet thereof.

Unpatented Claims

The Pioneer Quartz Claim located on the 23rd day of June, 1897, and recorded the 29th day of June, 1897, in Vol. I of Preliminary Location of Quartz Mining Claims at Page 26, Mariposa County Records, and the Certificate of Location of the Pioneer Quartz Claim being recorded on the 30th day of July, 1897, in Vol. I of Certificates of Location of Quartz Mining Claims at Page 5, Mariposa County Records.

The Star of Hope Quartz Claim located on November 1, 1930, and recorded on November 21, 1931, in Vol. U of Quartz Records at Page 269, Mariposa County Records.

The Recorder Quartz Claim located July 1, 1929, and Notice of Location being recorded July 1, 1929, in Book U of Quartz Records at Page 175, Mariposa County Records.

BARTOW AND CHRISTIANSEN
ATTORNEYS AT LAW
123 EAST 4TH STREET
MADERA, CALIF. 93637
PHONE 674-6588

There is reserved to FIRST PARTY the use and occupation of the surface of the Southerly 250 feet of the Diltz Patented Mine.

Personal Property

One Leroi 315 compressor
One Eimco 12B mucker
One Clark trammer
One Ingersoll rand air slushert and bucket

2. Said mines contain gold and other valuable ores and minerals.

3. The term of this lease is one (1) year commencing April 27, 1976, and ending April 26, 1977.

4. SECOND PARTY shall have and hold said mining claims for the purpose of doing such mapping, geophysical exploration, sampling, testing and drilling thereon as SECOND PARTY may deem necessary and proper, and for the purpose of searching for, mining, extracting, milling, reducing, processing, treating and preparing ores, metals and minerals of every nature and description.

5. SECOND PARTY shall pay to FIRST PARTY a royalty of ten percent (10%) of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the productions 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 productions sold, and freight payable by the buyer to a carrier (not SECOND PARTY herein) shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the SECOND PARTY are deductable in arriving at the "gross proceeds" as that term is here used.

If any production (ore, concentrate, metal, or equivalent), after the lapse of three (3) months from the date the ore was extracted from the ground, remains neither sold nor used

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this lease shall immediately and automatically terminate and shall not be an asset in said bankrupt's estate nor shall any referee or trustee in bankruptcy have any claim, right, title or interest in this lease or in the herein demised premises.

14. If the rent or royalty provided for herein or any portion thereof shall be unpaid when due hereunder and SECOND PARTY fails to cure said default within thirty (30) days after requested, in writing, so to do by FIRST PARTY, then this lease shall at the option of FIRST PARTY, immediately terminate and FIRST PARTY may forthwith enter into possession of the demised property and remove therefrom all persons and property at the expense of SECOND PARTY, FIRST PARTY hereby reserving such right of reentry.

If SECOND PARTY defaults in the performance of any term, covenant, provision or condition of this lease, other than the payment of rent or royalty, and fails to cure said default or breach within ninety (90) days after requested, in writing, so to do by FIRST PARTY, then in each and every such case, this lease shall at the option of FIRST PARTY, immediately terminate and FIRST PARTY may forthwith enter into possession of the demised property and remove therefrom all persons and property at the expense of SECOND PARTY, FIRST PARTY hereby reserving such right of reentry for any term, covenant, provision of condition hereof so broken by SECOND PARTY.

15. The waiver by FIRST PARTY of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

16. In the event that suit be instituted for unlawful detainer or to enforce any right arising from this agreement, the prevailing party shall be entitled to recover a reasonable

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to integrated manufacturing or fabricating operations (for instance if it is stockpiled), FIRST PARTY, at his option, as long as it so remains, may require the computation and payment of his royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in when FIRST PARTY elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before FIRST PARTY makes his election, the FIRST PARTY'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.

To secure the payment of royalty SECOND PARTY hereby grants to FIRST PARTY a lien upon any production of minerals and metals mined or produced from the land.

SECOND PARTY shall advance to FIRST PARTY forthwith the sum of Five Thousand Dollars ($5,000.00) to be first applied to the foregoing royalty before any payment thereof to FIRST PARTY.

6. SECOND PARTY agrees that it will at all times during the term of this lease keep the leased premises free and clear of any and all liens and/or encumbrances and will hold FIRST PARTY harmless therefrom and indemnify FIRST PARTY for and against any and all loss, damage or detriment incurred, suffered or sustained by FIRST PARTY as a proximate result of any such liens and/or encumbrances.

7. It is agreed that SECOND PARTY has inspected the herein demised premises and is leasing the same as a result of its own knowledge thereof and not by reason of or in reliance upon any acts, statements, warranties or promises made by FIRST PARTY other than those contained herein.

8. SECOND PARTY agrees that it will, at all times

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during the term of this lease, comply with any and all laws, rules, orders and regulations, whether federal, state or local, which are made by duly constituted authorities and are applicable to the herein demised premises or to the business or activities of SECOND PARTY conducted thereon.

9. SECOND PARTY agrees to keep duly posted on the demised premises while making any improvements thereon a notice of FIRST PARTY'S non-responsibility for the cost of either labor or materials therefor, and SECOND PARTY agrees to hold FIRST PARTY harmless from the cost and/or expense of any and all labor and materials furnished for such alterations or improvements and to indemnify FIRST PARTY for any loss, damage or detriment suffered by him by reason thereof. It is further agreed that any and all improvements, machinery and equipment placed upon the demised premises by SECOND PARTY shall remain the property of SECOND PARTY, and FIRST PARTY shall have no right, title or interest therein.

10. FIRST PARTY shall have the right by himself, or through his agent, servant and representative at any and all reasonable times to enter upon the demised premises.

11. SECOND PARTY agrees to do and perform any necessary annual assessment work that may be required on said mining claims during the term of this lease. A timely notice of the completion of said assessment work and the filing of a notice of the same as required by law shall be made by SECOND PARTY.

12. SECOND PARTY agrees to hold FIRST PARTY free and harmless from any and all liability and claim for damages arising from any injury from any cause to any person, or to property of any kind, belonging to anyone while in or upon or in any way connected with the demised premises or SECOND PARTY'S operations thereon.

13. In the event that SECOND PARTY is declared bankrupt,

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PHONE 674-8588

attorney's fee which shall be fixed by the Court.

17. TIME is of the eseence of this lease and option to purchase and in the performance of each and every term, covenant, provision and condition herein contained.

18. SECOND PARTY shall duly perform all duties and obligations imposed on the "Operator" under the existing Exploratio Contract No. 2257, Docket OME-6638 with the United States of America and the Lien and Subordination Agreement securing performance by "Operators" under said contract relating to said mining claims and hold FIRST PARTY harmless therefrom.

19. As further consideration of the within lease and the additional consideration of Ten Dollars ($10.00), the payment and receipt of which is hereby acknowledged, FIRST PARTY hereby grants to SECOND PARTY the exclusive right and option to purchase said mining claims and the following described personal property for the sum of Eighty-five Thousand Dollars ($85,000.00). Said sum is allocated Eighty-one Thousand Five Hundred Dollars ($81,500.00) as the purchase price of said mining claims and Three Thousand Five Hundred Dollars ($3,500.00) as the purchase price for said personal property. Said personal property is described as follows:

One Leroi 315 compressor
One Eimco 12B mucker
One Clark trammer
One Ingersoll rand air slushert and bucket

Said option is granted on the following terms:

(A) The term of this option shall be for the period commencing one hundred ninety (190) days after the date of this agreement and ending on the expiration of the term of the foregoing lease. FIRST PARTY agrees to forthwith initiate a suit to quiet title to the hereinabove described patented claim and to diligently prosecute the same to conclusion at his sole cost and expense and to keep SECOND PARTY fully informed of the progress and status of said suit.

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PHONE 674-3588

(B) SECOND PARTY may exercise this option during the term thereof only by written notice of election to purchase hereunder duly deposited in the United States mail, postage prepaid, and addressed to FIRST PARTY at Post Office Box 614, Mariposa, California 95338. Said written notice shall be deemed delivered to FIRST PARTY forty-eight (48) hours after the deposit thereof as aforesaid in the United States mail.

(C) If and when this option is duly exercised by SECOND PARTY as aforesaid, then within ten (10) business days (Saturdays and Sundays are hereby defined as not being business days) from the date of delivery of notice of exercise of this option to FIRST PARTY, SECOND PARTY shall open an escrow at Mariposa County Title Company, Mariposa, California, on the following terms and conditions and FIRST PARTY and SECOND PARTY shall forthwith execute the same.

(1) The escrow instructions shall be written on the form then currently in use by Mariposa County Title Company, Mariposa, California. If that form of escrow instruction is inconsistent with the terms of this agreement, the escrow instructions shall be modified to the extent necessary to give full effect to the terms of this agreement.

(2) The purchase price shall be paid as follows: The sum of Twenty Thousand Dollars ($20,000.00) less the total of all rents and royalties previously paid under the within lease, shall be paid upon close of escrow.

The unpaid balance of the purchase price in the sum of Sixty-five Thousand Dollars ($65,000.00) less all rents and royalties previously paid under the within lease in excess of Twenty Thousand Dollars ($20,000.00) shall be evidenced by a promissory note duly executed by SECOND PARTY in favor of FIRST PARTY in the form of Exhibit "A" attached hereto and incorporated herein by reference.

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to SECOND PARTY free and clear, excepting for covenants, restrictions, conditions, easements, and rights-of-way of record all of which shall be subject to the approval of SECOND PARTY within seven (7) days of the receipt of a preliminary title report. Title shall also be subject to current unpaid real property taxes and assessments and SECOND PARTY'S purchase money deed of trust hereunder.

It is further agreed that notwithstanding the inability on the part of FIRST PARTY to deliver title as aforesaid, SECOND PARTY may nevertheless, in its sole judgment and discretion, elect to accept title as it then stands and purchase the same on all the other terms herein set forth.

A life estate shall be reserved to FIRST PARTY in and to the surface of the Southerly 250 feet of said patented mining claim.

FIRST PARTY shall, at his expense, furnish and deliver to SECOND PARTY a policy of title insurance for the sum of Eighty Thousand Dollars ($80,000.00), which shall show the title to said patented mining claim vested as aforesaid.

Title to the hereinabove described unpatented mining claims shall be conveyed to SECOND PARTY by warranty deed which shall contain the following provisions:

> Grantor hereby covenants with and warrants to the Grantee herein and its successors in interest as follows:
>
> 1. That Grantor is lawfully seised in fee simple of the herein described property.
>
> 2. That Grantor has the right to convey it.
>
> 3. That Grantor will defend the title and quiet enjoyment of the property against the lawful claims and demands of all persons.
>
> 4. That Grantor will do any further acts at his cost and expense for the purpose of perfecting the title that the covenantees may reasonably require.

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CHRISTIANSEN
ATTORNEYS AT LAW
123 EAST 4TH STREET
[illegible]ERA, CALIF. 93637
[illegible] 674-5588

Said promissory note shall be secured by a first deed of trust on the standard form of Mariposa County Title Company covering said mining claims to which form the following provisions shall be added:

(a) Trustor shall conduct mining operations on said premises in a skillful, economical and miner-like manner customary in Mariposa County, California, so as to extract a reasonable amount of ores, metals and minerals.

(b) Trustor shall do and perform any and all necessary annual assessment work required by law on said mining claims and file a timely notice of completion of said assessment work as required by law.

(c) Trustor shall duly perform all duties and obligations imposed on the "Operator" under the existing Exploration Contract No. 2257, Docket OME-6638, with the United States of America and the Lien and Subordination Agreement relating to said mining claims.

Trustor shall provide beneficiary with suitable accounting and documentary evidence covering all production to which Beneficiary's royalty relates.

(d) Trustor shall comply with any and all laws, rules, orders and regulations, whether federal, state or local, which are made by duly constituted authorities and are applicable to said mining claims or the activities of Trustor conducted thereon.

(e) Should Trustor sell, convey, transfer or dispose of said property, or any part or interest therein or agree to so do without the prior written consent of Beneficiary, then Beneficiary shall have the right at his option to declare all sums secured hereby forthwith due and payable.

(3) FIRST PARTY agrees that title to the hereinabove described patented mining claim shall be delivered

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PHONE 674-8588

5. That the estate is free from all liens and encumbrances.

(4) The examination of title, preparation of deeds and deed of trust, documentary transfer tax, escrow fee, and recording of conveyance and deed of trust shall be paid one-half (1/2) by FIRST PARTY and one-half (1/2) by SECOND PARTY.

(5) Real property taxes and assessments shall be prorated as of close of escrow.

20. SECOND PARTY agrees to execute, acknowledge and deliver to FIRST PARTY within ten (10) days after written request, a quitclaim deed or other document required by any title company to remove the cloud of this option from the property if SECOND PARTY has failed to exercise the option contained in this agreement or default after the exercise of the option.

21. This agreement and all of the terms, provisions and conditions hereof shall inure to the benefit of and be binding upon the heirs, devisees, legatees, executors, administrators, personal representatives, assigns, and successors in interest of all of the parties hereto.

22. In the event that suit be instituted to rescind or enforce this agreement or any right arising herefrom, the prevailing party shall be entitled to recover a reasonable sum as and for attorneys' fees to be fixed by the Court.

23. The undersigned persons executing this agreement on behalf of SECOND PARTY do hereby warrant that they are duly authorized in writing to so execute this agreement on behalf of SECOND PARTY.

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///

BARTOW AND
CHRISTIANSEN
ATTORNEYS AT LAW
123 EAST 4TH STREET
MARINA, CALIF. 93637
PHONE 674-5553

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year first above written.

FIRST PARTY:

John P. Fulham

John P. Fulham

SECOND PARTY:

S.A.Q., INC., a California corporation

By Richard D. Betts

Richard Betts, President

By William Nemour

William Nemour, Secretary-Treasurer

TO 449 C
(Corporation)

STATE OF CALIFORNIA
COUNTY OF Los Angeles } SS.

On May 27, 1976 before me, the undersigned, a Notary Public in and for said State, personally appeared Richard D. Betts known to me to be the _____ President, and William Nemour known to me to be _____ Secretary of the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Fredda Katz

Fredda Katz
Name (Typed or Printed)

STAPLE HERE

OFFICIAL SEAL
FREDDA KATZ
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
My Commission Expires Oct. 25, 1977

STATE OF CALIFORNIA
COUNTY OF MARIPOSA } SS.
On MAY 28, 1976 before me, the undersigned, a Notary Public in and for said County and State, personally appeared JOHN P. FULHAM, known to me to be the person whose name is subscribed to the within instrument and acknowledged that HE executed the same.

Robert G. Stonum

FOR NOTARY SEAL OR STAMP

ROBERT G. STONUM
NOTARY PUBLIC - CALIFORNIA
MARIPOSA COUNTY
My Commission Expires Sept. 29, 1978

SAFECO TITLE

Misc.-If Ext. (G.S.) Ack. Individual (Rev. 9-69) Single

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/17/70	Emerick	120
		220
	Long	140
	App'd. Sol. Off.	
2/26	Kulogoski	120M
		120
		220

UNITED STATES OF AMERICA
CERTIFICATION OF POSSIBLE PRODUCTION
UNDER AN EXPLORATION CONTRACT

Mr. John P. Fulham and
Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Pursuant to Article 6 of the subject contract, as amended, the Government hereby certifies that mineral or metal production may be possible as a result of the exploration work.

Therefore, royalties shall be paid to the Government as provided in the contract on all production from the land described in the contract from March 8, 1968, to March 8, 1979, or until the total amount contributed by the Government under the contract ($15,742.88) is fully repaid with interest at the rate of 7-1/2 percent per annum on $8,992.88 (Government's contribution on Stage I), and 8-1/4 percent per annum on $6,750.00 (Government's contribution on Stage II), whichever occurs first. The payment of royalties is secured by a lien upon the land and upon production therefrom.

Royalty payments should be made in favor of the U. S. Geological Survey and mailed or delivered to the Field Officer, Office of Minerals Exploration, Region II, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025. Each payment should be accompanied by two copies of settlement sheets or other suitable sales evidence showing the date of sale, name of the purchaser, the quantity and grade of the production sold, the price per unit, and the gross proceeds and allowable deductions therefrom. The purchaser should be notified of the Government's royalty on production and directed to pay the royalty, computed as provided in the contract, directly to the Government.

The Field Officer should be notified promptly upon the future commencement of any production and upon any extended cessation thereof. Production unsold or unused six months after extraction from the ground should be reported promptly to the Field Officer.

FEB 1 - 1970

FEB 1 - 1970

Attention is specifically invited to the provisions of Article 2(c) of the contract referring to the preservation of the Government's royalty rights. Two true copies of any instrument transferring, surrendering, or encumbering any of said rights shall be furnished to the Field Officer.

Dated this 26th day of February, 1970.

THE UNITED STATES OF AMERICA

Harold Kirkemo

Chief, Office of Minerals Exploration
U. S. Geological Survey

cc: Director's Reading File
~~XXXXXXXXXXXXXXXXXXXXXXXX~~
Mineral Resources File
Branch of Budget & Finance
Assoc. Sol.--Rm. 6554
OME Docket
OME Region II
OME Reading File
Mr. Emrick
Mr. Kirkemo
130 (2)

WLEmerick/bsl 2/16/70

I-C-DC-OME-8-70

Government's copy

UNITED STATES
DEPARTMENT OF THE INTERIOR

Office of Survey and Review

Audit Operations

OFFICIAL
COPY
O. M. E.
RECEIVED
FEB 2 1970
INITIALS | CODE
gla / 120
Ebd / 120
/ 120
WE / 120E

Report of Review-Contract 2257
Docket No. OME-6638 (Gold)
John P. Fulham and Allen F. Grant (Operators)
Mariposa County, California

Report of Review

Washington, D.C.
January 1970

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
OFFICE OF SURVEY AND REVIEW
Audit Operations, Region I
801 19th Street, N.W., Room 813
Washington, D.C. 20240

JAN 26 1970

Memorandum

To: Director, Geological Survey

From: Regional Director, Audit Operations

Subject: Review of Contract-2257
Docket No. OME-6638 (Gold)
John P. Fulham and Allen F. Grant (Operators)
Mariposa County, California

As requested by the Chief, Office of Minerals Exploration, we made a cost review of Contract 2257. The results of our review are shown in the attached report.

C. D. Bauer

Attachment

We reviewed the contract files of the Office of Minerals Exploration (OME) pertaining to their minerals exploration Contract 2257 with John P. Fulham and Allen F. Grant (Operators), and examined the related disbursement records in the Branch of Budget and Finance, Administrative Division, Geological Survey. The review was made at Washington, D.C. during January 1970.

The contract was awarded March 8, 1968, for $12,000 the total estimated costs of the project with OME participation on a 75 percent basis or not in excess of $9,000. Amendment No. 1 increased the total cost of the project to $21,000 and total amount of Government participation not to be in excess of $15,750.

The purpose of this contract was to explore the Diltz vein by drifting southward on the Glick adit level for gold-bearing quartz ore bodies in and along the Diltz fault about 150 feet down dip from the Ellis Tunnel workings where quartz ore shoots occur along the fault in metavolcanic rocks of probable Jurassic Age. All samples were to be assayed for gold and silver.

Repayment of disbursed Federal funds plus simple interest at the rate of 7½ percent was to accrue on $8,993, the Government's contribution of 75 percent toward the total accepted cost of $11,991 incurred on Stage I of the contract. Simple interest at the rate of 8¼ percent was to accrue on $6,750, the Government's contribution

of 75 percent toward the accepted total cost of $9,000 incurred on Stage II of the contract. The percentages were to be made on the basis of established royalties of all minerals and metals produced from the land for a period of eleven years from the date of the contract should a certification of possible production be issued by OME.

Work under the contract was to begin about March 1968, and was to be completed with 21 months from the date of the contract or by December 1969. Amendment No. 1, April 24, 1969, suspended work under the contract from January 10, 1969, to no later than April 30, 1969.

Field inspections were made and fifteen vouchers submitted by the Operators were approved by the OME Region II office.

The units of work authorized and paid under the contract are summarized on Exhibit I. We believe that the claimed and accepted costs of $20,991, and the OME participation on a 75 percent basis for $15,743 were proper under the terms of the contract. At the time of our review $200 was being withheld by OME pending receipt of the Operators' final reports.

C. D. Bar

Regional Director

EXHIBIT I

Summary of Contract Terms, Accepted Costs, and Unexpended Balance

Fixed Unit Costs[1/]	Authorized Amounts	Accepted Costs	Unexpended Balance
Stage I			
Drifting and Crosscutting, 250 feet at $45/foot	$11,250	$11,880	($230)
Timbering, 50 feet at $10/foot	500	100	2/
Assaying for Gold and Silver, 50 samples at $5/sample	250	11	239
Total Costs Stage I	$12,000	$11,991	$ 9
Stage II			
Drifting and Crosscutting, 188 feet at $45/foot	$ 8,460	$ 8,796	($336)
Timbering, 45 feet at $10/foot	450	150	300
Assaying for Gold and Silver 18 samples at $5/sample	90	54	36
Total Costs Stage II	$ 9,000	$ 9,000	$ -
Total Project Costs	$21,000	$20,991	$ 9
Government Participation at 75%	$15,750	$15,743[3/]	$ 7

1/ Government retains no equity in any of the equipment or materials used.

2/ Used Balance of time allowance ($400) as per contract to gain additional footage on drift on Diltz Vein and on fault.

3/ Withholding $200 pending receipt of Operator's Final Report.

Government's Copy

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

Amendment No. 2

It is agreed this 19th day of September, 1969, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and John P. Fulham and Allen F. Grant, a partnership, hereinafter called the "Operator," that Exploration Contract 2257 (OME-6638), dated March 8, 1968, as amended, is further amended effective September 7, 1969, as follows:

The time fixed by Article 1 for completion of the work as extended by Amendment No. 1 is further extended from eighteen (18) months to twenty-one (21) months, from the date of the contract or until December 8, 1969.

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 quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By William L. Emerick
For: Chief, Office of Minerals Exploration
U. S. Geological Survey

JOHN P. FULHAM AND ALLEN F. GRANT

By Allen F. Grant

Title Partner

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Emerick
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MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/4/69	Emerick	120
		120
		220
		120M

September 4, 1969

MEMORANDUM

To: The File

From: William L. Emerick
Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Justification for Amendment No. 2

Work on the contract was resumed in May after additional funds were provided by Amendment No. 1. Some delays in the progress of contract work were caused at this time by both snow and rain damage to the access road to the mine. In the weeks following, periods of further delay were caused by a compressor breakdown and by problems with caving and loose ground as the drift was advanced.

The work has been prosecuted in an efficient manner and the Field Officer, Region II, recommends extending the completion time an additional 3 months. I concur with this recommendation.

William L. Emerick

William L. Emerick

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Emerick

WLEmerick/bsl 9/4/69

Government Copy

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

Amendment No. 1

It is agreed this 24th day of April, 1969, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and John P. Fulham and Allen F. Grant, a partnership, hereinafter called the "Operator," that Exploration Contract 2257 (OME-6638), dated March 8, 1968, is amended effective January 10, 1969, as follows:

1. The time fixed by Article 1(a) for completion of the work is extended from twelve (12) months to eighteen (18) months, from the date of the contract or until September 8, 1969.

2. The estimated total cost of the work as set forth in Article 1(b) and in Exhibit A is increased from $12,000.00 to $21,000.00, and the total amount of Government participation at 75 percent is increased from $9,000.00 to not in excess of $15,742.88.

3. Simple interest at the rate of 7-1/2 percent shall accrue on $8,992.88 (subject to audit), the Government's contribution of 75 percent toward the accepted total cost of $11,990.50 (subject to audit) incurred on Stage I of the contract. Simple interest at the rate of 8-1/4 percent shall accrue on Federal funds contributed toward Stage II of the contract from the date such funds are made available for Stage II work under the contract. Interest on Federal funds made available for Stages I and II shall accrue until the period specified in the contract for the payment of royalty expires, or until the total amount of Federal funds contributed has been fully repaid with accrued interest.

4. The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract under Article 6 is extended from ten (10) to eleven (11) years from the date of the contract.

5(a) Work under the contract may be suspended during the period beginning January 10, 1969 and ending not later than April 30, 1969.

(b) The Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred had there been no suspension of the work.

(c) The Operator, at its own cost and expense, without contribution by the Government during the period of suspension, shall preserve and protect the project work.

6. In Exhibit A under the heading General Provisions a new paragraph is added reading as follows:

"The work shall be divided into two stages. All work performed under the contract prior to January 10, 1969, shall be considered as Stage I. The Government will not contribute toward any work performed under Stage I after January 9, 1969. The Operator shall perform as much of the succeeding Stage II work as has the prior approval of the Government."

7. In Exhibit A, under the heading Description of the Work a new paragraph comprising Stage II is added reading as follows:

Stage II

"The work shall consist of continuing to drift southerly along the Diltz fault and vein, sampling the vein and evaluating the work. It is estimated that 188 feet of drifting will be required to explore the vein further, that 45 feet of the drift may require timber support, and that assays of 18 samples may be required. These footages include any auxiliary crosscutting necessary to follow the most favorable segment or strand of the vein. Funds not used for timbering may be applied to additional drifting or assaying as necessary.

8. In Exhibit A under the heading Estimated Costs of the Work:

(a) The total cost of Stage I is limited to accepted cost of $11,990.50, subject to audit.

(b) New "Stage II" cost data and a "Summary" are added as follows:

Stage II

Fixed Unit Costs 1/

Drifting and crosscutting, 188 feet @ $45.00/foot	$8,460.00

Timbering, 45 feet @ $10.00/foot	$ 450.00
Assaying for gold and silver 18 samples @ $5.00/sample	90.00
Total Estimated Cost, Stage II . . .	$9,000.00
Government Participation @ 75% . . .	$6,750.00

1/ The Government retains no equity in any of the equipment or materials used.

S U M M A R Y

Total Accepted Fixed Unit Costs, Stage I (Subject to Audit)	$11,990.50
Total Estimated Costs, Stage II	$ 9,000.00
Total Estimated Costs of the Work	$20,990.50
Government Participation @ 75 Percent	$15,742.88

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Arthur A. Baker
Acting Director, U. S. Geological Survey

JOHN P. FULHAM AND ALLEN F. GRANT

By Allen F. Grant Pitz Preisler & Partners

Title Partner

John P. Fulham

Title Partner

Long
Appd. Sol. Office
Emerick
Kirkemo
Kilsgaard
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MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/9/69	Emerick	120
4/10/69	Kirkham	120
		220
		120M

April 9, 1969

Memorandum

To: The File

From: William L. Emerick
Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Justification for Amendment No. 1

The Operator reported in a letter dated January 10, 1969, that all allowable footage under the contract had been completed, and requested an amendment to the contract providing for an additional 200 feet of drifting on the Diltz vein and an extension of six months for completion of the work. Time for completion of the existing contract was March 8, 1969.

The Field Officer recommended the Operator's request because of the favorable showing in the face of the OME drift and the lack of sufficient footage to reach the original target. The Operator was informed of the limited funds available for contracts at the time of the request but was told favorable consideration to the request might be possible after April 1, 1969, the beginning of the 4th fiscal quarter.

Funds sufficient for additional footage on this contract became available on April 1, 1969. Amendment No. 1 provides for the additional footage, increase in funds, difference in interest rates, extension of time for completion of the contract, extension of the period for royalty payments, and provides for the period of enforced suspension.

William L. Emerick

William L. Emerick

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Emerick

WLEmerick/bsl 4/9/69

Government's Copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME-6638	Gold	2257	Mariposa	California

It is agreed MAR 8 1968 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

John P. Fulham and Allen F. Grant, a partnership,

whose mailing address is P. O. Box 614, Mariposa, California 95338, hereinafter called the "Operator," as follows:

ARTICLE I. 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 MAY 15 1968 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ 12,000. The Government will contribute ~~50~~ 75 percent of the total fixed unit costs of the work performed, not in excess of $ 9,000 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 7-1/4 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 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, 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) 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. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

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

(b) 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.)

(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 unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's 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 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. 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 retain 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 certification 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 6(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 construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. 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 pay on account of units of work not then performed; 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 pay on account of units of work not performed when the notice was given, 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 7 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 11.

ARTICLE 8. 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 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. 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 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, 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, U. S. Geological Survey, 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, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. 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 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 U. S. Geological Survey 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 13. 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 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

JOHN P. FULHAM AND ALLEN F. GRANT
(Operator)

~~By~~ John P. Fulham
John P. Fulham, partner

~~By~~ Allen F. Grant
Allen F. Grant, partner

THE UNITED STATES OF AMERICA

By Arthur B. Baker
Acting Director, U. S. Geological Survey
Office of Minerals Exploration

Bliss
Long
Smith
Kiehano
Johnson
Kilagore
Hyt

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

_____ secretary of the corporation named as Operator herein; that
(Name)

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

_____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of one patented and two unpatented lode mining claims in sec. 29, T. 4 S., R. 18 E., MDB&M, Sherlock Creek Mining District, Mariposa County, California. It is shown outlined in green on Figure 1, entitled, "Property map of Diltz Mine, Mariposa County, California," attached and made part hereof.

The claims are recorded in the Office of the Mariposa County Recorder at Mariposa, California as follows:

Claim Name	Mineral Entry No.	Lot No.	Volume	Page
Diltz and Mann Lode (Patented)	12	37	0	258 to 263
Pioneer Quartz Claim (Unpatented)			1	5
Recorder Quartz Claim (Unpatented)			U	175

The Operator is in possession of the three claims under the terms of a Lease and Option to Purchase dated June 11, 1962 from Diltz Mines, (a Trust Estate) the owner, by Allen F. Grant and Earl N. Baker, sole trustees.

A Lien and Subordination Agreements dated September 16, 1967 and executed by Allen F. Grant Senior Trustee, John P. Fulham Lessee, and certified by Earl N. Baker Trustee, for the owner of the leased land is attached and made part hereof.

MME Form 92
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 – 2257
Contract Date MAR 8 1968

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of Mariposa, State of California, described as follows: 2/ Diltz Mann Lode Claim-(Patented)-1873 by J. S Diltz - Pioneer Quartz Claim-Located June 23rd, 1897 by Wm. Busch- Recorder Quartz Claim, located July 1st., 1929. Details in Exhibit D and in Exhibits F and F-1, of description and maps.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

John P. Fulham & Allen F. Grant, A trustee of Diltz Mine, -Trust Est,

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

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

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

No encumbrances

No. claims, or indebtedness, or taxes due.

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

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

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

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

6. Added provisions None (State "None" or "See Annex No. None".)

Dated this 16th day of September, 19 67.

Allen F. Grant-A Trustee of Diltz ~~Mines~~ A trust Est,	P.O. Box 627	(Street)
Allen F. Grant (Seal)	Mariposa, California	(City & State)
---0---	---0---	(Street)
John P. Fulham (Seal)	---0---	(City & State)
John P. Fulham- Lessee	P. O. Box 614	(Street)
(Seal)	Mariposa, California.	(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)
		(Street)
(Seal)		(City & State)

I, Earl N. Baker (Name), certify that I am the Secretary (Title—Secretary, etc.) of the ~~corporation~~ Trust Est. named herein; that Allen F. Grant (Name), who signed this agreement was then Vice. President (Title—Pres., Vice-Pres., etc.) of said ~~corporation~~ Trust Est. that said agreement was duly signed for and in behalf of said ~~corporation~~ Trust Est. by authority of its governing body, and was within the scope of its corporate powers.

Earle N Baker Trustee and Secty.

The trust estate had a seal up to World War 2, but was destroyed in a house fire in 1942.

(Corporate Seal)

We have had paper notarized in lieu of seal.

Misc.-166 (G.S.) Ack. Individual (Rev. 12-63)

Staple

Staple

STATE OF CALIFORNIA
COUNTY OF Mariposa } SS.

On September 20, 1967 before me, the undersigned, a Notary Public in and for said County and State, personally appeared

Allen F. Grant

, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.

Signature Stanley Fiske

STANLEY FISKE-Notary Public-Cal.
COM. EXP. JULY 9, 1971 - MARIPOSA CO.

Name (Typed or Printed)
9th and Bullion (PO Box 218) Mariposa, Calif.
Notary Public in and for said County and State

FOR NOTARY SEAL OR STAMP

STANLEY FISKE
Notary Public
Mariposa County
State of California

STATE OF CALIFORNIA,

County of Contra Costa } ss.

On this 18th day of September in the year one thousand nine hundred and sixty seven before me, Lucile E. Kish, a Notary Public, State of California, duly commissioned and sworn, personally appeared Earle N. Baker

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Lucile E. Kish

Notary Public, State of California.

LUCILE E. KISH
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
CONTRA COSTA COUNTY

My Commission Expires 3-24-69

Cowdery's Form No. 34—(Acknowledgment—General) (C. C. Sec. 1189) PRINTED 6/25/64 42-0786

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

EXHIBIT A

The purpose of the project is to explore the Diltz vein by drifting southward on the Glick adit level for gold-bearing quartz ore bodies in and along the Diltz fault about 150 feet down dip from the Ellis Tunnel workings where quartz ore shoots occur along the fault in metavolcanic rocks of probable Jurassic age.

General Provisions

Drifts and crosscuts, shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary. Drift sets shall be of not less than 8- by 8-inch timber, or equivalent round timber.

Mine rails shall be not less than 16-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 8-inch diameter.

All significantly mineralized areas traversed by the drift shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, a representative bulk sample may be taken of each round broken, but no such sample shall represent more than 5 linear feet of workings.

All samples shall be split as necessary and one split assayed or panned. The Operator shall store one split of each sample in a suitable container properly labeled. Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

All splits of samples assayed shall be analyzed for gold and silver. Samples panned may be analyzed for gold only.

True copies of assay certificates, and maps or sketches showing the work completed, the location, width, and assay value of all samples panned or assayed, the locations where free gold was observed, and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

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

Description of the Work

From the face of the existing Glick adit, drive a drift southerly along the Diltz fault and vein, sample the vein and evaluate the results. It is estimated that 250 feet of drifting will be required to explore the vein, that 50 feet of the drift may require timber support, and that assays of 50 samples may be required. These footages include any auxiliary crosscutting necessary to follow the most favorable segment or strand of the vein. Funds not used for timbering may be applied to additional drifting.

The approximate location of the drift is shown on Figure 2 entitled "Map showing location of proposed exploration, Diltz mine, Mariposa County, California," attached and made part hereof.

Estimated Costs of the Work

Fixed Unit Costs 1/

Drifting and crosscutting, 250 feet @ $45.00/foot	$11,250.00
Timbering, 50 feet @ $10.00/foot	500.00
Assaying for gold and silver, 50 samples @ $5.00/sample	250.00
Total Estimated Cost of Project.	$12,000.00
Government Participation @ 75%	$ 9,000.00

1/ The Government retains no equity in any of the equipment or materials used.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"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 nondiscrimination 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 labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, 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. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor 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 such 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. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, 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 Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, 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.'"

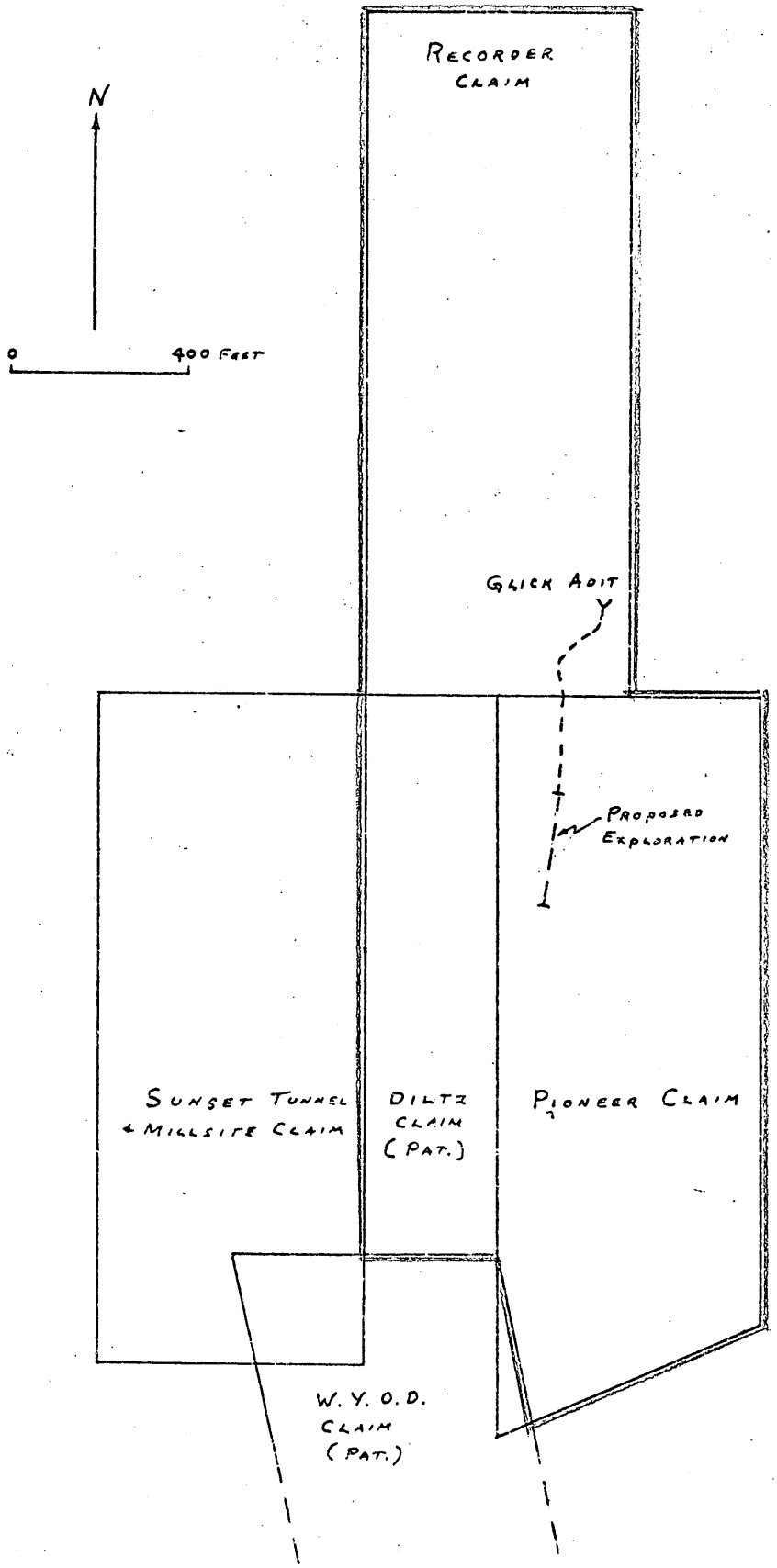

Figure 1.--Property map of Diltz Mine, Mariposa County, California.

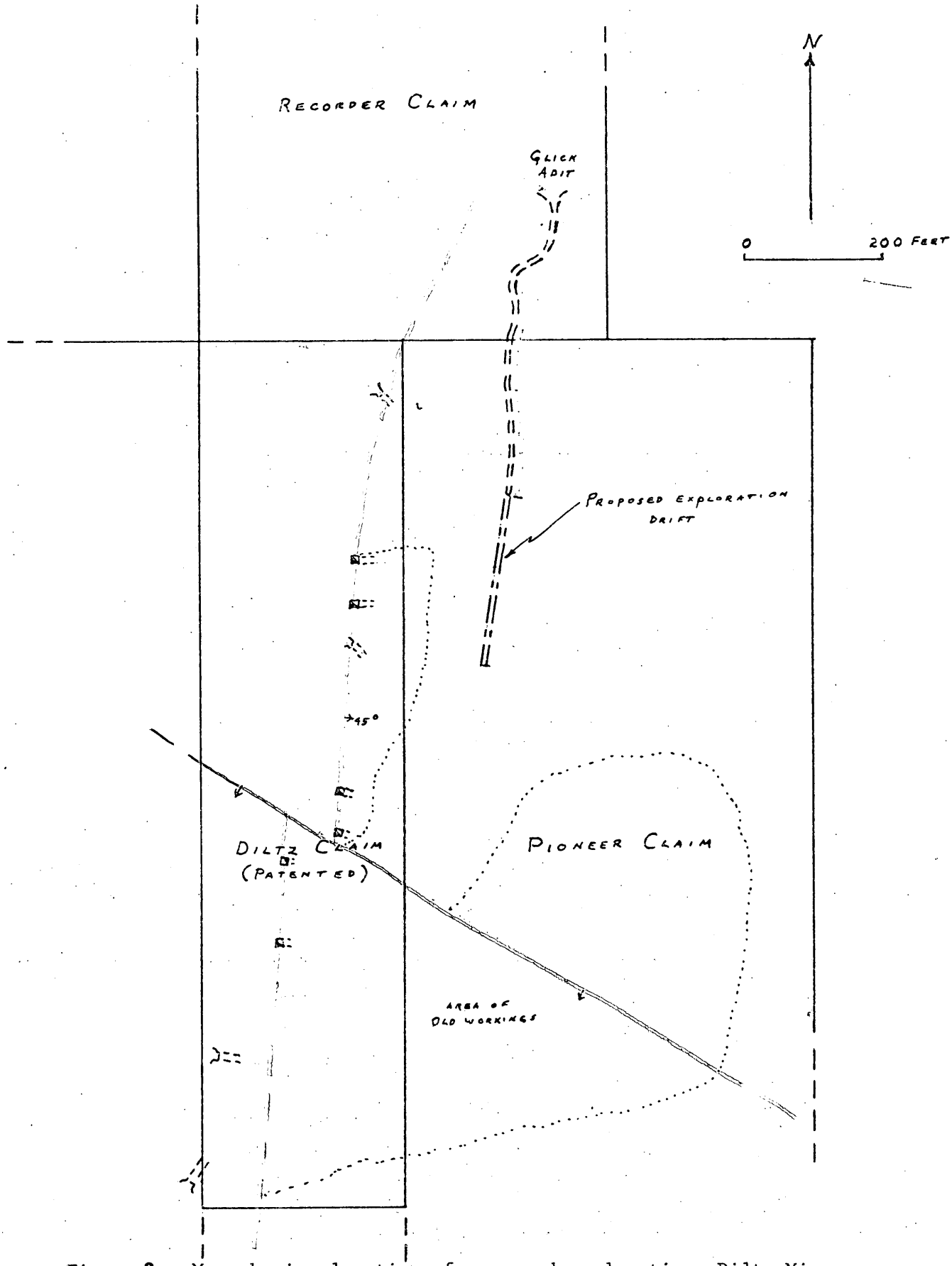

Figure 2.--Map showing location of proposed exploration, Diltz Mine, Mariposa County, California.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 30 1967

INITIALS	CODE

Memorandum June 28, 1967

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application (Gold and Silver)
J. P. Fulham and A. F. Grant
Diltz Mines
Mariposa County, California

Enclosed is a new application for OME assistance received in the field office today. It appears to be reasonably complete although it lacks Lien and Subordination Agreements. If a project appears justified, I will have Form 52's signed at the time of the field examination.

Both owners & Guarantors

The work proposed, 250 feet of drifting, may be closer to development than exploration and is very close to old workings.

H. K. Stager

H. K. Stager

Enclosure

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
30 1967
INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

John P. Fulham, Box 614, Mariposa, Calif.

Allen. F. Grant, Box 627, Mariposa, Calif.
A Trustee of Diltz Mines, A Trust Estate.
The senior Trustee.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6638

DATE RECEIVED: 6-30-67

REGION: II

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	
CORPORATION	
PARTNERSHIP	X
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
John P. Fulham	Box 614, Mariposa, Calif.	Partner
Allen F. Grant	Box 627, Mariposa, Calif.	Partner

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Gold and silver content.

ESTIMATED COST OF PROJECT: $11,940.33

PROPERTY NAME	LOCATION COUNTY	STATE
Diltz Mines	Mariposa	Calif.

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington, D.C., or the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

June 20th 1967
DATED

Allen F. Grant
John P. Fulham
BY *(Signature)*

June 20th, 1967

TITLE Partners

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

DILTZ MINES.
Phone W.O.-62362
P.O. Boxes
614-627

Mariposa, Calif.,

June 26th, 1967.

Office of Minerals Exploration,
Building 2, 345 Middlefield Road,
Menlo Park, Calif. 94025. Att. Mr. Harold K. Stager:-

Dear Sirs:-

The enclosed package is our application for assistance in exploration at the Diltz Mine properties in Mariposa County, Calif. We have assembled data, information, history, intent of exploration, of methods, and have included maps. We have personally participated in the areas described on and underground in the property. We have 1st hand knowledge of the total situation as we have described the phases past, and which we have yet to participate in.

We trust we have made everthing as legible as required. We have done our best to do so. We hope you will advise us of any item we may have overlooked or unintentionally omitted. We shall be looking forward for a reply and a visit from you in the near future.

Very Truly Yours,

Grant & Fulham
By Allen F. Grant

RE: PAMPHLET-(EXPLORATION ASSISTANCE)-PAGE 5-Q-5-A-3.

Mariposa, Calif.,
June 23rd, 1967.

This is to certify that we would not ordinarily undertake further work to extend our tunnel in another 250 feet, one the proposed explorations under current conditions and circumstances at our sole expense, but would be able to contribute our share of per footage cost, Under what are known previously as normal conditions of labor picture supplies, and materials, we could come close to completing the project by milling as we go, plus enrichments, but not purely on an exploration project.

We are sure the exploration will bear out our expectations in the project, and far beyond ahead back towards the old mine to the south beyond the summit of the out-crop.

SIGNED Allen F. Grant

SIGNED John C. Thulham

INFORMATION REQUIRED.

1. FINANCIAL ELIGIBILITY:-

a. See exhibits A - A-1.

b. None.

c. See exhibit B.

2. APPLICANT'S RIGHTS:-

a. See exhibit C.

b. See exhibits D. and Small map-F.-1

c. See exhibit E.

3. PHYSICAL DESCRIPTION:-

a. See exhibit F.- Large mine map. See Exhibits H. H-1 H-2 H-3 Map F-1

b. See exhibit C.

c. See exhibit G. H. H-1. H-2. H-3

d. See exhibit H. Bracket one.

e. See exhibits H-1 and F.-Large mine map.

f. See exhibit H.-2. Exhibit F. Large map.

g. See exhibit H-1 See exhibit-G.

4. ACCESSIBLITY OF PROPERTY:-

a. See exhibit . See exhibit G-1. Bracket one.

b. See exhibit G-2. Bracket two.

5. EXPLORATION WORK:-

a. See exhibits H.-3-F.-Large mine map, F-1. small map. H-1.

b. See exhibit H.-3 Page 1 Line 23. Small map F-1.

c. See exhibit . G-3

6. EXPERIENCE:-

See exhibit J.-1 J-2

7. ESTIMATE OF COSTS:-

a. No contract work.

b. See exhibit B. and B.-1.

c. See exhibit B. page one.

d. See exhibit B. page two.

E. ESTIMATE OF COSTS:- continued.

e. See exhibit-B, page one.

f. See ~~XXXXXXX~~ None.

g. See exhibit B.

Cable Address—BANKAMERICA

13044

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

MARIPOSA BRANCH • CHARLES STREET • MARIPOSA, CALIFORNIA

May 8, 1967

RE: Loan Application:
$14,500.00

Fulham and Grant,
Box 627,
Mariposa, Calif.

ATT: Allen F. Grant:

Dear Mr. Grant.

Thank you for your letter, of explanation and request for the above mentioned line of credit.

We regret to advise you that it is not our policy to grant this type of credit, without ample security, which does not show in your correspondence.

Yours very truly

P.A. Barnes,
Manager.

slf:

Also o/c to A-A-

DILTZ MINES.

Mariposa, Calif.
April 30th, 1967

Bank of America, Att. Mr. Barnes:
Mariposa, Calif.
Dear Sirs:-

The undersigned are desirous of obtaining financial assistance to carry on a project at the Diltz Mine in Mariposa County. This mine contributed approximately $1,000,000 in new gold to the economy from 1931 to 1942, closed by World War Two pressure.

This project was started in 1965, a low level crosscut and drift on the Diltz, vein coming in from the North toward ~~xx~~ old mine, which is now caved, and partly flooded. This drift would enable us to get under the ores we have developed over the last ten years in short shafts and crosscuts and drifts over the last ten years. We wish to continue on another two hundred and fifty, feet, which should give several thousand tons of recoverable ore in a 150 feet of vertical backs, or around 175 feet of ore on the dip of the vein. This mine's record is legion in State and Federal reports, as well private publications. We would start at the face of the aforementioned crosscut and drift, which is 425 feet in length, heading directly into the lower horizons of the richest ore zones of the old mine. Work was stopped in April 1966 due exhaustion of funds by Mr. Glick, a lessee who financed the job, as well as our own. The vein is now beginning to open in the face of the drift, and after the 250 feet more drift we wish to finance at this, time, we would have little trouble to finance ourselves for the next 250-300 feet of extension to take us safely near the workings of the old mine.

The amount of credit we are applying for is for a $1,000 Compensation Insurance deposit, necessary labor, compensation insurance, F.I. C. A., retirement, and unemployment taxes, supplies etc and supervision. We would need four men underground and outside to properly expedite the job, which would take 70-80 shifts to go the distance at four foot advance per day. We would need all blasting supplies, fuel for motive power, rails, ties, pipes, and their necessary hardware and fittings, and 8" vent pipe for ventilation. We figure the full amount of credit we need would be about $14,500.00. The first working month we would need $5,500, second month $4,500, third month $4,500. provided we did not recover in specimen gold enough to carry us the third month, which would be something unheard of in this mine after getting into the ore and water channels, and ore shoots. We should nevertheless be about ready to start milling ores in the fourth month. We could repay back out of production, which we certainly are assured of, and it would not take long to repay the credit advanced.

We hope you will give this best consideration,

Very truly yours,

HYTONE®

TYPING PAPER

NO. 3619

44 sheets

29¢

A PRODUCT OF Westab DAYTON 2, OHIO

CROCKER-CITIZENS NATIONAL BANK
CHARTERED 1870
MERCED OFFICE
555 WEST 18TH STREET • MERCED, CALIFORNIA 95341

May 31, 1967

Fulham and Grant
Box 627
Mariposa, California 95338

ATTENTION: Mr. Grant

Gentlemen:

Thank you for your request for a $12,000 loan to be used in your mining venture.

After discussing this loan with our loan committee, it was their decision that we would not be interested in entertaining an application for a loan for the purpose mentioned for two reasons. First, under present policy, loans are limited to those having an established deposit relationship; and secondly, the tight money market makes it necessary to confine loans to the established businesses with satisfactory earning records.

Very truly yours,

Ray K. Peak
Assistant Vice President

RKP/ld

DILTZ MINES. P.O. BOX 627.

Mariposa, Calif.
May 18th, 1967.

Crocker-Citizens Bank,
Merced, Calif. Att. Mr. Ray N. Peak:-

Gentlemen:-

We are desirous of obtaining financial assistance to carry on a project at the Diltz Mine in Mariposa County. This mine contributed approximately $1,000,000 in gold to the economy from 1931 to 1942, when closed by World War Two pressures, and the L-208 order rules.

This project was started in 1965, a low level cross-cut and drift on the Diltz fissure and vein, coming in the north toward the old mine, which is now caved and partly flooded. This drift would enable us to get under the ores we have developed over the last ten years. We wish to continue on another two hundred and fifty feet, which will give several thousand tons of recoverable ore on the dip of the vein above the drift. This mine's record is legion in Federal and State reports, as well as private publications. We would start at the face of the aforementioned crosscut and drift, which is 425 feet in length, heading directly into the lower horizons of the richest ore zones of the old mine. Work was stopped in 1966 due to exhaustion of funds by Mr. Glick, a lessee who financed the job, as well as our own. The vein is now beginning to open in the face of the drift, and after the two hundred and fifty feet more we wish to finance at this time, we would have little trouble to finance for the next 250 to 300 feet extension to take us safely near the workings of the old mine.

The amount of credit we are applying for is $12.000.00. The first month we would need $1,000 for compensation insurance deposit, necessary labor, compensation insurance, FICA, retirement, unemployment taxes, material, supervision, and supplies. We would need two men underground, one man outside, and a supervisor, which would take 70 to 80 shifts to go the distance at four feet advance per day. The first month we would need $5,0000.00, and $4,000 the second month, and $3,000 the third month, provided we did not recover in running the drift, pockets and specimen gold without milling, to carry the thied month, which would be comething unheard of in this mine after getting into the ore and water channel, and ore shoots.

We applied to the Bank of America , where we bank here in Mariposa, for a loan of $14,500. This application is for a lower amount, because we would be able to eliminate one underground man and fringe charges, and using an air operated mucking machine which will soon be available to. Mr. Fulham would operate the machine. He has had the experience. We would be milling ore developed shortly after completion of drift. We could quickly pay back out of gold shipments thru the bank. We have two mining claims, 10 acres fee land for mill-site, machinery, equipment, and machine shop for security.

We trust you will give this application your best consideration.

Very truly yours,

Fulham and Grant By Allen F. Grant

EXHIBIT-B. ESTIMATE OF EXPLORATION-COSTS Page One.

250 ' extension of drift on Glick crosscut and drift on Diltz vein and fissure, at Diltz Mine, Mariposa County, Calif. Size of drift 5 x 7 '. Five day work week, advance 4' per day. To employe one working superintendent. Experienced in mechanical and mining techniques, acquisition and expediting of supplies and materials, paper work and records that may be required. Rate $25.00 per day. Two experienced miners, timbermen, and as muckers also connected with underground mining, and one outside man. Eight hr. work day.

We estimate six days with all hands to prepare and rehabilitate the present underground workings, install the amount of vent pipe required from blower to portal (100'), extend present 200' feet of vent line now in drift by adding 225' of 8" vent line to present face of drift, Another 250' feet of 8" vent line will be required to end of projected drift extension, making a total of 575' of 8" vent line to complete project.

Aside from superintendent, there is to one outside man for general maintainance and repair, operation of equipment, and various outside duties. Rate of pay, $2.50 per hour. There is to be two underground all around miners etc., Rate of pay, $3.00 per hour for each man. The rates of pay enumerated are prevelant in this area for good efficient men. Total P.R. Insur. & and taxes $1507.01.

The total daily payroll will amount to $93.00. Total project- $6417.00.

Total estimated payroll for project:- 63 days to complete = 250' drift extension to explore, and 6 days for rehabilitation-= 3.25 months

Op. $1725.00

$6,417.50, less amount of superintendent, $1725.00;- $4692.50. use 4 months

-----Cost per foot	$ 18.77	ft
Compensation in-surance, retirement, FICA, & unemployment	6.03	"
Powder-fuse and caps	3.36	"
Gas-Oils and supplies for compressor-drills & water system	1.87	"
Steel and carbide bit drill steel	2.00	"
Rails-air pipe-water pipe & 250' track (16#) and hdw're	2.86	"
General repairs, etc, carbide.	1.57	"
Supervision	6.90	"
Rental-See page Two.	.82	"
8" air vent pipe to blow to completed project	3.56	"
	$ 47.74	"

Necessary supplies for exploration project:-

Explosives:-

35 Boxes Powder	$17.50	50# box	$ 637.00	Tax Incl'd.
6000 feet fuse	2¼¢ ft.	(15 hole rounds) 6 ' fuses	145.60	" "
10/100s detonating caps	5.00 per box		57.50	" "
			$ 840.10	--$3.36 ft.

Power- Fuel & oils.

Gasoline for compressor engine and water pump- 1200 gal./.311¢		$373.20
Oil for engines 56.63-Compressor 26.83-Drill-111.12. Tax incl'd		94.58
Ventilation blower power figured into above amounts.	$467.78	---$1.87 ft.

Pipes and Trackage:-

250 ' 2" air pressure pipe & fittings, etc.	.80¢	208.00	Tax incl.
250' 1" water line " " "	.40	104.00	" "
130 track ties .40		54.08	" "
250' track: 500' 16# rail-2700# @ 200.00 ton fob mine		282.88	" "
20 pair fish plates 2/2s	1.25 bolts?	26.00	" "
1 bbl. track spikes 100# @ 37¢		38.48	" "
VENTILATION: See paragraph Two above.		$ 713.44	- 2.86 ft.

575'-8" vent. blower pipe $1.50 foot Tax incl. $ 897.00 $3.56 ft.

fob mine exploration drift

$500.00 -steel 2.00 ft. Gen. repairs-misc.& carbide $392.50 ---$1.57 ft.

Rental-See page two. $205.00 .82 ft.

Rental: see page one .82¢ per ft.
Exploration operators furnish all tools and equipment:-

Compressor unit		$ 750.00	1/60	1920/60 = 23.67 x 4 = $94.68
2 Ore cars	60.00	120.00		
1-Swede air drill	with jack-leg and hoses	550.00		
10 pcs. carbide bit drill steel		20.00		
6 drift picks		24.00		
6 shovels		21.00		
Bars, etc.		10.00		
700' water lines-valves & fittings	1"	280.00	50%	1385/2 = 692.50
625' air pressure lines-valves & fittings	2"	500.00		
600' 18" rail track (12) 4800#	$200.00 ton	480.00		
40 pair fish plates 2/2s 6 bolts?	1.25	50.00		
250 3x4x30" ties	40¢	100.00	100%	100.00
Forge and anvil		25.00		
Forgeing tools		15.00		
Hand, shop, repair, and thread tools		175.00	1/60	1840/60 = 30.67 x 4 122.68
2 large water storage tanks (steel) & fittings		200.00		
1/300 gal. drill water press. tank in drift		75.00		Total 1,009.86
Water supply engine & pump		150.00		
Op. Double drum air powered slusher & scraper		450.00		
1,009.86 Dump truck	3½ ton	750.00		$ 4925.00

60-82¢ ft.

-------0-------

TOTAL ESTIMATED COST OF 250 foot EXPLORATION DRIFT;-

	$ 4692.50	4692.50
Op. 1,260.00 Labor payroll		
Op. 1725.00 Supervision	1725.00	1725.00
Total Comp. Ins., FICA, Retirement, & Unemployment ---	1507.01	1507.01
Powder-fuse-caps	840.10	840.10
Fuel and oils for power and drill	467.78	467.78
Pipe lines and trackage	713.44	—
8" Ventilation pipe 575 feet. $1.50 ft.	897.00 50%	448.50
	$10,842.83	
Allowed for steel and carbide bits	500.00	500.00
Allowed for general repairs, misc. & carbide	392.50	392.50
Allowed for rental- See rental above;-	205.00	

250 ft. exploration drift- $47.74 per foot. $11,940.33 excluding timber

- NOTE BELOW - Timber 50 feet @ 11.25 562.50

Referring to last paragraph, Page One, Exhibit -H-3, if we were required to use timbering now and again, it would cost us with 8x8" posts and caps, full 2x12" lagging overhead, and at least a 2/3 full 2x12" side laggings, labor and fringes on same, plus incidentals, $11.25 per foot of opened ground, in addition to $47.74 per foot of opened 5x7' drift untimbered, but feel the timber requirement would be minimal and seldom. Footage requireing timber would therefor be stated and reported at $58.99 per foot of the reporting period run.

timbered

3,994.86 see p. 3

Total EST. Costs of Project	$ 12,145.75
Govt. Participation @ 50%	6,072.88
Operator to furnish	- 3,994.86
Operator needs cash	2,078.02

NO CONTRACT WORK OR SERVICES.

----O----

COMPENSATION INSURANCE- TAXES:- FICA*RETIREMENT*UNEMPLOYMENT.
Six days rehabilitation work. General outside and drift workings, as at present time:-

					Compensation Insurance.
One outside man	$2.50 hr.	8 hrs. day.	$120.00	Rate 6.80	$ 8.16
Two inside men	3.00 hr. ea.	" "	288.00	" 16.75	48.24
Superintendent	25.00 day		150.00	" 16.75	25.13
		6 day total.			$ 81.53

TAXES:-FICA 4.2-	Retirement 1%-	Unemployment 3.7. = 8.9%	
O.S.Man " $5.04	$ 1.20	$ 4.44	
I.S.Men " 12.10	2.88	10.66	
Supt. " 6.30	1.50	5.55	
23.44	5.58	20.65	49.67
			$131.20

Sixty three days exploration 250 ft. drift.

Op.? - O.S.Man wages	$1260.00		
I.S.Men "	3024.00		
Supt. "	1575.00		
	$5859.00	FICA-Retirement-Unemployment 8.9%	521.45

Insurance:-

O.S.Man	Insurance rate	6.80	$ 85.68	
I.S.Men	" "	16.75	506.52	
Supt.	" "	16.75	263.61	$ 855.81
			Total- - - - - - - -	$ 1,508.36

Accumulated error in breakdown. 1.35 over item 1507.01-page one.

-----O-----

RE. FINANCIAL ELEGIBILITY:- 1-C.

Our contribution would consist of labor and personal services in actual prosecution of the work, and furnishing materials installed at the present time, all tools, drills, and equipment listed on Page Two of this exhibit.

no allowance

no equipment

EXHIBIT-C-

No. 132

PAGE ONE

LEASE WITH OPTION TO PURCHASE.—

THIS LEASE WITH OPTION TO PURCHASE, made and entered into this 11th day of June, 1962, by and between DILTZ MINES, A TRUST ESTATE, organized and existing under the laws of the State of California, hereinafter referred and designated the party of the first part, and John P. Fulham and _____, hereinafter referred to and designated the parties, or party of the second part.

W I T N E S S E T H

That the party of the first part, for and in consideration of the covenants and agreements hereinafter contained, has leased, ~~and demised and~~ let and demised and by these presents does lease, let and demised unto the party, or parties, of the second part, all its rights, title and interest in and to those certain patented and unpatented mining claims and real property, situated in the County of Mariposa, State of California, and more particularly described as follows, to-wit:

The DILTZ AND FAIR LODE, being Liberal Entry No. 12, designated as Lot No. 37 in Section 29, Township 4 South, Range 18 East, M.D.M., containing 9.42 acres, said patent being dated January 6, 1873, and recorded October 30, 1885, in Volume "O" of patented and unpatented mining claims at pages 258 to 263, Mariposa County Records.

The W. Y. O. D. QUARTZ CLAIM, being Survey No. 6136, situated in Section 29, Township 4 South, Range 18 East, M.D.M., said patent being dated April 20, 1935, in Volume "T" of Patents, at page 378, Mariposa County Records.

The Pioneer Quartz Claim., located June 23, 1897, notice of location being recorded June 29, 1897, in Volume 1 of Preliminary Location of Quartz Mining Claims at page 26, Mariposa County Records, and in Volume 1 of Certificate of Location of Mining Claims at page 5 on July 3, 1897, Mariposa County Records, to which recordation reference in hereby made.

The RECORDER QUARTZ CLAIM, located July 1, 1929, notice of location being recorded July 1, 1929, in Volume "U" of Quartz Records at page 175, Mariposa County Records, to which recordation in hereby made.

The SUNSET QUARTZ CLAIM, located July 1, 1921, in Volume "S" of Mining Records at Page 120, Mariposa County Records, to which recordation reference in hereby made.

The ~~XXXX~~ STAR OF HOPE QUARTZ CLAIM, located November 1, 1930, notice of location being recorded November 21, 1930, in Volume "U" of Quartz Records, at page 269, Mariposa County Records, to which recordation reference in hereby made.

The southwest quarter of the southwest quarter of the northwest quarter of Section 29, Township 4 South, Range 18 East, M.D.M., containing Ten (10) Acres.

TOGETHER with all veins, lodes, ledges, dips, deposits and bodies of ore, rock and earth, bearing minerals now on said premises and the right to follow or pursue

any of the veins, lodes, ledges, dips, together with all rights appurtenant thereto, and all buildings, mining, equipment, fixtures, improvements, and supplies located on any of said described property.

AND WHEREAS, the said party of the first part is desirous of selling the above described premises to the parties of party of the first part for the Sum of $6,000.00 (Six Thousand Dollars), lawful money of the United States, and upon the terms and conditions herein expressed, and the party or parties of the second part are desirous of purchasing same upon said terms.

NOW THEREFORE, in consideration of the provisions and of thecovenants herein contained , the parties hereto agree to and with each other in the following manner, that is to say;

1. The party or parties of the second part do hereby agree that they have inspected the property and know the condition thereof, and that the party of the first part, through its officers or agents, makes no representations as to the condition of said property whatsoever.

2. Said party or parties of the second part do hereby agree further that they will keep a full, true and accurate account of all gold mined on said property, and at all reasonable hours during any business day permit the officers or agents of the party of the first part to inspect and study the accounts and records of the party or parties of the second part in order to ascertain whether or not accurate accounting and royalty have been made to the party of the first part.

3. It is agreed and understood that all improvements, machinery, tools fixtures and appliances placed on said property by the party or parties of the second part can be removed at any time during thirty days after the expiration or sooner termination of this Lease with Option to purchase, it being expressly understood that all buildings erected or built on said premises are to remain on said property and be deemed fixtures.

4. Said party or parties of the second part agree to pay all State and County taxes levied and assessed against said property and the improvements placed thereon,

when said taxes shall become due and payable.

5. Said party or parties of the second part agree to file a Proof of Labor setting forth the nature of the work done on said unpatented mining claims and to file same in the office of the County Recorder of the County of Mariposa, State of California, on or before the 15th day of August each and every year during the existence of this Lease with Option to Purchase, showing that the annual assessment work in the sum of not less than One Hundred (100) Dollars on each of said four unpatented mining claims has been duly performed in accordance with the mining laws of the State of California and the United States.

6. There is hereby reserved to the party of the first part and the party or parties of the second part agree to pay, ten per cent (10%) of the gross value of all bullion, and ores shipped, and net returns of concentrates shipped to smelters for gold and silver extraction, which have been mined or milled on said demised premises, to apply on the purchase price of said demised premises. Gross value is hereby defined to mean the returns or payments actually received from the mint or smelter for ores, bullion, and concentrates extracted, and recovered from and shipped from demised premises. All moneys thus received by said party of the first part shall be applied to said purchase price, and same shall be paid and delivered to the party of the first part promptly upon receipt of mint and smelter returns.

7. If the parties or party of the second part fail to observe and/or fulfill any of the covenants, terms or agreements of this Lease with Option to Purchase, ~~It is further understood and agreed that all royalties received by the party of the first part~~, on their part to be performed, the said first party must serve upon said party or parties of the second part a written notice, and a failure on the part of the said party or parties of the second part to comply with any of the terms, covenants and agreements so violated shall render this Lease with Option to purchase null and void and of no further effect, and the party of the first part shall be entitled to immediate possession of said premised and may re-enter and take possession and dispossess all persons holding hereunder, but upon the due, prompt and faithful

PERFORMANCE OF THIS LEASE WITH OPTION TO PURCHASE, including the payment of the purchase price hereinafter mentioned within the time limited, a good and sufficient deed conveying all its right, title and interest in and to the mining premises and property hereinabove described shall be delivered to the party or parties of the second part, or their nominees, by the party of the first part. It is further agreed that said party of the first part will make, execute and deliver a good and sufficient deed to said mining premises and property, free and clear of all encumbrances, said deed to be placed in escrow with appropriate instructions with an escrow holder to be agreed upon by the parties hereto. Provided further, that in the event the full purchase price of Six Thousand Dollars ($ 6,000.00), shall not have been paid within the limited time, or if for any other reason the parties or party of the second part do not become entitled to the delivery of the deed to them, all royalties and payments on the purchase price of said mining premises heretofore paid to the party of the first part shall be kept and retained by the said party of the first part, as and for full rental for the demised premises from the date hereof until the date of surrender, abandonment or forfeiture of the party or parties of the second parts rights hereunder, but not for any period beyond such abandonment, surrender of forfeiture. It is further understood and agreed that all royalties received by the party of the first part shall be credited against and applied upon the purchase price of Six Thousand Dollars ($ 6,000.00).

8. It is further agreed that said party or parties of the second part shall have, and is hereby given, the right and option to purchase the hereinabove described property, buildings, mining equipment, fixtures, improvements and supplies located on any of said hereinabove described property, for the sum of Six Thousand, ($ 6,000.00), payable on or before FIFTEEN (15 yrs) from date hereof. It is further agreed by and between the parties hereto that said second party of parties shall have the right to pay said full purchase price of Six Thousand ($ 6,000.00), lawful money of the United States, at any time before said payment or balance due shall become payable.

9. That the party or parties of the second part shall at all times during the continuance of this Lease with Option to Purchase save said said demised premises harmless from all mortgages, judgments, and liens of every kind and nature that they may incurr or be incurred or occasioned by said party of parties of the second part, in the maintainance and operation of said premises, and shall, within five days after commencing any work upon said premises, notify first party in order that first party may post notices of non-responsibility or non-liability of said party of the first part for any work performed upon said premises or improvements made or placed thereon; and the said parties of the second part further agree to save and protect the party of the first part ~~xxxxx~~ from any liability or claim of liability because of any act or omission on party or parties of the second part, his agents or his employees, and further agree to save the party of the first part harmless of and from any claim of liability or liability for damage to person or property due to or occasioned by the act or omission of the said party or parties of the second part.

10. It is also further understood and agreed that all work done by said party or parties of the second part and all improvements placed thereon by said parties of second part shall be done in good and workmanlike manner and minerlike fashion and at the sole cost and expense of said second parties.

~~XX~~. 11. In the event of default of said second parties herein and the cancellation of this Lease with Option to Purchase by the said first party, or if the said second parties shall abandon said premises, the second parties agree to make and deliver to the said first party, a good and sufficent quitclaim deed in such form as to cancel this Lease with Option to Purchase, with all rights of second parties hereunder, and in the event of the failure to the second parties to do so, the second parties agree to pay the first party the reasonable cost of clearing the title to all said property by appropriate action in any court of competent jurisdiction, and to pay a reasonable attorney's fee for representation of first party in such an action; and said second parties agree to indemnify and to forever keep first party harmless of, from and against any expense or cost in connection with the clearance of said title or any part thereof in the event of such cancellation

12. Time is of the essence of this agreement. The waiver by the party of the first part of the breach of any term, covenant or condition herein at any one time shall not constitute or be a waiver of the same or any other term, covenant or condition herein at any other time. In the event that the parties of the second part shall default in any way or manner in the performance of any term, covenant or condition herein contained during the term hereof and fail to rectify same, as provided in this agreement, the party of the first part may, with or without process of law, enter upon and take possession of the demised premises and expel all persons therefrom, using such force as may be necessary to do so and in such event the party of the first part shall not be liable to the second parties or any other person by reason of taking possession of said property or expelling said person or persons therefrom.

13. Notices hereunder shall be given by delivering the same personally, or at the option of the party giving the notice, by depositing such notice in the United States Mail, registered and addressed, if the party of the first part to Mariposa, California, and if to the parties of the second part, to Mariposa, Calif., Box 1102. Mail addressed of both parties subject to change.

This Lease with Option to Purchase and each and every clausecand covenant thereof shall be binding an enforceable by the respective heirs, executors, administrators, and assigns of parties hereto.

IN WITNESS WHEREOF, the said parties hereto have hereunto set their hands the day and year first above written.

DILTZ MINES a trust estate
party of 1st part.

By Allen F. Grove TRUSTEE

Jan. 5-1963.
Notary's signature of Earleth Baker
Betty Stevens - Alameda Calif.
BETTY STEVENS

By Earleth Baker TRUSTEE

Parties of second part

John C. Fulham

MY COMMISSION EXPIRES OCT 1, 1964

State of California
County of Mariposa } ss

— ACKNOWLEDGMENT—General —

On this 23 day of January A. D. 1963 before me, Stanley Fiske a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared Allen F. Grant and John P. Fulham

known to me to be the person s whose names are subscribed to the within Instrument, and acknowledged to me that they executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

Stanley Fiske
Notary Public in and for said County and State of California

My Commission Expires July 10, 1963

Form 61A Sam Hopkins Legal Forms Printing Service, 2328 Fruitvale Ave., Oakland, Calif

Recorded at the Request of
John P Fulham
Jan 23 1963 at 10 min
past 2 P.M. in
Vol. 83 of Records
page 24
Mariposa County Records
E. J. Downey Recorder
Deputy Recorder
Fee $ 6.00

OFFICIAL
COPY
O. M. E.
RECEIVED
JUN 30 [illegible]
INITIALS CODE

EXHIBIT*D*

LEGAL DESCRIPTION OF CLAIMS & PATENTED CLAIM.

Exploration of Diltz Patented Claim is to be carried on through present 425 foot drift starting on Recorder Quartz Claim, following Diltz-Mann Lode fissure through north end of Pioneer Quartz Claim, the exploration to be below old surface and shallow shafts and stopes and drifts north of summit on outcrop on Diltz vein. Claims are more particularly described as follows per 15 Q-A page seven, Exploration Assistance.

The DILTZ AND MANN LODE(Diltz Vein), being Mineral Entry No. 12, designated as Lot No. 37 in Section 29, Township 4 South, Range 18 East, M.D.M., containing 9.42 acres, said Patent being dated January 6th, 1873, and recorded October 30, 1885, in Vol " O " of Patents at pages 258 to 263, Mariposa County Records.

The Pioneer Quartz Claim, located June 23, 1897, notice of location being recorded June 29, 1897, in Vol. 1 of ~~Exxxxxxx~~ Preliminary Location of Quartz Mining Claims at page 26, Mariposa County Records, and in Vol 1 of Certificate of Location of Mining claims at page 5 on July 3, 1897, Mariposa County Records, to which recordation reference is hereby made.

The Recorder Quartz Claim, located July 1, 1929, notice of location being recorded July 1,1929, in Vol "U" of Quartz Records at page 175, Mariposa County Records, to which recordation reference id hereby made.

****

Plat map attached will show properties above described in their proper relation to each. See small map F-1.

The WYOD PATENTED CLAIM* THE SUNSET (TUNNEL AND MILLSITE) claim, the Fred Clark claim and Argosy claim, south of the WYOD and Sunset claim. Our shop, houses, and equipment are in this area.

These above listed claims would not be subject to Goverhment royalties and liens.

ORIGINAL COPY
G. L. O.
RECEIVED
JUN 30 1937

EXHIBIT -E-

P. O. Box 627
Diltz Mines-A Trust Estate.
Mariposa, Calif.

Mariposa, Calif.
March 27th, 1967.

John P. Fulher-Lessee of Diltz Mines.
P. O. Box 614,
Mariposa, Calif.

Dear Johnny:-

Due to absence of OME forms 52, this will assure you that if the Office of Minerals Exploration of the Department of Interior-Federal grants afg your assistance loan for extending the Glick drift on in under the Rickard and Cedar Shafts for exploration purposes, I will as Trustee for the Trust Estate, subordinate to Federal Government as loan Security, The Pioneer (BUSCH) Quartz Claim, The Recorder Quartz Claim, and the Diltz and Mann Lode-Diltz Patented Claim, all described in your lease, and in sheet for OME, Dept. of the Interior. I was informed over the telephone that this letter to go in with the loan application package would be in lieu of Forms 52, MME. I talked with Stager at the Menlo Park office this morning.

Yours very truly

Diltz Mines-A Trust Estate.

By _____ Trustee

_____

EXHIBIT-G.

RE. 3-PHYSICAL DESCRIPTION.

c.- There is now no current gold production. Mint Records (S. F.) show total production from the Diltz Mine back to 1930 and the present time. (1942) See Exhibits H.-H-1. H-2. H-3.

Over $100,000 of amalgam and hi-grade gold was stolen from the property under several small operators in the late 1920s, who worked at above what is known as, and shown in the large map, EXHIBIT-F, and somewhat more than the above figure by miners and millmen during the Diltz Trust Estate operations from 1931 to 1942. Six successful prosecutions, and several amounts caught up with, and some three or four thefts of which none of the offenders were caught up with. Our gold was reported from Montana and Colorado. The Denver mint reported a large amount, which was questioned by them, and we later had it returned.

EXHIBIT G-1. EXHIBIT G-2.

4.
Re. Accessibility of property:-

a. If advised by OME representative by Phone W.O. 62362, Mariposa, Calif., or by letter, John P. Fulham and Allen F. Grant, Trustee of the Diltz Trust Estate holdings, would meet him at any time either at the property, or in Mariposa or at Summit Inn on hi-way 140 to Yosemite Park, and direct him in to the property. The property is located on a 1st. class paved and graveled wide county road, and access road 1/8th mile to the property. Town and city conveniences are here.

-----0-----

b. Shipping and receiveing points for supplies are Mariposa, Planada, and Mereed. Supply points Mariposa, Mereed, and Fresno..Other points in northern California north of Merced, and also other properties who may have equipment, etc., they may wish to sell.

EXHIBIT G-3.

5. Exploration work.

c. We could be in operation within thirty days, which would be sufficient time to put all equipment in order, haul over supplies and any material, rail, pipe, etc. we may have, and do any necessary road work repairs leading to the Glick drift.

EXHIBIT -H-

AVAILABLE ORE RESERVES KNOWN BEFORE WE WOULD RUN 250 FOOT EXPLORATION ON IN FROM FACE OF GLICK CROSSCUT AND DRIFT ON DILTZ FISSURE AND VEIN;-

There would be at least 400 tons of ore without footwall waste being included, over lower winze drift to the south under Rickard and Ceder shafts area, up to the Ellis tunnel level. It would be difficult to get ore above the Ellis level on the Diltz vein. The ore mentioned above with footwall waste, vein matter, hard and rotten quartz, and mineralized meta-andesite dyke which runs with the vein, and tailings from pannings and washings from crushed enriched parts of the vein and ore shoots, net milled us $30.00 per ton free gold as amalgam and small to coarse nuggets, as well as over $6,000 in small and generous size pockets of gold as exploration and mining of ores proceeded.

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ORES WE FEEL WILL BE AVAILABLE ABOVE FIRST 250 FOOT EXTENSION ON DILTZ VEIN FROM FACE OF GLICK CROSSCUT AND DRIFT;-

Using all available criteria, we figure ore would be developed in the amount of 3,500 tons above extension. A future extension of 250 feet further on in, then up to the Early shaft and workings, and southward toward the workings of the Diltz Trust Est, which are quite extensive, the ores and production should equal in value per mill ton, and enrichments fairly equal to the north, and the south older mine.

Ores we milled from under Rickard and Ceder shafts areas, were new ores we developed on drifts, and from new stopes and winze, and from pillars and around old stoped ground, where it could be safely mined. The areas and horizons in the older mine to the south, and equal to the elevations where we worked, yielded approximately 6,000 tons of ore below the adit level down to the 150/200 levels area in the old mine, to the value of $240,000, including mill ores, enrichments and pockets. Known hi-grading to the value of over $150,000 in the first 2½ years of mining was quite a problem.

We figure around around 6,000 tons of ore would be available after the future extension. The extensions on the Diltz fissure and vein from the face of the Glick drift would lead into the 150/200 level areas of the older mine south of the summit.

stope above the 95-foot level 120 feet long and 35 feet high and Julihn and Horton state that most of the known ore has been stoped to the surface above the 95-foot level. The workings are caved and inaccessible, and there were no buildings or equipment on the property in August 1954.

Nothing is recorded on the early production of the Colorado mine. In the late 1920's, about 2500 tons of ore was mined which ran $10 to $11 per ton with some "development rock" running $8 (Laizure, 1928, p. 83). Between 1915 and 1938, 7129 tons of ore was milled which yielded 2011.91 oz. of gold and 351 oz. of silver (U. S. Bureau of Mines records). The average tenor of ore was, therefore, 0.282 oz. of gold per ton or about $15.87 at the present price of gold. The total production of the mine probably does not greatly exceed $50,000.

Cotton Creek (Hauser) Mine. Location: NW ¼, sec. 24, T. 4 S., R. 16 E., M.D., on Cotton Creek ¼ mile east of the Hunter Valley road or 7½ airline miles northeast of Hornitos. Ownership: not determined. Last known operator (1939) was Cotton Creek Mining Company, W. H. Hauser, Richmond, California, manager.

In July, 1937, the Cotton Creek Mining Company began development of a hitherto little-known prospect (Julihn and Horton, 1940, p. 120). This company operated the mine until 1939 since when it has been idle except for assessment work.

The vein, which averages about 2½ feet wide, strikes N. 40° W. and dips 20-25° S. In places it reaches a width of 5 feet. Vein matter consists of quartz, auriferous pyrite, chalcopyrite, galena, and native gold. Large areas of wall-rock adjacent to the vein have been impregnated with pyrite. Wall rocks are greenstone (meta-augite andesite) of the Upper Jurassic Peñon Blanco formation.

Workings consist of a shaft inclined 20° to the S.W. and an unknown number and footage of drifts. In August 1938, the shaft was 175 feet deep with 75-foot drifts north and south from the shaft on the 100-foot level (Julihn and Horton, 1940, p. 120).

In August 1954 the mill and hoisting equipment were in good condition, but the shaft was caved just below the collar and the headframe was in need of repair. Equipment includes a hoist, compressor, jaw crushers, Straub mill, rake classifier and other miscellaneous equipment. The shaking tables and flotation cells which once were part of the mill had been removed.

Between 1937 and 1939 the mine produced 4897 tons of ore which yielded 1304 oz. of gold, 725 oz. of silver, 1669 lbs. of copper and 1730 lbs. of lead (U. S. Bureau of Mines records). According to Julihn and Horton (1940, p. 120) the ore averaged $15 per ton at the present price of gold, but by U. S. Bureau of Mines figures the yield was nearer $11 per ton.

Diltz (Diltz and Mann, W.Y.O.D.) Mine. Location: E. ½ sec. 29 T. 4 S., R. 18 E., M.D., on the east side of Sherlock Creek 5 airline miles north and slightly west of Mariposa. Accessible by good, graded dirt road via Whitlock Creek. Ownership: Diltz Mines (Allen F. Grant, Earl E. Baker et al.), c/o John P. Fulham, Mariposa, California, owns two patented claims, the Diltz and Mann and W.Y.O.D., and 6 unpatented claims (3 full and 3 fractional).

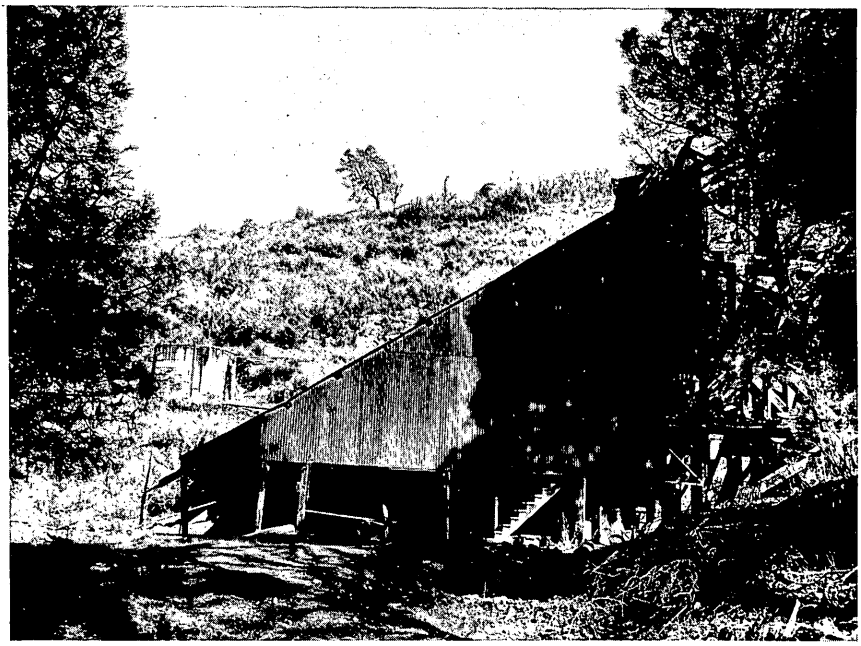

FIGURE 19. Mill building and water tank at the Diltz gold mine in the Sherlock Creek district. The Diltz mine, with a total production in excess of $750,000, is noted for its pockets of specimen ore found particularly in the feathered parts of the vein and in stringer veins. Much of the early day rich material was placered from the weathered, partly eroded vein system at or close to the surface. *Photo by Mary H. Rice.*

FIGURE 20. Parallel stringer veins of Diltz vein system at the portal of one of the mine adits. The vein system has a general northerly strike and a gentle east dip near the surface, but steepens somewhat at depth. *Photo by Mary H. Rice.*

The Diltz mine was discovered during the 1860s either by Tom Early or by Captain John S. Diltz. The *Mariposa Gazette* of April 10, 1886, states that Early worked the mine before Captain Diltz became owner, taking out 232 oz. of free gold by sluicing and sending 250 tons of ore to the Whitlock mill which returned $32 per ton. Captain Diltz operated the mine under very adverse circumstances from the 1870s until the time of his death in 1895, chiefly by washing the surface soil and soft, brecciated parts of the vein. In 1884 a landslide buried the Rickard shaft (the most northerly of several shallow shafts) and landslides seriously hampered operations in January, 1886. In 1886 Diltz recovered a mass of gold weighing 10 lbs. 6 oz., avoirdupois, for which he received $2000 (Min. and Sci. Press, vol. 52, no. 16, p. 260). Throughout the period of Diltz's ownership the mine was not equipped with a mill and very little ore was custom-milled elsewhere. Early in 1887 the mine was leased for a short period by Joe Shantz and Sam Jacoby and in 1890 George Stewart worked the mine for a time in partnership with Captain Diltz (Min. and Sci. Press, vol. 16, no. 13, p. 216).

After the death of Captain Diltz in 1895, the mine was held for a time as part of the Diltz estate and then was acquired by Hugh Devaney. In 1914 it was purchased from the Devaney estate by Mr. and Mrs. S. J. Harris of Jerseydale and some work was done at the mine that summer by the Mariposa Mines and Development Company, a partnership of C. A. Schlageter and T. L. Diven (Castello, W. O., 1921, p. 113). By 1919 ownership had passed to Mrs. Jenny Diven of Oakland, California. In 1927, George Ahart of Mariposa leased the mine from Mrs. Diven and installed a 10-stamp mill (Laizure, C. M., 1928, p. 85). The present owners acquired the property in 1931 and operated it during the periods 1931-42 and 1943-50. In May 1932, a mass of specimen gold weighing 52 pounds, troy, was taken from the 100-level. It yielded 43 lbs. 2 oz. of gold worth $10,707 at the old price of $20.67. Another specimen was recovered weighing 20 lbs. 2 oz. worth $3,862. Pockets containing $100 to $500 in free gold are not unusual.

The total estimated production of the Diltz mine is between $750,000 and $1,000,000. From 1924 through 1954 the mine produced 81,657 tons of ore from which 21,135 oz. of gold and 3395 oz. of silver were extracted (compiled from records of the U. S. Bureau of Mines). These figures do not include the period during which Captain Diltz operated the mine nor the specimen gold which was marketed elsewhere than the mint. Most of the recorded production was made since the price of gold was raised to $35 an ounce. The average tenor of ore milled was about 0.24 oz. per ton. The *Mariposa Gazette* of April 25, 1885, states that ore and float from the surface workings averaged $15 per ton (at the former price of gold). A later entry for December 12, 1885, indicates that the surface material averaged $14 per ton by sluicing and that the remaining uncrushed ore ran $30 per ton.

The veins at the Diltz mine cut an ancient series of pyroxene andesite greenstones of probable Paleozoic age. Both intrusive and flow-rocks as well as pyroclastic masses are represented in the series. The principal vein strikes N. 10° E. and dips 35-40° east. At depth it has an average width of about 2½ feet, but in places reaches a width of 10 feet. Near the old open workings of the mine northeast of the main shaft, the

vein flattens or rolls and feathers out into the wall rocks in places becoming 15-20 feet thick. According to old accounts the vein never apexed at the surface. The greenstone of the hanging wall differs considerably in appearance from that of the footwall side which may indicate a considerable throw on the fault the vein occupies.

In addition to native gold, ore minerals include arsenopyrite, pyrite, chalcopyrite, tetrahedrite and galena. Gangue minerals include milky and ribbon quartz, calcite and oxides of iron and manganese. According to Julihn and Horton (p. 146, 1940) the chief sulfide mineral is arsenopyrite. Ore shoots have been found in the vein over a distance of more than 1400 feet of strike length. These average about 350 feet long (Laizure, 1928, p. 29).

The principal working is a 625-foot inclined underground shaft sunk from the compressor level 200 feet below the top of the vein and 300 feet from the portal. This shaft serves 6 levels aggregating 4700 feet of drifts (Julihn and Horton, 1940, p. 146). There are also several shallow inclined shafts and several tunnels at various places along the vein which are now largely caved and inaccessible. The vein is well exposed in a glory hole 300 feet north of the portal of the main tunnel. When active, the mine made about 30,000 gallons of water per day (Julihn and Horton, 1940, p. 146).

The mill is equipped with an 8″ x 20″ jaw crusher, ore bins, fifteen 1250-lb. stamps, screens, amalgamation plates, drag classifier, and dewatering cones. Eighty percent of the water is returned to the mill circuit when the mill is operating. Mine and mill have been largely idle since 1952.

Dolman (Oyler Lode, Hickman, Bear Valley Mountain) Mine. Location: SE¼, sec. 29, NW¼ sec. 33, T. 4 S., R. 17 E., M.D., 1½ miles south of Bear Valley. Ownership: Not determined; probably Ellen T. Simpson, et al.

According to Laizure (1935, p. 31), the Dolman mine was discovered in 1894. In 1902 Charles Adair and Henry Oyler leased the mine from the Mariposa Commercial and Mining Co. and a 50-foot shaft was sunk (Min. and Sci. Press, vol. 75, no. 1, p. 608). During the period of activity some ore was mined and shipped. Laizure (1935, p. 31) states that the mine ". . . produced about 800 tons of ore which had an average value of $13 per ton . . .". Official records of the Mariposa Commercial and Mining Company, however, indicate that only 59.1 tons of ore was shipped which returned $756.78 or an average of $12.80 per ton. In 1934 the property passed into the hands of a company in which R. L. and E. P. Hickman of San Francisco and Phil B. Dolman of Bear Valley were the chief active participants. During 1939 and 1940 some 393 tons of ore was shipped which yielded 24 oz. of gold and 7 oz. of silver, returning about $2.15 per ton (U. S. Bureau of Mines records). The mine has been idle since 1940.

The Oyler vein has a general strike of N. 35° W. and dips 60° southwest. This direction of dip is unusual in mines of this area which generally dip northeast. It occupies a well-defined shear zone which is traceable for 2 miles. Wall rocks are pyroxene andesite greenstones of probably Upper Jurassic age. The vein varies from a fraction of a foot to 5 feet wide. Ore shoots are short—commonly less than 30 feet

Referring to Three -E-, Method determining values of ores by assays or otherwise:-

In the Diltz Mines assays run were not indicative of what the average values milled in each run before the cleanups(30 day runs) could be, for the cleanups were fine and grainy amalgam, and coarse and grainy gold, small nuggets, plus quite a few sizeable specimen pieces of gold covered with fine amalgam and mercury. We have over 150 S.F. mint return certificates, number of tons of ore run in each cleanup annotated on each certifcate of mill records and mercury feeds. The balance of mint certificates show hi-grade gold shipments to the mint without amalgamation, in pure state, and where recovered, and found by the owners or honest miners first.

Attached to Exhibit H-1.

Note:- We screened crushed ores for assays to remove coarse gold, but reasonable assays never would match cleanup results.

REFERENCE TO GENERAL GEOLOGICAL PORTIONS AND STRUCTURE AND VEINS OF DILTZ MINES, IN MARIPOSA COUNTY, CALIFORNIA; LOCATED ON EAST SIDE OF SHERLOCK CREEK, 5 MILES NORTH AND SLIGHTLY WEST OF THE TOWN OF MARIPOSA. Paragraph four Page 93.

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FROM CALIFORNIA JOURNAL OF MINES AND GEOLOGY. VOLUME 53--NUMBERS ONE AND TWO, JANUARY-APRIL 1957 BY OLIVER E. BOWEN AND CLIFTON H. GRAY JR. ON MINES AND MINERAL DEPOSITS OF MARIPOSA COUNTY, CALIFORNIA.

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The veins at the Diltz Mines cut an ancient series of pyroxene andesite greenstones of probable Paleozoic age. Both intrusive and flow-rocks as well as pyroclastic masses are represented in the series. The principal vein strikes N. 10 degrees East, and dips 35 to 40 degrees East. At depth it has an average width of two and one-half feet, but in places reaches a width of ten feet. Near the old open workings of the mine Northeast of the main shaft, the vein flattens or rolls and feathers out into the wall rocks in places becoming 15 to 20 feet thick..According to old accounts the vein proper never apexed at the surface. The greenstone of the hanging wall differs considerably in appearance from that of the foot wall side which may indicate a considerable throw on the fault the veins occupy.

In addition to native gold, ore minerals include arsenopyrite, pyrite, chalcopyrite, tetrahedrite, and galena. Gangue minerals include milky and ribbon quartz, calcite and oxides of iron and manganese. According to Julihn and Horton (p. 146, 1940) the chief sulphide mineral is arsenopyrite. Ore shoots have been found in the vein over a distance of more than 1400 feet on the strike. These average about 350 feet long. (Laizure) 1928 p. 29.)

The principal working is a 625 foot inclined underground shaft sunk from the compressor house level 200 feet below the summit or top of the vein, and in 300 feet from the portal of the crosscut. This shaft serves six levels aggregating 4700 feet of north and south drifts (Julihn and Horton, 1940, p. 146). There are several shallow inclined shafts and several tunnels at various places along the vein which are now caved and inaccessible. The vein is well exposed in a glory hole 300 feet North of the main tunnel and shaft. When active the mine made about 30,000 gallons of water per day. (Julihn and Horton, 1940, p. 146).

RESEARCH AND REASONS FOR FINDING ORE.

EXHIBIT - H-2.

Re Page 7, 15 Q-5, Bulletin Exploration Assistance, laid out in the following paragraphs, will demonstrate the reasons we feel there is good reason to believe we will find gold ore at lower levels in the Diltz Mine north of the summit of the vein, and north of the works to the south of the summit when forced to cease work during World War 11.

1. The amount of placering in cut following fissure and vein outcrop, and washing of vein fill, mineralized meta-andesite dike, hard and crushed and rotten quartz, and matter dumped and washed into and on surface areas, and into gulches, and stories of old-timers and prospectors and their memories and acquaintances with the terrain, convinced us we should get busy and uncover and locate sites of former workings aside from placering. We started and pursued research of old news records of the times, to tie in with other historical information we had acquired. Having enough data, we began to explore the surface and outcrop for nearly 1000 feet northward from the summit of the Diltz Mann Lode Fissure, down northward in Sherlock gulch to what is known as Whiskey Flat, a very rich placer area, as was Sherlock Gulch, cutting with Diltz vein and beginning right at summit area. The gulch undercutted the vein and fissure outcrop, and carried matter down the gulch to Whiskey Flat. We did find the sites of shafts, tunnels, and cuts, with material in the dumps, and on areas where sluices discharged.

The attached six pages of history and research, and further descriptions, sets forth the actual and supported reasons for expecting to find further ore and vein. After our research, and locating sites of workings we found described, we then started to explore by reopening shafts, cuts, tunnels, and drifts, and in addition sunk a 50 foot winze on the vein from the Ellis tunnel level which we reopened, and drifting northerly and southerly in ore, and in all areas we explored, we exposed and uncovered ores of milling grade and better, and in addition found quite a number of enrichments under and in the areas described in the research materials.

The purpose in wanting to extend the present new tunnel is to determine the downward continuation of the ore shoots found in the upper workings. The old timers left some ores in place and in pillars. We took as much of this ore as we could safely remove it, much of it was in upper shallow workings.

During the period from 1932 to 1941 the four most productive gold mines in Mariposa county were the Pine Tree, Mount Gaines, Original, and the Diltz mines. The Diltz was noted for large vein nuggets and masses of gold. In June 1932 a mass of crystallized gold and quartz weighing 52 pounds Troy with a net fine gold content of 43 pounds 2 ounces Troy was found in a drift face. At 35 dollars per ounce the value is $18,130.00. This is the largest mass of gold ever found in a Mariposa County mine, and became the third largest nugget on record in California. In May of 1933, another specimen weighing 242 ounces Troy with a value at $35.00 per ounce of $8370.00. Numerous smaller bunches with values from a few hundred dollars to several thousand dollars, to gether with milling grade ores, accounted for a record total of $800,000.00 plus and estimated (by Federal Agencies) of $150,000.00 to $180,000.00 in hi-grade and other specimens to bring the total of production of the Diltz in the 1930s to approximately $1,000,000.00. The production under several owners in the 1800s, was according to reliable estimates, $90,000.00 to $100,000.00.

The ore produced by the Diltz Trust Estate from 1932 to 1938 was from an ore zone and series of ore shoots which raked 45 degrees from South to North on the dip on the vein. These shoots were the downward continuation of what Captain Diltz referred to in his writings as his rich chimneys on the end of his Mine south of the Summit of the outcrop and fissure. The Northern end of this ore zone is marked by a faulted area which divides the mine into its Northern and Southern Sections. The ore shoots north of the fault were not reached by the Diltz Trust Estate in the 1930s, they would drift south and northward to the fault on successive levels, and carrying on sinking. It was generally known that at least four ore shoots were discovered and worked to shallow depths on the summit and Northward as early as 1860. These shoots produced more gold than the shallow and surface workings of the southern ore zones. A short history of the Diltz Mine will serve to show the possibilities of the Northern portion of the vein.

The first discovery in 1850 of the extremely rich placers of Sherlock Gulch focused attention on this region. Several hundred thousand dollars were taken from the gulch which parallels and cuts down into the Diltz fissure and vein system. It should be noted that these placers were derived from the Northern portion of the Diltz, the Southern part eroding into what

is known as Loomis or Rich Gulch which also produced valuable placers. Mexicans working for Lafayette Bunnell in 1851 first found the vein and took from it a pocket of about $3,000.00. Another party of Mexicans found the vein about 1500 feet further North near the Old Saxon Creek trail

In 1860 Thos. Early sunk a shaft near the summit, about 150 feet North of the fault. From this shaft and a level he took 300 tons of mostly decomposed quartz from which he recovered 510 ounces of gold. This would be about $17,850.00 at the present price. In 1861 and 1862, Sam Ellis worked in the same area, but no record on his production is available. In 1863 a Mr. Hunsaker and Fred Daut started a tunnel a little north of Early's shaft, and in six months took out 400 ounces. $14,000.00 at present price.

To continue the history we must refer to the writings of Captain John S. Diltz who owned and operated the mine from 1870 to 1890 during which time he became well to do by sluicing the decomposed portions of the main vein and fissure, and blanket vein systems.

14 To quote Mr. Diltz;- In 1870 I purchased the mine from Sam Ellis, who know nothing about gold mining. He had run a tunnel in 350 feet on a vein or feeder which he supposed to be the main vein, but he was way out of line. He crosscut to the west 100 feet to a good vein but his tunnel caved in and he sold out to me. I hauled lumber, built sluices, and sluiced his dumps and got most of my money back. For a number of years I have worked the North End by sluiceing whenever I have water and it has paid handsomely. In order to test the vein, I have sunk two shafts on the north end about 75 feet apart. One known as the Cedar Shaft about 75 feet deep, and the other known as the Rickard shaft 120 feet deep. These shafts have proven the main vein on the North end of the mine to be all we enticipated. It is a true fissure vein with well defined walls, of varied width and even richness, and increasing in both as it went down and proving conclusively this portion of the mine to be as we expected. These two shafts mentioned by Diltz were buried and lost until 1947 when we refound them. Notes from the Mariposa Gazette on these works follows:-

August 6th, 1881. Captain Diltz is working in a shaft sunk about 20 feet since the middle of July. It is located on the north side near the old works where the rich ore body was 1st struck. At twenty feet the rock shows free gold which can be easily seen without the aid of a glass. I saw a ~~mmpex~~ sample of 20 pounds taken from the bottom

of the shaft which appears as described above.

Although Captain Diltz has made arrangements to bond and lease to Colonel Swadley and Eastern capitalists he calmly continues his development work. He considers his mine as good as any bank. He is proceeding with the sinking of his Northern shafy. It is now 60 feet deep and shows a vein 3 feet wide, well charged with visible free gold. Decomposed stratas of ochre passing through the vein carry gold of surprising richness. One of our young men from town on a visit last Thursday asked to be allowed to pan a sample from the vein. Diltz told him to pick his own spot and the young man did so. Taking about a quart of dirt from one of the desomposed stratas he washed the ore. The pan netted about $12.00 in coarse gold. The tunnel above the Cedar shaft is in 80 feet at which point it affords a lift of 60 feet. If the tunnel is run in to the center of the hill it will give a left of 150 feet. Diltz contemplates starting a tunnel on Sherlocks Gulch which will give a lift of 1,000.feet at the Summit.

September 17, 1881.- Last Thursday, accompanied by Lawrence Ulgerstrup, Colonel Swadley and G. Dunning we visited the Diltz Mine. Mr. Dunning desired to examine the mine for the Capitalists represented by Colonel Swadley. We went first to the North side where the Captain is sinking a shaft. While examining the vein, the Captain directed one of his men to pick down some decomposed stratas. Mr. Abel Mann, the foreman washed a pan of this material. Mr. Mann estimated the result to be about $50.00. Colonel Swadley laughed and offered to bet his new hat the pan did not contain so large an amount. Two more pans produced $50.00 and $36.00. We spent the rest of the day visiting other parts of the mine.

September 24, 1881. In company with Colonel Swadley we again visited the Diltz. It was raining, so the Captain was not engaged in work. We had an excellent miner's lunch and Diltz told us of latest developments. The shaft is down 70 feet and the last ten feet has developed a body of ore 3 feet wide exceeding in richness any previously struck in the mine. A large part of the ore is decomposed matter, which is, to use the slang mode of expressing it, lousy with free gold. Diltz told us the day before at quitting time they had taken a pan which gave $20.00. The Captain is highly elated and stated that were he twenty years younger, he'd refuse $200,000.00 for his mine.

November 5, 1881. Good news from the Diltz this week. The stope at 70 feet is producing good results. We were shown a nugget of 2 ounces which was found with two oz. of loose

coarse gold around it. It came from the top of a bucket of ore which was about to be dumped when the gold was discovered. Diltz estimated the value of this bucket load at over $100.00. It is no uncommon occurence for buckets of much greater value being brought to the surface.

November 19, 1881. The stope from the 70 foot level in Captain Diltz northern shaft is producing more gold than ever. Free gold is easily visible throughout the vein matter and various people who examined the ore pronounce it exceedinly rich.

February 3, 1883. Diltz sailed from New York for London and Paris to get capital for a grand venture. He proposes to consolidate the Diltz, Whitlock, Buena Vista, Higgan and Cannon Mines and construct a large mill to work these ores.

June 6, 1883. This week a distinguished mining expert, Mr. Rickard accompanied Mr. Diltz on a visit to the mines of the Sherlock and Whitlock region. Mr. Rickard has been engaged by a group of English financiers to examine the properties Mr. Diltz is proposing to operate. Mr. Rickard is very well pleased with the properties, and believes the ores from the Diltz and Whitlock should be worked in the water-powered mill which Mr. Diltz plans toconstruct at Sherlock Falls. Expert Rickard reccomended that Captain Diltz sink a shaft at a point selected by Mr. Rickard. Mr. Rickard believes a shaft sunk at this point should be a true test of the vein.

July 28, 1883. Now down 35 feet in the new shaft started June 20th at the point selected by Mr. Rickard. At 35 feet the walls of the vein are 4½ feet apart. Between the walls the vein proper of hard quartz is 14 inches wide. Balance of the vein is decomposed quartz, slate, ochre and dirt carrying fine gold. The hard quartz is piled up to mill at some future date while the finer matter is piled to be washed as soon as the rains begin. When the shaft is driven 30 feet deeper to 65 feet, a level will be started running south 25 feet to connect with the 70 foot level in the Cedar shaft. This level now runs 45 feet northerly. At the end of this level there now shows 5 feet of good milling ore besides quantities of ochre and other vein matter in which is found frequently large deposits of gold. Captain Diltz is exceedingly sanguine of striking a bonanza worth talking about in the new shaft. He stated when asked why he expected a strike, "Why I never in all my workings saw more favorable indications for a bonanza than at the bottom of this shaft. The vein dips 45 degrees.

August 11, 1883. The Rickard shaft is down 60 feet. Diltz is using oak timbers and split oak lagging as he cannot get saw timber. The ore in the shaft is improving. Some of the decomposed quartz is like salt and some red like brick dust. It pans many fine colors. At this depth the vein shows a little steeper dip. The hard quartz varies from 10" to 2 ft. The walls of the vein are 3½ ft. apart with an ochre casing on the footwall. He has removed 3,000 cu. ft. of vein matter from the shaft since July 4 and will wash two-thirds of this when it rains.

August 19, 1883. He is now down 70 ft., and the vein shows abundant quartz gradually becoming more solid.

Sept. 1,1883. Now down 75 ft and was having trouble with foul air so an air sail was constructed over the shaft in order to vent it until the connection was made to the Cedar Shaft. Connection has been made and at the point where the new level met the old Cedar level a splendid vein shows. The vein shoot is from the south to north, so the same ore will be about 100 ft deep in the Rickard shaft. At 75 ft. the walls are 5 ft. apart with 2 ft. of quartz and three feet of decomposed vein matter all carrying gold. This is all saved for the sluices.

Sept. 8, 1883.Now down 70 ft with little change in the formation except the red casings on the walls are increasing in richness. As soon as the shaft reaches the 200 ft level, drifts will be north and south. At this depth, 90 ft., the shaft is clear of water and may be so for another 100 ft. He also plans to connect the Rickard shaft with a tunnel started 600 ft farther north below the spring and on the vein and fissure. This tunnel will give a lift of 336 ft on the vein.

Sept. 29, 1883. The new shaft now down 114 ft, showing well defined walls 5 ft apart. Some of the vein is solid quartz, rest decomposed. It is all diffused with gold and grows richer as the shaft goes down. Be cause of the increased difficulty of raising the rock from the shaft new machinery has been erected, consisting of a new windlass and implements. Several tons of ore have been stoped from the 75 ft level. There now has been sufficient work done on this level to show a large body of milling ore south of the Rickard shaft.

October 13, 1883.,The Rickard shaft is down 120 ft and shows a large ore body on the south side of the shaft. The men are now engaged in stoping.

Oct. 27, 1883. Stoping is still continuing and according to Captain Diltz there is ore on the dumps and in the new shaft that will yield $150,000.00.

Nov. 27, 1883. Stoping discontinued. Work is being done on the south bank of the mine to take advantage of the rainy season. The foregoing notes in regard to the two Northern shafts are supplemented by occasional references for the next five years. Having achieved his purpose of exposing and proving his vein on the North end, Diltz then turned to the South end and sunk two more shafts in 1884 and 1885, both of which cut through the large blanket veins system. Having once opened up ore Diltz could only maintain his shafts and tunnels as he never built a mill to work the harder quartz. Whenever he had water available for washing and sluicing, he used the decomposed ores and got all the gold he needed. He once planned to run a tunnel clear through the hill from North to South for 1700 ft. to expose, as he called them "his chimneys of ore". Diltz was a good miner, and recognized the fact that his chimneys raked North about 45 degrees as the vein descended. This was well proven in the works of the Diltz Trust Est, in and through the 1930s. As before mentioned these later works were entirely on those shoots south of the fault at the summit. The Northern shoots remained untouched below the early workings described by Diltz. This horizon would be 50 or 60 ft above the level below which the Trust Est. took out all its ore. The North end presents about the same picture as the South end when work commenced in 1932.

In the hanging wall of the Diltz vein is another vein of potential value, known as the Busch Vein. This vein is roughly parallel to the Diltz, is 200 ft east at the South end converges with the Diltz about 1,000 ft north of the main shaft. Neither the Diltz or the Busch outcrop strongly, but at a point east of the main shaft, and open cut and a shallow shaft on the Busch vein produced a pocket of $1,900.00, and sampling indicates an excellent possibility of ore shoots on this vein. Little is known about the Busch, yet the character of the ore in both veins are alike, the gold is the same and the two veins join on the North. While the Trust Est. was operating on the Diltz vein, Francis Fredericks, then consulting geologist for Alaska Juneau Corp. visited the mine and stated that in his opinion, the mine was back in the hanging wall, and that the owners had really seen nothing yet. In 1906 Chas. Louis cleaned out part of the old Sam Ellis tunnel, and in later years he described the Busch vein, at a point east of Diltz's Rickard shaft as being 5 or 6 ft., showing good values.

STATEMENT OF PROPOSED EXPLORATION WORK.

We wish to extend the Glick cross-cut and drift on the Diltz Fissure by running a 5 x 7 foot extension of the drift for 250 feet from the present face which is in now 400 feet from the portal. The portal is 200 feet north of the Pioneer Quartz Claim north end line, and on the Recorder Quartz Claim, and 75 feet west of the Recorder Claim east side line. Water is following the fissure, to the north, from the old mine on the fissure lying south of the Summit outcrop of the Diltz vein. The water is substantially charged with iron and arsenic, etc. Water is flowing out of the old mine through the level, called the adit cross-cut level driven to intersect the vein in 1928-29, so winze could be sunk on the vein, which makes the overflow elevation about 125 feet vertical elevation above the Glick drift.

The face of the Glick drift is dripping and running water and dripping from the roof of the drift for the last 75 feet. We feel sure we will cut the shoots and the downward extensions of the vein from the north workings shown in the large map, Exhibit-F. The increase in average width of the vein was steady going down from the outcrops to our lowest exploration, from an inch or two at vein and fissure outcrops, to eighteen inches to two and one-half feet in many places on the lowest exploration levels of the Early shaft, and below the Ceder and Rickard shafts, and in addition the vein was throwing small and fairly large amounts of coarse and crystallized gold enrichments, both in crushed and dragged parts of the vein, and favorable deposition points for pockety gold, when least expected. In 1965 Glick was given a lease on the Recorder and Pioneer Quartz Claims, along with a lease on the Diltz Patented Quartz Claim. He bulldozed out, and reconstructed an old haulage road leading down close to the point where Glick drift begins. We found the road was built by Mr. Diltz in 1882 to haul out ores from workings shown on large map, Exhibit-F.i.e., Ceder and Rickard shafts, and the ores contiguous to the Hunsaker works, and the Early shaft works, as well as serving the placer operations being carried on By Diltz in the Sherlock and other gulches west of the site where the Glick drift portal is located. Mr. Glick financed the project, and had the drift driven in to its present face. We figure that by extending the present face, we will cut the most northern shoots of ore shown iin the large map, Exhibit-F. Due to Mr. Glick's exhaustion of funds, he had to cease work on the drift, and returned leases, which were cancelled.

Our work plan is to extend on in a distance of 250 Feet. on- the vein and fissure.

We have sufficient equipment, and drift site is easily accessable, with a large storage area and turn arounds. buildings, and compressor house, and other conveniences. The road is about 3/4 miles long, and easy grades and curves. It joins a very good county road, above and east of the drift site. Water is available in plentiful supply for domestic water, in addition to the water running in the drift, which is collected into a large pressure tank of large capacity for drilling purposes.

We figure another future extension of 250 feet of exploration will take us to the shoots and ores under the Early shaft shown in the large map, Exhibit-F.

There is a good and sufficient air compressor unit in a place removed over 100 feet westerly from the portal to comply with safety rules, plenty of drills with carbide bits, and drilling equipment and tools, etc.

There was no timber used in the last two hundred feet of the drift, and not too much after putting in four or five strong sets getting started and under loose ground at the portal end. We believe the first two hundred fifty feet of exploration will bear out our beliefs.

We have cost extimate figures for per foot advance basis without timber,

and the same cost, plus additional for timber when timbering would be required, both on unit cost basis.

Electric power is close by and available, pipe lines for air pressure for drilling, etc., and for drilling water, and also from large spring storage tank 400 feet to the west of adit, and TRACK is in the drift and to two dump sites.

After all the foregoing, as soon as we are able to accomplish same, our long range objective is to cross-cut from the Glick drift level on the Diltz vein in the future extension, to the Busch or Pioneer vein, which converges with Diltz vein and fissure about half way in on the Glick drift, and diverges going south at from 3 to 4 degrees east of south away from the strike of the Diltz vein which is 10-12 degrees east of north, dip 45 degrees, and dip on Busch vein is 30 degrees. The crosscut would be at point 150 north of the Early shaft collar, which is on the Diltz vein outcrop, then raise up in the footwall of the Busch vein with a shaft type raise, 2 compartment, and surfaceing about 130 feet east of the Diltz vein outcrop, We would then be in a good position to sink on down, and by crosscutting back to the Diltz vein, and over to the Busch vein at each level established in the shaft, both veins could be worked from the same shaft, and an excellent ventilation system would be in effect. We figure the success in this new operation would be equal to, or no doubt greater then the old mine south of the summit.

The Busch vein outcrop had been worked and prospected prior to our ownership acquired in 1930., by shallow pits and several quite shallow shafts. Work had to be done close to the Diltz east side line, and a little above Diltz's works. Diltz had all the water and a ditch right, and prevented locators from doing much work. Pockets as high as $1500.00, and good ore up to four feet showing in the Ellis tunnel on the Busch or Pioneer vein run before 1870, and acquired in that year by Diltz. (See exhibit-H-2, line 14, page two.) At another shaft close to the county road on the Busch outcrop at an elevation of 3,000 feet, (See overlay on large map, Exhibit-F) the vein produced some small pockets, as well as good milling ore with fine and coarse gold enrichments, as well as the ever present arsenopyrite, etc. The Ellis tunnel is on the north end of the Pioneer Quartz Claim, located again in 1897 by a Wm. Busch, and it has a common east and west end line with the Diltz Patented Claim, at the 2805 foot elevation.

At what would be called a 450 foot level between the four hundred and 500 foot levels in the old mine to the south, and on down to the 600 foot level and sump at bottom of main shaft, ,water was running from the cracks and fractures in the hanging wall in all parts of the area. Whereever the water erupted, every color of the rainbow was deposited around the flows, white, black, red, blue, purple, yellow and lemon, green and what not. Arsenicals and chalcopyrites, and tetrahedrite and galena were beginning to increase in amounts.

We figure there is much more to be seen in the Busch vein than meets the eye. The heavy mineralization at the time indicated to John Prout and Francis Fredericks, both Geologists and Mining Engineers, that we should cross-cut into the Busch vein area, but even at that time the ground on the four hundred area level to the north was getting untenable, and stopes above the 500 level were beginning to crush down and swing, as there was little or no backfill, and the pillars were too frequently nibbled at, but too late we realized we should have cross-cut to the East when the heavy mineral stains started to first show in the hanging wall above the five hundred foot level. We were forced to start exploring & developing and mining south of the main shaft, and also stopeing back up to the 200' level south of the main shaft after we developed after a few rounds to

south of the main shaft on the 500 and 600 levels through a grey andesite that had formed a nearly vertical pipe like horse south of the main shaft. The ore was good milling and rich ores, but the crushed and stained quartz was cemented breccia, over 2/3 quartz but mixed with crushed andesite and gouge, filling four to five feet in opening between hanging and foot walls.

Then in the last year, the main shaft was settling and swinging, and retimbering was rough problem, due to settling of the hanging wall which was cracking and breaking up, and getting very heavy at the three and four hundred level stations..

We had also planned to drift north on the six hundred level of the main shaft, through the vein fill showing between the main shaft, and the winze down from the 500 level north of the shaft to a 600 level, at which and above it a fine high-grade ore shoot had opened up four to four and one-half feet between walls on which we had started going strong. About sixty feet above the winze 600 level, a 20" galena vein came up at about 60 degree dip through the footwall, from which took several nice massive galena and crystallized heavy gold specimens. The strike of the galena vein was 5 degrees west of North, as against the north 10-12 degrees east of the Diltz vein, but we could find no trace of the galena vein going on into the hanging wall of the Diltz vein, but it dragged upward on the footwall at about 25 degrees angle up and to the south. By getting under the bad ground of the 500 level going north, and by going under and around the ores at the winze 600 level, we could go back up to the 500 level, and up beyond in good ground.

Our hindsight tells us that what should have been done long ago, we did not do, but we hope our hindsight now will show us new foresight.

EXHIBIT - J.

(6) EXPERIENCE. John P. Fulhan:-

Eight years experience underground as miner, timberman, and mine maintainance man. Presently employed as miner and timberman by T. O. G. Mine, driving 650 feet of crosscut and drift on Schroeder Mine here in Mariposa County. Previously employed for two years by Malone Mine and Silver Bar Mines, Mariposa County. Were shaft sinking and drifting.

Thoroughly qualified to conduct any mining or exploratory work, sinking, raising, drifting, or stoping. Am also heavy duty mechanic and welder and machinist and fully experienced in repairing and maintaining and operating all types of mining equipment, stationery power, and air and electrical generation.

During period 1948-50 leased and operated the Diltz Mine and am most familiar with the ores and ore occurrence, and types of ground and formation in this mine. In order to explore the Diltz Vein on the Northern End, I reopened the caved adit on the Ellis Vein, or Pioneer or Busch vein, which required driving spiling and brdastboarding through 150 feet of running ground. Then crosscut eighty-five west to the Diltz Vein and its footwall at Ellis tunnel level, then sunk 50 foot winze down from this level, and drove 190 feet ofdrift on Diltz Vein from bottom of winze. Stoped ore from both of these drifts up to and around old workings of others and Capt. Diltz dating back to 1880s. Operated five one thousand pound stamp mill on this ore andrecovered about $12,00.00 from mill operations, and over Six thousand Dollars in pockets, and enriched areas, some by panning.

Since this time we reopend Diltz old Coder shaft some 60 feet south of the Rickard shaft, and drifts, and 1963 found and reopened the Early shaft near Summit on the Diltz vein. This shaft sunk in 1869-66 was completely caved and filled and required driving logging to 140 feet to last level, from which point I sunk on down to 170 feet.

Cut two ore shoots in shaft which Thos. Early had stoped, leaving small pillars with excellent showings. In view of the foregoing I have no doubt as to ability to undertake and complete the work proposed in our application for D. M. E. A. loan.

EXPERIENCE OF A. F. GRANT IN
NON-METALLICS, GOLD, AND LEAD AND SILVER:-

Testing and burning, sampling deposits of limestones at Spring Garden, Plumas County, Portola, Plumas County, and Placer County, for production of hi-quality, and by products, and Cyclone Switch, Amador County, for hi-CO 2 content for carbonic gas plant at Emeryville, Calif. Located ideal deposit of lime stone at Texas Hill, east of Diamond Springs, El Dorado County. Self and group of three men from Sacramento, formed the Diamond Springs Lime Co., erected two upright, skip charged oil-burning lime kilns, all steel structures, with necessary machinery and equipment. Successfully operated from 1925 to 1928, and sold out to Udell Wilson and Homer Brown, a banker from the State of Washington. Mr. Wilson was a geologist, and retired president of the Cleveland Chemical Co. of Cleveland, Ohio. The sale was a very profitable one. While with the old company, the writer was manager and superintendent of plant and the limestone deposit, the limestone being extracted by a cross-cut tunnel and glory-hole, and well as by bench quarrying. The Diamond Springs Lime Co. is operating at this time with a varied line of products. GOLD:- With a Mr. J. A. Thompson, Mr. J. A. George, at Cove Hill, Placer County, and at Mosquito, El Dorado Co., with Mr. George. An old friend from Diamond Springs, Mr. Jacob Snow was interested with Mr. & Mrs. J. L. Divens at the present Diltz Mine from 1928 to 1931. We took over the properties with E. R. Baker, H. C. Fowler, and E. Robline, formed an operating company, and success became the role. The writer participated in every phase of operations at the Diltz Mine for a period of 11 years till the L-208 gold mine closing order. Was interested with a group on the lead and silver property on Old Dad Mountain, east of Baker, San Bernardino County, Calif., during the last two years of World War 11.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VA. 22092

In Reply Refer To:
Mail Stop 953

December 17, 1979

Mr. William Nemour
Secretary-Treasurer
SAQ Incorporated
P.O. Box 28
Solana Beach, California 92075

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

Thank you for your letter and the enclosed check for $54.92 with the settlement sheet.

We hope you have a nice holiday and a prosperous new year.

Sincerely yours,

for Harold Kirkemo, Chief
Office of Minerals Exploration

cc: Stager

One Hundred Years of Earth Science in the Public Service

SAQ INCORPORATED

26 June 1979

United States Department of the Interior
Geological Survey
Reston, Virginia 22092

Attention: Howard Kirkemo, Chief
Office of Minerals Exploration

Dear Mr. Kirkemo

RE: Mail Stop 953
OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed please find our check in the amount of $54.92 covering the 5 per cent royalty due you.

SAQ, Incorporated has not been in operation since early 1978 and for this reason has been unable to pay the royalty due you. The shareholders have contributed funds to meet this obligation.

Copies of our settlement sheet are enclosed as you requested. If you have any further questions in this matter, please advise.

Very truly yours

SAQ, INCORPORATED

William Nemour

William Nemour
Secretary-Treasurer

vph
Enclosures: check
settlement sheet

~~2518 First Ave. San Diego, C.A. 92103 (714) 233 5008~~
PO Box 28, Solana Beach CA 92075

To: Chief, Branch of Financial Management
U.S. Geological Survey
National Center, Mail Stop 270
12201 Sunrise Valley Drive
Reston, Virginia 22092

From: Chief, Office of Minerals Exploration
U.S. Geological Survey
953 National Center
Reston, Virginia 22092

ABSTRACT OF REMITTANCES

Date	Amount	Bank, City and State	Name of Remitter	Docket & Contract Numbers	Purpose
12/14/79	$54.92	California Heritage Bank, San Diego, CA	S.A.Q. (John P. Fulham and Allen F. Grant; Diltz Mine)	OME-6638 Contract 2257	Royalty

Remarks: Check payable to U.S. Department of Interior

12/17/79
Date prepared

for [signature]
Chief, Office of Minerals Exploration
Person preparing abstract

12/17/79
Date received

[signature]
Person receiving remittance

SAQ.

11/15/77

I have received 7.86 ounces of Gold in an approximate 90% Bar from SAQ Inc.. I will Alloy and make 14K Gold letters for sale to wholesale market and pay full Value of Gold as of 11/16/77 plus 50% share of Profits in sale of letters. Payment to William Nemour ~~by~~ no later than 11/21/77 —

Eugene Cottrell

Approx 6.4 ounces .9995 81.01%

Base 163.00 per ounce	1043
charges Refinery	70.56
	973.44
Earnings	54.20
Due SAQ —	1027.64

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

June 5, 1979

Mr. John P. Fulham
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Fulham:

By the terms of OME Contract 2257 and the Certification of Possible Production dated February 26, 1970, all minerals mined or produced from March 8, 1968, to March 8, 1979, were subject to the Government's royalty as stated in said contract.

The Government according to its present records will retain no claim or lien against the property, subject to the Contract or any production therefrom after March 8, 1979. We are endeavoring to recover $54.92 as royalty on ore sold by S.A.Q., Inc. prior to March 8, 1979, and will continue to pursue this effort with Mr. William Nemour, Secretary, S.A.Q., Inc.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

June 5, 1979

Memorandum

To: Branch of Financial Reports

From: Chief, Office of Minerals Exploration

Subject: Recording of realized loss under OME contract

Write-off of realized loss on the contract listed below is hereby authorized. We are endeavoring for the third time to obtain a royalty payment of $54.92 from a former leaser of the mine but have little confidence that we will receive anything. Even if the amount of $54.92 is received, it would not reduce the outstanding principal balance.

Contract	Docket	Operator	Write-off
2257	6638	John P. Fulham and Allen F. Grant	$15,742.88

Harold Kirkemo

Harold Kirkemo

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

June 5, 1979

In Reply Refer To:
Mail Stop 953

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

We have written to you on two previous occasions requesting payment of royalty due the Government under provisions of the subject contract for which S.A.Q., Inc., assumed responsibility in Section 18 of the Mining Lease and Option to Purchase dated May 27, 1976. To date, we have had no reply to our letters nor payment of royalty. Copies of our letters are enclosed.

We would appreciate a prompt reply to this request.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

April 6, 1979

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

In our letters to you dated March 16, 1978, and February 27, 1979 (copies enclosed), we requested several items pertaining to the above contract. As yet, we have received no response to these requests. Please reply as soon as possible.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VA. 22092

In Reply Refer To:
Mail Stop 953

February 27, 1979

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

This letter is to inquire about several concerns resulting from your operation of the Diltz mine.

On March 16, 1978, we wrote to you and requested the following:

1. Two copies of the settlement sheet or other evidence of the sale of production valued at $1,098.33.

2. Royalty of $54.92 (5% of $1,098.33) payable to the U.S. Geological Survey as directed in the Certification of Possible Production dated February 26, 1970.

We have received no response to this request. Please furnish promptly the requested information with a check in the amount of $54.92.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

One Hundred Years of Earth Science in the Public Service

HK 10/31/78

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

October 3, 1978

Memorandum

To: Chief, Office of Minerals Exploration, Reston, VA

From: Field Officer, Region II

Subject: OME-6638(Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, CA
Contract No. 2257

Annual Inspection

An annual inspection of the subject property was made on September 27, 1978, by the Field Officer accompanied by Mr. John P. Fulham.

Mr. Fulham reported that S.A.Q. Inc., the former leaser of the property, had not been successful in their exploration of the Diltz vein and were not able to put the mine into profitable operation. After driving about 60 feet of drift on the vein, raising to the old workings, and crosscutting to the Busch vein, the leaser stopped work and gave up the property in February 1978. The small milling operation was never successful and Mr. Fulham reported that only about $4,000 worth of gold was recovered. The certification period on this property will expire on March 8, 1979.

H. K. Stager

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

March 16, 1978

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

Thank you for completing and returning MME Form 63, and for sending us a copy of the Grant Deed for the property.

We note that production valued at $1,098.33 has been sold to Sierra Casting and Refining Company in Reno, Nevada. The quantity, nature and grade of the material sold and date of sale are not reported. By terms of the OME contract, we should have received two copies of the settlement sheet or other evidence of the sale, and royalty totalling $54.92 (5% of $1,098.33). To date, we have received none of these items. Would you please check on this, and send the royalty due the Government as directed by the Certification of Possible Production dated February 26, 1970. A copy of the Certification is enclosed.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

cc R.II

how much production
" " sold
Royalty

Rec'd 3/16/78

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

IN REPLY REFER TO: Office of Minerals Exploration
Mail Stop 953

March 8, 1978

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Dear Mr. Nemour:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since May 27, 1976, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

Property was purchased from John Fulham by S A Q Incorporated. on December 29, 1977

See attached documents

2. Since May 27, 1976, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

Purchaser (*name and address*)	Quantity	Value
Sierra Casting & Refining Co. 125 N. Edison Way #3 Reno Nevada 89502		$1098.83

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

Type	Quantity (*tons*)	Estimated Grade	Location
Ore			
Concentrates			
Other			

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name [illegible signature]

Title [illegible]

Address 2518 First Avenue
San Diego, Calif. 92103

Date March 13, 1978

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

In Reply Refer To:
Mail Stop 953

October 6, 1977

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

Legislation enacted in October 1976 established new requirements concerning unpatented mining claims and affidavits of annual assessment work. Owners of unpatented claims must comply by October 22, 1979, with new procedures described in Section 314, Public Law 94-579, October 21, 1976, and in Federal Register--Title 43, Part IV of January 27, 1977. Copies of these documents are enclosed for your information. Simply stated, the new legislation requires that mining claims be rerecorded by October 22, 1979, and that certain information be filed with affidavits of assessment work.

We bring this matter to your attention so that you may take proper action if you intend to retain these claims after October 22, 1979. The Government's interest in the land and in royalty on possible production therefrom under terms of the subject contract terminate before that date. In the meantime, this interest is protected under provisions cited in the contract.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

Rec'd 7/15/77
HK 7/15/77

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 12, 1977

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II
Menlo Park, California

Subject: OME-6638(Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, CA
Contract No. 2257

Annual Inspection

An annual inspection of the subject property was made on July 5, 1977 by the Field Officer accompanied by Mr. Dale Reitz, an employer of S.A.Q. Inc., the present Leaser of the property. Since the last inspection on May 13, 1976 the new operators have completely retimbered the OME workings, driven the Diltz Vein drift an additional 40 feet to the south, completed 2 raises on the vein, from the drift to the old workings about 100 feet above, and started a third raise. They also have started a sub-level drift about 30 feet below the old upper workings.

The Diltz Vein, where exposed in the new workings, is only a few inches to a foot thick but locally contains visible gold. The Operators have installed a small concentrating plant near the portal of the OME adit. This plant has a capacity of about 1,000 pounds of ore per hour. A small quantity of ore has been milled but the Operators have not yet reported the amount of gold recovered or paid any royalty to the Government. A letter was sent to the Operators on July 11, reminding them of their obligations to keep OME informed of any ore produced and to pay the royalties due.

H. K. Stager

Rcvd 7/15/77

HK 7/15/77

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 11, 1977

Mr. William Nemour, Secretary
S.A.Q., Inc.
2518 First Avenue
San Diego, CA 92103

Re: OME-6638(Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, CA
Contract 2257

Dear Mr. Nemour:

On July 5, 1977 I made an annual inspection trip to the Diltz Mine. I talked to Mr. Fulham at the Old Mine Camp and then went through the OME contract area workings with Mr. Dale Reitz of your organization. I also inspected your small milling operation.

I was pleased to see the new exploration and development work that has been completed since my last inspection on May 13, 1976. It is obvious that you have produced and milled a small quantity of ore from the development work. I would like to remind you at this time of your obligation to report to this office periodically on all production and pay the 5 percent royalty on any gold or other metals sold.

If you have any questions in this regard, please call or write to me.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 3, 1976

Mr. John P. Fulham
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Fulham:

Thank you for your letter of July 25, 1976, informing us of your purchase of the Diltz mine and the grant of a lease and option to SAQ, Inc. As the enclosed copy of our letter to Mr. William Nemour, Secretary, SAQ, Inc., indicates, we are informing him of the outstanding obligations with respect to payment of royalties on production.

We note the provision in the lease and option agreement cited in your letter concerning the obligation of the second party to perform all duties and obligations imposed on the Operator under Contract 2257, OME-6638. Notwithstanding this transfer of responsibility with respect to the OME contract, the Government would look to the Operator for payment of royalty in the event SAQ, Inc., fails to pay royalty on production.

Please furnish us with two complete copies of the lease and option agreement with SAQ, Inc., as required by Article 2(c) of the OME contract, and stated in the closing paragraph of the certification letter. If you do not have extra copies, we can make duplicates of the original document and return it to you.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure
cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region II

E S 3-2362

P. O. BOX 614

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 2 1976
INITIALS | CODE
HK

JOHN P. FULHAM
MARIPOSA, CALIFORNIA 95338

July 25, 1976

Geological Survey
Reston, Virginia 22092

Office of Minerals Exploration

Harold Kirkemo, Chief

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant (Deceased)
Diltz Mine
Mariposa, County, California
Contract 2257

Dear Mr. Kirkemo:

This is to notify your Department of a change in ownership of the Diltz Mine properties included in the above contract.

Under terms of an Option to purchase the Diltz Mine, granted June 11th 1962 by Diltz Mines, a Trust Estate to myself (John P. Fulham), I was entitled to purchase the Diltz Mine anytime prior to June 11th 1977. I have exercised my option and made full payment for these properties. In turn I have given to SAQ, Inc., a California Corporation, a Lease and Option to purchase the properties included in OME Contract No. 2257, Docket OME-6638.

Included in the Lease and Option to SAQ, Inc. is the following clause.

18. Second Party shall duly perform all duties and obligations imposed on the "Operator" under the existing Exploration Contract No. 2257, Docket OME-6638 with the United States of America and the Lien and Subordination agreement securing performance by "Operators" under said contract relating to said mining claims and hold FIRST PARTY harmless therefrom.

SAQ, Inc. has entered and taken possession of the subject mining properties and is engaged in surface preparation, retimbering and other work necessary to comply with State and Federal health and safety laws etc. No ore has been mined and no production of gold made to date. Present plans are to continue exploration of the Diltz Vein. Some development ore may be produced starting about 30 or 60 days from date. SAQ, Inc. is familiar with the provisions of OME Contract No. 2257 regarding royalty payments due to the United States.

Mailing address of SAQ, Inc. is:

SAQ Inc.

William Nemour Sect.

2518 First Avenue

San Diego, Calif. 92103

Should you need additional information on above matters Please advise.

Sincerely yours

John P. Fulham

John P. Fulham

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

August 2, 1976

Mr. William Nemour, Secretary
SAQ, Inc.
2518 First Avenue
San Diego, California 92103

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Nemour:

We have been advised by Mr. John P. Fulham of Mariposa, California, that SAQ, Inc., has entered into a lease and option agreement with Mr. Fulham, the surviving partner of the Diltz mine operation under the subject OME contract.

For your information we offer the following data on current obligations under the OME contract. As of June 30, 1976, the outstanding balances were--principal, $15,742.88; accrued interest, $8,924.66.

A copy of the Certification of Possible Production issued on this contract on February 26, 1970, is enclosed.

Payment of principal and accrued interest is made through a royalty of 5 percent of the gross proceeds from mineral production sold. In the event there is no production, no royalty is required.

If you have any questions regarding the payment of royalty, please contact this office or Mr. H. K. Stager, Field Officer, OME Region II, at the address shown in the certification letter.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region II

HKirkemo/gpw

Enclosure

Copy to: Mr. John P. Fulham

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

May 20, 1976

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 26 1976
INITIALS | CODE
HK | HK

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II
Menlo Park, California

Subject: OME-6638 (61d)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract No. 2257

Annual Inspection

An annual inspection of the subject property was made on May 13, 1976, by the Field Officer accompanied by Mr. Fulham.

There has been no ore mined or stockpiled since the end of the OME project. Work at the mine has consisted of annual assessment work and keeping the OME workings open and accessible. I inspected all of the underground workings and found the vein exposures and faces of the OME drifts to be exactly as they were when the contract ended. Mr. Fulham has replaced some of the timber and lagging and was cutting new timber at the time of the inspection. Brush and other low vegetation has recently been cleared from the portal area and the mine access road is in good condition.

Mr. Fulham operates a small commercial assay laboratory on the property. He is presently negotiating with several other local miners and may enter into a partnership or lease agreement to start mining and additional exploration of the deposit if satisfactory financial arrangement can be reached.

The certification period on this property will expire on March 8, 1979.

H. K. Stager

April 2, 1975

Mr. John P. Fulham
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Fulham:

Thank you for the prompt return of the status report and for your letter of March 28, 1975, regarding the situation with respect to the Diltz mine.

We hope that our report request does not inconvenience you. It is a simple questionnaire which meets our responsibility for maintaining current records on the status of the property and production, if any. The Bureau of Mines' report is in no way connected with our form.

We understand the problems associated with operating a small mine in today's economy, and hope that you can start production as planned.

We are sorry to learn of the death of Mr. Grant.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo

HKikemo/gpv

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

IN REPLY REFER TO: Office of Minerals Exploration March 24, 1975

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Dear Mr. Grant:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 2 1975

INITIALS	CODE
	HR

Copy sent to R. II

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since March 12, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since March 12, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

Purchaser (*name and address*)	Quantity	Value
	NONE	

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

Type	Quantity (*tons*)	Estimated Grade	Location
Ore		NONE	
Concentrates			
Other			

3. Since NOVEMBER 1969, has any production been transported through ANY workings (*see of contract*)? Yes ☐ No ☒

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

Disposition of Material	Quantity	Value

Submitted by:

Name: John G. Dillham	Title: LESSEE - DILTZ MINE
Address: P.O. BOX 614 MARIPOSA, CALIF. 95338	Date: MARCH 28, 1975

PHONE 966-2362 P. O. BOX 614

JOHN P. FULHAM

MARIPOSA, CALIFORNIA 95338

March 28, 1975

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
U.S. Geological Survey
953 National Center
Reston, Virginia 22092

Sir:

Since completion of OME-6638 there has been no further exploration, development or production from the mine workings, covered by this OME contract or any other part of the Diltz Mine. We have filed annual reports to the Bureau of Mines showing that work at the mine has been entirely confined to maintaining these workings in good condition. This work consisting of replacement of mine timbers and cleaning out minor caving and sluffing, has been filed as annual assement work on the unpatented claims.

Upon completion of the OME contract we determined that the two ore areas, exposed by the drift, were too small to warrant economic production at the then prevailing price of gold. The ore showing along the last 30 feet of drift is of good grade. We decided that, should a more favorable economic climate develop, the drift should be extended to expose the full length of this ore shoot. We have therefore maintained access to the workings to make further exploration possible.

The present price of gold has improved the outlook considerably, although costs have also risen rapidly. We have been overhauling and setting up small milling equipment with the intention of starting a limited production of gold from the mine. Should any production result from this projected work all values produced will be promptly reported to your department and royalties due to the United States will be as promptly paid.

If we were mistaken in assuming that the annual report to the Bureau of Mines would keep your office informed on the status of the property and production from the mine, we ask your pardon. In the future any changes in status or production will be reported to you. My partner Allen F. Grant died July 17, 1974 but his death did not change the status of the mine in any way. The Lease and Option to purchase, under which we worked is in my name only.

Sincerely yours

John P. Fulham

John P. Fulham

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 20, 1973

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 23 1973

INITIALS	CODE
Cac	125
HK	120

Annual Inspection

While in the vicinity of the subject property, on other OME business, an annual inspection was made on July 17, 1973, by the Field Officer, accompanied by Mr. Fulham and Mr. Grant, the Operators.

There has been no ore mined or stockpiled since the end of the OME project. Work at the mine has consisted of annual assessment work and keeping the OME workings open and accessible. Mr. Fulham has replaced some of the timbers and has recently removed rock and other materials from the ditches in the adit to permit proper drainage of mine water.

The Operators are operating a small commercial assay laboratory on the property and this activity has occupied all of their time.

H. K. Stager

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

March 8, 1972

Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and
Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 23 1972
INITIALS | CODE
gla | 130
HK | 120
Weeks
220

Dear Mr. Grant:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to P-II

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since July 9, 1971, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since July 9, 1971, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

Purchaser (*name and address*)	Quantity	Value
	none	

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

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	none		
Concentrates			
Other			

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

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

Disposition of Material	Quantity	Value
	none	

Submitted by:

Name	*Title*
Allen F. Grant	Partner in contract & Debtor Trustee
Address	*Date*

90
OME
4230
GSA

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

June 25, 1971

Mr. Allen F. Grant
P. O. Box ~~614~~ 627
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F.Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 19 1971

INITIALS	CODE
gla	130
HK	20
	220

Dear Mr. Grant:

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

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

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since April 23, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☒

2. Since April 23, 1970, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

Purchaser (*name and address*)	Quantity	Value

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

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	NONE		
Concentrates	NONE		
Other	NONE		

3. Since APRIL 23, 1970, has any production been transported through workings (*see* *of contract*)? Yes ☐ No ☒

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

Disposition of Material	Quantity	Value

Submitted by:

Name Allen F. Grant	*Title* Partner
Address P. O. Box 627, Mariposa, Calif-95338	*Date* July 9, 1971

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 27, 1970

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

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Copy for 63 file

Annual Inspection

While in the vicinity of the subject property, on other OME business, an annual inspection was made on April 23, 1970, by the Field Officer, accompanied by Mr. Allen F. Grant, one of the operating partners.

A Certificate of Possible Production was issued on February 26, 1970, for the subject property. The Government's lien for payment of royalties on production expires on March 8, 1979. There was no ore mined or stockpiled during the period of the exploration project and there has been no mining since the final inspection on November 1, 1969 (report dated November 14, 1969). One of the partners, Mr. John P. Fulham, has been ill much of the time since completion of the exploration and not able to undertake the planned development and additional exploration. Mr. Grant has maintained the equipment and mine in operating condition and has been working on the installation of a small fire-assaying laboratory on the property.

H. K. Stager

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

March 6, 1970

OFFICIAL
COPY
U. S. E.
RECEIVED
MAR 9 1970
INITIALS CODE
HK 120
220

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed is a summary-type Final Field Report on the subject project.

H. K. Stager

Enclosure

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By H. K. Stager, Field Officer, Region II

March 6, 1970

1. OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Operator: Mr. John P. Fulham and Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Property: Consists of 1 patented lode mining claim (Diltz and Mann Lode) and 2 unpatented lode mining claims (Pioneer Quartz Claim and Recorder Quartz Claim), including all rights thereto, in sec. 29, T. 4 S., R. 18 E., MDB&M, Sherlock Creek Mining District, Mariposa County, California. A map showing the area of these 3 claims was attached to the contract.

Ownership: The Operator was in possession of the 3 claims under the terms of a Lease and Option to Purchase dated June 11, 1962, from Diltz Mines (a Trust Estate), the owner, by Allen F. Grant and Earl N. Baker, sole trustees. A Lien and Subordination Agreements dated September 16, 1967, and executed by Allen F. Grant (P.O. Box 627, Mariposa, California 95338), Senior Trustee, John P. Fulham, Lessee, and certified by Earl N. Baker, Trustee, for the owner of the leased land, was attached to the contract.

2. Purpose of Project: The purpose of the project was to explore the Diltz vein by drifting southward on the Glick adit level for gold-bearing quartz ore bodies in and along the Diltz fault about 150 feet down dip from the Ellis Tunnel workings where quartz ore shoots occur along the fault in metavolcanic rocks of probable Jurassic age.

3. Contract: Dated March 8, 1968, for a term of 12 months.
Original contract amount - $12,000.00
Government participation - 75 percent, $9,000.00

FINAL FIELD REPORT

3. Contract - Continued

Amendments

No. 1 - April 24, 1969, to extend the time for completion of the work to 18 months; to increase the period of royalty payments to 11 years; to allow a recess in the work between January 10 and April 30, 1969; to allow a second stage of additional drifting; to increase the contract amount to $20,990.50 and the Government's contribution to $15,742.88; and to increase the interest charge from 7½ to 8¼ percent on the Stage II funds.

No. 2 - September 19, 1969, to extend the time for completion of the work to 21 months.

4. Project Work: Started - May 15, 1968. Completed October 31, 1969.

Cost Items	Authorized Units	Authorized Rate	Authorized Amount	Completed Units	Completed Amount
Stage I					
Drifting and crosscutting	250 ft.	$45/ft.	$11,250.00	264 ft.	$11,880.00
Timbering	50 ft.	$10/ft.	500.00	10 ft.	100.00
Assaying for gold and silver	50 spls.	$5/spl.	250.00	3 spls.	10.50
Total costs Stage I			$12,000.00		$11,990.50
Stage II					
Drifting and crosscutting	188 ft.	$45/ft.	$ 8,460.00	195.47 ft.	$ 8,796.15
Timbering	45 ft.	$10/ft.	450.00	15 ft.	150.00
Assaying for gold and silver	18 spls.	$5/spl.	90.00	16 spls.	53.85
Total costs Stage II			$ 9,000.00		$ 9,000.00
Total project costs			$21,000.00		$20,990.50
Government participation at 75 percent			$15,750.00		$15,742.88
Paid to the Operator					$15,742.88

The Government retained no equity in any of the equipment or materials used.

4. Project Work - Continued

Effectiveness of the Work - The most favorable target area was adequately explored.

Efficiency of Operation - The work was accomplished in an efficient manner although equipment breakdowns delayed the progress of the work.

5. Reports:

Operator's Final Report - An acceptable Final Report was received on January 7, 1970.

Cost Review - A Report of Review was issued by the Office of Survey and Review in January 1970.

Final Audit - A final audit was not requested inasmuch as no additional vouchers were submitted or paid after the Report of Review. The final voucher was paid on November 17, 1969.

Royalty Review - There was no production sold and no royalty was due the Government. A Royalty Review was not requested.

6. Project Results:

Discoveries - The project work resulted in the discovery of two minable gold-bearing ore shoots. Maps of the workings with significant assay data are attached to this report and the Operator's Final Report. Assays indicate from a trace to 16.31 ounces of gold per ton and a trace to 2.20 ounces of silver per ton. Ore reserves estimated as a result of the OME work were 800 tons of indicated and 2,000 tons of inferred ore with an average grade of about one ounce of gold per ton. Development and production are feasible and will probably be carried out by the Operator. Additional exploration of the Diltz vein and the nearby Ellis (Busch) vein is warranted and is planned by the Operator.

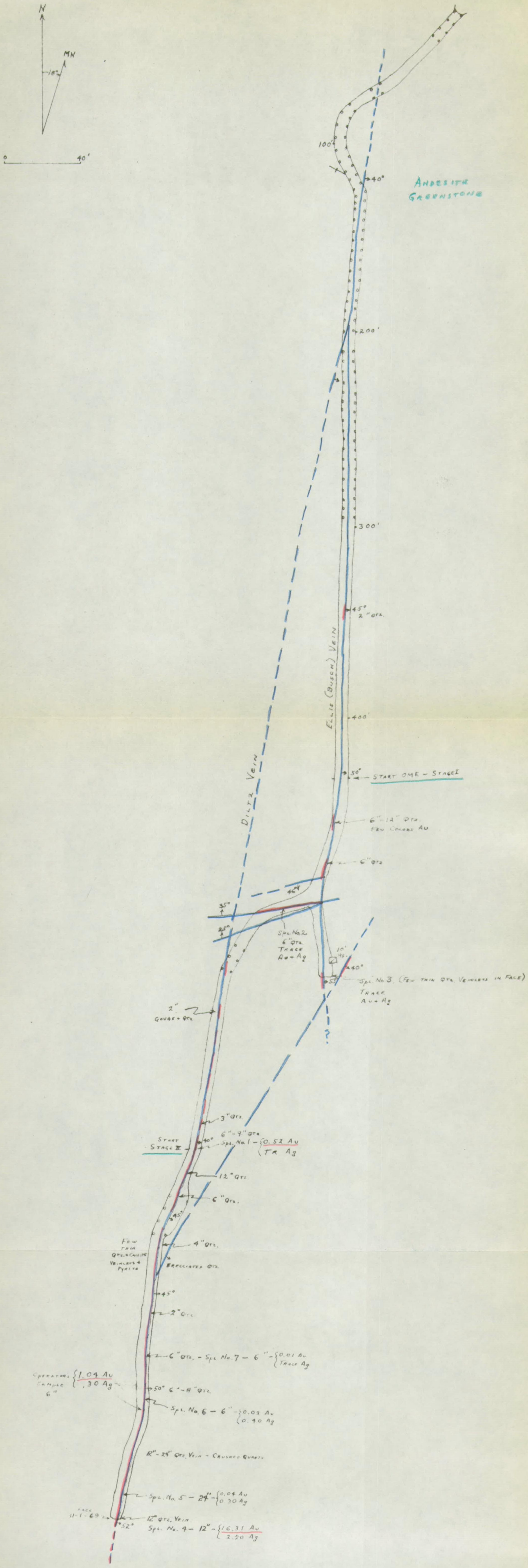
6. Project Results - Continued

Certification - Certification was recommended on the basis of the ore shoots discovered by the OME work and a Certificate of Possible Production was issued on February 26, 1970. The Government's lien for payment of royalties expires on March 8, 1979, or when the total amount contributed by the Government is fully repaid with interest (at the rate of 7½ percent per annum on $8,992.88 and 8¼ percent per annum on $6,750.00), whichever occurs first.

Production - There was no ore mined or stockpiled during the period of the project.

Royalties - There was no ore sold and no royalties were paid or due the Government.

7. Geologic Summary: - The ore bodies that have been mined at the Diltz Mine consisted of gold-bearing ore shoots in quartz veins along faults that strike N. 3° W. to N. 10° E. and dip 30°-45° E. These ore shoots ranged from a few inches to 20 feet in thickness and averaged about 2½ feet where mined in the old workings. The shoots rake north about 45°, average 350 feet in length, and were mined down dip about 700 feet. The total estimated value of production is about $1,000,000 for the period from 1860 to 1954.



Map of the Glick adit, Diltz Mine, Mariposa County, California

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/16/70	Emerick	120
		120
	Long	
2/26	Lilegard	
		220

FEB 26 1970

Mr. Allen F. Grant
P. O. Box 627
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear Mr. Grant:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Lien and Subordination Agreements executed September 16, 1967, by you, under the Office of Minerals Exploration program.

Sincerely yours,

Harold Kirkemo (gla)
Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region II
Mr. Emerick
130

IDENTICAL ORIGINAL LETTER TO:

Mr. John P. Fulham
P. O. Box 614
Mariposa, California 95338

FEB 4 1970

FEB 19 1970

OFFICIAL FILE COPY

Date	Surname	Code
2/13/70	Emerick	120
	(on leave)	120
2/16	cac	220
		120M

FEB 16 1970

Memorandum

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed is a copy of the Field Officer's letter of February 9, 1970 forwarding a copy of the Report of Review issued in January 1970 to the subject Operator. Also enclosed is a copy of the report for your files.

William L. Emerick (gla)

W. L. Emerick
For: Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region II
Mr. Emerick

WLEmerick/bsl 2/16/70

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

February 9, 1970

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

Enclosed is a copy, for your files, of a Report of Review for the subject contract issued by the Office of Survey and Review in January 1970.

The facts as stated in the Report of Review agree with the records in this office and I concur in the report.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosure

cc: OME, Wash., D.C. (2)
Dir. RF
ACG RF
MP RF
Docket

HKStager:mkh

OFFICIAL FILE COPY

Date	Surname	Code
2/3/70	Emerick	120
		120
2/4	cal	220
		120M

AIRMAIL

FEB 4 1970

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed are two copies of a Report of Review issued January 1970.

If you concur in the facts in the report, the Operator should be sent its copy with appropriate comments. As evidence of your concurrence, two copies of your letter transmitting the Operator's copy of the report should be furnished this office. If for any reason you do not agree, both copies of the report should be returned to this office with your comments.

Harold Kirkemo (glk)

Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Mr. Emerick
130

BSLOng/1 2/3/70

Standard Form 1048
7 GAO 5000
1048-105

MEMORANDUM

PUBLIC VOUCHER FOR REFUNDS

Voucher No. 04344

Schedule No.

U. S. Interior, Geological Survey
(Department or Establishment, Bureau or Office)

Location: Washington, D. C. 20242

Appropriation or Fund: 14X6875(08)

PAID BY

To
Address

John P. Fulham & Allen F. Grant
P. O. Box 614
Mariposa, Calif. 95338

Amount withheld
~~Deposit received~~ from the above-named ~~depositor~~ on November 17, 1969

for pending submission of final report in connection with contract #2257

has been applied as herein stated and the balance indicated is returned herewith:

Amount of deposit Sch #03062 - Oct. voucher	$ 200.00
Applied as explained in "Remarks" below	
Balance authorized to be refunded	$ 200.00

Remarks:
Acceptable final report has been submitter per memo from Chief, Office of Minerals Exploration, 1/12/70.

CONTROL COPY
JAN 19

Refund by
Check No.
Cash, $ on
Other method, $, (Describe)

☆ U.S. GOVERNMENT PRINTING OFFICE : 1966 O—223-275

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/12/70	Emerick	120
1/12	[illegible]	120
		220
		120M

JAN 12 1970

MEMORANDUM

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

As the Operator under the subject contract has now submitted an acceptable final report, the $200.00 withheld from the October 1969 voucher may now be paid to the Operator.

Harold Kirkemo (fa)
Harold Kirkemo

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region II
Mr. Emerick

WLEmerick/bsl 1/12/70

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

January 7, 1970

OFFICIAL COPY
O. M. E.
JAN 9 1970

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed is the Operator's Final Report, dated January 3, 1970, received in the Field Office on January 7, 1970. I recommend that the report be accepted and that the $200.00 withheld from the October 1969 voucher pending receipt of the report be paid.

The Operator estimates 625 tons of indicated ore with an average value of $30 per ton for the first ore shoot intersected by the OME drift on the Diltz vein, but does not estimate any tonnage or grade for the second shoot because of lack of exposures. My calculations yield about 800 tons of indicated ore for the first shoot with an average gold content of about one ounce per ton. An estimate of about 2,000 tons of inferred ore of the same average grade appears reasonable for the second ore shoot based on available assays and exposures. On the basis of these discoveries and the high development value of the OME work for additional exploration under the old Diltz Mine workings, it is recommended that a Certificate of Possible Production be issued.

H. K. Stager

Enclosures

DILTZ MINES.

John P. Fulham & Allen F. Grant P.O. Box 614

Mariposa-Calif. 95338

Re.-O. M. E. Docket 6638-Contract 2257-GOLD

January 5th, 1970.

The U. S. Department of the Interior,
Geological Survey
Office of Mineral Exploration
345 Middlefield Road
Menlo Park, Calif. Att. Mr. Stager:-

Dear Sirs:-

Enclosed are documents that comprise our final reports for work under above enumerated contract.

There is the final map covering drifting and cross-cutting, timbering, assays, setting out experiences, any difficulties, mand findings bearing on the reasons for and exploration work we performed, and our reasonings for some future exploration, within our capabilities to do so.

Also inclosed is the notice and voucher withholding the $200.00 from last voucher submitted on November 3rd, 1969, which we enclose per instructions with these final reports.

Respectfully,

Fulham & Grant

By Allen F. Grant Partner

Operator's Final Report

RECEIVED

JAN 7 1970

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

03062

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: John P. Fulham & Allen F. Grant
P.O. Box 614 Mariposa, Calif. 95338

Amount Claimed:	Differences (Explained Below)	Amount Approved
1,452.67	9.67	1,443.00 1,082.25 Gov. Part. Less 200.00 * 882.25
Ex. Voucher No.	**Payee's Invoice No.**	**Period**
	Docket #6638 Contract #2257	Oct. 1969

EXPLANATION

Claimed 31.68ft. at 45.00 $1,425.82 Allowed 31.47ft. at 45.00 1,416.15 $9.67

*Withholding $200.00 pending receipt of final report.

Any claim for items deducted must be submitted as a separate item on subsequent monthly voucher and supported by the original of this statement.

ms

Branch of Budget and Finance

O.M.E. Contract 2257-Docket 6638 - GOLD

Dated March 8th, 1968- Extension dated Apr. 24th, 1969.

Stage 2.

Operator's Final Report:

John P. Fulham & Allen F. Grant- P.O.Box 614, Mariposa 95338, Calif.

Referring to progress report for October 1969, thereto was attached an Operators Narrative Report setting out performances required under Stage Two of Original O.M.E. contract, and which we did execute and complete. Referring to Paragraph Three-Narrative Report, and figure of progress to completion report attachedcto Narrative; to wit- dated Nov. 3rd, 1969

Paragraph Three:- In regard to October report, 428 feet of drifting had been reported at end of September 1969. In October we went to the present face under Amendment and to end of Stage Two, which denoted 188' of drifting and cross-cutting would be performed. 164 feet of drifting under stage two had been performed, leaving 24 feet of drifting to equal 188 feet.

There remained a balance of $300.00 for $450.00 of timbering under stage one & two, and a balance of $25.65 from $90.00 allowed for assays (18) at $5.00 ea. We applied this extra $325.65 toward drifting further on in between seven and eight feet to the present face of drift, bringing to a total accrued drifting and crosscutting to $20,685.85, which with accruals of assays and timbering ($325.65) equals $21,000.00, the total of Stages One & Two under the OME Contract 2257, Docket 6638-GOLD.

DATED January 3rd, 1970.

Fulham & Grant Operators.

By John P. Fulham

By Allen F. Grant

John P. Fulham & Allen F. Grant
P.OBox 614-Mariposa 95338-Calif.

OPERATOR'S FINAL REPORT. OME CONTRACT 2257-DOCKET 6638-GOLD

As stated in original application for exploratory loan, the purpose of the proposed work was to be the examination of the Diltz vein and fissure in the area beneath the ~~the~~ ore shoots mined from the Ellis Tunnel, the Ceder and Rickard shafts to determinde if these ore shoots continued to the present lower level under the contract.

The results of the completed works indicates the mineralizing solutions were and are at this level, however the structural conditions did not permit the formation of mineable ores. With the exception of the two exposures of ore shown on accompanying map, the vein is a seam of gouge and short quartz lenses averaging two inches in width. At the corresponding level of the old Diltz Trust Estate Mine south of the Summit, the vein averaged two and one-half feet, with some areas to eleven feet. In the old mine the vein reached mineable thickness when and where the vein dip flattened to 37 degrees average.

This flattening of dip took place in the South mine above the level of the present exploratory drift. It was therefore believed a similar flattening of the vein north of the Summit would occur, and that ore at this level would be larger than that mined above and below the Ellis level above.

Our exploration on the present level shows the vein maintained a steep dip and no favorable openings were created for ore deposition. The most northerly showing of ore, about twenty-five feet long is probably the lower part of the ore shoots we worked on the Ellis level above. On this upper level a drift length of 180' exposed ore in four separate shoots for a total ore length of 120', with an average width of eighteen inches, all showing a rake of the shoots to the North at 45 degrees down.

The North limits of these ores and shoots was divergence of footwall and hanging walls of 30 degrees, beyond which no ores were found on the Ellis levels. The ore terminated against this split down along a nearly vertical line.

It now appears any ores above the Bissell-Glick drift would probably be a generally triangular block outlined on the South by under-side of the South ore shoot worked on the Ellis levels. This side of the triangle could be expected to assume a rake of forty-five degrees, corresponding to usual rake of shoots. The North side of triangle would probably be nearly vertical. At present low level the vein is 6 inches average width, and twenty-five feet long. Future plans for exploration would indicate advisability of raising on this shoot of ore exposure. The last twenty feet of drift to present face would be a logical area for another raise and the drift should be continued another fifty feet to determine length of ore showing in the present face. Possible ores from these two exposures may only be estimated by assuming such ores will occupy an area indicated on accomanying map. A gradual increase in thickness of the ore from six inches at present level to eighteen inches at Ellis levels, and similar lengthening of ore up to Ellis levels would indicate 625 tons of possible ore on Northern most exposure. Average value $30.00 per ton, shows value gross of $18,000.00.

From this North ore shoot for a distance of 220 feet to the ore showing in the South end of drift, the seam of gouge and quartz gives no guide as to possibility of ore existing above Bissell-Glick part of the level. The South ore-shoot may continue upward to last known workings, however, no exploration on this seam above the Bissell-Glick Work is known, therefore any estimate of ore without some further drifting and raising, is not possible.

Dated January 3rd, 1970

Fulham & Grant Operators.

By John P. Fulham

By Allen F. Grant

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

November 14, 1969

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL
COPY
O. M. E.
RECEIVED
NOV 19 1969

bal	120 m
HK	~~120~~
WE	~~120 E~~
gla	130

Final Inspection

The final inspection of the subject project was made on November 1, 1969, by H. K. Stager, Field Officer, accompanied by Mr. J. P. Fulham and Mr. A. F. Grant, the Operators.

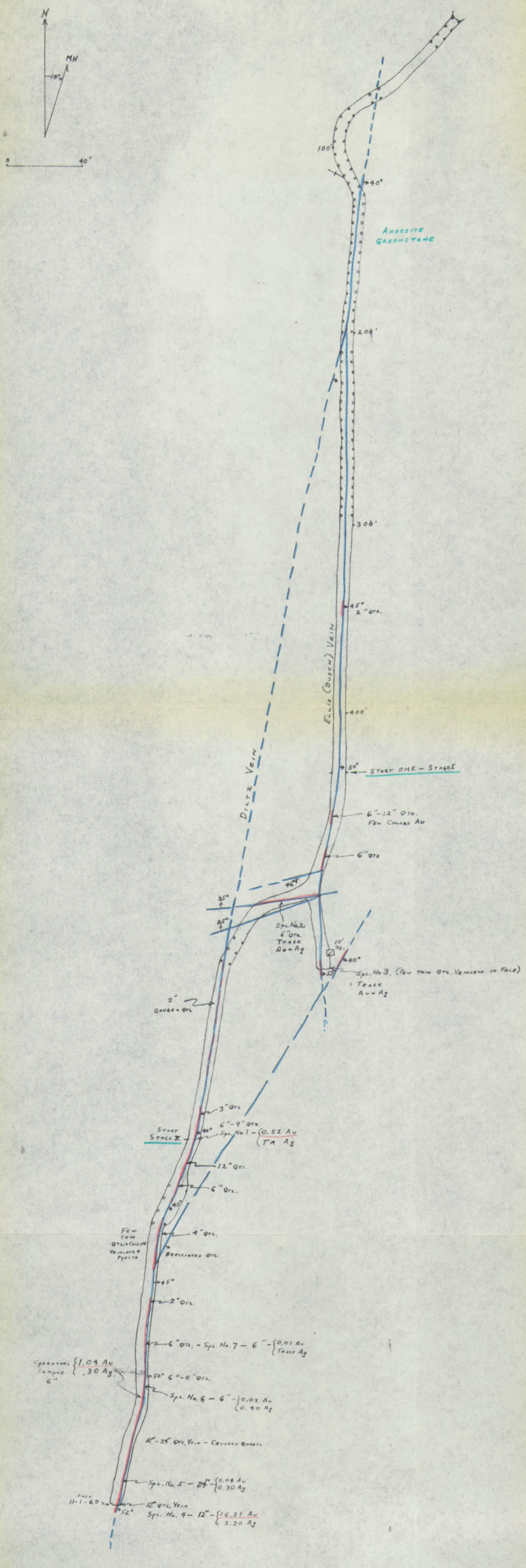
Work since the last inspection on September 4 (report dated September 8, 1969) has consisted of about 95 feet of additional drifting on the Diltz vein, and thus completing the work authorized under the OME contract. The attached map shows the workings as of November 1, 1969, and the location of samples taken for assay. The Operators have submitted a final voucher and are preparing their final report on the project.

The Diltz vein, exposed by the drifting completed under Stage II of the OME contract, is a well-defined structure that strikes about N. 12° E. and dips about 50° SE. The thickness of the mineralized material ranges from 2 inches to 24 inches but only averages about 6 inches. The gold content ranges from a trace to 16.31 ounces per ton and the silver content from a trace to 2.20 ounces per ton. The gold and silver content is extremely erratic and only by careful panning, or assaying, is it possible to distinguish ore from waste. The Operators will continue the drift, at their own expense, because of the very favorable character of the vein where exposed in the last few feet of the OME work and will also drive several raises on the most favorable segments.

A Certification of Possible Production appears warranted and will be recommended.

H. K. Stager

Enclosure



Map of the Glick adit, Diltz Mine, Mariposa County, California

OFFICIAL COPY U. S. GEOL. SURV. RECEIVED NOV 18 1969 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OK-WRE 11/6/69

OPERATOR'S MONTHLY VOUCHER

For Month [illegible]-1969

Docket No. OME- [illegible]
Contract 14-08-0001 [illegible] ~~25,000.00~~ #20,990.50
Contract Amount
Gov't. Participation % 15,742.88

Operator's Name John D. Duhon & Allen F. Grant
Address P.O. Box 624, Nampa-Caldwell, 83653

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
	ft. 3,186.02	.445	450-	$20,636.65	31.47	$1,416.15	459.47	$20,676.15
Drilling	31.05							
Timber	0	0	25'	250.00	0	0	25'	250.00
Advance- 3.00 On plus Drilling 3.35	7	23.05	19	63.35	7	26.85	19	64.35
								OVER →
TOTALS		$2,603.07		$23,636.00		$1,443.00		$20,990.50

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

Date November 3rd, 1969 *Payee Duhon & Grant

Per Allen F. Grant Title Partner

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

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)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 11-4-69

1,082.25 (63) 14X0804
200.00 14X6875(08)

Approved for: $ 882.25
(SUBJECT TO AUDIT)

Signature [illegible]

Date NOV 17 1969 Vou. No. 03062

(SEE OTHER SIDE)

FOR OPERATOR'S USE

REMARKS

255197

RECEIVED
U.S. GEOLOGICAL SURVEY
NOV 7 3 35 PM '69
BUDGET & FINANCE

FOR GOVERNMENT USE

REMARKS

CONTRACT WORK COMPLETED,
WITHHOLD $200 PENDING RECEIPT
OF FINAL REPORT.

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", 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 Field 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

03062

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: John P. Fulham & Allen F. Grant
P.O. Box 614 Mariposa, Calif. 95338

Amount Claimed:	Differences (Explained Below)	Amount Approved
1,452.67	9.67	1,443.00 1,082.25 Gov. Part. Less 200.00 * 882.25
Bu. Voucher No.	Payee's Invoice No.	Period
	Docket #6638 Contract #2257	Oct. 1969

EXPLANATION

Claimed 31.68ft. at 45.00 $1,425.82 Allowed 31.47ft. at 45.00 1,416.15 $9.67

*Withholding $200.00 pending receipt of final report.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

03062

OPERATOR'S NARRATIVE REPORT FOR MONTH OF OCTOBER-1969 Docket No.6638
Contract No.2257
GOLD

November 3rd, 1969.

Referring to September Narrative Report, assays (7) from Denver were received and were forwarded to Menlo Park attention Mr. Stagorman this October.

Vein meandered along as described in September report for a short distance, and finally opened to 3-5-6 inches, then expanded out to 10 to 12 inches and up to 14 to 18 inches then to 14 to 12 inches at present face, showing good mineral and Quartz.

In regard to October report, 428 feet had been reported at end of September from start of Contract. In October we went ~~toward~~ present face under Amendment #1 of contract, which denoted 188 feet of drifting and crosscutting would be performed. 164 feet of drifting under Amendment had been performed, leaving 24 feet to equal 188 feet. There remained a balance of $900.00 from $450.00 allowed for 45 feet of timber under the amendment, and a balance of $25.65 from $00.00 for eighteen assays at ~~$8x~~ $5.00 ea. We applied this extra $325.65 toward further drifting between 7 and 8 feet to the present face, bringing total accrued drifting and cross-cutting to $20,635.85, which with accruals of timbering and assays in (to date) column used, equals total of $12,00.00 in contract, and $9,000.00 total of Amendment #1 to contract-$21,000.00

Looks like writer was splitting spider web threads, but wanted an exact balancing.

Respectfully

Fulham & Grant

By Allen F. Grant

PARTNER

OUR MOTTO: — WHAT THERE IS IN IT, NO MORE NO LESS.

EDMUND E. PHILLIPS, VICE-PRES.—GEN. M

M. E. PHILLIPS, SECRETARY

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

03062 OME-6638

2244 BROADWAY

DENVER 1, COLORADO

Oct. 17, 1969

REPORT ON DETERMINATIONS MADE FOR — Fulham and Grant
R. P. D. Exploration
Mariposa, Calif.

SAMPLE MARKS			METALS	Amount per Ton Ozs.	Hds.	PER CENT	Value per Ton Dollars	Cents
~~Wt~~								
5-6"	#1	406	Gold	1.	04		41.	60
			Silver		.30			.60
4-11	#2	396	Gold		.01			.40
			Silver		trace			
4 11	#3	391	Gold		.08		3.	20
			Silver		.10			.20
6 11	#4	386	Gold		.05		2.	00
			Silver		.20			.40
5 11	#5	381	Gold		.03		1.	20
			Silver		.10			.20
7 11	#6	333	Gold		.02			.80
			Silver		trace			
6 11	#7	323	Gold		.05		2.	00
			Silver		trace			

GOLD AT $40. PER OUNCE SILVER AT $2. PER OUNCE

LEAD AT _____ PER UNIT COPPER AT _____ PER UNIT

THE COLORADO ASSAYING COMPANY

By Ed. Phillips

ME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1.		
2.		
3.		
4.		
5.		
FROM:		

OFFICIAL COPY

O. M. E.

RECEIVED

NOV 3 1969

MAILING CODE

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

~~120~~

Gal/120 M

HK 120

~~WE 120~~

INT.-DUP. SEC., WASH., D.C. M56300-62

OUR MOTTO: — WHAT THERE IS IN IT, NO MORE NO LESS.

MUND E. PHILLIPS, VICE-PRES.—GEN. MGR

M. E. PHILLIPS, SECRETARY

THE COLORADO ASSAYING COMPANY

(INCORPORATED)

ASSAYERS AND CHEMISTS

2244 BROADWAY

DENVER 1, COLORADO

OME-66.38

Oct. 17, 1969

REPORT ON DETERMINATIONS MADE FOR— Fulham and Grant
R. P. D. Exploration
Mariposa, Calif.

SAMPLE MARKS			METALS	Amount per Ton Ozs.	Hds.	PER CENT	Value per Ton Dollars	Cents
Wide 4								
5-6"	#1	406L	Gold	1.	04		41.	60
			Silver		.30			.60
4-11	#2	396L	Gold		.01			.40
			Silver		trace			
4 11	#3	391L	Gold		.08		3.	20
			Silver		.10			.20
6 11	#4	386L	Gold		.05		2.	00
			Silver		.20			.40
5 11	#5	381L	Gold		.03		1.	20
			Silver		.10			.20
7 11	#6	333L	Gold		.02			.80
			Silver		trace			
6 11	#7	323L	Gold		.05		2.	00
			Silver		trace			

GOLD AT $40. PER OUNCE SILVER AT $2. PER OUNCE

LEAD AT _____ PER UNIT COPPER AT _____ PER UNIT

THE COLORADO ASSAYING COMPANY

By Ed. Phillips

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY O. M. E. RECEIVED OCT 17 1969

OK-WFC 10/6/69

OPERATOR'S MONTHLY VOUCHER For Month of September 1969

Docket No. OME 6638
Contract 14-08-0001-2257
Contract Amount $20,990.50
Gov't. Participation % 75 $ 16,742.88

Operator's Name John P. Fulham & Allen F. Grant
Address Box 614-Mariposa, Calif. 95338

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Drifting (" " & cross cutting	48'	$2160.00	428'	$19,260.00	48'	$2,160.00	428'	$19,260.00
Timbering	0'	0	25'	250.00	0	0	25'	250.00
Assays not yet rec'd	0	open	12	37.50	0	0	12	37.50
TOTALS		$2160.00		$19,547.50		$2,160.00		$19,547.50

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

Date 10/3/1969 *Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 10/6/69

(63) 14X0804

Approved for: $ 1,620.00
(SUBJECT TO AUDIT)

Signature [illegible]

Date OCT 10 1969 Vou. No. 02218

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

RECEIVED
U.S. GEOLOGICAL SURVEY
OCT 9 8 21 AM '69
BUDGET&F

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", 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 Field 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.

CUSTOMERS NARRATIVE REPORT FOR MONTH OF SEPTEMBER ~~XXXX~~1969-Docket No.6638
Contract No.2257
GOLD.

Octpber 3rd., 1969

Unlike mechanical difficulties, etc., in prior narrative report, ~~xx~~ have had no problems for Sept. period.---Advanced drift forty-eight feet further during September period. No change in vein of behavior. From a gouge seam to short lenses of primary ore quartz, two, four to six inches wide. Not enough quantity to be mineable. 24 feet beyond last face reported, ~~xxxxx~~, vein turned 7 degrees West from normal 12 degrees East of North.

Cut seven samples, and sent to Denver for assays, but have not yet received billings or results. Will send to Menlo Park as soon as received.

Respectfully

Fulham & Grant

By Allen F. Grant Partner

RECEIVED
OCT - 6 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

OFFICIAL FILE COPY

Date	Surname	Code
10/8/69	Emerick	120
		120
		220
		120M

OCT 8 1969

AIRMAIL

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

We regret to learn that you have not received the August 1969 check representing the Government's share for work performed on the subject contract during that month.

In order to trace the check it will be necessary for you to write to the Branch of Budget and Finance in Washington, D. C., advising them that you have not received it. For your information the check for $1,282.50 is Number 21,059,143, dated September 18, 1969. The voucher which you submitted for payment carries a Budget and Finance number of 01693, dated September 17, 1969. Please address your letter to:

Chief, Branch of Budget and Finance
U. S. Geological Survey
Interior Building
Washington, D. C. 20242

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Branch of Budget & Finance
Region II
Mr. Emerick

Duplicate check received by Operator or signing officer. Field Office.
H. Kirkemo

WLEmerick/bsl 10/8/69

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

September 29, 1969

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL COPY
O. M. E.
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jlu / 120
bal / 120
HK / 120
WE / 120

Enclosed are the Government's copy and Fiscal Section's copy of Amendment No. 2, to the subject contract, properly executed by the Operator. The remaining copies have been distributed in the usual manner.

H. K. Stager

Enclosures

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL
COPY
O. M. E.
RECEIVED
SEP 26 1969
INITIALS CODE
120
bae 120 M
120
WE 120

September 25, 1969

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

Enclosed are the original and three copies of proposed Amendment No. 2 (one page), to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all copies should be signed and all but the Operator's copy returned to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

cc: Chief, OME, WDC
DIR RF
ACG RF
MP RF
Docket

RMSmith/bls 9/25/69

n 7

OFFICIAL FILE COPY

Date	Surname	Code
9/15/69	Emerick	120
"	Kirkemo	120
9/18	Kirkgard	
9/18	Ung	
9/19	Cac	220
		120M

SEP 19 1969

AIRMAIL

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed are the original and three copies of proposed Amendment No. 2 (one page), to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by the Operator and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

William L. Emerick (gla)

William L. Emerick
For: Harold Kirkemo

Enclosures

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Mr. Peterson
130

BSLong/1 9/15/69

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OK-WLR
9/15/69

GEOLOGY
S. M. E.
RECEIVED
SEP 18 1969
INITIALS | CODE
GD 120 120
WR 120

OPERATOR'S MONTHLY VOUCHER

For Month of AUGUST 1969

Docket No. OME- 6638
Contract 14-08-0001 2257
Contract Amount $ 20,990.50
Gov't. Participation % 75 $ 15,742.88

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. Box 614-Mariposa ~~95338 Calif.~~ CALIF. 95338

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Drifting &	38 ft.	1710.00	380 ft.	$ 17,100.00	38	$ 1710.00	380	$17,100.00
crosscutting	0	0						
Timbering	0	0	~~150~~ 25 ft	250.00	—	—	25'	250.00
Assays	0	0	~~10~~ 12	37.50	—	—	12	37.50
TOTALS		$ 1,710.00		$ 17,387.50		$1710.00		$17,387.50

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

Date ~~Aug.~~ Sept. 4-1969 *Payee Fulham & Grant

Per Allen F. Grant Title ~~X~~ Partner

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

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)

Approved as noted, subject to field examination and audit.

Signature R. M. Smith for OME Field Officer 9-5-69 Date

(63) 14X0804

Approved for: $ 1,282.50 (SUBJECT TO AUDIT)

Signature Sg

SEP 17 1969 Date

01693 Vou. No.

(SEE OTHER SIDE)

REMARKS 0 8 9 7 0 0

FOR OPERATOR'S USE

RECEIVED
U.S. GEOLOGICAL SURVEY
SEP 16 10 32 AM '69
BUDGET & MANAGEMENT

FOR GOVERNMENT USE

REMARKS

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True-Copy", 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 Field 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.

OPERATORS'S NARRATIVE REPORT FOR MONTH OF AUGUST 1969.

Docket No. 6638
Contract No. 2257
GOLD.

September 4th-1969

After troubles set forth in prior report, finally got air compressor back to normal operating condition, shortly thereafter drilling machine started giving trouble. After several days and new parts, now appears to be O.K.

Fissure is in and out, two or three unches to 6 & 7 inches, and sometimes larger, being crushed wall rock, quartz particles and doughey blue gouge, with plenty of arseno-pyrite, with small to fair and sometimes good showings of fine gold.

Fissure in face now around twelve inches as described in above paragraph.

Our samples to Calaveras Assay Office in Angels Camp, are still not heard from, altho paid for. We phones several times, but nothing satisfactory. The operator of the office is evidently handicapped from the heart attack sometime back.

It seems like assays on fissure would mot be worth much as ore, as constant panning of cuts shows behaviors as in prior paragraphs.

Respectfully,

Fulham & Grant

By Allen F. Grant Partner

REFERENCE SLIP

Rev. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
~~Assoc. Sol. MR, Rm. 6554, Interior (Through Room 6042)~~		
1.		
2. Mr. Emerick, Rm. 4457, Interior	INTERIOR DEPT. SEP 11 1969 SOLICITOR	
3.		
4.		
5.		
FROM: Chief, OME		

FOR: Check items for action desired

x Action	____ Reply for signature of ____	
x Approval	____ Investigate	____ Surname
____ Comment	____ Recommendations	____ Signature
____ Conference	x Rewrite	____ File
____ Instructions	Your information	

REMARKS:

OME-6638 John P. Fulham and
Allen F. Grant

Proposed Amendment No. 2

INT.-DUP. SEC., WASH., D.C. M56300-62

120 Emerick

120 Kirkemo

120M

DRAFT 9/3/69
WLEmerick/bsl

To Legal 9/8/69

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

Amendment No. 2

It is agreed this _____ day of _____, 1969, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and John P. Fulham and Allen F. Grant, a partnership, hereinafter called the "Operator," that Exploration Contract 2257 (OME-6638), dated March 8, 1968, as amended, is further amended effective September 7, 1969, as follows:

1. The time fixed by Article 1 for completion of the work is extended from eighteen (18) months to twenty-one (21) months, from the date of the contract or until December 8, 1969.

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 quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Chief, Office of Minerals Exploration
U. S. Geological Survey

JOHN P. FULHAM AND ALLEN F. GRANT

By_____

Title_____

9-1648
CH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OK-WDE 8/14/69

RECEIVED AUG 22

OPERATOR'S MONTHLY VOUCHER

For Month of JULY 1969

Docket No. OME- 6638
Contract 14-08-0001 2257
Contract Amount 20,990.50
Gov't. Participation 75 15,742.88

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. Box 614 Mariposa 95338 Calif.
Calif. 95338

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
		$		$		$		$
Drifting & crosscutting	24'	1080.00	342'	15,390.00	24'	1,080.00	342'	15,390.00
Timbering	15'	150.00	25'	250.00	15'	150.00	25'	250.00
Assaying	9	27.00	12	37.50	9	27.00	12	37.50
2 assays not ex charged in June								
7 assays July results submitted.								
TOTALS		1,257.00		15,677.50		$ 1,257.00		$ 15,677.50

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

Date Aug. 4th, 1969 *Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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)

Approved as noted, subject to field examination and audit.

Signature H R Hagen OME Field Officer Date 8/11/69

(63) 14X0804

Approved for: $ 942.75 (SUBJECT TO AUDIT)

Signature MO

Date AUG 22 1969 Vou. No. 01158

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

RECEIVED
U.S. GEOLOGICAL SURVEY
AUG 14 3 41 PM '69
BUDGET & FINANCE BRANCH

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

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OPERATORS NARRATIVE REPORT FOR MONTH OF JULY 1969. Docket No. 6638
Contract No. 2287
Gold

August 4th, 1969

Progress during July limited to twenty-four feet by several conditions. In order to speed up handling muck, we widened drift to eight for a distance of twenty feet by cutting back into footwall. Timbered fifteen feet of this part of drift due to spalling hangingwall.

Constructed and installed switch and double track about thirty-five feet ahead from start of contract extension in May, in order to locate tramner and cars closer to present heading. Were previously hand tramming 225 feet to where parked battery tram motor.

Footwall continues hard and abrasive. Drilling and blasting requires average of seven hours. Although progress is slow in this hard rock, we have avoided breaking the drift into the softer hangingwall, as the footwall drift requires little or no timber, and will stand indefinitely without maintainance.

July 25th a valve and piston broke in the compressor. We immediately phoned Westinghouse-Rix at Emeryville and ordered new parts. No parts we required were available. Emeryville office ordered from Factory at Sidney, Ohio. Piston and other parts arrived from Sidney in Emeryville on July 29th, and arrived here on August 1st in damaged condition. Returned piston to Emeryville same day received, and they ordered another to be sent direct to Mariposa Air Express Spec. Del. Piston we were informed has arrived. With better tramming conditions hope to advance fifty feet during August.

Vein in face narrowed to 1" gouge. Arsenopyrite and a fine gold in pan. Sent three assays to Calaveras Assay Office, and received word the assayer had a bad heart attack, and have not yet had returns. Latest news from there is that we shall have them around August 8th.

Sent seven samples, including duplicates of those sent to assayer at Calaveras, to Utah Assaying Co. Received report, which is inclosed. We are not at all satisfied with this report on the balance of the samples. All samples panned a fair amount of fine gold. Will send Calaveras report on Samples 283-288-293 as soon as we receive them as check assays.

Respectfully

Fulhon & Grant

By Allen F. Grant Partner

RECEIVED
AUG 7 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Ore Treatment Tests

Control and Umpire Ass

PROMPT AND CAREFUL ATTENTION GIVEN TO SAMPLES BY MAIL OR EXPRESS

CALAVERAS ASSAY OFFICE

P. O. Box 645 DILTZ MINE MARC M. HANNA Telephone 209-736-2204

JOHN FULHAM-MARIPOSA-CALIF.

~~P.O.BOX 614~~

ANGELS CAMP, CALIF. JUNE 19/69

Lab No.	Mark	PER TON OF 2,000 POUNDS				% Other Metals			TO
		Gold		Silver					Value
		Ounces	Value	Ounces	Value				
19293	# 273	.05	$ 1.75	.01					
19294	# 278	1.52	$ 53.20	.40					

(Fulham & Grant)

RECEIVED
JUN 21 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY

Gold at $35.00 Per Oz. Chgs. $6.00

Silver at Per Oz.

Assayer

GOLD & SILVER [illegible] SPECTROGRAPH---15.00
MINIMUM PER SAMPLE--$3.00
SPECTROGRAPHS: GIVE APPROXIMATE PERCENT OF ELEMENTS FOUND IN SAMPLES
SPECTROGRAPHS: ARE NOT RECOMMENDED FOR GOLD, SILVER OR PLATINUM

REPORTS MADE PROMPTLY
SPECIAL ASSAYS: AS PER PRICE LIST
FULHAM & GRANT--R.F.D.EXPLORATION
NAME -MR. A.F. GRANT
DATE -7-30-69

UTAH ASSAYING CO.
BOX---16067
SALT LAKE CITY,UTAH-84116

***

SAMPLE-# --7 SAMPLES FOR GOLD & SILVER;
-#####NUMBERS--283--293--297--298--303--703--317
-#
-# ALL SAMPLES; WERE NEGATIVE FOR GOLD & SILVER

RESULTS: ARE PER TON IN-
OZ.---OUNCES
%-----PERCENT
TR.---TRACE
P-----PRESENT
**-----INDICATES--CHEMICAL OR FIRE ASSAY
SAMPLE SIZE---1--OUNCE TO--½--POUND

PAID $21.00

#-- #-- #-- #--

ALUMINUM
ANTIMONY
ARSENIC
BARIUM
BERYLLIUM
BISMUTH
CADMIUM
CALCIUM
CARBON
CARBONATE
CHLORINE
CHROMIUM
CESIUM
COBALT
COLUMBIUM
COPPER
FLUORINE
GALLIUM
GERMANIUM
GOLD
IRON
INDIUM
IRIDIUM
LEAD
LITHIUM
MAGNESIUM
MANGANESE
MERCURY
MOLYBDENIUM

NICKEL
OSMIUM
PALLADIUM
PHOSPHORUS
PLATINUM
POTASSIUM
RHENIUM
RHODIUM
RUBIDIUM
RUTHENIUM
RARE EARTHS
-
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SILICA & QUARTZ
SELENIUM
SILVER
SODIUM
STRONTIUM
SULFUR
TANTALUM
THALLIUM
TELLURIUM
TIN
TITANIUM
TUNGSTEN
URANIUM
VANADIUM
ZINC
ZIRCONIUM
OTHERS;
-
-

THANKING YOU,
ASSAYER

REMARKS: -7 SAMPLES ASSAYED FOR GOLD & SILVER
-FOR FASTER SERVICE MAIL SAMPLES TO BOX--16067
SALT LAKE CITY,UTAH--84116

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

September 8, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 10 1969
INITIALS | CODE
gla | 130
Ewf | 120 M
HK | 120
WE | 120

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Interim Inspection

An interim inspection of the subject project was made on September 4, 1969, by H. K. Stager accompanied by Mr. J. P. Fulham, one of the Operators.

Work since the last inspection on June 26 (report dated June 30, 1969) has consisted of about 65 feet of additional drifting on the Diltz vein. Progress has been slow because of the breakdown of the air compressor and drill. No significant mineralization has been found by the most recent work although the structure is well defined and contains thin stringers and veinlets of gold-bearing quartz that range from less than 1 inch to about 6 inches in thickness.

Time for completion of the work expires on September 8, 1969 and the Operators have requested a 2-months extension of time. About 70 feet of drifting remains to be completed under the contract and if no additional equipment breakdowns occur the work should be finished within the time estimated although in view of past experience an Amendment authorizing a 3-months extension is recommended. Some additional timbering may be required and intervals of thicker quartz

mineralization should be sampled and assayed. The Operators are planning to raise, at their own expense, on the most favorable segments of quartz vein exposed by the OME drift, after completion of the work authorized by the contract.

H. K. Stager

United States Department of the Interior

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

September 5, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 10 1969

INITIALS	CODE
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HK	120
WE	120

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed is a letter from the Operator received in this office September 5, 1969, requesting a 2-month extension of time to complete the work under the subject contract, which expires September 8, 1969. About 80 feet of drifting remains to be done, owing to delays principally by unusually heavy rains.

The drift has now reached a point where a significant discovery may be expected. Completion of the proposed work is, therefore, in the Government's interest. I recommend that the Operator's request be approved.

R. M. Smith
for H. K. Stager

Enclosure

United States Department of the Interior,
Geological Survey, Office of Mineral Exploration,
345 Middlefield Road,
Menlo Park, Calif. Att. Mr. Stager-Re Docket 6638--Contract 2257
Application for Extension of Time:-

Dear Sirs:-

In regard to O.M.E. contract in effect at Diltz Mine in Mariposa, Calif., we wish to apply for an extension of time to complete the contract balance of footage, amount approximately eighty feet, or few feet more.

Referring to Narrative report for Month of July 1969, and Narrative reports of May and June, had a slow start on account oxtreme rains of Spring into April, and road to tunnel covered with debris, and water cuts in road, and several washouts, quite a lot of road repair was in order, and later compressor and drill equipment break downs, and times to repair, we wish to apply for extension of time on present contract. Two months would very ample time to complete all work.

We hope we will have careful consideration of our request.

We also wish to thank you for your past considerations.

Respectfully,

Fulham & Grant

By Allen F. Grant Partner

RECEIVED
SEP - 5 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

48

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OK-wlc 7/11/69

OFFICIAL COPY
JUL 23 1969
RECEIVED
INITIALS CO. E.
130 120 120

OPERATOR'S MONTHLY VOUCHER

For Month of June 1969

Docket No. OME- 6638
Contract 14-08-0001 2257
Contract Amount $ 20,990.50
Gov't. Participation % 75 15,942.88

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. Box 614 Mariposa, Calif. 95338

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Drifting & cross-cutting	37'	$ 1665.00	318'	$ 14,310.00	37'	$ 1,665.00	318'	$ 14,310.00
Timbering	0	0	10'	100.00	0	0	10'	100.00
Assying	0	0	3	10.50	0	0	3	10.50
								10,815
TOTALS		$ 1,665.00		$ 14,420.50		$ 1,665.00		$ 14,420.50

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

Date July 5th, 1969 *Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 7/8/69

1,248.75 (63) 14X0804
176.63 (14X6875(68)

Approved for: $ 1,425.38
(SUBJECT TO AUDIT)

Signature [illegible]

Date 7/17/69 Vou. No. 00447

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

RECEIVED
U.S. GEOLOGICAL SURVEY
JUL 11 2 43 PM '81
BUDGET & FINANCE

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", 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 Field 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee:

John P. Fulham & Allen F. Grant
P.O. Box 614
Mariposa, Calif. 95338

Amount Claimed:	Differences (Explained Below)	Amount Approved
1,665.00		1,665.00 1,248.75 Gov. Part. 176.63 * 1,425.38
Bu. Voucher No.	Payee's Invoice No.	Period
	Docket #6638 Contract #2257	June 1969

EXPLANATION

*Repaying amount withheld pending resumption of work.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

Branch of Budget and Finance

OPERATOR'S NARRATIVE REPORT FOR MONTH OF JUNE 1969. Docket No. OME 6638
Contract No. 2257
Gold

July 5th, 1969.

During month of June advanced drift on Diltz vein 37 feet. At ten from face of drift as reported for May, encountered a loose and shattered hanging wall. Vein here changed strike five degrees to West. Vein at this point on lower side of drift is 14 inches wide, 3 inches of quartz against hanging wall, 2 inches on foot wall, with nine inches of crushed wall rock and clay gouge carrying considerable arsenopyrite and some fine gold. From fifteen feet to thirty two feet closed to 1" of clay gouge with arsenopyrite again a fair amount of fine gold. At thirty two feet again 4 to 6 inches of ribbon quartz came in, and a hard firm hanging wall showed at this point, heavily striated and slickensided, and appears to be turning east againt to the north 10 East normal strike. Vein face shows the same arsenopyrite and somewhat better fine gold prospect. Have been advised today that Mr. Marc Hanna of Calaveras Assay Office has suffered a severe heart attack, and we may not be able to resume his assay business. We will therefor be forced to send sampled for assay covering the June advance to another assayer. Will forward assays to you as soon as we receive same.

FULHAM & GRANT

By Allen G. Grant Partner

RECEIVED
JUL 8 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/11/69	Emerick	120
		120
7/11	Cal	220
		120M

JUL 11 1969

MEMORANDUM

To: Chief, Branch of Budget and Finance

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

As the Operator under the subject contract has now resumed work on the contract, the $176.63 withheld from the January 1969 voucher may be paid to the Operator.

Harold Kirkemo (gla)
Harold Kirkemo

Enclosure (June '69 vouchers)

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
Region II
Mr. Emerick

WLEmerick/bsl 7/11/69

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 8, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 10 1969

INITIALS	CODE
	120
bsf	120
HK	120
WE	120

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

The January 1969 voucher, for $176.63, that was not paid pending resumption of work on the subject project can now be paid.

H. K. Stager

Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

June 30, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 2 1969
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HK | 120
WE | 120 E

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Interim Inspection

An interim inspection of the subject project was made on June 26, 1969, by H. K. Stager and R. M. Smith, accompanied by Mr. J. P. Fulham and Mr. A. F. Grant, the Operators.

Work, under the amended contract, was resumed early in May and at the time of the inspection the OME drift on the Diltz vein had been advanced an additional 42 feet. For about 35 feet of this advance the Diltz vein consists of 6 to 12 inches of banded quartz containing abundant arsenopyrite. Panned samples of the vein material yield a small string of fine free gold and one sample, taken by the Operators, assayed 1.52 ounces of gold and 0.40 ounce of silver per ton. Several other samples have been sent for assaying but the results have not been received. About 6 feet from the present face of the drift the vein pinches to a thin, gouge-filled seam with only small fragments of quartz. Some cross-faulting appears to have disrupted the vein in this area as the wall rocks are fractured, requiring several sets of timber for support in the drift. Drifting is planned to continue for an additional 150 feet.

The Operators have installed a 10-inch diameter vent tube and electric lights to a point near the face, providing good air ventilation and

lighting to the working face. A battery operated trammer is now in use and the work is being carried on in an efficient manner.

H. K. Stager

9-1648
968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 25 1969

HK 6/17/69

OPERATOR'S MONTHLY VOUCHER

For Month of **February-May 1969**

Docket No. OME **6638**
2257
Contract 14-08-0001
Contract Amount $ **20,990.50**
Gov't. Participation % **75** $ **15,742.88**

Operator's Name **John P. Fulham & Allen F. Grant**
Address **P.O. Box 614, Mariposa, California 95338**

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
Drifting & crosscutting	17'	$ 765.00	281'	$ 12,645.00	17	$ 765	281	$ 12,645.00
Timbering	0	0	10'	100.00	0	0	10	100.00
Assaying	0	0	3	10.50	0	0	3	10.50
		Start of Stage II WHE						
TOTALS		$ 765.00		$ 12,755.50		$ 765.00		$ 12,755.50

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

Date **June 5, 1969** *Payee **Fulham & Grant**

Per Allen F. Grant Title **Partner**

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

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)

Approved as noted, subject to field examination and audit.

Signature R. M. Smith for OME Field Officer Date 6/13/69

(63) 14X0804

Approved for: $ 573.75
(SUBJECT TO AUDIT)

Signature mo

Date JUN 19 1969 Vou. No. 97501

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

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 two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 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 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 three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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, 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 unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", 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 Field 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.

OPERATORS NARRATIVE REPORT FOR MONTH OF MAY 1969.

6638
Docket No HKK
Contract No 2257
Second phase

June 5th 1969

During period from nearly end of ~~HKKK~~ April 1969 to around past middle of May we devoted full time to prosecution of necessary work to complete extension of prior contract.

Repaired snow and rainstorm damage of road down into working area and relaid air and water lines going into drift tunnel to allow use of a battery power tramer which we constructed during winter months and cleaned out drain ditches etc.

Commenced advance the latter part of May and advanced seventeen feet by June 1st.

The vein is still too small as workable ore but is getting consistently stronger and gradually increasing in width Amount of water is small and little oxidation of vein filling as yet. Vein is well mineralized with arsenopyrite and pans fine free gold. Cut samples for assays and will forward results when completed and we receive them.

FULHAM & GRANT

By Allen F. Grant Partner

RECEIVED
JUN 10 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

June 10, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 16 1969
INITIALS CODE
130
bel 120
HK 120
WPZ 120

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

The OME has discontinued the use of MME Forms 60 and 61 (Operator's Monthly Voucher and Report) and combined them into a new simplified Form 9-1648, a supply of which is enclosed for your use.

Inasmuch as your last voucher contained some errors, I have prepared a new voucher (using the new form). Please sign four copies of the revised voucher and return them to this office in the enclosed envelope. I will attach them to your narrative report and forward to Washington, D. C., for payment.

If you have any questions please call me. I am planning to visit your project next week or before the end of June and will call you when I know the exact day.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

HKStager:mkh

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

May 2, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 5 1969

INITIALS	CODE
gla	130
Kal	120
HK	130
WE	120

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed are the Government's copy and Budget and Finance's copy of Amendment No. 1, to the subject contract, properly executed by the Operators. The remaining copies have been distributed in the usual manner.

H. K. Stager

H. K. Stager

Enclosures

See left side of docket

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 28, 1969

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

OFFICIAL COPY
O. M. E.
RECEIVED
APR 30 1969

INITIALS	CODE
	130
Cof	1201
HK	~~120~~
WE	~~120~~ E

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

Enclosed are the original and three copies of proposed Amendment No. 1 (three pages), to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, all copies should be signed and all but the Operator's copy returned to this office.

If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Please note that interest at the rate of 7-1/2 percent accrues on the Government's contribution toward the accepted total cost of $11,990.50 (subject to audit) incurred on Stage I of the contract. Interest at the rate of 8-1/4 percent shall accrue on Federal funds contributed toward Stage II of the contract from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: Chief, OME, WDC
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

Enclosures

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 30 1969

INITIALS	CODE

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/23/69	Emerick	120
4/23	Rubsaat	120
4/23	Hempp	
		120M
		120
		220
		120M

AIRMAIL

APR 24 1969

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Enclosed are the original and three copies of proposed Amendment No. 1 (three pages), to the subject contract, signed for the Government. An extra copy of the amendment is also enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, all four copies should be signed by the Operator and distributed in the usual manner.

If any part of the proposed amendment does not have your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Please advise the Operator that interest at the rate of 7-1/2 percent accrues on the Government's contribution toward the accepted total cost of $11,990.50 (subject to audit) incurred on Stage I of the contract. Interest at the rate of 8¼% shall accrue on Federal funds contributed toward Stage II of the contract from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

Harold Kirkemo

Enclosures

cc: Director's Reading File
EconomicGeology File
OME Docket
OME Reading File
Mr. Emerick
190

WLEmerick/bsl 4/23/69

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Assoc. Sol., MR, Room 6554 (Through Room 6042)		
2. 120 Mr. Emerick, Room 4460		
3.		
4.		
5.		
FROM: Chief, OME, Room 4459		

FOR: Check items for action desired

___ Action	___ Reply for signature of ___	
x Approval	___ Investigate	___ Surname
___ Comment	___ Recommendations	___ Signature
___ Conference	x Rewrite	___ File
___ Instructions	___ Your information	

REMARKS:

SOLICITOR 15037

APR 10 1969 3123

Note

INTERIOR DEPT.

Interest for Stage II to be inserted

Increase in amount. To be signed by the Director

INT.-DUP. SEC., WASH., D.C.

M56300-62

120 Emerick

120 Kirkemo

120M

DRAFT 4/9/69
WLEmerick/bal

to legal 4/10

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

Amendment No. 1

It is agreed this _____ day of _____, 1969, between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and John F. Fulham and Allen F. Grant, a partnership, hereinafter called the "Operator," that Exploration Contract 2257 (OME-6638), dated March 8, 1968, is amended effective January 10, 1969, as follows:

1. The time fixed by Article 1(a) for completion of the work is extended from twelve (12) months to eighteen (18) months, or until September 8, 1969.

2. The total allowable cost of the work as set forth in Article 1(b) and in Exhibit A is increased from $12,000.00 to $21,000.00, and the amount of Government participation at 75 percent is increased from $9,000.00 to not in excess of $15,742.88.

3. Simple interest at the rate of 7-1/2 percent shall accrue on $8,992.88 (subject to audit), the Government's contribution of 75 percent to the accepted total cost of $11,990.50 (subject to audit) incurred on Stage I of the contract. Simple interest at the rate of _____ percent shall accrue from the date Federal funds are made available for Stage II work of the contract. Interest

on Federal funds made available for Stages I and II shall accrue until the period specified for payment of royalty expires, or until the amount of Federal funds is fully repaid with interest.

4.(a) The maximum period for royalty payments and for the lien to secure the payment thereof provided for in the contract under Article 6(b)(2) is extended from ten (10) to eleven (11) years from the date of the contract.

5.(a) Work under the contract may be suspended during the period beginning January 10, 1969 and ending not later than April 30, 1969.

(b) The Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred had there been no suspension of the work.

(c) The Operator, at its own cost and expense, without contribution by the Government during the period of suspension, shall preserve and protect the project work.

6. In Exhibit A under the heading General Provisions a new paragraph is added reading as follows:

> "The work shall be divided into two stages. The work performed prior to January 10, 1969, shall be considered as final for Stage I. The Operator shall perform as much of the succeeding Stage II work as has the prior approval of the Government."

7. In Exhibit A, under the heading Description of the Work a new paragraph comprising Stage II is added reading as follows:

Stage II

"The work shall consist of continuing to drift southerly along the Diltz fault and vein, sampling the vein and evaluating the work. It is estimated that 188 feet of drifting will be required to explore the vein further, that 45 feet of the drift may require timber support, and that assays of 18 samples may be required. These footages include any auxiliary crosscutting necessary to follow the most favorable segment or strand of the vein. Funds not used for timbering may be applied to additional drifting or assaying as necessary."

8. In Exhibit A under the heading Estimated Costs of the Work:

(a) The total cost of Stage I is limited to accepted costs of $11,990.50, subject to audit.

(b) New "Stage II" cost data and a "Summary" are added as follows:

Stage II

Fixed Unit Costs 1/	
Drifting and crosscutting,	
188 feet @ $45.00/foot	$8,460.00
Timbering,	
45 feet @ $10.00/foot	450.00

Assaying for gold and silver

18 samples @ $5.00/sample $ 90.00

Total Estimated Cost, Stage II . . . . . .$ 9,000.00

Government Participation @ 75% . . . . . .$ 6,750.00

1/ The Government retains no equity in any of the equipment or materials used.

S U M M A R Y

Total Accepted Fixed Unit Costs, Stage I (Subject to Audit) $11,990.50

Total Estimated Costs, Stage II . . . . . $ 9,000.00

Total Estimated Costs of the Work $20,990.50

Government Participation @ 75 Percent $15,742.88

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Director, U. S. Geological Survey

JOHN P. FULHAM AND ALLEN F. GRANT

By_____

Title_____

Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
2/26/69	Emerick	120
2/26/69	Kiobamo	120
		110
2/26	CAC	220
		120M

FEB 26 1969

AIRMAIL

Mr. John P. Fulham and
Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

Thank you for your letter signifying a willingness to wait until April 1 for possible favorable action on a request for additional drift footage and an extension of time to the above subject contract.

As we stated in our letter of February 6, 1969, the possibility of favorable consideration depends upon what funds OME receives for the fiscal quarter beginning on April 1, 1969.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region II w/cy incoming letter
Mr. Emerick

WLEmerick/gla 2-26-69

DILTZ MINE*-BOX 614. Ph.966-2362

Mariposa 95338-Calif.

United States Dept. of the Interior,
Geological Survey-
Washington D.C. 20242
Dear Sirs:- Att. Frank E. Johnson, Chief-Office of Mineral Exploration.

We appreciate your letter of Feb 6th inst., to us, in which you advise funds are not presently available for O.M.E. funds assistance loans.

In answer to your query as to whether we are prepared to wait until April 1st for possible favorable action on our request for extension of OME loan-6638; Contract 2257, we are pleased to wait out this period.

We sincerely hope funds will be available for this additional work as we know the drift is now into the ore zone, with walls divergeing, and additional drifting will serve to explore the extent and values of the ore shoots which are ahead.

As we have stated, we appreciate advise and assistance heretofore extended.

Sincerely,

Fulham & Grant

By Allen F. Grant Partner

OFFICIAL COPY
O. M. E.
RECEIVED
FEB 17 1969
INITIALS | CODE
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120
110
120

rm 7

OFFICIAL FILE COPY

Date	Surname	Code
2/6/69	Emerick	120
2/6/69	Kishemoto	120
		110
1/6	CAC	220
		120M

FEB 6 1969

AIRMAIL

Mr. John P. Fulham and
Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Gentlemen:

Your letter of January 10, 1969 requesting an amendment to the above subject contract to provide additional drift footage and an extension of completion time has been forwarded to this office for consideration. A review of the contract indicates that all allowable drifting and crosscutting was completed during December 1968 and the completion date of the contract is March 8, 1969.

Unfortunately, in view of the limited funds available to OME contracts this fiscal year, we are unable to make further commitments relative to contracts in advance. Additional funds will not be available to us until the beginning of the next quarter, or April 1, 1969. At that time favorable consideration could be given to your request, depending of course upon what funds OME receives for the quarter.

Under these circumstances if you care to wait out this interval please let us know.

Sincerely yours,

FRANK E. JOHNSON (gla)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Emerick/bsl 2/6/69

RECEIVED FEB 14 1969 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Docket No. 6638
Contract No. 8257

OPERATOR'S MONTHLY VOUCHER

For Month of January-1969

Contract Amount $ 12,000.00
Gov't. Participation % 75 $ 9,000.00
Mineral(s) GOLD

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. BOX 614, Manposa, 95338-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						
Drifting	225.00	10,035.00	$10,260.00			
Crosscutting	none	1,620.00	1,620.00			
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber	none	100.00	100.00			
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	10.50	none	10.50			
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	235.50	11,755 ~~$10,035.~~	$11,990.50			

I certify that the above bill is correct and just and that payment therefor has not been received. 1969

Date February 3/1969 Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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: 176.63 (63) 140804
176.63 14X6875(08)

$ -0-

Signature [illegible] (Authorized Certifying Officer)

Date FEB 14 1969 Vou. No. 94742

(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 exploratio project in accordance with the terms of Contract No. 2257

Signature [illegible] Title Field Officer Date 2-5-69

Approved by: OME Region II

Signature [illegible] Title Field Officer Date 2-5-69

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 Field 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 Field 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
GEOLOGICAL SURVEY

OK-WE 2/7/69

OPERATOR'S PROGRESS REPORT

For Month of January-1969

Docket No. 6638

Operator's Name John E. Fulham & Allen F. Grant

Contract No. 2257

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	feet ~~xxx~~	5	228	10,260.00	5'	228'	10,260.00
Crosscutting	"	none	36	1,620.00	0	36'	1,620.00
Raising							
Shafts							
Winzes							
Other Underground timber	10	none	10	100.00	0	10'	100.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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				10.50			10.50
TOTAL TO DATE (per MME Form 60)			(END) 12,000.00	11,990.50			$11,990.50

REMARKS

(Continue on back)

REMARKS

* Withhold $200.00. See other side. [illegible]

(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 February 3/1969 Operator Fulham & Grant

Per Allen F. Grant Title Partner

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 H K Stager

Title Field Officer OME Region II
Government Representative

Date 2-5-69

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

REMARKS (Cont.)

* Withhold $2000.00 Contract work completed. May amend contract after April 1, 1969.
WDE
2/7/69

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: John F. Fulham & Allen F. Grant
P.O. Box 614
Mariposa , Calif. 95338

Amount Claimed:	Differences (Explained Below)	Amount Approved
235.00		235.00 176.63 Gov. Part. *
Bu. Voucher No.	Payee's Invoice No.	Period
	Docket # 6638 Contract #2257	January 1969

EXPLANATION

* Withholding $176.63 pending resumption of work or Final Report.

Any reclaim for items deducted must be included as a separate item on subsequent monthly voucher and supported by the original of this statement.

ms

Branch of Budget and Finance

OPERATORS NARRATIVE REPORT FOR MONTH OF JANUARY 1969. Docket No. 6638

Contract No. 2257

GOLD

February 3rd 1969

After submittal of December 1963 reports, we had advanced another round ahead on fissure and vein, & further improvement is noted in the face, and it sure pans gold.

We enclose assay sheet we had on samples of quartz and fissure fill prior to getting close to area ahead when vein began a rapid ~~s~~opening up.

We are now making improvement and adjusting equipment and planning improved program to go ahead with amendment work, which we sincerely hope will be available.

We appreciate all assistance that has gotten us to where the potential is so promising.

Yours very truly

Fulham & Grant

By Allen F. Grant Partner

Mariposa Spectrographic Laboratory

Mariposa, California 95338

WOodland 6-2591

R.P.D. Exploration
C/O John P. Fulham
P. O. Box 614
Mariposa, Calif. 95338

January 15th, 1969 PM

Fire assay report: Gold-Silver. Samples: #256, 259, 264. Charges: $10.50

Sample mark	Gold Amount ounces per ton 2000 lbs	Gold Value @ $35.00	Silver Amount ounces per ton 2000 lbs	Silver Value @ $1.90
#256	0.025	$0.875	1.16	$2.[illegible]
#259	0.02	$0.70	0.08	$0.15[illegible]
#264	0.05	$1.75	0.92	$1.[illegible]

Thank you kindly

Forgot check
Paid check #[illegible]
1/18/69

1cc

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

January 24, 1969

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 27 1969
INITIALS | CODE

Interim Inspection

An interim inspection of the subject project was made on January 9, 1969, accompanied by Mr. J. P. Fulham and Mr. A. F. Grant, the Operators.

Work on the contract was started on May 1, 1968, and all allowable drifting and crosscutting (259 feet) was completed during December 1968.

The contract provided for 250 feet of drifting on the Diltz vein, based on the mistaken assumption that the vein followed by the Glick adit drift was the Diltz vein. After driving 108 feet of drift it became apparent that the drift was on the Ellis (or Busch) vein (see attached map). A crosscut was then driven west (about 40 feet) to the Diltz vein and the remaining footage (about 110 feet) was driven on the Diltz vein.

Only thin veinlets and stringers of quartz were exposed by the drifting on the Ellis vein and a chip sample across the face of the drift assayed a trace of gold and silver per ton (Spl. 3). A quartz vein, 1 to 6 inches in thickness, exposed along a fault in the crosscut between the Ellis and Diltz veins (see map) also assayed a trace of gold and silver (Spl. 2). The Diltz vein is from 1 to 6 inches in thickness for most of the exposed length in the new drift with only traces of gold and silver but in the last 10 feet of drift it widens to a well-defined quartz vein 6 to 9

inches in thickness and containing abundant arsenopyrite. A sample from the face of the drift (Spl. 1) assayed 0.52 ounce of gold and a trace of silver per ton. Material of this grade is minable and justifies additional work.

The Operators have requested, by a letter dated January 10, 1969, an amendment to the contract providing for an additional 200 feet of drifting on the Diltz vein and for an additional 6 months' time to complete the work. Time for completion of the existing contract will expire on March 8, 1969.

Because of the favorable showing in the face of the OME drift on the Diltz vein, and the lack of sufficient footage to reach the original target area, it is recommended that the Operators' request be approved as soon as possible in order for the work to continue and justify the certification of the project.

H. K. Stager

Enclosures:
Map of Glick adit
Letter from Operators

Mariposa, Calif.
January 10th, 1969.

United States Department of Interior,
Geological Survey, Office of Mineral Exploration,
345 Middlefield Road,
Menlo Park, Calif. Att. Mr. Stager. Re. Docket 6638-Contract 2257

Dear Sirs:-

In regard to O.M.E. contract in effect at Diltz Mine in Mariposa County, we reported as of January 4th, 1969, completion of footage required as set forth in Contract #2257, Docket 6638.

Referring to Narrative Report of January 4th, 1969, further exploration along the Diltz vein is indicated.

We therefor wish to request an amendment to our original contract to extend the drifting on the Diltz vein for a further distance of two hundred feet, in an extension of six months of expiration time of our present contract for completion of the amended contract.

We trust we may received favorable consideration for our request and application.

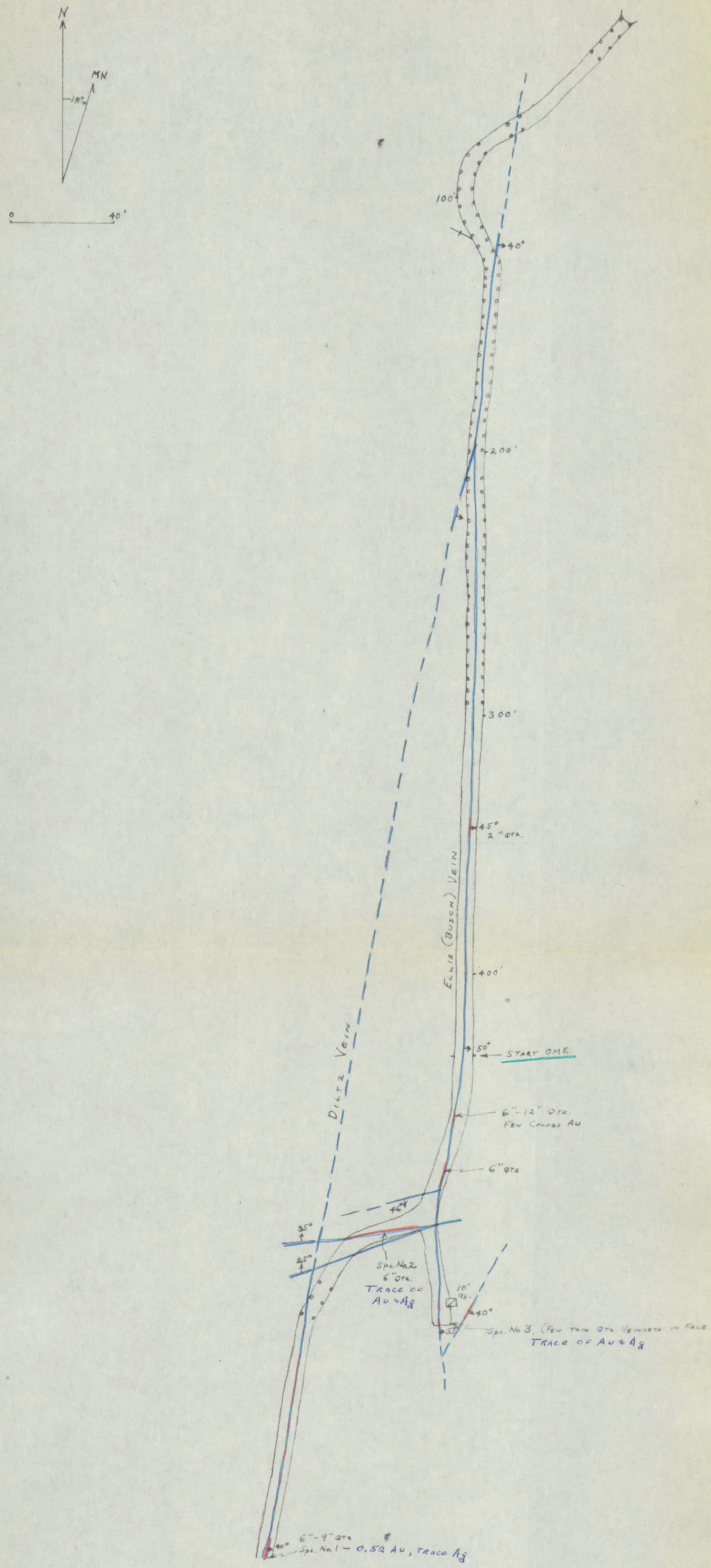
Thnaking you for all assistance and consideration in the past, we are,

Yours very truly,

Fulham & Grant

By Allen G. Grant Partner

RECEIVED
JAN 13 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.



Map of the Glick adit, Diltz Mine, Mariposa County, California

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 27 1969
INITIALS CODE

January 24, 1969

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract 2257

Dear John and Allen:

Your request, of January 10, 1969, for an amendment to permit additional drifting on the Diltz vein under the subject contract has been forwarded to Washington, D. C., for consideration.

For your information, the samples that I cut on my last visit to the mine assayed as follows:

Sample No.	Gold (Ounces per ton)	Silver (Ounces per ton)	Description
D-1	0.52	Trace	Diltz vein in face of drift
D-2	Trace	Trace	Quartz vein in crosscut
D-3	Trace	Trace	Face of Ellis vein drift

The gold content of the sample from the face of the Diltz vein drift appears to confirm the results we obtained by panning at the time of my visit and certainly justifies additional work. I will let you know, as soon as possible, the decision of OME regarding the amendment.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: Chief, OME, WDC
Dir. RF
ACG RF
MP RF
Docket
HKStager:mkh

MMS FORM 60
SEPT. 1959

OFFICIAL COPY O. M. E. RECEIVED JAN 17 1969 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Docket No. 6638 2257
Contract No. 12,000.00 75 9,000.00
Contract Amount GOLD
Gov't. Participation % $
Mineral(s)

OPERATOR'S MONTHLY VOUCHER

For Month of December-1968

Operator's Name John P. Pullman & Allen F. Grant
Address P.O.Bx 614 Mariposa 95338, Calif. 95338

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing	1,305.00	$8,730.00	$10,030.00			
Drifting	None	1,020.00	1,620.00	1,305.00	8,730.00	10,035.00
Crosscutting				0	1,620.00	1,620.00
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor			100.00			
(3) Operating Mat'l. & Supplies:						
Timber				0	100.00	100.00
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.						
	$1,305	$10,450.00	$11,750.00			
TOTALS				1,305.00	10,450.00	11,755.00

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

Date Jan. 17/69 Allen F. Grant
*Payee Partner
Per _____ Title _____

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

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: (63) 14X0804

$ 978.75

Signature _____
(Authorized Certifying Officer)

Date JAN 17 1969 Vou. No. 94239

(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. 2357

Signature [illegible] Title FIELD OFFICER Date JAN 6 1969

Approved by: OME, REGION II

Signature [illegible] Title FIELD OFFICER Date JAN 6 1969

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 Field 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 Field 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

OK-WPE
1/4/69

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of December-1968

Docket No. 8638

Operator's Name John P. Fulham & Allen F. Grant

Contract No. 2257

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 20' & 9'	Ft.	29	223	10,030.00	29'	223'	$ 10,035.00
Crosscutting	#	none	36	1,620.00	0	36'	1,620.00
Raising							
Shafts							
Winzes							
Other Underground Timber	#	none	10	100.00	0'	10'	100.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)				11,750.00			$ 11,755.00

REMARKS

Used balance of timber allowance(400.00) as per contract, to gain additional footage on drift on Diltz vein now showing, and on fault.

(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 January 4th/69 Operator Fulham & Grant

Per Allen F. Grant Title Partner

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 [illegible]

Title Field Officer, OMR Region II
Government Representative

Date JAN 6 1969

(INSTRUCTIONS ON REVERSE)

REMARKS (Cont.)

MARKS (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

94239

OPERATOR'S NARRATIVE REPORT FOR MONTH OF DECEMBER 1968.

Docket No. 6638
Contract No. 2257
GOLD

Fourth
January 1969.

During Dec. 1968 we drifted South on the main Diltz vein fissure. The appearance of the last fifteen of the drift shows more and most favorable indications than at any time heretofore. Where previously the fissure, tho' well defined, showed irregular stringers of quartz and calcites, and some gouge and some slightly quartsy breccia and vein filling between the walls the last ten feet has brought in a ribbon quartz vein, which has opened from a few inches to from four to six and eight inches, with gouge of same average thickness, and extending the full length of the hanging wall as exposed in the drift now to the face. The quartz carries arsenopyrites and Some small massive arseno. As yet no free gold has been observed by panning. As this is the first significant exposure of the right minerals, we have sent several samples for assay, but have not yet received the reports. Will forward as soon as received. The vein showing in the face, together with the arsenopyrite, and some possible chalcopyrite, and the presence of the Diltz greenstone footwall, which came in fifty-five feet back from the present face, clearly indicates the drift has reached the Northern end of the zone of possible ore on the Diltz vein and fault. Further driftin to the South will be needed to explore the vein in the area of probable ores.

In accordance with the contract for two hundred fifty feet of crosscut and drift, plus the unused portion of the timber allowance, which figured about nine feet, we have to date completed 259 feet of driftin and crosscutting.

To review the completed exploration, 108 feet of the exploration was done on the hanging wall vein of the Diltz system, known as the Ellis or Busch vein. This work showed a strong and continuous fissure, but to this point did not show what would be called ore. Cross-cutting 36' westerly, we encountered the Diltz foot-wall vein which is the vein mined in the Diltz Mine, and which produced all the recorded output of the mine. The 115 feet drifted southerly along this vein clearly indicated we have now reached the zone of possible ore, and 150' to 200' of further drifting will be required to explore more thoroughly the Diltz vein. Exploration on the Diltz vein exposing ore at the present horizon of the present drift, will determine the value of further drifting Southerly on the aforementioned Ellis or Diltz hangingwall vein.

From the surface indications, and limited work previously done on the Ellis or Busch vein, it is known values and ore exists in this vein in the areas opposite the ore shoots on the Diltz vein.

It is reasonable to assume therefor,, that as the ore shoots are exposed in the Diltz vein, by further drifting, ore shoots on the Ellis vein should occur approximately opposite those in the Diltz vein.

FULHAM & GRANT

By Allan F. Grant Partner

RECEIVED
JAN 6 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME FORM 60
SEPT. 1959

OFFICIAL COPY
D. M. E.
DEC 13 1968
RECEIVED

INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6638
Contract No. 2257
14-23-090-
Contract Amount $ ~~12,000.00~~
Gov't. Participation % ~~75 9,000.00~~
Mineral(s) GOLD

OPERATOR'S MONTHLY VOUCHER

For Month of NOVEMBER 1968

Operator's Name John P. Fulham & Allen F. Grant
Address ~~P.O. BOX 014, MARIPOSA 95338~~, CALIF. 95338

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:						
XXXXdrifting	2,070.00	-6660.00	8730.00			
Bulldozing						
Drifting	None	1620.00	1620.00			
Crosscutting						
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:	None	100.00	100.00			
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	2,070.00	8380.00	10,450.00			

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

Date Dec 5, 1968 *Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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: (63) 14X0804

$ 1552.50

Signature mc
(Authorized Certifying Officer)

Date DEC 13 1968 Vou. No. 03542

(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. 2257

Signature H.K. Flager Title Field Officer Date 12-9-68

Approved by OME Executive Officer or Alternate: OME Region #

Signature H.K. Flager Title Field Officer Date 12-9-68

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
GEOLOGICAL SURVEY

OK-NVE
12/10/68

OPERATOR'S PROGRESS REPORT

For Month of NOVEMBER-1968

Docket No. 6638

Operator's Name John P. Fulham & Allen F. Grant

Contract No. 2257

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	Ft	46	194	8730.00	46'	194'	$ 8,730.00
Crosscutting	"	none	36	1620.00	0	36'	1,620.00
Raising							
Shafts							
Winzes							
Other Underground Timber	"	none	10	100.00	0	10'	100.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				10,450.00			$ 10,450.00

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 December 5-1968 Operator Fulham & Grant

Per Allen F. Grant Title PARTNER

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 [illegible]

Title Field Officer, OME Regional Government Representative

Date 12-9-68

(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.

OPERATOR'S NARRATIVE REPORT FOR MONTH OF NOVEMBER 1968. DOCKET NO. 6638
CONTRACT NO. 2257

DECEMBER
~~NOVEMBER~~ 5th, 1968.

Proceeded southerly along Diltz Fault. Fissure has tightened with little gouge and no water showing in face. No ore showing yet. The foot-wall changed forty-five feet from back from present face and are now on known true foot-wall of the Diltz vein. This rock indentified by the late John W. Prout, formerly geologist for the Diltz Mine, as a gabbro, and by Oliver Bowen of California Division of Mines as augite and andesite greenstone. This rock was the footwall rock in all ore bearings sections of the Diltz Mine. Are continuing southerly along Diltz fissure on known general strike of eight to twelve degrees east of north.

FULLAM & GRANT

By Allan F. Grant Partner

RECEIVED
DEC 9 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Docket No. 6638
Contract No. 2257
Contract Amount $ 12,000.00
Gov't. Participation % 75 $ 9,000.00
Mineral(s) GOLD

OPERATOR'S MONTHLY VOUCHER

For Month of November 1968 October

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. Box 614 Mariposa 95338-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	$1800.	$4860.00	$6660.00			
Drifting	None	1620.00	1620.00			
Crosscutting						
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:	100.00	NONE	100.00			
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
	1900					
	~~$XXXX~~	$6480.00	($8380.00) $9380.00			
TOTALS						

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

Date Nov. 20-1968 *Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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:

(63) 14X0804

$ 1,425.00

Signature (Authorized Certifying Officer)

Date NOV 20 1968 Vou. No. 94011

(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. 2257

Signature [illegible] Title Field Officer Date 11-5-68

Approved by: OME Region II

Signature [illegible] Title Field Officer Date 11-5-68

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 Field 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 Field 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

OK-WLE
11/7/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of October 1968

Docket No. 6638

Operator's Name John P. Fulham & Allen F. Grant

Contract No. 2257

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	Ft.	40	148	$6660.00	40	148	$6,660.00
Crosscutting	Ft.	none	36	1620.00	0	36	1,620.00
Raising							
Shafts							
Winzes							
Other Underground Timber	Ft.	10	108	100.00	10	10	100.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				$8380.00			$8,380.00

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 Nov. 2nd, 1968 Operator Fulham & Grant

Per Allen F. Grant Title Partner

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 H. K. Hogan

Title Field Officer, OME Region II
Government Representative

Date 11-5-68

(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.

BUDGET BUREAU
NOV 12 1 07 PM
600186

OPERATOR'S NARRATIVE REPORT. For MO. of October 1968 Docket No. 6638
Contract NO. 2257

October 2nd, ,1968.

Referring to our last narrative report of October 3rd, 1968 for month of September, we have continued on the drift on the vein fissure of the Diltz mine. There has been no significant change/ The fissure continues with well defined walls averaging three feet between walls. The fissure fillings consist of crushed andesitic materials and meta-andesite dike, and foot of gouge on the foot-wall and a small amount along the hanging, and the ever present water with occasional small veinlets of quartz and calcites. Face presents exact appearance of fissure as observed north of the ore worked on the level above.

Fulham & Grant

By Allen F. Grant Allen F. Grant

MME FORM 60
SEPT. 1959

OFFICE COPY
OCT 16 1968
INITIALS

WLE 10/7/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Docket No. 6638
Contract No. 2257

OPERATOR'S MONTHLY VOUCHER

For Month of September 1968

Contract Amount $ 12,000.00
Gov't. Participation % 75 $ 9,000.00
Mineral(s) GOLD

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. BOX 614, Mariposa, Calif. 95338

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						
Drifting	270.00	$4590.00	4,860.00			
Crosscutting	1620.00	none	1,620.00			
Drilling						
(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	$1890.	$4590.00	$6480.00			

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

Date Oct. 3rd, 1968 Payee Fulham & Grant

Per Allen F. Grant Title Partner

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

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:

14X0804

$ 1,417.50

Signature
(Authorized Certifying Officer)

Date OCT 15 1968 Vou. No. 92324

(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. 2257

Signature [illegible] Title FIELD OFFICER Date OCT 4 1968

Approved by: OME REGION II

Signature [illegible] Title FIELD OFFICER Date OCT 4 1968

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 Field 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 Field 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
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of SEPTEMBER 1968 Docket No. 6638

Operator's Name John P. Fulham & Allen F. Grant Contract No. 2257

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	feet	6	108	$4860.00	6	108	$4,860.00
Crosscutting	Feet	36	36	1620.00	36	36	1,620.00
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				$6480.00			$6,480.00

REMARKS

See Narrative report

(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 October 3, 1968 Operator Fulham & Grant

Per Allen F. Grant Title Partner

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 H B Stager

Title FIELD OFFICER, OME REGION II
Government Representative

Date OCT 4 1968

(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.

OPERATOR'S NARRATIVE REPORT: FOR MO. OF SEPTEMBER 1968. Docket No. 6638
Contract No.2257

October 3rd. 1968

Since our last report, we concluded the Bissell (Glick) drift has been following the East branch or Ellis vein, rather than the West vein or Diltz vein. This conclusion is based on several indications. (One) The strike of the East branch in the Bissell drift has maintained a direction of Nor. 4 degree West, rather than coming around to a strike of Nor. 10 degrees East as expected. (Two) The influx of water has been chiefly through what is a shattered condition of what is the footwall side of the drift, with a lesser flow of water from the hanging wall side of the drift fissure.

Mapping of the work indicated a steady divergence from the previously projected position of the fissure and position the Diltz vein should occupy.

Reviewing the foregoing we concluded the Diltz vein lay further West in the footwall side of the Bissell drift. We advised Mr. Stager, and commenced a gradual turn from the drift, and then crosscut ahead Westerly.

At thirty five feet from the footwall side of the Bissell drift, we cut the Diltz vein fissure, striking Nor. ~~degrees~~ 8 degrees east, dipping 40 degrees east, showing some flattening of dip. Showing in the face is the Diltz meta-andesite dike etc, 18" in width. This dike has always been present in the vein and ore shoots of the Diltz vein, and does NOT occur away from the fissure and vein.

We have turned to follow the fissure to the southwest. We would expect to find ore under area above on the vein where we had and have ore, when the greenstone footwall turns in from the West, and assumes a southwesterly direction corresponding to the Diltz Fissure.

Fulham & Grant
By Allen F. Grant

RECEIVED
OCT 4 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Diltz Mine

P.O. Box 614

Mariposa, Calif.
Sept 7th, 1968

OFFICIAL COPY
95338
O. M. E.
RECEIVED
SEP 11 1968
INITIALS CODE

Mr. H. K. Stager
Field Officer Reg. 11-OME
345 Middlefield Road,
Menlo Park, Calif.

Re. OME 6638 Gold

Dear Mr. Stager:-

The Bissell Or (Glick) drift is following a fissure or vein of the Diltz vein system. There are two veins of similar characteristics diverging at an angle of approximately 14 degrees as the drift advances. The intersection of the two veins should be at a point approximately 150 feet in from the portal of the drift. At about this area the fissure shows apparent branching to the East giving the appearance of the expected intersection. The average strike of the Diltz vein in the previously developed and mined areas above, is North ten degrees east. The first three hundred feet of the Glick drift shows a general strike of north five degrees east, or five degrees from the normal strike of the Diltz vein. This direction is nine degrees from the strike of the Ellis vein which is North-four degrees west.

From 300 feet to 430 feet, the old Bissell face of the drift, follows an average course of north and south, and we continued on this course to 480 feet. It was reasonable to believe this strike would change gradually to North 10 east as the Diltz vein as we approached the area under the previously explored vein above, on the levels of the Ellis tunnel. However, the last fifty feet of work shows a positive change to north 4 degrees west, the strike of the Ellis vein, and further the footwall of this vein, by its shattered condition shows positively the present drift is following the Ellis branch of the Diltz vein system.

Therefore the Diltz vein previously explored above at the Ellis level, is to the West of our drift.. A crosscut from a point near the present face will reach the Diltz vein at the point the ore is expected to form in the Diltz vein in the manner it did above, and drifting south can proceed as previously planned.

The continuation of the present drift on the Ellis vein will serve to complete the exploration of the Ellis vein as the second part of future plan.

We hope we will see you up here soon, and thank you for your co-operation.

Very truly yours,

Fulham & Grant

Allen F. Grant

RECEIVED
SEP 9 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Docket No. OMF 6638
Contract No. Contract NO. 2257

OPERATOR'S MONTHLY VOUCHER

For Month of AUGUST 1968

Contract Amount $ 12,000.00
Gov't. Participation x 75 $9,000.00
Mineral(s) GOLD

Operator's Name John P. Fulhem & Allen F. Grant
Address P.O. Box 614 Mariposa, Calif. 95338

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						
Drifting	$2,115.	$2,475.00	$4,590.00			
Crosscutting						
Drilling						
(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	$2,115.	$2,475.00	$4,590.00			

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

Date August 3rd/68 Payee Fulhem & Grant

Per A. F. Grant Title Partner

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

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:

14X0804

$ 1,586.25

Signature [illegible]
(Authorized Certifying Officer)

Date SEP 19 1968 Vou. No. 91615

(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. 2357

Signature HR Flagg Title Field Officer Date SEP 4 1968

Approved by: OME, Region II

Signature HR Flagg Title Field Officer Date SEP 4 1968

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 Field 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 Field 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

HK 9/9/68

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of AUGUST 1968

Docket No. 6638

Operator's Name John P. Fulham & Allen F. Grant

Contract No. 2257

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	Feet	47	102	$4590.00	47	102	$4,590.00
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				$4590.00			$4,590.00

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 August 3rd, 1968 Operator Fulham & Grant

Per A. F. Grant Title Partner

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 H K Hagen

Title Field Officer OME Region II
Government Representative

Date SEP 4 1968

(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.

OPERATOR'S NARRATIVE REPORT. For month of August 1968. Docket NO. OME6638

August 3rd, 1968 Contract No. 2357

Progress to date has been satisfactory.

Very little difference in appearance of quartz vein on hanging wall, tho' continuous. It varies two to four inches. A little values show occasionally. Ran the last forty feet in the crushed foot-wall to avoid slabbing of hanging wall, and excess water in the fissure. Water steady and increaseing.

Face expected to be seen entering into the expected ore area.

Fulham & Grant

By A. F. Grant Partner

RECEIVED

SEP 4 1968

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME FORM 60
SEPT. 1959

OFFICIAL COPY O. M. E. CREDITED AUG 14 1968 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 6638
Contract No. 2257
14-23-090-
Contract Amount $ 12,000.00
Gov't. Participation % 75 $ 9,000.00
Mineral(s) GOLD

OPERATOR'S MONTHLY VOUCHER For Month of July 1968

Operator's Name John P. Fulham & Allen F. Grant
Address P.O. Box 614 Mariposa, Calif. 95338

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	$1800-	$675.00	$2475.00			
Drifting						
Crosscutting						
Drilling						
(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	$1800.00	$675-	$2475.00			

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

Date August 2, 1968 Payee Fulham & Grant

Per A. F. Grant Jr. Title Partner

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

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.)

(INSTRUCTION ON REVERSE)

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

14X0804

$ 1,350.00

Signature [illegible]
(Authorized Certifying Officer)

Date AUG 12 1968 Voucher No. 20918

(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. 2257

Signature H B Stager Title Field Officer Date AUG 5 1968

Approved by OME Executive Officer or Alternate: OME Region II

Signature H B Stager Title Field Officer Date AUG 5 1968

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.

8/7/68/RMS

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of July 1968

Docket No. 6638

Operator's Name John P. Fulham & Allen F. Grant

Contract No. 2257

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	Feet	40	55	$2475.00	40	55	$2,475.00
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)				$2475.00			$2,475.00

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 August 2nd 1968 Operator Fulham & Grant

Per A. F. Grant Title Partner

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 [illegible]

Title Field Officer, OME Region II
Government Representative

Date AUG 5 1968

(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

August 2nd/68

OPERATOR'S NARRATIVE REPORT For month of July 1968 Dockett No. OME 6638

Contract No. 2257

Installed 315 Cubic foot air compressor July 15th/68, and now have ample air for the operation.

Since July 15th have advanced 40 feet. Last twenty feet showed considerable change in in appearance of fissure. The face now shows a definite vein structure with walls five feet apart.

Between the walls the fissure is filled with crushed wall rock, laced with quartz seams. For twenty feet there is a thin vein of quartz, from 1 inch to three inches thick between the vein fill and the hanging wall, showingg some fine mineral pyrite, and a trace of fine gold.

All above appears to us most favorable for the formation of ore as the drift advances.

Fulham & Grant

By A. F. Grant Partner

RECEIVED

AUG 5 1968

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME FORM 60
SEPT. 1959

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 9 1968
INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. [illegible]
Contract No.
14-23-090- [illegible]
Contract Amount $ [illegible]
Gov't. Participation % [illegible] $ [illegible]
Mineral(s) [illegible]

OPERATOR'S MONTHLY VOUCHER

For Month of June 1968

Operator's Name [illegible]
Address

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						
Drifting	[illegible]	$457.00	$675.00			
Crosscutting						
Drilling						
(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	[illegible]	$457.00	$675.00			

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

Date July 3rd 1968 Payee [illegible]

Per [illegible] Title Partner

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

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.)

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

$ 168.75

Signature [illegible]
(Authorized Certifying Officer)

Date 7/18/68 Vou. No. 90375

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. 2257

Signature H K Stager Title Field Officer Date JUL 8 1968

Approved by OME Executive Officer or Alternate: OME Region II

Signature H K Stager Title Field Officer Date JUL 8 1968

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
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of June - 1968 Docket No. [illegible]

Operator's Name [illegible] Contract No. [illegible]

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	[illegible]	[illegible]	[illegible]	[illegible]	5	15	$ 675,00
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				[illegible]			$ 675,00

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 July 30-1968 Operator Fulton & Grant

Per [illegible] Title Partner

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 H R Stager

Title Field Officer, Operations
Government Representative

Date JUL 8 1968

(INSTRUCTIONS ON REVERSE)

OPERATORS EXPLORATIVE REPORT, for month of June 1968. Docket No. OMX 0542

Contract No. 2487

During June continued work on electric power line and wiring, water pump and water system, installed ventilation blower and ventilation duct.

Went to Los Angeles and hauled back crushing machine. Cleaned up machine and made necessary minor repairs and adjustments. Moved crushing machine into drift heading, and rebuilt a larger ore cars to use with crushing machine

Present compressor does not provide enough air, so we are now checking at two larger air compressing units, and will move in one of them next week.

All above work required 22 of 24 days worked, leaving time for one round in drift.

With completion of the previously described work, and with larger compressor, we will be able to drive drift full time.

Signed Allen G. Fox Partner

RECEIVED

JUL - 8 1968

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY

MME FORM 60
SEPT. 1959

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 11 1968
INITIALS | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 0638
Contract No.
14-23-090- 2257
Contract Amount $12,000.00
Gov't. Participation 75% $ 9,000.00
Mineral(s) GOLD

OPERATOR'S MONTHLY VOUCHER

For Month of May 1968

Operator's Name John F. Hilton & Allen F. Grant
Address P. O. Box 614, Hardpan, Calif. ~~95339~~ 95338

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						
Drifting	$450.00	0	$450.00			
Crosscutting						
Drilling						
(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	$450.00	0	$450.00			

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

Date June 1, 1968* Payee Hilton & Grant

By Allen F. Grant Title Partner

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

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:

14X0804

$ 337.50

Signature [illegible]
(Authorized Certifying Officer)

Date JUN 11 1968 Vou. No. 87419

(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. 2257

Signature [illegible] Title FIELD OFFICER Date JUN 4 1968

Approved by OME Executive Officer or Alternate: OME REGION II

Signature [illegible] Title FIELD OFFICER Date JUN 4 1968

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.

6/7/68/RMS

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OPERATOR'S PROGRESS REPORT

For Month of May 1968.

Docket No. OMM0638 8257

Operator's Name John D. Fulhan & Allen F. Grant

Contract No. [illegible]

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	Feet	10	10	$450.00	10	10	$450.00
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
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)*				$450.00			$450.00

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 June 1st, 1968 Operator Fulhan & Grant

Per Allen F. Grant Title Partner

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 H. K. Stagner

Title Field Officer, OMR Region II
Government Representative

Date JUN 4 1968

(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.

JUN 10 9 55 AM '68
8547999

OPERATORS NARRATIVE REPORT. For Month of May 1968. Docket No. ONE 6023

Operator's Name. John P. Fulham & Allen F. Grant. CONTRACT No. 2257

During Month of May we have continued work necessary to drifting contract at Dilts Mine. We purchased 700 feet of ten inch ventilation pipe line and hauled here. Have cleared 1/4 mile of brush and trees for electric power line to tunnel area for ventilation blower motor and for a Water Water supply pump, and lighting in drift, etc.

We erected service pole, and added necessary hardware and switch to which Pacific Gas & Electric Co. is now connected.

Advanced drift ten feet during May. No significant change in face of drift.

Signed Allen F. Grant, Partner

RECEIVED
JUN 4 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

IN REPLY REFER TO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

May 10, 1968

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract No. 2257

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 13 1968
INITIALS | CODE
130
120
110
120S

Interim Inspection

An interim inspection of the subject project was made on May 9, 1968 accompanied by Mr. J. P. Fulham and Mr. A. F. Grant, the Operators.

Work on the project was started on May 1, 1968, and the 2,000 feet of mine access road, from the county road, has been cleared, widened, and graded. The Operators are now cleaning up the Glick Adit, replacing ventilation, air, and water lines; repairing track on the mine dump, repairing and connecting the compressor; and preparing to install an electric power line to the adit. Driving of the drift under the OME contract is expected to start about May 13, 1968.

I mapped the Glick Adit drift (430 feet in length) and placed a survey point, at 400 feet, from which to measure the new work.

H. K. Stager

DILTZ MINES; FULHAM & GRANT
P.O. Boxes 614-627
Phone W.O. 62362

Mariposa, Calif.
95338

May 4th, 1968.

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 10 1968

INITIALS	CODE
	130
GPL	120
	110
RMS	120

H. K Stager-Field Officer
Office of Mineral Exploration, Region ~~XXX~~.II
Menlo Park, 345 Middlefield Road
California.

Re: OME 6638
John P. Fulham and Allen F. Grant
Diltz Mine, Mariposa County, Calif.

Dear SIr:-

This letter is to advise you we are proceeding with work on the Diltz Mine North drift extension. I have quit the payroll of the Schroeder Mine as of May 1st and am now devoting full time to the Diltz Mine project.

Since May 1st we have regraded the road to the Glick drift and are now engaged in getting to-gether the necessary meterials and preparing to begin driving the drift extension on in. We also made application to the P.G.&E Co. for single phase service for lights etc., at the portal, and on in the drift. They will ~~skall~~ install service at road above tunnel, and we will put in line on down for 1600 feet which will provide power for pump for domestic water at spring, and power for lights and ventilation blower.

This work together with hauling in pipe, rails, etc., will mean several weeks dead work, however we plan to drill the first round by the end of coming week, and set witness spad pin twenty feet back from present face of drift for purpose of future measurement. Air and water pipe are now close to face ready to drill.

In order to get outside work done and get tunnel going at same time, will alternate work, and we do not expect to make too much footage during rest of May, but from then on advance would proceed at a normal rate. Hope above outline meets with your approval.

If you have any questions or need additional information, please advise.

Respectfully

Grant & Fulham

By Allen F. Grant

John P. Fulham

RECEIVED
MAY 7 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

March 18, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 20 1968

INITIALS	CODE
CAC	210
	130
JGa	120 M
	110
BMS	120 S

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California
Contract No. 2257

Enclosed are the original and one copy of the subject contract executed by the Operators on March 15, 1968. The remaining copies have been distributed in the usual manner.

H. K. Stager

H. K. Stager

Enclosures-2

Mariposa - Calif.
March 15 - 1968

O.M.E. Attention Mr. Stacey:-
345 - Middlefield Road - Re O.M.E. 6638 Lea
Menlo Park, Calif.

Gentlemen:-

Contract documents received. We are pleased with all courtesy.

We wish to thank you for your interest & judgment, and will no doubt be able to get going well within period. Will advise when starting, & dreel start point @ face.

Yours very truly,
Fulham & Grant
By Allen F. Grant

RECEIVED
MAR 18 1968
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

March 12, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
MAR 14 1968
INITIALS | CODE
~~130~~
bof 120
110
Bmb 130

Mr. John P. Fulham and
Mr. Allen F. Grant
Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, Calif.

Gentlemen:

Enclosed are the original and three copies of a proposed contract for the subject property. The contract consists of MME Form 51 (5 pages), Annex I (1 page), MME Form 52 (Lien and Subordination Agreements), Exhibit A (2 pages), Exhibit B (1 page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government.

If the proposed contract is satisfactory to you all four copies should be signed by you and the Government's copy, Budget and Finance's copy, and Field Office's copy returned to this office. The Operator's copy should be retained for your files.

Please note that the 7½ percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval, the original and all copies should be returned to this office together with the proposed changes for consideration.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures-4

cc: Chief, OME, Washington, D. C.
Director's reading file
ACG reading file
MP reading file
Docket 6638
HKStager:mlb
3-12-68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/5/68	[illegible]	120
"	Kisberno	120
"	Johnson	110
3/6	[illegible]	220
3/6	[illegible]	
	[illegible]	
		110
3/8	[illegible]	120
		120M

AIRMAIL

MAR 8 1968

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California

Enclosed are the original and three copies of a proposed contract for the subject property. The contract consists of MME Form 51 (five pages), Annex I (one page), a Lien and Subordination Agreements, Exhibit A (two pages), Exhibit B (one page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. Also enclosed is an extra copy of the contract for field use.

If the proposed contract is satisfactory to you and the Applicant, all four copies should be signed by both partners. Thereafter, please distribute the copies in the usual manner.

Please advise the Applicant that the 7-1/2 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

FRANK E. JOHNSON

Frank E. Johnson

Enclosures

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Mr. Smith
130

BLong/1 4/5/68

DMEA FORM 6 REFERENCE SLIP
REV. 12-56 DEFENSE MINERALS EXPLO[illegible]ION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Assoc. Sol.--MR, Room 6554 (Through Room 6042)~~		
2. Mr. Smith, Room 4459		
3.		
4.		
5.		
FROM: Chief, OME		

RECEIVED
FEB [illegible] 1968
Division of [illegible] Resources
[illegible]

FOR: Check items for action desired

____ Action ____ Reply for signature of _____
____ Approval ____ Investigate ____ Surname
____ Comment ____ Recommendations ____ Signature
____ Conference ____ Rewrite ____ File
____ Instructions ____ Your information

FROM SOLICITOR
FOR SIGNATURE

REMARKS:

B-68-2145.319

Please return maps

SOLICITOR

FEB 27 1968

INTERIOR DEPT.

INT.-DUP. SEC., WASH., D.C. M25803

20 hrs 126/68

120 RMS

120 HK

110 ~~(on leave)~~

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME-6638	Gold		Mariposa	California

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

John P. Fulham and Allen F. Grant, a partnership

_____,

whose mailing address is **P.O. Box 614, Mariposa, California 95338**, hereinafter called the "Operator," as follows:

ARTICLE I. 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 _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within **12** months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $**12,000**. The Government will contribute ~~50~~ **75** percent of the total fixed unit costs of the work performed, not in excess of $ **9,000** in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of _____ 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 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, 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) 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. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

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

(b) 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.)

(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 unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's 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 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. 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 retain 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 certification 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 6(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 construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. 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 pay on account of units of work not then performed; 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 pay on account of units of work not performed when the notice was given, 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 7 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 11.

ARTICLE 8. 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 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. 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 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, 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, U. S. Geological Survey, 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, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. 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 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 U. S. Geological Survey 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 13. 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 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

JOHN P. FULHAM AND ALLEN F. GRANT
(Operator)

By _____
John P. Fulham, partner

By _____
Allen F. Grant, partner

THE UNITED STATES OF AMERICA

By _____
Director, U. S. Geological Survey
Office of Minerals Exploration

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
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of one patented and two unpatented lode mining claims in sec. 29, T. 4 S., R. 18 E., MDB&M, Sherlock Creek Mining District, Mariposa County, California. It is shown outlined in green on Figure 1 entitled, "Property map of Diltz Mine, Mariposa County, California," attached and made part hereof.

The claims are recorded in the Office of the Mariposa County Recorder at Mariposa, California as follows:

Claim Name	Mineral Entry No.	Lot No.	Volume	Page
Diltz and Mann Lode (Patented)	12	37	0	258 to 263
Pioneer Quartz Claim (Unpatented)			I	5
Recorder Quartz Claim (Unpatented)			U	175

The Operator is in possession of the three claims under the terms of a Lease and Option to Purchase dated June 11, 1962 from Diltz Mines, (a Trust Estate) the owner, by Allen F. Grant and Earl N. Baker, sole trustees.

A Lien and Subordination Agreements dated September 16, 1967 and executed by Allen F. Grant Senior Trustee, John P. Fulham Lessee, and certified by Earl N. Baker Trustee, for the owner of the leased land is attached and made part hereof.

EXPLORATION CONTRACT
JOHN P. FULHAM AND ALLEN F. GRANT
OME-6638

EXHIBIT A

The purpose of the project is to explore the Diltz vein by drifting southward on the Glick adit level for gold-bearing quartz ore bodies in and along the Diltz fault about 150 feet down dip from the Ellis Tunnel workings where quartz ore shoots occur along the fault in metavolcanic rocks of Jurassic (?) age.

General Provisions

Drifts and crosscuts, shall be not less than 5 by 7 feet in cross section and shall be timbered as necessary. Drift sets shall be of not less than 8- by 8-inch timber, or equivalent round timber.

Mine rails shall be not less than 16-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 8-inch diameter.

All significantly mineralized areas traversed by the drift shall be sampled normal to the trends of the deposits ~~at intervals~~ at intervals not exceeding ~~10~~ 5 feet. In addition, a representative bulk sample may be taken of each round broken, but no such sample shall represent more than 5 linear feet of workings.

All samples shall be split as necessary and one split assayed or panned. The Operator shall store one split of each sample in a suitable container properly labeled. Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

All splits of samples assayed shall be analyzed for gold and silver. Samples panned may be analyzed for gold only.

True copies of assay certificates, and maps or sketches showing the work completed, the location, width, and assay value of all samples panned or assayed, the locations where free gold was observed, and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

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

Description of the Work

From the face of the existing Glick adit, drive a drift southerly along the Diltz fault and vein, sample the vein and evaluate the results. It is estimated that 250 feet of drifting will be required to explore the vein, that 50 feet of the drift may require timber support, and that assays of 50 samples may be required. These footages include any auxiliary crosscutting necessary to follow the most favorable segment or strand of the vein. Funds not used for timbering may be applied to additional drifting.

The approximate location of the drift is shown on Figure 2 entitled "Map showing location of proposed exploration, Diltz mine, Mariposa County, California," attached and made part hereof.

Estimated Costs of the Work

Fixed Unit Costs 1/

Drifting and Crosscutting,	
250 feet @ $45.00/foot	$11,250.00
Timbering, 50 feet @ $10.00/foot	500.00
Assaying for gold and silver,	
50 samples @ $5.00/sample	250.00
Total Estimated Cost of Project.....	$12,000.00
Government Participation @ 75%	$ 9,000.00

1/ The Government retains no equity in any of the equipment or materials used.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

February 5, 1968

FEB 8 1968

INITIALS	CODE
	130
bsl	120
~~Sgh~~	~~10~~
	130 S

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Dilta Mine
Mariposa County, California

Enclosed is an Application Report on the subject property recommending that a contract be granted consisting of 250 feet of drifting at an estimated cost of $12,000.00, of which the Government's share would be $9,000.00.

Also enclosed, for your use if a contract is granted, are five extra copies each of Figures 2 and 3.

H. K. Stager

H. K. Stager

Enclosures

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

Report of Exam.

APPLICATION REPORT

OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Maripose County, California

By

H. K. Stager
Field Officer
OME, Region II

February 5, 1968

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ILLUSTRATIONS

Figure 1. Index map of Mariposa County, California.

Figure 2. Property map of Diltz Mine.

Figure 3. Map showing location of proposed exploration.

INTRODUCTION

The partnership of John P. Fulham and Allen F. Grant, P.O. Box 614, Mariposa, California 95338, applied to the Office of Minerals Exploration for Government assistance in an exploration project, Docket OME-6638, to explore for gold at the Diltz Mine, Mariposa County, California. The applicant infers the presence of minable gold ore shoots in a quartz vein
vein-dike?
that intrudes volcanic rocks on the property and wishes to explore for these ore shoots by extending a drift adit about 250 feet.

A field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer, on November 8, 1967, accompanied by the applicants. The applicant's maps, reports, and other data were examined and compared with exposures on the property. All of the mine workings, except for the short Glick crosscut and drift, were caved or flooded and inaccessible, thus preventing examination and sampling of the mineralized material in place.

SUMMARY

The Diltz Mine has yielded an estimated $1,000,000 in gold ore, and although it is not now possible to examine the old underground workings because of caving and flooding, it appears reasonable to infer that minable gold-bearing ore shoots exist in the area of the vein to be explored by the proposed project. The applicant's estimate of the costs required to accomplish the proposed work are reasonable. The proposed program consists of the extension of the Glick adit drift for 250 feet. The project site is accessible and facilities for accomplishing the work are available. The applicants are competent to undertake the work and the project will probably require about 3 months to complete.

RECOMMENDATIONS

It is recommended that the Government enter into a contract with John P. Fulham and Allen F. Grant to provide 75 percent of the costs of the proposed program to explore the Diltz Mine. The program will require 3 months to complete and the Government's share of the estimated total cost of $12,000.00 would be $9,000.00. To facilitate administration of the contract, the work should be based on fixed unit costs rather than actual costs.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Diltz Mine is in sec. 29, T. 4 S., R. 18 E., MDBM, Sherlock Creek mining district, Mariposa County, Calif. (Fig. 1), on the northeast flank of Bullion Mountain, at an altitude of about 2,600 feet.

To reach the property, that is about 6 miles north of Mariposa (the closest town), drive about 5 miles northeast on California Highway 140 to Summit Inn, turn left (west) on a paved county road and drive about 5 miles, then right on a graded dirt road to the Diltz Mine. The road is passable to ordinary passenger cars and the drive from Mariposa requires about 30 minutes.

Mail, telephone, and trucking services are available in Mariposa, as are labor, most mining equipment, materials, and supplies. Ample water is available from springs and flooded mine workings on the property. Timber is available from nearby sawmills. Assay service, at a cost of $4-$5 per sample for gold and silver, is available in Mariposa. The applicants state that labor is available locally for $2.50 to $3.00 per hour.

PROPERTY

History and Production

A summary of the history and estimated production for the Diltz Mine is contained in the application. The mine was discovered in the 1860's and was operated by Capt. John S. Diltz until his death in 1895. The property passed through numerous ownerships until 1931, when it was acquired by the present owners. A 10-stamp mill was built in 1927 and later enlarged to 15 stamps.

The total estimated value of production is about $1,000,000. From 1924 through 1954 the mine produced 81,657 tons of ore that yielded a total of 21,135 ounces of gold and 3,395 ounces of silver. No record exists of the production by Capt. Diltz, the specimen gold that was sold elsewhere than the mint, or the large quantities of gold stolen by highgraders. The mine and mill have been largely idle since 1952.

Ownership

The property consists of 2 patented claims and 6 unpatented claims. Only 1 patented and 2 unpatented claims are to be included in the proposed project. These claims are shown on Figure 2 and are described as follows:

Claim Name	Lot No.	Volume	Page
Diltz and Mann Lode (Mineral Entry No. 12)	37	0	258 to 263
Pioneer Quartz Claim		1	5
Recorder Quartz Claim		U	175

These claims are recorded in the Mariposa County records at Mariposa, California. Work proposed is confined to the Recorder and Pioneer Claims (Fig. 3).

Financial Eligibility

The applicants furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters from the banks denying the loans. The applicants propose to furnish their share of the exploration costs by furnishing labor and the use of equipment owned by them.

Development

The Diltz Mine is developed by a main adit (now inaccessible) with a 625-foot inclined winze that served six levels aggregating 4,700 feet of drifts. In addition there are several short adits and shallow shafts along the vein but all are now inaccessible because of caving and flooding. The Glick adit, on the Recorder claim at the north end of the property, is the only accessible working. This crosscut and drift adit, driven by a Mr. Glick in 1965, is about 400 feet in length (Fig. 3) and is the site of the proposed exploration.

Surface development consists of a dilapidated mill containing 15 (1250-pound) stamps, screens, amalgamation plates, drag classifier, and dewatering cones. Water for the mill was obtained from the mine that made about 30,000 gallons per day when in operation. The mill has been idle since about 1952. Other surface facilities consist of several cabins, houses, and sheds in various states of disrepair.

GEOLOGY

Geologic Setting

The Diltz Mine is in an area of moderate relief and the surface is almost completely covered with alluvium and slope wash. Vegetation is dense in the mine area and there are few visible outcrops. Because of caving and flooding, the underground workings of the mine are largely inaccessible.

Rocks exposed in the mine area are chiefly pyroxene andesite greenstones of probable Jurassic age. These metavolcanic rocks form a north-trending belt about 4 miles in width between metasedimentary rocks of the Calaveras Formation of Carboniferous age on the east and sedimentary rocks of the Mariposa Formation of Jurassic age on the west. Both intrusive and extrusive, as well as pyroclastic, rocks are present. viz ?

Faults, that strike about north and dip moderately to steeply east, cut the metavolcanic rocks in the mine area and locally contain quartz veins and veinlets. It is within these quartz veins that the gold ore shoots occur.

Ore Deposits

The gold deposit at the Diltz Mine consists of gold-bearing ore shoots in quartz veins and veinlets intruding faults that strike N. 3° W. to N. 10° E. and dip 30°-45° E. The principal fault is known as the Diltz fault and has yielded the major part of the gold ore produced from the mine. Gold-bearing quartz ore shoots ranging from a few inches to 20 feet in thickness occur along the fault and averaged about 2½ feet where mined in the old workings. These shoots rake north about 45°, average about

350 feet in length, and have been mined along a strike length of more than 1,000 feet and down dip about 700 feet. The principal ore mineral is native gold, but gold- and silver-bearing arsenopyrite, pyrite, chalcopyrite, tetrahedrite, and galena are also reported. Large masses of specimen gold are common and several masses weighing from 240 to 620 ounces have been recovered. Gangue minerals, in addition to quartz, are calcite and oxides of iron and manganese.

The Glick adit drift has been driven southward on the Diltz fault (Fig. 3) but has not encountered quartz or gold mineralization to the present face. The rake of the ore shoots, mined in the old northern part of the Diltz vein, project to a point just ahead of the drift face and should be intersected within the next 100 feet.

East of the Diltz fault and vein is a second mineralized fault zone known as the Busch (or Pioneer) vein. This fault strikes about N. 3° W. and dips about 30° E. It has yielded pockets of high-grade gold ore similar to those found in the Diltz vein but has not been mined or developed as extensively. The Busch fault converges with the Diltz fault and the two intersect in the Glick adit about 100 feet from the portal. There is no quartz mineralization exposed at the intersection and it appears that the Busch fault is cut off by the Diltz fault. Known ore shoots on the Busch vein are south of the present face of the Glick adit drift and about 80 feet to the east in the hanging wall. Exploration of the Busch vein by crosscutting and drifting is planned by the applicants after completion of the proposed OME extension on the Diltz structure.

Sampling

There were no samples taken during the field examination. Except for the Glick adit, all underground workings are inaccessible because of caving or flooding. There are no surface exposures of the veins accessible for sampling. There are no exposures of mineralized material along the Diltz fault in the Glick adit.

Ore Reserves

The applicants estimate about 400 tons of ore, with an average grade of about 1 ounce of gold per ton, is indicated between the Ellis tunnel level and the lower winze drift. Inferred reserves are 3,500 tons of ore of the same average grade in the block of ground above the proposed Glick adit drift extension and the lower winze drift. These reserve estimates are considered conservative for the area to be explored. If the tonnage and grade of the Diltz vein ore shoots are consistent, down dip to the Glick adit level, the reserves could easily be double the quantities estimated.

700

7500
12500
12,500
6125

6125

EXPLORATION

Applicant's Proposal

The applicants propose to explore the Diltz fault zone by extending the Glick adit drift an additional 250 feet along the fault. This proposed drift will explore the Diltz vein about 150 feet below the lowest level in the old north workings and should discover minable ore shoots in this favorable area.

Additional drifting on the Diltz vein will probably be warranted, if gold-bearing ore shoots are discovered by the proposed exploration, as well as a crosscut to and drifting along the nearby Busch or Pioneer vein. Exploration of these targets is planned by the applicants as soon as their financial circumstances permit, but they do not wish to commit themselves to the additional work under the present proposed contract.

Examiner's Proposal

I agree with the applicant's proposal to drive the Glick adit an additional 250 feet. Provision should be made in the contract, if granted, to sample the vein at intervals not to exceed 10 feet.

Proposed Exploration Costs

The applicants have supplied detailed cost estimates for the proposed work and these costs are reasonable for the mine area. If the probable salvage value of the rail, pipe, and vent tubing is taken into consideration, the estimate of $47.74 per foot for drifting is reduced to about $45 per foot. Little, if any, timbering is anticipated but if necessary it should not exceed a cost of about $10 per foot. A total of 50 feet of timbering is provided for in the cost estimate and if unused the funds could be utilized to good advantage in additional drifting. It is estimated that an average of 1 sample for each 5 feet of drift will be required and will be assayed for gold and silver at a cost of $5 per sample.

Cost Estimate

Fixed Unit Costs

Drifting and crosscutting, 5' x 7', 250 feet at $45/ft	$ 11,250.00
Timbering, 50 feet at $10/ft	500.00
Assaying, 50 samples for gold and silver, at $5/sample	250.00
	$ 12,000.00
Total estimated cost of project	$ 12,000.00
Government participation at 75 percent	9,000.00

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6638
(Gold)

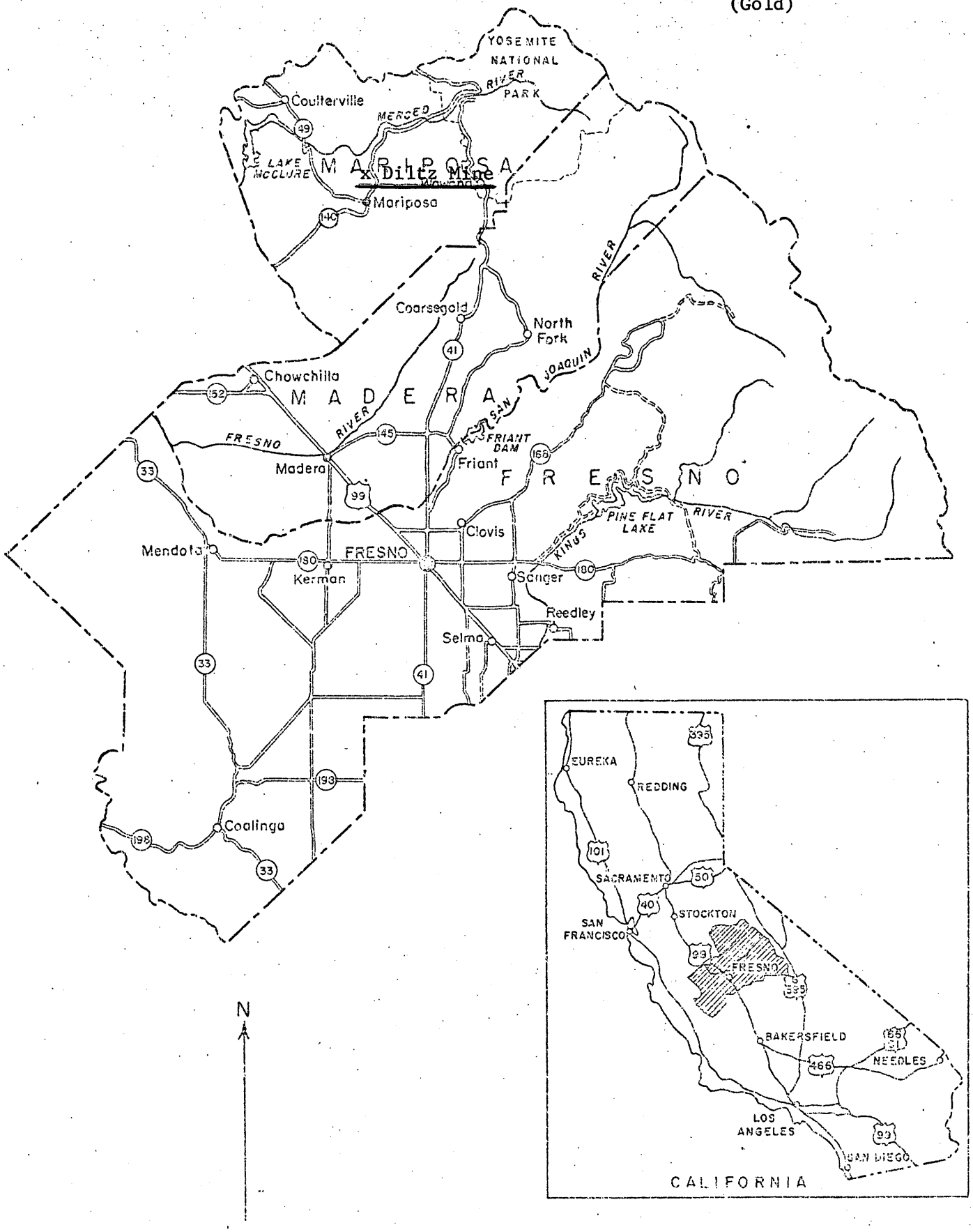

Figure 1. INDEX MAP OF FRESNO, MADERA, AND MARIPOSA COUNTIES, CALIFORNIA

0 20 40 60 Miles

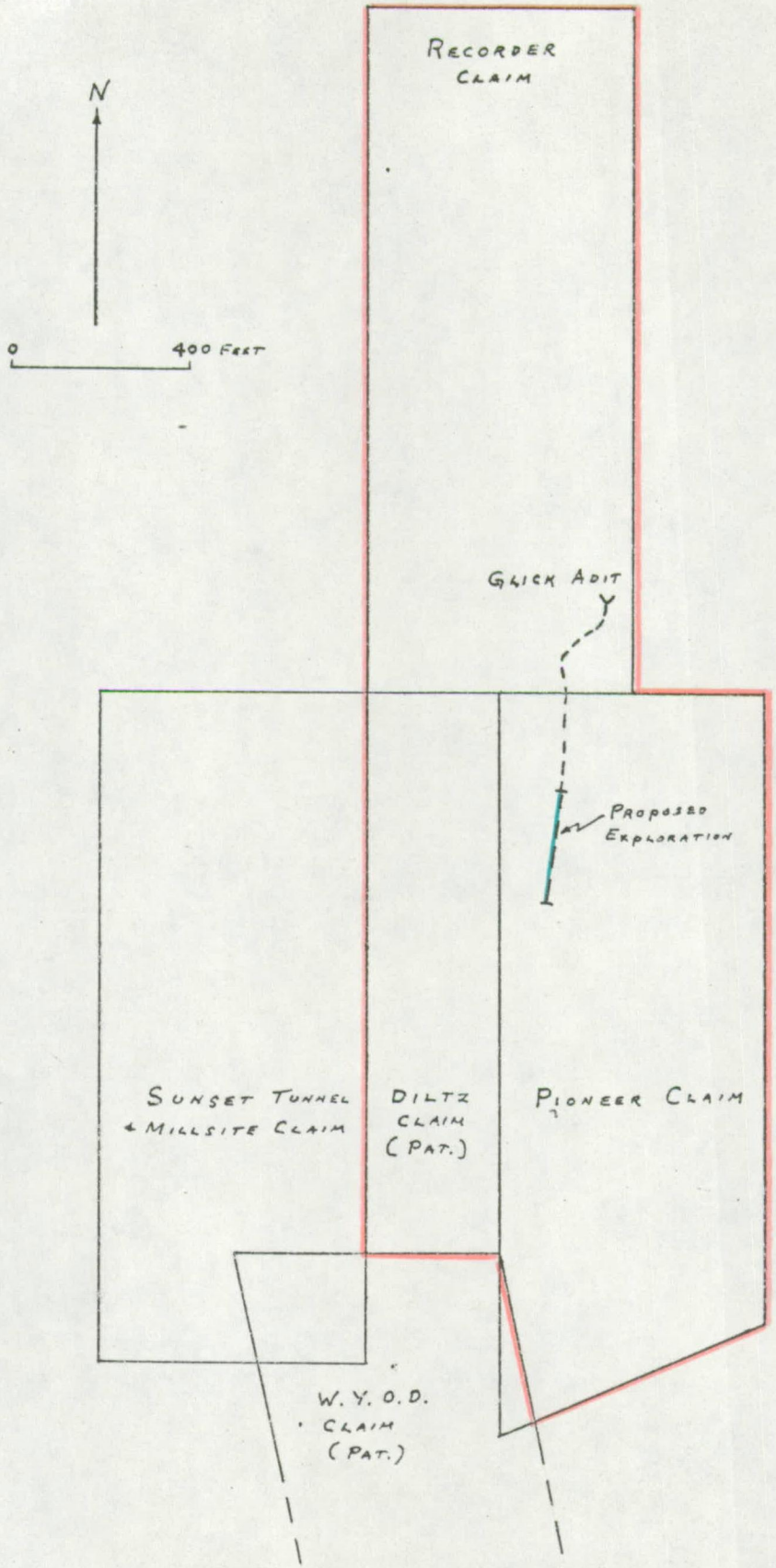

Figure 2.--Property map of Diltz Mine, Mariposa County, California.

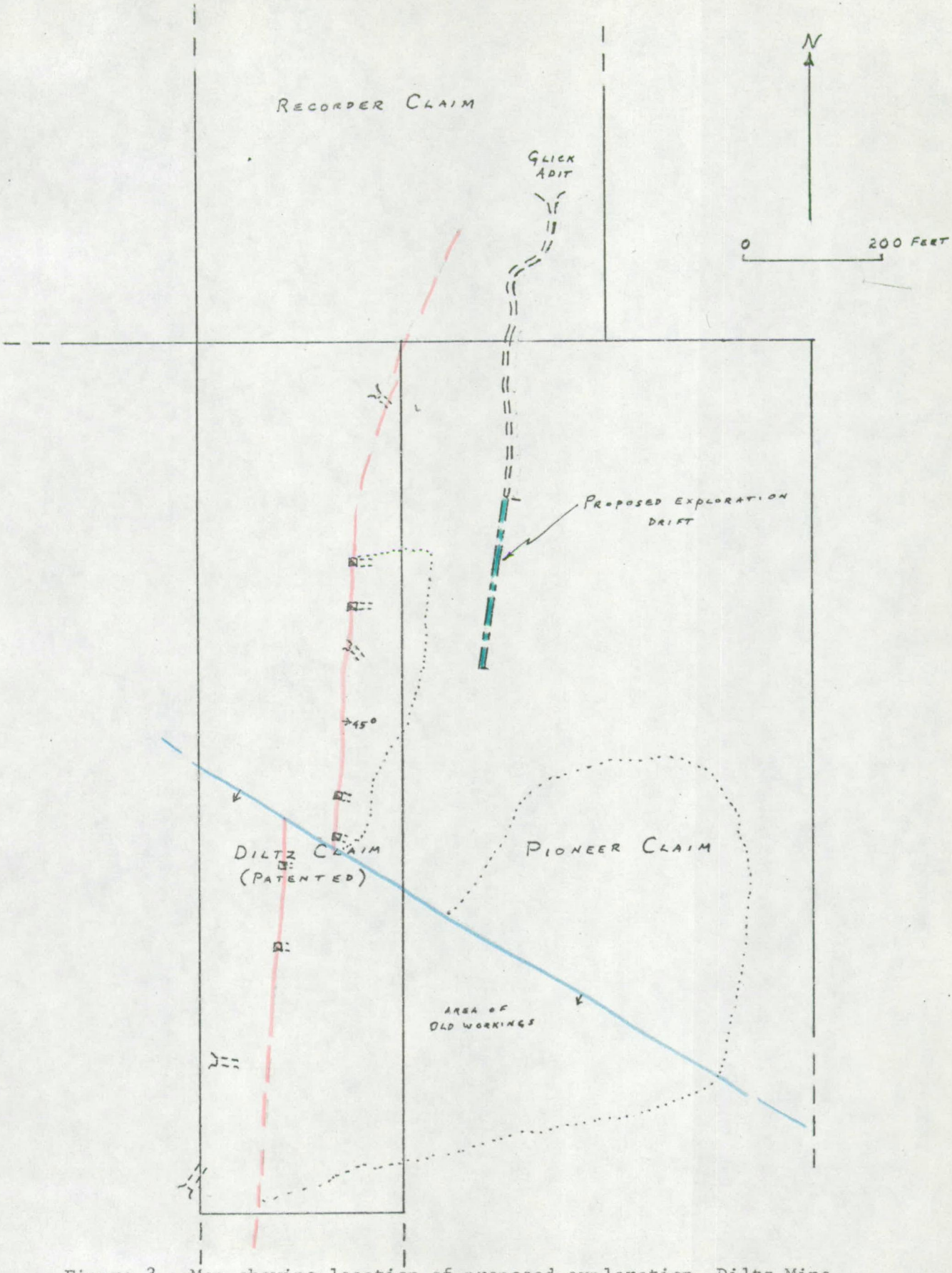

Figure 3.--Map showing location of proposed exploration, Diltz Mine, Mariposa County, California.

OME-6638

P.O. Box 614
Phone W.O. 6-2362

Mariposa, Calif.
Oct. 10th 1967

Office of Mineral Exploration
Bldg 3-345 Middlefield Rd.,
Menlo Park - 94025 - Calif.

Dear Sirs:- Att. Harold K. Stoper:-
Re O.M.E. 6638 Gold

Recd from Washington Office letter stating referral of our application to your office, saying you would notify us if additional information required. If you had also tho't of coming up this week, could you postpone till next week as writer stepped on round stone going down a steep trail, & presto, an ugly slip & pulled muscle. It will be OK by end of week. Kindly yours, Sincerely for Fulham & Grant Allen F. Grant

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 13 1967

INITIALS	CODE
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	120
	140
RMA	130

RECEIVED
OCT 13 1967
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME Form 7
(2/63)

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Date	Surname	Code
10/4	RM Smith	120S
10/5/67	Nishemo	120
		110
		220
10/6	BH	120M

OCT 5 1967

INTERIOR DEPT.
FEB 27 1968
SOLICITOR

AIRMAIL

Mr. John P. Fulham and
Mr. Allen F. Grant
P.O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California

Gentlemen:

Thank you for your letter of Sept. ____, 1967 transmitting two copies of a satisfactory Lien and Subordination Agreements, and indicating that you plan to furnish your share of the exploration costs with labor, equipment, and cash.

On September 12, 1967 the Government increased OME participation in exploration for gold to 75 percent of the project costs. This increase together with your assurance satisfactorily answers our question of July 7 relating to your share of the costs.

The Application has now been referred to Mr. H. K. Stager, Field Officer, Region II, U.S. Geological Survey, Office of Minerals Exploration, 345 Middlefield Road, Menlo Park, California, 94025.

The Regional Office will notify you if additional information is needed.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Econominc Geology File
~~OME~~ Docket
OME Reading File
Mr. Smith
~~130~~ OME 8-22

RSmith/bsl 10/4/67

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MME Form 7
(2/63)

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Date	Surname	Code
10/4	RM Smith	120S
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OCT 5 1967

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California

The application is referred to Region II for review, a field examination if you consider it necessary, and recommendations. A copy of the Applicant's letter of Sept. __, 1967 is enclosed.

This mine was famous during the 1930's as a source of high grade pockets with barren quartz in between, a situation which almost defines each round as exploration rather than development.

The Applicant wishes "to extend the Glick crosscut and drift on the Diltz fissure ...", and eventually "... crosscut from the Glick drift level ... to the Busch or Pioneer vein ...".

The crosscut is not included in the proposed OME project, but we wonder if it should be included to improve the probability of a significant discovery.

The Applicant's map is not entirely legible and may not be especially accurate, but it appears that if the ore occurs in shoots the proposed drift is not long enough to explore the Diltz north ore shoot. It also appears that the proposed drift on the Diltz vein is opposite an ore shoot on the Busch vein (Ellis Tunnel), and that the existing Glick adit should have cut the Busch vein. Perhaps more drifting is warranted than has been proposed.

The Applicant's cost estimate is realistic. His suggestion of Sept. , 1967 to eliminate the rental charge of 82¢ per foot for equipment indicates that we have not clarified our regulations on depreciation and salvage. Some of the "rented" items can be allowed at full cost, others at 1/60 of their value, and the remainder at 50 percent of their value.

Enclosures

cc: Director's Reading File
Division File
Econ. Geology File
OME Docket
OME Reading File
Mr. Smith
130

FRANK E. JOHNSON

Frank E. Johnson

RSmith/bsl 10/4/67

23263

P.O. Box 614-Diltz Mines-Phone W.O.-62362

Mariposa, Calif.
Sept. 1967

Dept. of the Interior-Geologocal Survey,
Office of Mineral Explorations,
Wahington, D. C. Att. Chief-Frank E. Johnson

Re. OME 6638-(Gold)

Dear Sirs:-

Referring to our letter to you dated Sept. 4th, 1967, we received word of the death of one of our former trustees, Henry Fowler, one of the original Trustees, who resigned in 1939, due to illness, and who although retaining his interest in the property, and certificate of interest, has lived at sea level at Betteravia, Calif., and in and out of hospitals, and finally a rest home, where he died. This situation set the writer back a few days in getting on with the information sent you Sept. 4th inst.

Now in reply to your request of July 7th, inst., for additional documents and information regarding our application for OME loan we now submit the following:-

As you request in the second paragraph of your letter, July 7th inst., we inclose signed and notarized authorization of Lien and Subordination agreements by Earl N. Baker, the only other active Trustee of Diltz Mines-A Trust Estate, other than Allen F. Grant, who lives on the mine property, and has active charge and manages properties.

The total number of trustees,(original), at the formation of the Trust Estate in August-1933, was five. Arnest Roblin, deceased, Earl R. Baker, deceased, Jas. George, deceased, and Henry C. Fowler, now recently deceased, as referred to in paragraph one in this letter. Mr. Earl N. Baker, son of Earl R. Baker was appointed a trustee upon the death of Mr. Roblin in 1951. At present, Allen F. Grant and Earl N. Baker, under the terms of the Trust Estate Charter under the Laws of the State of California tend to any and all legal business of the Estate.

In regard to our share of costs which you refer to in paragraphs three and four of your letter of July 7th inst., we wish to submit as follows:- You state the values of materials already installed is not allowable in establishing rental allowance in costs, we therefore submit that these, and total of rental charge of 82¢ per foot be eliminated from computation of total cost per foot unit.-Exhibit-B,-Page 2,- Paragraph-1.

In regard to our share of all other costs:- In order to establish a reasonable unit cost per foot for the proposed exploratory drift, prevailing wages rates, insurance costs, and benefit taxes to employees, material and supply costs are as set forth on submitted costs per unit foot, as previously submitted to you..However, in accordance with your hand-book on Exploratory Assistance, Page 13, Question No. 39, it is stated the work may be performed by the operators or their employees. Our share of the actual labor in performance of the work will not be less than 50% of the total labor, and more if that were physically possible. Mr. Grant as supervisor and of maintainance and machinery operation, etc., outside also, and John P. Fulham as miner and mucker, etc.

Paragraph four of your letter of July 7th, inst., describes method of government payment of monthly payment of unit foot work

performed and reported each month. and requestingstatement from us as to how we will finance the work ,during the initial two or three months after commencing operation.:-We will pay all costs to cover the initial two or three month period, before payments from exploration loan begin to come in.

We feel the foregoing should satisfy for your requested information. By performing most or all of the work ourselves, the time to complete exploration would be somewhat longer than with more hired help. The contract should provide a time limit of at least one year from start, although we would expect to complete the exploration within six months, weather conditions permitting.

Re our letter of application for Exploration Assistance, and MME Form 40, showing a partnership, Fulham & Grant, please add under Allen F. Grant, A trustee of Diltz Mines, A Trust Estate, which will show a collaboration between the Trust Estate and the lessee, John P. Fulham.

We now hope we have passed near to muster, when you receive the papers requested, and further information.

Very Truly yours,

Fulham & Grant,

By Allen F. Grant

John P. Fulham

DILTZ MINES.

P.O. Box 614-Phone W.O.62362.

95338

Mariposa, Calif.
Sept. 4th, 1967.

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 7 1967

INITIALS	CODE
glay	20
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HK	120
RWJ	120S

Dept. of Interior-Geological Survey:
Office of Minerals Exploration.
Attention Chief- Frank E Johnson.
Re. OME-6638 (Gold)

Dear Sirs:-In reply to your letter mailed air to us August ~~29th~~, 1967, we have been and are preparing the information and documents you requested in your letter of July 7th, 1967, and will forward same within a few days in order that you may continue the processing of our application.

The delay was occasioned by the absence of Earl N. Baker, who is my associate Trustee of the Diltz Mines, A Trust Estate, patterned after what is known as a Massachusetts Trust. Mr. Baker was on an extended trip up the north coast. I finally succeded in contacting him at his home in the East Bay area, last weekend. I contacted him by phone, and explained to him the problem, he agreed to approve and sign lein agreements, as soon as he received documents. He will return them immediately to us here, then we can mail you the completed information, in addition to the liens, which should be by the end of this week or first of next week. Documents were sent out to Mr. Baker Wednesday of last week.

Sincerely,

Allen F. Grant Allen F. Grant

For Grant & Fulham

Copy sent to OME R-II 9/7/67

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/29/67	G M Smith	120
		110
9/29	CAC	220
		120M

AIRMAIL

Mr. John P. Fulham and
Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (Gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California

Gentlemen:

On July 7, 1967, we wrote you outlining certain information which is necessary to continue the processing of your application. To date, we have not had a reply to our letter. Will you please inform us of your plans regarding the application. If you have decided not to pursue it further, please advise us.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Econ. Geol. File
OME Docket
OME Reading File
OME Region II
Mr. Smith

GLAult/a 8-29-67

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OME Form 7
(2/63)

OME Docket
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Date	Surname	Code
7/7	RnSmith	1205
7/7/67	Kirkamo	120
		110
7/7	cal	220
	[illegible]	120 m

Airmail

JUL 7 1967

Mr. John P. Fulham and
Mr. Allen F. Grant
P. O. Box 614
Mariposa, California 95338

Re: OME-6638 (gold)
John P. Fulham and Allen F. Grant
Diltz Mine
Mariposa County, California

Gentlemen:

A preliminary review of your application for financial assistance in exploring the referenced property indicates that additional information is needed on your property rights and on how you propose to finance your share of the exploration costs.

Please submit a true copy of a Power of Attorney or other document that authorizes Mr. Grant as Senior Trustee to act on behalf of all the trustees of the Diltz Mines Estate. Alternatively, all the trustees should sign a Lien and Subordination Agreements. Enclosed is a set of OME Form 52 which should be filled out and returned.

You propose to furnish your share of the costs by furnishing materials installed at the present time, all tools and equipment to be used, all supervision (?), and part of the labor. Our experience is that the allowance for these items is not normally enough to cover an operator's share of the costs. The value of materials already installed is not an allowable cost under an OME contract. In this instance, where the exploration is primarily for gold, Government participation would be 50 percent. It appears that $2,000 to $3,000 in cash would be required in addition to your equipment and services.

For your information, the Government pays its share of the costs at the end of each month after a voucher for the costs incurred has been submitted and approved. It usually takes one to three weeks to receive a voucher and another two or three weeks to approve and pay it, so an

23263

operator should have sufficient funds available to pay all costs of the project for the first two or three months. Thereafter, normally, reimbursement is received by an operator at monthly intervals. Under these conditions please explain in detail how you plan to finance your share of the costs.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the further processing of your application until the requested data are received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc:
Director's Reading
Division file
Econ. Geol. Reading
OME Reading
OME Region II
Mr. Smith
OME Docket
Chron
130

RSmith:mch 7/7/67

June 30, 1967

Mr. John P. Fulham and
Mr. Allen F. Grant
Box 614
Mariposa, California 95338

Subject: OME-6638

Gentlemen:

Your application for exploration assistance, dated June 20, 1967, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6638.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region II

1-INCH-40'
ROAD
NE COR. PIONEER 50.0
SE COR. RECORDER
CENTER END PIONEER
PORTAL
ELEV. 2697.0
ELLIS (DOSCH) VEIN
DILTZ FISSURE AND VEIN
START STAGE I
START STAGE II
TRACE AU
N. 40° E
SAMPLE HOLE TRACE AU-AG
ELLIS TUNNEL
ELEV. 2807 water level
SW. COR. PIONEER
CENTER-50.0 END RECORDER
NE COR. DILTZ
ELEV. 2768.0
OLD RECORDER TUNNEL
ELEV. 2688.0 FLAT OLD COMPRESSOR
"RICKARD" 1883
ELEV. 2892.44
YR. 1881 "CEDAR"
YR. 1863
"HUNSAKER"
ELEV. 2911.65
ELEV. 2950.0
ELEV. 2976.0
"EARLY" YRS. 1850 1856
ELEV. 2985.
FAULT-N 39° W
FAULT-N 68° W
YRS. 1879 1880
ELEV. 2965
Water level at original drainage tunnel to mine.
ELEV. 2807.0
N-89° W
FAULT
SW. COR. RECORDER
NW. COR. DILTZ
JOHN P. FULHAM
ALLEN F. GRANT
OME CONTRACT-2267
DOCKET-6638
DILTZ MINE.