DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE C - 997 DMEA NO. 4138

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓Report of Review
Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
✓Contract with all exhibits and annexes
✓Owner's Consent to Lien
Subordination Agreement
✓Leases and assignments of leases
✓Application and attachments
(3) Envelope for maps
✓Agreement of Merger

Right Side

Project summary
Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

Final Field Team Report (Tab)
✓Operator's Final Report
(2R) ✓Interim Reports
(2R) ✓Operator's monthly reports and all attachments (latest on top)
✓On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9779

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

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" 90 110
" 120
VSM 400

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Jesse A. Bingel
c/o Leslie Larson
P. O. Box 482
Silverton, Colorado

pertaining to Exploration Project Contract No. Idm-8997, Docket No. DMEA-4138, for the months of September, 1956 to June, 1957, inclusive, covering a project for the exploration of Tungsten, Lead, Copper on property known as Dora Mine located in San Juan County, Colorado.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Acting Executive Officer, DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$13,585.00
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$13,585.00

The contract calls for a 62½ percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eight thousand, four hundred ninety and 62/100ths Dollars

** $8,490.62 **

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

September 20, 1957

T. H. Brading, Auditor

AGREEMENT OF MERGER

THIS AGREEMENT OF MERGER made and entered into this 6th day of September, 1956, by and between MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation, hereinafter referred to as "MOUNTAIN TOP" or as "MERGING CORPORATION", and GIANT MINES COMPANY OF NEVADA, a Nevada corporation, hereinafter referred to as "GIANT" or "SURVIVING CORPORATION".

RECITALS

A. MOUNTAIN TOP represents that it was incorporated under the laws of the State of Colorado on the 26th day of January, 1956 and is a Corporation duly organized and validly existing under the laws of the State of Colorado, and that it has an authorized capital of 20,000,000 shares of common stock each having a par value of ONE (1¢) CENT of which there are presently issued and outstanding or committed to be issued a total of 10,350,000 shares, and that is the total stock issued and outstanding or committed to be issued.

B. GIANT represents it is a Corporation organized under the laws of the State of Nevada, under date of the 17th day of March, 1921, and is a corporation duly organized and validly existing under the laws of the State of Nevada with a current authorized capital consisting of 1,750,000 shares of common stock of the par value to TEN (10¢) CENTS per share of which, as of this date, there are issued and outstanding a total of 1,187,500 shares and it is understood that GIANT may issue additional shares for value received between the date of this agreement and the stockholders meetings held for the purpose of adopting this agreement.

C. Each of the companies is preparing a financial statement consisting of a balance sheet as of the close of business of September 30, 1956, which each represents will present a true and accurate picture of its financial

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condition as of that date and which will be appended hereto as Exhibits B and C and which are hereby incorporated by reference.

D. Each of the Companies represents that it is the owner of those certain interests in real property set forth in Exhibit A attached hereto which exhibit is hereby incorporated by reference as fully as if herein set forth.

E. The Boards of Directors of GIANT and MOUNTAIN TOP is consideration of the mutual agreements of said corporations set forth herein deem it advisable and generally to the welfare of each of these Corporations and respective stockholders that MOUNTAIN TOP be merged into GIANT under and pursuant to the terms and conditions hereinafter set forth, the copporate existence of GIANT to be continued under and pursuant to the laws of the State of Nevada and to be governed by the laws of the State of Nevada, and the corporate existence of MOUNTAIN TOP to cease under the laws of the State of Colorado and that this be accomplished pursuant to the laws of the States of Colorado and Nevada with reference to the merging of the corporations.

AGREEMENT

Each of the Corporations to this Agreement by and through their respective Board of Directors in consideration of the premises and of the agreements, promises, covenants, terms and conditions herein contained, the receipt and sufficiency of which is hereby acknowledged by each of the corporations, have agreed, and do hereby agree with each other, subject to the adoption of this Agreement of Merger by the respective stockholders of each of the Corporations and subject to the conditions hereinafter set forth, as follows:

1. That MOUNTAIN TOP merge into GIANT, pursuant to the appropriate laws and statutes of the States of Colorado and Nevada, with the Corporate existence of GIANT to be continued under the name of GIANT RESOURCES, INC., and the INC., and that thereafter the individual identity of MOUNTAIN TOP shall cease.

2. The Articles of Incorporation of GIANT upon the effectuation of this merger shall be amended in the following respects:

(a) The wording and information contained under the caption labeled "FIRST" in the Articles of Incorporation of GIANT as they now exist shall be deleted in their entirety and in place thereof the following shall be inserted:

> "The name of this Corporation shall be GIANT RESOURCES, INC."

(b) At the end of the information and wording appearing under the caption labeled "THIRD" in the Articles of Incorporation of GIANT as they now exist the following shall be inserted:

> "In addition to the foregoing enumeration of objects and powers and not in limitaion thereof this Corporation shall be entitled to engage in every type of transaction which is lawful under the laws of the State of Nevada as fully as any natural person."

(c) The information and sording appearing in the first paragraph under the caption labeled, "FOURTH", in the Articles of Incorporation of GIANT as they now exist shall be deleted in their entirety and in lieu thereof the following shall be inserted:

> "The total authorized capitalization of this corporation shall by $1,000,000 which shall consist of 10,000,000 shares of common stock having a par value of TEN (10¢) CENTS per share, which stock shall have no preemtive rights.

And such amendments shall be deemed to be a part of this Merger Agreement and in addition thereto the Articles of Incorporation of GIANT shall be deemed to be so amended upon the effective date of this merger, as hereinafter more fully defined.

3. The basis of the merger and the conversion of shares of stock of MOUNTAIN TOP into stock of GIANT shall be on the basis of TEN (10) shares of the ONE (1¢) CENT par value common stock of MOUNTAIN TOP into one (1) shate of the TEN (10¢) CENT par value common stock of GIANT.

4. The mode of carrying the merger provided in this Agreement of Merger into effect and the manner of converting the outstanding shalres of MOUNTAIN TOP into shares of GIANT shall be as follows:

(a) Forthwith upon the filing and recording of this agreement with the Secretaries of State of Colorado and Nevada, as required by the laws of those

states, each ten (10) shares of MOUNTAIN TOP common stock outstanding shall be converted into one (1) share of the common stock of GIANT, and each share holder of MOUNTAIN TOP shall be entitled to receive one (1) share of GIANT upon the surrender of each TEN (10) shares of MOUNTAIN TOP held by him. For the purpose of the foregoing provision "outstanding" shares shall include a contract commitment by MOUNTAIN TOP to issue 2,000,000 shares to JACK E. LAKE and the shares committed pursuant to that contract shall be treated as outstanding as well as all shares presently outstanding, it being understood that the 2,000,000 shares committed to MR. LAKE are included in the figure previously set forth representing the outstanding stock of MOUNTAIN TOP as 10,350,000 shares, but shall not include shares of stock of the merging corporation owned or held by such merging corporation in its treasury nor those shares which the merging corporation has authorized but has not issued except as expressly previously set forth.

(b) When this Agreement of Merger is signed, acknowledged and approved by the stockholders of the respective corporations, filed and recorded as required by the laws of the States of Colorado and Nevada, the individual corporate existence of MOUNTAIN TOP shall thereupon cease and the same shall terminate and the corporations hereto and each of them shall be merged, and GIANT as the surviving corporation shall possess all of the rights, privileges, powers and franchises as well of a public as of a private nature and be subject to all the disabilities and duties of the merging corporation and all and singular the rights, privileges and franchises of the merging corporation, and all properties, real and personal of the merging corporation shall belong to the surviving corporation.

5. Each of the parties to this Agreement, by and through its Board of Directors, agrees to hold a special meeting of its stockholders on or before the 16th day of October, 1956, for the purpose of considering, authorizing, adopting, ratifying and confirming this Agreement of Merger, and the execution

hereof.

6. If the required votes of the stockholders of each of said corporations shall be for the adoption of this Agreement, that fact shall be set forth in a certificate attached to the Agreement by the Secretary of each of said corporations under its respective corporate seal, and the Agreement so adopted and certified shall be signed by the President and Secretary of each of said corporations under its respective corporate seal, and acknowledged by the President of each of said corporations to be the respective act, deed and agreement of said corporation, and evidence of such adoption in the manner and form required by the laws of the States of Colorado and Nevada shall be filed in the offices of the Sevretaries of tate of the States of Colorado and Nevada and copy of this Agreement certified in the appropriate manner by the Secretaries of State of the States of Colorado and Nevada shall be filed in the offices of the Clerks of the appropriate Counties of Colorado and Nevada as required by the laws of the States of Colorado and Nevada, and in addition, and contemporaneously with the filing of this Merging Agreement, GIANT shall file an appointment with the Secretary of State of the State of Colorado appointing that officer as its Resident Agent in that State upon whom service of process can be filed and accepting service of process in the State of Colorado for all actions which would otherwise accrue against the merging corporation, such acceptances and appointment to be in the form prescribed in the Statutes of the State of Colorado with regard to the merging of Colorado corporations into corporations organized under the laws of other states.

7. When used hereinthe term "Effective Date" shall mean the date on which this Agreement of Merger shall be fully filed and recorded in the offices of the Secretaries of State of the States of Colorado and Nevada as aforesaid and this Agreement of merger shall be effective upon such filing and recording without respect to the filing and recording in the Offices of

the Clerks of the appropriate counties, and this Agreement of Merger shall be effective on the effective date.

8. Anything in this Agreement of Merger or elsewhere to the contrary notwithstanding, this Agreement of Merger, and its terms shall forthwith be and become completely cancelled, terminated, abandoned, null and void and of no force and effect and this Agreement shall not be so filed and the Merging Corporation shall be under no obligation or obligations or liability of any kind whatsoever to the Surviving Corporation should any of the following contingencies arise:

(a) If the stockholders of either corporation fail to confirm, approve and adopt the said Agreement of Merger as provided by the laws of the States of Colorado and Nevada.

(b) If the laws of the United States or the States of Colorado or Nevada prevent the performance of this Agreement of Merger.

9. It is understood and agreed that whereas the surviving corporation is presently listed on the San Francisco Mining Exchange and that upon the approval and adoption of this Merger of Agreement by and between the respective corporations, and their stockholders as herein provided, application shall be made for the listing of additional shares of the surviving corporation in an amount equal to the number of shares necessary to effect the exchange of shares as herein provided, and pursuant to the terms and conditions hereof.

10. The surviving corporation shall pay all expenses of this merger, including all expenses necessary to carry forth the terms and provisions herein, including Federal documentary stamp taxes for the issuance of shares of GIANT and all fees and costs relative to the exchange of GIANT stock upon the surrender of MOUNTAIN TOP stock.

11. This agreement has been duly approved and authorized by

resolution by the Board of Directors of each of said corporations at meetings duly called for that purpose at which quorums were present.

12. The merging Corporation shall make available to the Surviving Corporation all title reports, leases, lease applications, maps, notices of location, amended notices of location, geological reports and any and all information and documents which the Merging Corporation may have relating to or in respect to mining claims, interests in mining claims, in mineral leases, in overriding royalties, in personal property and other property described in Exhibit C attached hereto.

13. This agreement and its terms shall be binding upon and enure to the benefit of each of the Constituent Corporations and their respective successors.

IN WITNESS WHEREOF, each of the parties to this Agreement, pursuant to authority duly given by resolution of its respective Board of Directors, has caused these presents to be executed by at least a majority of its Directors, and its corporate seal affixed, all as of the day and year aforesaid.

MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation

By s/ T. R. Gillenwaters
President

s/ Robert Baumgarten

s/ T. R. Gillenwaters

s/ Joe W. Cooper

s/ Phil Doerner

Constituting the Board of Directors of Mountain Top Mining and Milling Company

ATTEST:

s/ Phil Doerner
Secretary

(SEAL)

GIANT MINES COMPANY OF NEVADA, a Nevada Corporation

By s/ Donald W. Kanaly
President

(Note: see photostat of signatures)

s/ B. Robb

(Note: see photostat of signatures)

(Note: see photostat of signatures)

Constituting the Board of Directors of Giant Mines Company of Nevada

ATTEST:

s/ William E. Foster
Secretary

(SEAL)

MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation

By J. B. Gillenwater
President

Robert B. Bumgarner

J. B. Gillenwater

Joe M. Cooper

Phil Soresen

Constituting the Board of Directors of Mountain Top Mining and Milling Company

ATTEST:

Phil Soresen
Secretary

GIANT MINES COMPANY OF NEVADA, a Nevada Corporation

By Donald W. Kennedy
President

C. Hoch

L. B. Dennett

H. Barber

Constituting the Board of Directors of Giant Mines Company of Nevada

ATTEST:

William E. Foster
Secretary

STATE OF NEVADA)
) ss.
County of Washoe)

On this 16th day of October, 1956, before me, a Notary Public in and for the County and State aforesaid, personally appeared DONALD W. KANALY and WILLIAM E. FOSTER known to me to be the President and Secretary respectively of GIANT MINES COMPANY OF NEVADA, one of the corporations which executed the Agreement of Merger to which this is attached and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this Certificate above written.

s/ Dorothy Gault
Notary Public in and for the State of Nevada, County of Washoe
My Commission Expires: 12/19/56

(SEAL)

STATE OF NEVADA)
) ss.
County of Washoe)

On this 16th day of October, 1956, before me, a Notary Public in and for the County and State aforesaid, personally appeared T. R. GILLENWATERS and PHILIP DOERNER known to me to be the President and Secretary respectively of MOUNTAIN TOP MINING AND MILLING COMPANY, one of the Corporations which executed the Agreement of Merger to which this is attached and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this Certificate above written.

s/ Dorothy Gault
Notary Public in and for the State of Nevada, County of Washoe
My Commission Expires: 12/19/56

(SEAL)

I, Philip Doerner, Secretary of Mountain Top Mining and Milling Company, a corporation organized and existing under the laws of the State of Colorado, hereby certify as such Secretary and under the seal of said corporation, that the Agreement of Merger, to which this Certificate is attached, after having been first duly signed on behalf of said corporation by a majority of the Directors of Mountain Top Mining and Milling Company, a Colorado corporation, was duly submitted to the stockholders of said Mountain Top Mining and Milling Company, at a special meeting of said stockholders called and held on Monday, October 15th, 1956, separately from the meeting of the stockholders of Giant Mines Company of Nevada for the purpose of considering and taking action upon the said Agreement of Merger, and that 10,350,000 shares of stock of said corporation were on said date issued and outstanding, and that the holders of 7,851,380 shares of stock voted by ballot in favor of the approval of said proposed Agreement of Merger, and the holders of 1,000 shares voted by ballot against the same, and the said affirmative vote represented at least a majority and at least two thirds, (2/3), of the total number of the shares of the issued and outstanding capital stock of said corporation, and thereby the Agreement of Merger was at said meeting duly adopted and ratified as the act of the stockholders of said corporation, and the duly adopted Agreement of the said Corporation.

WITNESS, my hand and the seal of said corporation this 15th day of October, 1956.

(Seal)

s/ Phil Doerner
Secretary of Mountain Top Mining
and Milling Company

I, William E. Foster, Secretary of Giant Mines Company of Nevada, a corporation organized and existing under the laws of the State of Nevada, hereby certify as such Secretary and under the seal of said corporation, that the Agreement of Merger, to which this Certificate is attached, after having been first duly signed on behalf of said corporation by a majority of the Directors of Giant Mines Company of Nevada, a Nevada corporation, was duly submitted to the stockholders of said Giant Mines Company of Nevada, at a special meeting of said stockholders called and held on Tuesday, October 16th, 1956, separately from the meeting of the stockholders of Mountain Top Mining and Milling Company for the purpose of considering and taking action upon the said Agreement of Merger, and that 1,417,500 Shares of stock of said corporation were on said date issued and outstanding, and that the holders of 976,000 shares of stock voted by ballot in favor of the approval of said proposed Agreement of Merger, and the holders of -0- shares voted by ballot against the same, and the said affirmative vote represented at least a majority and at least two thirds (2/3) of the total number of the shares of the issued and outstanding capital stock of said corporation, and thereby the Agreement of Merger was at said meeting duly adopted and ratified as the act of the stockholders of said corporation, and the duly adopted Agreement of the said Corporation.

WITNESS, my hand and the seal of said corporation this 16th day of October, 1956.

(Seal)

s/ William E. Foster
Secretary of Giant Mines Company of Nevada

EXHIBIT "A"

Real properties owned, leased and under contract by

MOUNTAIN TOP MINING AND MILLING COMPANY

1. Nineteen patented mining claims approximating 365 acres located in Ouray County, Colorado, which properties are under contract to purchase, and upon which contract there is a balance due and owing of $40,000.00, payable as follows: $10,000 on or before October 10, 1957; $10,000 on or before October 10, 1958; $10,000 on or before October 10, 1959; and $10,000 on or before October 10, 1960.

2. The company has under lease three patented lode mining claims located in San Juan County, Colorado, which lease provides for a primary term which expires June 1, 1957, but which is renewable for an additional term of three years. The lease provides for a ten percent royalty on ores not exceeding $50.00 per ton in value, and a fifteen percent royalty on other ores and concentrates.

3. The company has a 47 1/2% working interest in fourteen unpatented lode mining claims, known as the Davis Mesa Group, located in Montrose County, Colorado.

4. The company has interests in the following oil and gas leases located in Osage County, Oklahoma: SW 16-23-6; SW 30-24-6; NE 30-24-9; NW 2-25-11; NW 1-26-8; NE 33-26-9; NE 17-29-10 and NE 18-29-10. All of these leases have a land owners' royalty of 1/6 th and an overriding royalty of 1/16 th. In all but two of the leases, the company owns all of the remaining working interest.

In one lease, SW 30-24-6, the company owns 25% of the working interest, in another lease, NE 17-29-10, is subject to a drilling agreement whereby if the other party to the contract drills a well to the sand, at no cost to the company, the company will then assign them 75% of the working interest in that lease.

5. The company owns a 1/16th working interest in a 560 acre oil and gas lease located in Kimball County, Nebraska, which lease embraces the South 1/2, Northeast 1/4, and the North 1/2 of the Northwest 1/4 of Section 24, Township 16 North, Range 58 West.

6. The company has under lease 36 unpatented mining claims from Western Investors, which claims are located in the Gateway Mining District, Mesa County, Colorado, and which lease agreement provides for payment of 10% royalty. This lease is for a period as long as exploratory, development or mining is carried on on the properties.

7. The company has under lease 26 unpatented mining claims located in the Tenderfoot Mining District (unorganized), Mesa County, Colorado, which lease agreement provides for payment of 20% of the net profits arising from any operation thereon. The term of lease is until November, 1960, and so long thereafter as lessee may be mining, exploring or developing ores

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from the premises.

8. The company has under contract to purchase 22 patented mining claims located in Clear Creek County, Colorado, which contract provides for the payment of $10,000 on or before November 14, 1956.

\- - -

Real properties owned, leased and under contract by

GIANT MINES COMPANY OF NEVADA

1. The company has under contract to purchase, and has received a deed to 4 unpatented mining claims located in the Black Mountain Mining District, County of Mineral, Nevada. The only obligation remaining is that the company is to issue 200,000 shares of its treasury stock on or before January 5, 1957 to grantor. This property is subject to a 7% overriding royalty.

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EXHIBIT "B"

MOUNTAIN TOP MINING & MILLING COMPANY
Balance Sheet (Without Audit) as at September 30, 1956

ASSETS

CURRENT ASSETS:		
Cash:		
Colorado National Bank	2,034.13	
United States Bank	7,521.18	
Guaranty Bank & Trust Co.	5,000.00	
Suspense Acct. Colorado National Bank	50,000.00	
		64,555.31
Notes and Accounts Receivable:		
Trade Accounts		8,964.93
Sundry - Short Term Notes		1,500.00
Work in Progress		
Davis Mesa Claims	8,140.86	
Mountain Top Claims	853.26	
Little Dora Mine (Empire Tunnel)	22,298.39	
Specie Payment Claims	32.35	
Clark Claims	4,783.37	36,108.23
		111,128.47
OTHER ASSETS:		
Returnable Deposits	254.00	
Advance Deposit Power Line Construction-Little Dora Mine	2,500.00	
Travel Advances to Employees and Agents	277.42	
		3,031.42

PROPERTIES & EQUIPMENT

	Cost	Allow. for depreciation	Net	
Oil & Gas Properties	25,000.00	231.91	24,768.09	
Osage County, Oklahoma				
Mining Properties:				
Davis Mesa Claims	372.95	------	372.95	
Mountain Top Claims	128,750.00	------	128,750.00	
Specie Payment Claims	36,000.00	------	36,000.00	
Clark Project	6,500.00	------	6,500.00	
	196,622.95	231.91	196,391.04	196,391.04
Mining Equipment & Machinery	19,389.23	633.33	18,755.90	
Office Equipment	74.03	4.92	69.11	
	19,463.26	638.25	18,825.01	18,825.01

INVESTMENT:		
50,000 shares Giant Mines Co. Inc. - Common Stock		12,500.00
DEFERRED CHARGES:		
Prepaid Insurance	39.45	
Organization Expense	152.74	192.19
		342,068.13

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Exhibit "B" - Continued

MOUNTAIN TOP MINING AND MILLING COMPANY
Balance Sheet (Without Audit) as at September 30, 1956

LIABILITIES & CAPITAL

CURRENT LIABILITIES:			
Contracts Payable:			
Mountain Top Claims	50,000.00		
Less Payment to be made annually in later years shown as long term liability	40,000.00		
		10,000.00	
Specie Payment Claims		10,500.00	20,500.00
Accounts Payable and Accrued:			
Trade Accounts		11,329.73	
Advance -U-Kan Minerals		11,500.00	
Federal Withholding Tax Withheld		398.80	
Colorado " " "		52.42	
Social Security Withheld and Accrued		149.89	
Unemployment Taxes Accrued		490.51	
Workmens Compensation Insurance Accrued		86.72	24,008.07
			44,508.07
LONG TERM LIABILITIES:			
Payments due annually in later years on Contract			40,000.00
Total Liabilities			84,508.07
CAPITAL:			
Capital Stock:			
20,000,000 shares authorized		200,000.00	
9,650,000 shares unissued		96,500.00	
			103,500.00
Surplus:			
From Sale of Capital Stock		240,000.00	
Less Operating Deficit		85,939.94	154,060.06
Total Liabilities & Capital			342,068.13

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EXHIBIT "B"

GIANT MINES COMPANY OF NEVADA
BALANCE SHEET (Projected to include increase in capitalization to $1,000,000.00) - September 30, 1956

ASSETS

CURRENT ASSETS:		
Cash in Bank		5,911.08
Unsecured	36,300.00	
Secured for treasury stock sale, by escrow of purchased stock	101,700.00	
Secured, for sale of projected capital increase, by escrow of 50,000 shares, common stock of V. R. Ranch, par value $1.00.	63,245.45	201,245.45
Subscription receivable for 75,000 shares of projected capital increase.		25,000.00
Total Current Assets		232,156.53
INVESTMENT:		
32,500 shares treasury stock, at par value	3,250.00	
50,000 shares V. R. Ranch Co. common stock, par value $1.00, appraised value of $2.00 per share	100,000.00	
100,000 shares Hercules Mine Company, common stock, par value $0.10, market value at date of acquisition $0.30, from projected capital increase	30,000.00	
1,500,000 shares Country Club Charcoal of Nevada common stock, par value $0.05, from projected capital increase.	75,000.00	208,250.00
PROPERTY:		
4 UNPATENTED Mining Claims, acquired for treasury stock.		30,200.00
		470,606.53

LIABILITIES AND CAPITAL

OTHER LIABILITIES:			
Installment note payable, unsecured			57,695.00
Total Liabilities			57,695.00
CAPITAL:			
Capital Stock			
Common stock, par value $0.10 per share; authorized, issued and outstanding, 1,750,000 shares		175,000.00	
Projected common stock issue, par value $0.10 per share, authorized 8,250,000 shares		825,000.00	
Projected Capital		1,000,000.00	
Less projected common stock non-committed at September 30, 1956, 7,950,000 shares		795,000.00	
Projected shares outstanding, 2,050,000 shares		205,000.00	
Surplus:			
Earned (operating cost to September 30, 1956 not capitalized) deficit	(4,943.92)		
Returned from assessment sale-deficit	(97,695.00)		
Capital surplus-issued capital stock	205,000.00		
Capital surplus-projected capital stock	105,550.45	207,911.53	412,911.53
			470,606.53

The company has contracted for the acquisition of the assets labeled projected capital increase. Such contracts are subject to the condition that the company's authorized capital be increased.

Acceptance of Process and Appointment of Agent for Service Thereof

Know all men by these presents that in accordance with the following resolution adopted by the board of directors of Giant Resources Inc., formerly Giant Mines Company of Nevada, which resolution was duly adopted at a special meeting of the board of directors of that corporation, duly called and validly held on the 25th day of September, 1956:

> "RESOLVED, that in the event of the adoption by the stockholders of this corporation and the stockholders of Mountain Top Mining and Milling Company of an agreement of merger whereby Mountain Top Mining and Milling Company, a Colorado corporation, will be merged into this corporation, with this corporation to be the surviving corporation, then that this corporation shall accept service of process in the State of Colorado for the enforsement of obligations of Mountain Top, including obligations arising pursuant to Section 31-4-9, Colorado Revised Statute of 1953, and does hereby appoint the Secretary of the State of Colorado as this corporation's resident agent within the State of Colorado, upon whom such service of process may be made, and be it
>
> FURTHER RESOLVED, that the officers of this corporation are hereby authorized and instructed to file with the Secretary of State, State of Colorado, such documents as are necessary to carry out the provisions of this resolution",

that Giant Resources Inc., formerly Giant Mines Company of Nevada, does hereby consent to the service of process within the State of Colorado for enforcement of obligations against Mountain Top Mining and Milling Company, formerly a Colorado corporation, including obligations arising pursuant to Section 31-4-9 of the Colorado Revised Statute of 1953, and does hereby appoint the Secretary of State, State of Colorado, as its resident agent upon whom service of process can be made within the State of Colorado, and hereby directs the Secretary of State, State of Colorado, to forward a copy of such process to Giant Resources Inc., P. O. Box 1451, Grand Junction, Colorado, or such other address as it may subsequently file with the Secretary of State, State of Colorado.

IN WITNESS WHEREOF, this consent and appointment has been executed by the properly authorized officers of Giant Resources Inc. on this 17th day of October, 1956, and has caused its corporate seal to be hereto affixed.

GIANT RESOURCES, INC.

By s/ Donald W. Kanaly
Donald W. Kanaly, President

ATTEST:

s/ William E. Foster
William E. Foster, Secretary

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
5/1	WSM	900

224 New Customhouse
Denver 2, Colorado

April 29, 1957

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket No. DMEA 4138
(Tungsten-Lead-Copper)
Contract No. I&m-8997
Jesse A. Bingel
(Dora mine), San Juan County,
Colorado

Dear Mr. Bingel:

Consistent with provisions in the Contract pertaining to drifting under Stage I, Item 3, and confirming verbal approval by the Government issued on April 4, 1957, the Government approves the performance of not to exceed 100 feet additional drifting to the south on a quartz-pyrite vein lying to the east of the south drift previously driven.

It is to be understood that the expense of crosscutting from the drift presently driven to the quartz-pyrite vein lying to the east will be borne entirely by the Operator without contribution by the Government.

Nothing in this confirmation of work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Very truly yours,

DMEA Field Team, Region III

By E. M. Harshman
E. M. Harshman
Acting Executive Officer

H

JWT:prl

cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file, Reg. III
Harshman
Konselman
Townsend
Corres. file
Chron.

Work Order

100

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
April 11, 1957

Memorandum

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

Through: John F. Shaw
E. N. Harshman

From: Edward W. Buel
Donald H. Richter

Subject: Docket DMEA 4138 (Tungsten-lead-copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado -- Recommended Exploration

It is recommended that the operator be permitted to do an additional 100 feet of drifting under Stage I of the contract. The operator has completed all previous authorized work under Stage I.

The operator was given verbal authority by phone on April 4, 1957, to do an additional 100 feet of drifting in the south drift.

An examination of the recently completed face of the north drift showed a poorly defined, tight structure which is weakly mineralized with metallic sulfides, principally as pyrite, over a length of about 28 feet. Because of this unfavorable showing in the north drift, the operator was given verbal authority to do the remaining work under Stage I in the south drift, to explore either the quartz-pyrite vein, which is supposedly a few feet away to the east, or the quartz-fluorite vein, which the present south drift is on. The operator was requested to put one or two long holes in the east wall near the end of the south drift to determine the presence of the quartz-pyrite vein to the east. If the drill holes encounter any favorably mineralized structure, then the operator was instructed to cross-cut over to the structure, and then drift 100 feet in a southerly direction. According to Mr. Larson, the operator's mining contractor, the expense of an estimated 10 to 15 feet of crosscutting and the long-hole drilling would be borne by the operator. If the drill holes do not intersect any favorable mineralization, then the operator is to continue the present south drift for another 100 feet on the present weakly mineralized quartz-fluorite structure. Total drifting both north and south of the raise is not to

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DATE	INITIALS	CODE
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EWB/mr
cc: 9 Idm-E997 Chron

DMEA
DEPARTMENT OF THE INTERIOR
APR 15 1957
REGION III
DENVER, COLORADO

Edward W. Buel
Edward W. Buel
Mining Engineer

Donald H. Richter
Donald H. Richter
Geologist

Docket Copy

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 17 1956

EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4138	Tungsten, Lead, Copper	997	San Juan	Colorado

It is agreed AUG 22 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jesse A. Bingel

whose mailing address is Silverton, Colorado

hereinafter called the "Operator," as follows:

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

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $ 28,010.00. The Government will contribute 62% percent of the fixed unit cost of the work performed, not exceeding $ 17,506.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

JESSE A. BINGEL
(Operator)

By Jesse A Bingel

By O Mitchell Chapman
Administrator, Defense Minerals
Exploration Administration

Initials
Dunger
Sol. Off.
Chapman
Mailing
Signature

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

.....

[CORPORATE SEAL]

Selfridge
Johnson

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

EXPLORATION PROJECT CONTRACT
JESSE A. BINGEL
DOCKET NO. DMEA-4138

RECEIVED
SEP 17 1956

ANNEX NO. 1

The land referred to in Article 2 of the Contract form consists of the patented Empire lode mining claim, Survey No. 647A, and is located in the Animas Mining District, section 19, T. 41 N., R. 7 W., San Juan County, Colorado. The land is shown in Figure 2, entitled "Map showing claims and workings of Mystery Gold Mining Company, (Dunn Mine), San Juan County, Colo. DMEA 4138," attached hereto and made a part hereof. The owner of the land, the Mystery Gold Mining Company, leased it to Jesse A. Bingel, Silverton, Colorado, by a lease dated August 9, 1955, as amended January 18, 1956. The lease, as amended, also authorizes the lessee to make joint use, with the lessor and its other assignees, of the Boston and Empire tunnels and the buildings and facilities at the portals of said tunnels, for ingress, egress, dumping waste, handling ore, and discharge of mine water.

MF-203
Revised March 24, 1955

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Jesse Arthur Bingel
Docket No. DMEA-4138
Contract No. Idm-E 997
Contract Date AUG 2 2 1956

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MAR - 9 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of San Juan, State of Colorado, described as follows:1/

Empire Lode Mining Claim, U. S. Survey No. 647A

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

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

none

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 2nd day of March, 1956

MYSTERY GOLD MINING COMPANY

By Warren C. Prosser

Title President

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

John A. Moyer

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JESSE A. RINGEL
DOCKET NO. DMEA-4138

EXHIBIT "A"

Description of the Work

The work, which shall be performed in two stages, is shown on Figure 3 entitled, "Vertical Section along Empire Vein, Dora Mine, San Juan County, Colo., DMEA-4138," attached hereto and made a part hereof. The Operator shall perform the work described in Stage I and as much of the work described in Stage II as the Government approves in advance in writing.

All drifts shall be timbered as necessary.

Mineralized zones shall be sampled at 5-foot intervals and assayed for tungsten trioxide (WO_3), and lead and copper where warranted.

Stage I

1. Rehabilitate Empire No. 1 drift from Empire tunnel approximately 100 feet to point of raising. Rehabilitation includes cleaning drift, laying track with 30 lb. rail, and putting in a 2-inch air line, a 1-inch water line, and an 8-inch galvanized ventilation line.

2. Raise approximately 125 feet, the raise shall be two compartment with stalls, approximately 3½ feet by 7½ feet in the clear and shall be started at a point about 90 feet south of the Empire tunnel (Figure 3).

3. A sub-level drift approximately 4½ feet by 6½ feet in the clear shall be driven for a maximum of 300 feet on the most favorable showing of ore within the interval 90 to 125 feet above the Empire No. 1 drift, as follows: Not less than 100 feet of drift shall be driven, of which 50 feet shall be driven in a southerly direction and 50 feet in a northerly direction. Not more than the remaining 200 feet of drift shall subsequently be driven on the better showing with the approval of the Government.

Stage II

1. The Stage I raise shall be continued, as specified in Stage I, for 70 feet along the Empire vein.

2. The existing shaft between the Boston and Rieker tunnel levels (Figure 3) shall be rehabilitated for approximately 150 feet beginning at the Boston tunnel level.

3. A sub-level drift not less than 4½ feet by 6½ feet in the clear shall be driven for a maximum of 300 feet on the most favorable showing of ore within the interval 100 to 150 feet above the Boston tunnel level, as follows: Not less than 100 feet of drift shall be driven, of which 50 feet shall be in a southerly direction and 50 feet in a northerly direction. Not more than the remaining 200 feet shall subsequently be driven on the better showing with the approval of the Government.

Estimated Cost of the Project

Fixed Unit Costs

Stage I

Rehabilitate 100 feet of Empire No. 1 drift	@ $4.00/ft.	$ 400.00	
Raise 125 feet	@ $35.00/ft.	4,375.00	
Drifting, 300 feet (Includes timbering)	@ $30.00/ft.	9,000.00	
50 Samples	@ $6.50/each sample	325.00	
Estimated Total for Stage I			$14,100.00

Stage II

Raise 70 feet	@ $37.00/ft.	$2,590.00	
Rehabilitation of shaft, 150 feet	@ $9.30/ft.	1,395.00	
Drifting, 300 feet	@ $32.00	9,600.00	
50 Samples	@ $6.50/each sample	325.00	
Estimated Total for Stage II			13,910.00
Estimated Total for Project			$28,010.00
Government Participation, 62½% (rounded)			$17,506.00

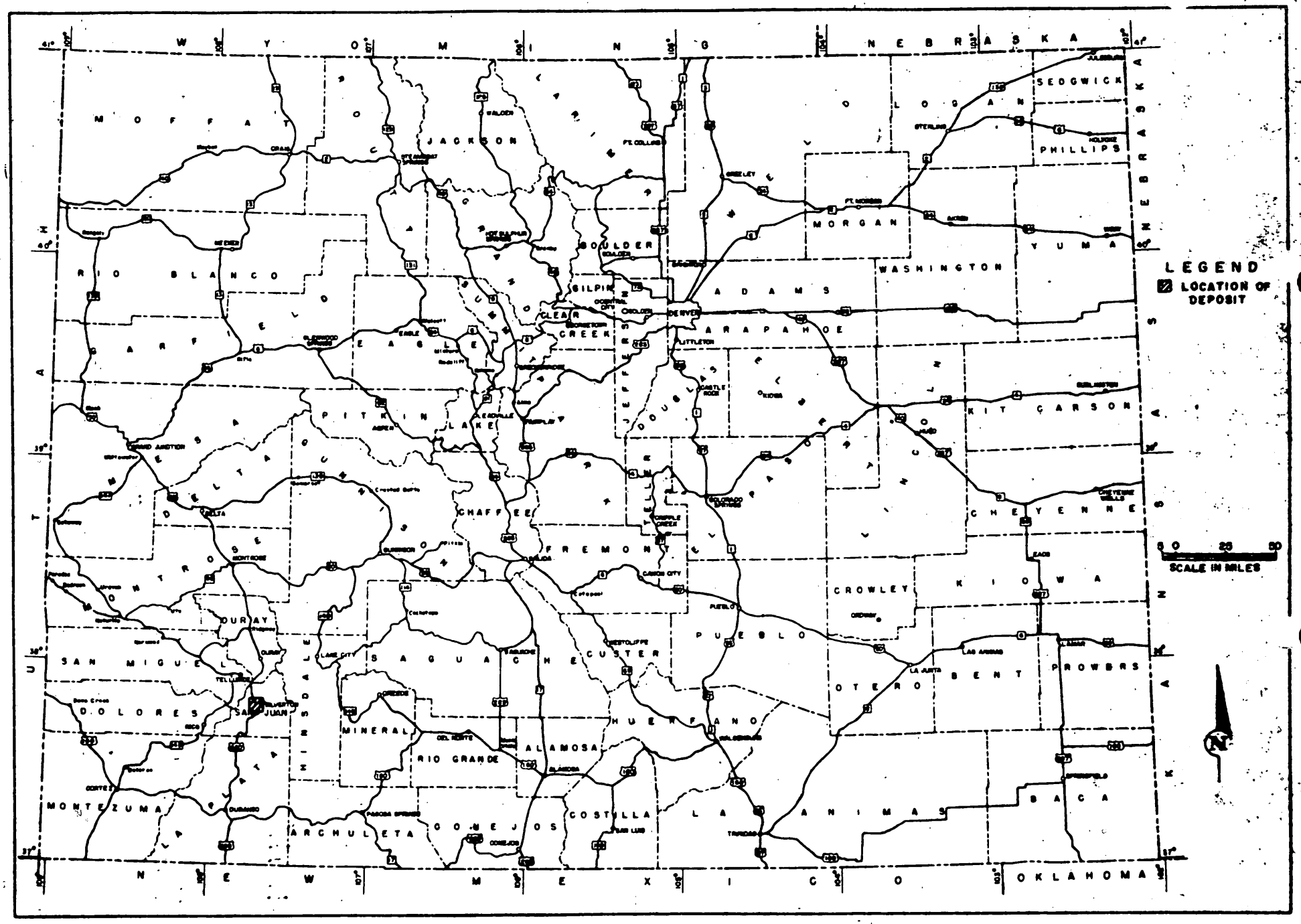

FIGURE 1 - INDEX MAP SHOWING LOCATION OF THE DORA MINE, SAN JUAN COUNTY, COLO. DMEA 4138

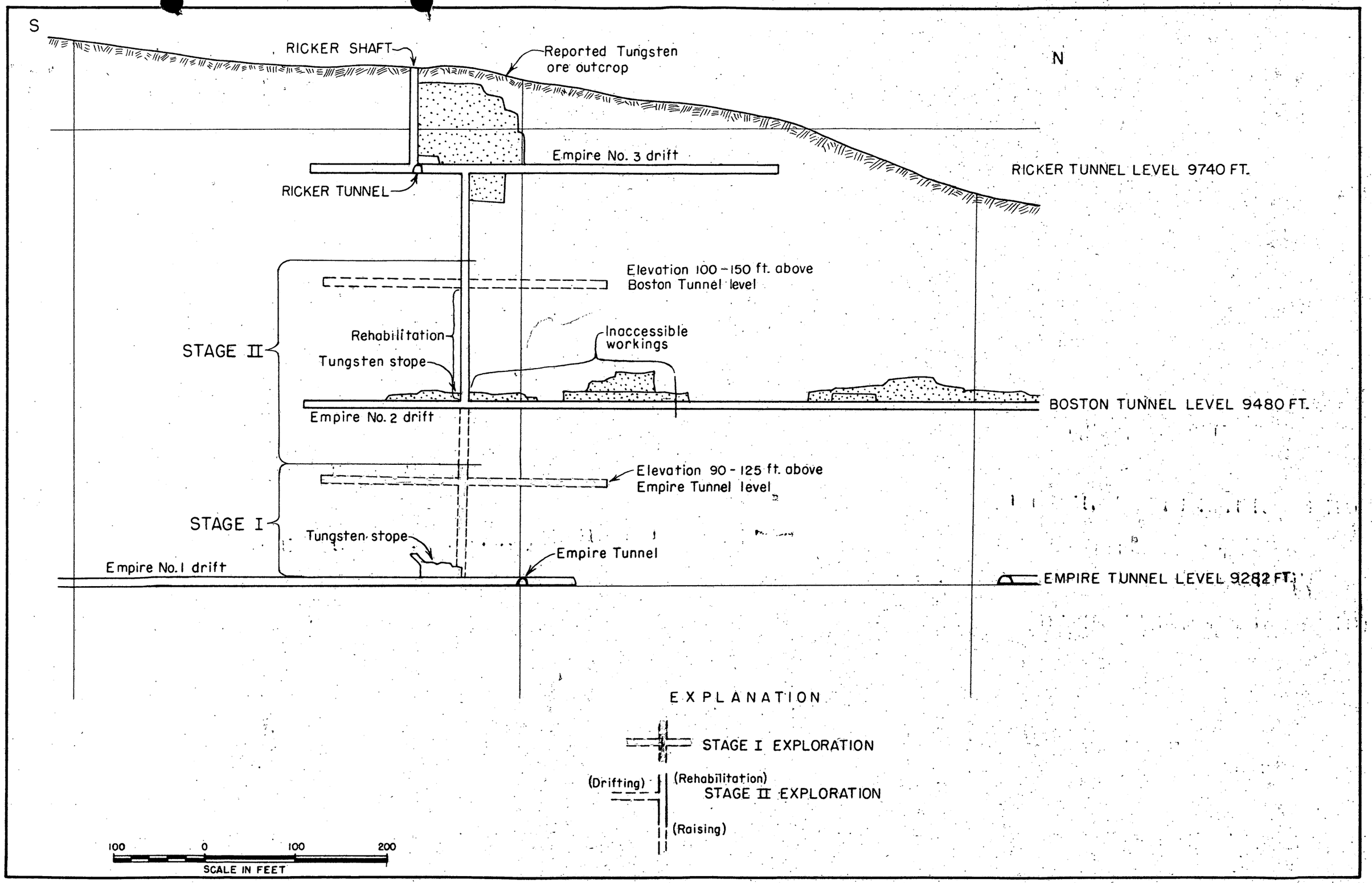

FIGURE 3 - VERTICAL SECTION ALONG EMPIRE VEIN, DORA MINE, SAN JUAN COUNTY, COLO. DMEA 4138

(Docket)

RECEIVED

MAR - 9 1956

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

March 6, 1956

224 New Customhouse
Denver 2, Colorado

Copy retained 400

WSM

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper), Jesse Arthur Bingel, Dora Mine, San Juan County, Colorado

Enclosed are the following:

1. Six signed copies of MF-203, Owner's Consent to Lien on the Empire Lode Mining claim, U. S. Survey No. 647A

2. Two copies of additional information on the subject docket submitted to this office by the applicant.

The above information is in response to Mr. Mittendorf's letter to the applicant dated February 17, 1956. Two copies of the additional information have been forwarded for use by the field examiners.

W. M. Traver

W. M. Traver

Enclosures

Docket

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

RECEIVED
MAR - 8 1956

March 6, 1956

224 New Customhouse
Denver 2, Colorado

Memorandum

To: J. F. Shaw (2)
E. N. Harshman

From: Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper), Jesse Arthur Bingel, Dora Mine, San Juan County, Colorado

Enclosed is a copy of additional information on the subject docket which has been submitted by the applicant. Will you please place this additional information with the brochure you now have.

DMEA Field Team, Region III

W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosure

HMC:ab

cc: Chair. Op. Comm. (2)
Docket 4138
Chron.

MYSTERY GOLD MINING COMPANY

DENVER 2, COLORADO

URANIUM
GOLD

414 COOPER BUILDING
PHONE ALPINE 5-9827

March 2,1956

RECEIVED
MAR - 9 1956

United States Department of the Interior,
Defense Minerals Exploration Administration,

Docket No. DMEA=
4138
Dora Mine

Gentlemen;-

Herewith are two assay certificates covering samples taken of two lots of Tungsten ore shipped by this Company to Gold Silver and Tungsten, Inc. Boulder Colorado, in 1938.

Lot No.	Gold Ozs.	Silver Ozs.	Tungstic Acid%
2017			14.80
2018	0.14	2.66	8.10

The following memorandum, taken from the Company records, pertains to the Tungsten ore in the Empire Vein.

"The property of the Mystery Gold Mining Company is located on Sultan Mountain, San Juan County, Colorado. It joins the townsite of Silverton on its southwest side, extending thence up the slope of the mountain.

The Empire tunnel is the main working tunnel of the group cutting the three principal veins of the property. The portal of the tunnel is at 9282.5 ft., being 82.5 ft. above the level of the Park and South Mineral Creek.

While many places on the property of this Company have yield=ed tungsten in varying amounts, usually small pockets weighing from a few pounds to several hundred pounds, the Empire vein has shown tungsten ore in quantity which indicates substantial deposition extending through the vein.

The tungsten stope on the Empire tunnel or No. 1 level, is on the Empire vein, 100 ft. from the tunnel, where it cuts this vein 1550 ft. from its portal. In this stope, a few feet above the level, the deposit was laid in the northeast or footwall of the vein for a distance of 55 feet and in width 1 to 8 ins. of solid Huebnerite.

Two hundred feet above this stope on the Boston Tunnel level, two stopes also showed tungsten ore in quantity in 1916, when this ore was receiving some attention from the then owning and operating Company. Frequent mention was made in Official Company correspondence of the progress made in developing and mining tungsten ore. Some extracts are made herewith:

4-29-16, Tungsten ore exposed on the Empire vein, south, No. 1 level, for 55 ft. 1 to 8 ins.

5-23-16, Opened the caved level (Boston) 200 ft. above Empire tunnel. Tungsten ore showed at intervals along the west wall of the drift, for a distance of 100 ft., at places thin, others 6 ins. thick. In appearance it resembled that in the Empire vein, Empire tunnel level.

5-30-16, Work on the Empire vein, Boston tunnel level progressing as well as could be expected. Past the worst of the caved ground

and will start getting put tungsten in a few days.

Sampled and weighed clean tungsten as follows:

1st class estimated	40%	1130 lbs.	
2nd class cobbings	25%	549 "	
2nd class fines	20%	491 "	
3rd class fines	15%	477 "	Total 2647 lbs.

In addition we have about 500 lbs. of the lower grade and all of Boyce's "A" Level ore which is in the office and not worked over yet.

6-1-16 Root and Nortons assays showed the above- Lst class 31.82%; 2nd class cobbings 11.62%; 2nd class fines 21.62%; 3rd class 17.50% Have today 700 lbs. more and will have half a ton of high grade by nightfall.

6-4-16 Have recovered 14 sacks very good ore Boston Tunnel level, result of 3 days cleaning of ore found on the walls, when the drift was opened.

6-10-16 Tungsten ore on No. 2 level holding out very well. Some will require crushing and milling. Will see Yukon Mill(operated by Louis Schafer) Schedule shows prices being paid: 10% $320 per ton;20% $700 per ton; 30% $1104 per ton; 40% $1600 per ton; 50% $2500 per ton; 60% $3600 per ton.

6-25-16, 3 men in the mill, cleaning up and looking over the machinery for a tungsten run.

8-18-16 Tungsten deposit in Empire No. 1 level looked very discouraging, 8-16. That night the shots uncovered an excellent body of tungsten ore and last night the holes shot uncovered more of it, so that now this is the most promising place in the mine.

Proposed to drive Empire raise 193 ft. straight connection between Nos. 1 and 2 levels, to develop the best tungsten area we have in the mine, with the prospects of discovering additional deposits of valuable tungsten ore. In treating this tungsten ore in the mill, were surprised to find a narrow streak of free gold on the tables. Assays made of pure tungsten mineral showed no gold, so I presume this came from the sulphides and quartz vein matter which accompanied the tungsten.

8-19-16 Fluorite streak on No. 2 level carries some tungsten. Prospects are favorable for shooting into a new body at any time.

On the Empire No, 1, a good body of tungsten ore is showing at the present time. Advises received against selling tungsten concentrates now. Louis Schafer returned from New York and has not disposed of some 40 tons of high grade tungsten concentrates. "

Tungsten Production evidently ceased on account of drop in market price and work resumed on sulphide metallics.

In 1939 Tungsten miners from Boulder County undertook to develop this tungsten ore. After examining the Empire vein they advised that in their opinion the tungsten ore extended vertically through the mine. Ore was found on Empire tunnel, Boston tunnel and Ricker tunnel levels and a 2 in. streak of solid tungsten ore was found in the outcrop of the vein. They thought that the discovery of tungsten in the walls of the vein was accidental, at times when the sulphides being mined approached the walls, and that it might be fairly solid and consistent along the entire wall.

Of the two stopes on the Boston Tunnel level (No. 2) the more southerly lies directly above that on the Empire level; the northerly however lies over a part of the Empire vein on the Em-

pire or No. 1 tunnel level where it has not been developed.

5-25-1937 Result of shipment Mystery Gold Mining Company to J.J.Clark, Boulder, Rio Grande Cars, 3021 and 3120 Lot 11;

Settlement lot M	1329	5470 lbs.	24.605%	WO3
"	1330	19270 lbs.	5.18%	"

11-10-38 Result of shipment to J.J.Clark, Boulder by Lessee Ben Tomasi

Lot M	2017	3584 lbs.	14.155%	WO3
	2019	295 "	23.85%	"
	2018	642.5 lbs.	7.31%	"
	2020	2041.5 lbs.	5.72%	"

Altho planned as early as 1916 the raise between the Empire Tunnel No. 1 level and the Boston Tunnel No. 2 level has not been driven.

I trust that this information together with the assay certificates, will provide the necessary information regarding the presence of tungsten below and above the ground proposed to explore in this application.

Respectfully submitted.

Warren C Prosser

President and Gen. Mgr.
Mystery Gold Mining Company.

WCP-hs

AGREEMENT

THIS AGREEMENT Made and entered into this 20 day of November, 1956, by and between JESSE A. BINGEL and C. LESLIE LARSON, parties of the first part, and MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation, party of the second part, WITNESSETH:

Whereas, first parties have a lease on certain mining claims located in San Juan County, Colorado, including The Empire Lode Mining Claim, U. S. Survey No. 647-A; and second party has a lease on certain mining claims including The Little Dora Lode Mining Claim, U. S. Survey No. 981, which claim overlaps the Empire but is junior in time of location, and

Whereas, Jesse A. Bingel has an EXPLORATION PROJECT CONTRACT with the United States of America for the development of certain mining claims including the said Empire, and

Whereas, the parties hereto have agreed to trade certain property rights and privileges for their mutual benefit,

NOW, THEREFORE, The parties agree as follows:

1. First parties do hereby assign to second party all of their interest in and to that certain part of the Empire Lode, No. 647-A, which is overlaid by Little Dora, No. 981, together with all of the rights, privileges and burdens imposed by lease from Mystery Gold Mining Company dated August 9, 1955, and all amendments thereto; and subject to the provisions of that certain EXPLORATION PROJECT CONTRACT with the Government; EXCEPTING AND RESERVING, HOWEVER, unto first parties, the right to mine and remove tungsten ores from that portion of The Empire Lode which is overlaid by the Little Dora and which is assigned to second party in this contract.

2. Second party agrees to accept the assignment above set forth and specifically agrees that first parties shall have the right to mine and remove tungsten ores from said property subject to the provisions of their lease and said Government Contract.

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providing, that first party will pay the extra milling costs for recovering of tungsten ores.

3. Second party agrees that first parties shall be paid fifty per cent (50%) of all tungsten values recovered at the mill by second party which are mined from that portion of The Empire Lode hereby assigned and transferred to second party.

4. Second party agrees that first parties shall have the right of first refusal to mine or mill tungsten ores from any properties now owned, leased or hereafter acquired by second party on Sultan Mountain, San Juan County, Colorado, on such terms and conditions as second party shall specify, but no right to mine or mill tungsten shall be offered to any third person on different terms and conditions than those offered to first parties, without first offering the same to first parties.

5. Tungsten ores as referred to in paragraphs one and two hereof shall means all ores which derive their primary value from tungsten, but will not include ores which, although they may include tungsten, do not derive their primary value from tungsten content. In the event of any dispute between the parties as to whether or not said ores are primarily tungsten, each party shall appoint an arbitrator and these arbitrators shall appoint a third arbitrator to decide the question and the decision of the arbitrators shall be final and binding on both parties.

6. Second party agrees that first parties may use the Little Dora winze and equipment upon payment of a reasonable compensation for such use. If the parties cannot agree on a reasonable compensation then each party will appoint one arbitrator, and these two shall appoint a third, and the decision of the three arbitrators shall be final and binding upon all parties hereto.

7. First parties do hereby release second party from any and all liability for prior operations on the area assigned in this Agreement, and second party agrees to hold first parties harmless because of claims for unpaid royalty on the area assigned.

8. Second party agrees to pay all royalty on ores mined and produced from the area hereby assigned, as provided in ARTICLE 6 of said EXPLORATION PROJECT CONTRACT with the United States, and agrees that the Government shall have a lien for same as provided in Article 2(C).

9. This Agreement shall not be binding on either party until two copies thereof have been furnished to the Government as provided in the said Project Contract.

This Agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto.

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

MOUNTAIN TOP MINING AND MILLING COMPANY

BY Ed Strand

Ed Strand, General Manager

ATTEST:

William E. Foster (Assistant Secretary)

William E. Foster

Jesse A. Bingel

(Jesse A. Bingel)

C. Leslie Larson

(C. Leslie Larson)

STATE OF COLORADO)
) SS.
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me by Jesse A. Bingel and C. Leslie Larson, and by Ed Strand and William E. Foster as General Manager and Assistant Secretary respectively for Mountain Top Mining and Milling Company.

Notary Public

My Commission Expires:

My commission expires October 6, 1958

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MINING LEASE

THIS AGREEMENT OF LEASE, made and entered into this 3rd. day of February, 1956, by and between MYSTERY GOLD MINING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Colorado, party of the first part, and hereinafter designated as Lessor, and MOUNTAIN TOP MINING AND MILLING CO. a corporation organized and existing under and by virtue of the laws of the State of Colorado, party of the second part, and hereinafter designated as Lessee,

WITNESSETH:-

That the Lessor, for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the Lessee to be kept paid and performed, has granted demised and let, and by these presents does grant demise and let unto the said Lessee the Little Dora lode mining claim U.S.Survey No. 951, the Jennie Parker lode mining claim, U.S.Sur. No. 207, and the Stadacona lode mining claim, U.S.Sur. No. 2634, together with the joint use of the Empire tunnel, the buildings at the portal thereof, dumps, ore bins and other facilities for ingress and egress, all situated in Animas Mining District, San Juan County, Colorado.

TO HAVE AND TO HOLD unto the said Lessee, from the date hereof, for, during and until June 1,1957, unless sooner forfeited or terminated through the violation of any covenant against the said Lessee herein reserved.

And in consideration of said demise, and as conditions and covenants hereof, the said Lessee does hereby agree and covenant to and with the Lessor, as follows:

1. That all work which he shall do on said demised premises shall be done in good and workmanlike manner, with due regard to the safety, development and preservation of said premises, as a workable mine, and to the special covenants hereinafter reserved, and no underhand stoping shall be done or performed hereunder in said premises during the continuation in

force of this lease. It is further agreed that all drifts made by said Lessee shall be driven on a grade of 4-6 ins. to the hundred feet, horizontal measurement and shall be made at least 6½ feet in height above the track rail and 4½ feet in width, all in the clear. All workings which he shall make or use on said demised premises shall be sufficiently timbered wherever necessary in accordance with the usages of good mining.

2. That he will permit the said Lessor, or its agent or agents thereunto duly authorized, from time to time and at all reasonable times, to enter in and upon said premises and the workings thereon and therein for the purpose of inspection, and will afford and furnish all aid necessary to full and complete exercise of said right.

3. That he will keep all workings on said demised premises, which may be made or used by him under this lease, at all times clear and free of loose rock and rubbish, and will nowhere stope nearer than ten(10) feet below the surface of the earth above stope, or nearer than 7 (seven) feet below the floor of any drift above the stope then being worked.

4. That as far as reasonably possible he will place and leave in one place on the dump or dumps of the workings on said demised premises all low grade ore extracted and brought to the surface by him under this lease, and not processed or sent to a concentrating mill by him.

5. That not later than April 30th, 1956, he will enter into possession of said premises and commence work thereon, and during each three month period thereafter will do and perform 120 shifts of work, a shift of work being defined as 8 hours work for one man, in the development and operation of said premises, extracting and shipping ore, unless prevented by unusual or extraordinary mining casualty, heavy storms, or what is termed an"Act of God" and the failure to do such work during that time shall not be deemed a breach of this covenant. Any work done on said property for the improvement, development or preservation thereof shall be a portion of the work herein required.

6. That he will post and keep posted on said claims, at all places where work is being performed under this lease, written or printed notices(or partly written and partly printed notices) in the form of law under the Colorado Statutes relating to mechanics liens, that such premises are being worked under lease only and that the same and the owner thereof shall not be liable for any work performed thereon or material or supplies furnished for the operation thereof, so as to protect said property from mechanics liens.

7. That at all times when work is being performed upon said property hereunder, he will take out and carry workmen's compensation insurance under the terms and provisions of the Colorado Workmen's Compensation Act, for the protection of himself and the workmen employed by him in the working and operating of said property, so that the said first party and the said property shall incur no liability by reason of the lessee or any of his workmen employed in the operation of said property hereunder. The policy of insurance and receipts for payment of the premiums thereon may be inspected by the representatives or agents of the Lessor at all reasonable times.

8. That all mine track put in place on said premises shall be and remain a part of said property and at the expiration of this lease shall be and remain as a further agreed consideration for the granting of this lease on the terms therein stated. All machinery tools and equipment placed upon said property by the lessee for the operation thereof may be removed by him at the termination of this lease if removed within six (6) months from the date of its termination. If not removed within such period of time they shall become a part of said premises and shall not be removed thereafter.

9. The lessee further agrees that all work done or performed by him upon said property hereunder shall be done and performed in accordance with the laws of the State of Colorado, the rules of the Bureau of Land Management and the laws of the United States pertinent thereto.

10. That upon all ores or concentrates produced therefrom and extracted by the lessee hereunder, a royalty shall be paid as follows: on all ore and concentrates not exceeding fifty dollars ($50) per ton in value, a royalty of(10%) ten percent shall be paid; and all on all ores and concentrates produced and shipped and sold from said property exceeding ($50) fifth dollars per ton in value, a royalty of fifteen percent (15%) shall be paid. Such royalty shall be calculated as follows: on all ore shipped crude to a smelter, the royalty shall be paid upon the purchase price paid for such ore by the smelter, less transportation and treatment charges only; if such ore shall be shipped to a custom mill situated in San Juan County, Colorado, such royalty shall be paid on the purchase price paid by said custom mill for such ore, after deducting the transportation charge from mine to mill; if such ore shall be shipped to any other custom mill for treatment only and the concentrates produced therefrom shall be shipped to a smelter, the royalty shall be calculated after deducting from the purchase price paid by the smelter for such ore, the haulage charge from mine to mill, the milling charge, and the transportation charge from such custom mill to the smelter purchasing such ore, together with the treatment charge of the smelter for treating such ore. It is agreed that a signed copy of the royalty provision of this lease placed with the smelter or custom mill shall be full authority for it to calculate the royalty hereunder and remit the same to said lessor at the address it will provide, and to remit to the lessee the remainder of the net smelter or mill returns of such ore after deducting the above enumerated charges.

11. The lessee agrees that he will quit and surrender to the lessor the possession of said demised premises, with the appurtenances and improvements, on the expiration of the term of this lease, or at any time previous on demand for forfeiture; and the lessee reserves the right to discontinue his operations hereunder and terminate this lease by giving 30 days written no-

tice of his intention so to do.

12. Said lessee agrees to occupy and hold all crossers parallel lodes, spurs, feeders, crevices or mineral deposits of any kind which may be discovered in working under this lease, with the privilege to him of working the same as parcel of the said demised premises; and to not locate or record the same in his own name, or allow the same to be located or recorded except in the name of the lessor.

And, finally it is expressly agreed and understood that upon the violation by the lessee of any covenant herein reserved, the term of this lease shall at the option of the lessor, terminate and expire, and the same and said premises, with the appurtenances, shall become forfeit to said lessor, and said lessor or its agent may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law; or at the option of the lessor, the said lessee or all persons found in occupation of said premises may be treated as guilty of unlawful detainer and may be proceeded against accordingly. And the said lessee agrees that upon the termination of this lease, or upon its termination prior thereto by any of the means hereinabove provided, said lessee shall promptly deliver up possession of said premises and the appurtenances, without further demand or notice.

IN WITNESS WHEREOF said lessor has hereunto caused its name to be subscribed by its President, thereunto duly authorized, and the lessee has hereunto caused its name to be subscribed by its President, thereunto duly authorized, all on the day and year first above written.

MYSTERY GOLD MINING COMPANY

Signed by Warren C. Prosser
President.

Mountain Top Mining and Milling Co.

C.C. T.N. Billenwaters
President.

P. Yum

Office

ADDENDUM

This Addendum,

to a lease agreement entered into at Denver, Colorado the third day of February by and between MYSTERY GOLD MINING COMPANY, a Colorado corporation, and MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation, relating to:
Little Dora lode mining claim United States Survey No. 981
Jennie Parker lode mining claim United States Survey No. 207 and
Stadacona lode mining claim United States Survey No. 2634,
all situated in Animas Mining District, San Juan County, Colorado.

hereby entered into by and between MYSTERY GOLD MINING COMPANY, a Colorado corporation, hereinafter referred to as Mystery, and MOUNTAIN TOP MINING AND MILLING COMPANY, a Colorado corporation, hereinafter referred to as Mountain Top, on this seventh day of February, 1956 at Denver, Colorado.

WITNESSETH

That Mystery for and in consideration of ten dollars ($10.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by Mystery hereby grants to Mountain Top the right to renew on the same terms and conditions the lease above referred to for a period of three (3) additional years during and until June 1, 1960 by giving written notice to Mystery to such effect at any time prior to June 2, 1957.

MYSTERY GOLD MINING COMPANY

By William A. Prosser
President

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December 3,1956

Mountain Top Lease, Dora "A" Level off Empire Tunnel, as conflicting with Empire Lode, Sur. No. 647A

White print is attached as taken from our Company Official Plat, made on canvas back paper by Thomas Trippe, scale 1 inch to 100 ft.

From this map it appears that the Dora Winze is directly on the side line 2-3 of the Empire lode claim. We do not have the Field notes on the survey of the "A" Level. We have carefully scaled the map and have come up with the following notes which I think are approximately correct.

Beginning at the point of intersection of the north crosscut from the Dora Winze, "A" Level drift and proceeding along the drift northerly---

Sta. "A" N 38° 30' W, 13 ft. to side line 2-3 of Empire lode Sur. No. 647A, at south 2° 12' E, 459.5 ft. from Cor. No. 3; 62.0 ft. to Sta. B.

B	N 20° 40' W	100.0 ft. to Sta. C.
C	N 46° W	48.0 ft. to Sta. D.
D	N 23° 30' W	42.0 ft. to E.
E	N 46° W	71.0 ft. to F
F	N 35° 30' W	50.0 ft. to G.
G	N 47° 10' W	50.0 ft. to H.
H	N 42° W	44.0 ft. to end line of Empire

lode claim 3-4; 67.0 ft. to I, which is off the Empire lode claim.

Owing to the relative impossibility of finding claim corners at this time of year, it is impractical to attempt to establish the lines of the Empire lode claim, excepting as I have attempted to do herein.

A compass survey on Little Dora "A" Level should support the situation as outlined.

Very Truly Yours

Warren A. Prosser

President
Mystery Gold Mining Company.

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MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

DMEA
Date Rec'd
JAN 20 1956

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

BUREAU OF MINES
Denver, Colorado

Docket No. DMEA 4138
Metal or Mineral Tungsten-Lead
Date Received 1-23-56
Estimated Cost $18,200.00
Participation (Government %)

JAN 23 1956

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Jesse Arthur Bingel
Silverton, Colorado

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Empire Lode Survey # 647A

(*b*) State any mine name by which the property is known. Dora

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(a) State the mineral or minerals for which you wish to explore Hubnerite with possible values in Lead and Copper

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

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.

Dated Jan. 13, 1956

Jesse Ringel
(Applicant)

By

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

BINGEL BROTHERS SHOP

Mining Machinery, Sales, Repairs and Installation
Welding and General Shop Work

SILVERTON, COLORADO

To accompany Form-M.F.-103

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JAN 23 1956

1. See M.F.103
2. " "
3. " "

4. (a) See accompanying map for explorations and workings that have been done. The mine workings are accessable for examination.
(b) There was past production but amount unknown, no current production, ore reserves unknown.
(c) The Empire vein has been drifted on, in both the Boston level and the Empire tunnel level. The two levels being 200 ft. one above the other. The mineralization is tungsten in a vein of quartz with lead, iron, zinc and copper sulphides with fluorite and some barite. There is considerable massive pyrite. The vein dips at 70 to 80 degrees, and is normally 4 to 6 ft. width.
(d) The project is ½ mile south from Silverton, Colo., and is on highway U.S. 550 and is accessable all the year.
(e) There is sufficient manpower, material supplies, equipment, water, and the power will be portable type.

5. (b) The proposed work will include a two compartment raise from the Empire tunnel level to the Boston tunnel level, and the running of 200 ft. of drifting along the vein at a point in the raise to be determined as the raise progresses. This exploration work is to be done on the veins nearly as can be determined. See the accompanying maps.
(d) 30 years varied mining experience.

6. (a) Cost per ft. of raise with contractor furnishing all labor and supplies $56.00. Cost per ft. of drift with contractor furnishing all supplies $35.00.
(b) Supervision and consulting $600.00
(c) To be furnished by contractor.
(d)

Compressor 315 cu.ft.	4 months	@ $400.00	$1600.00
Cars & Locomotive	4 "	@ $150.00	$ 600.00
Drill & Hose	4 "	@ $ 80.00	$ 320.00
Air Hoist	4 "	@ $ 50.00	$ 200.00
Slusher	2 "	@ $125.00	$ 250.00
Blower	3 "	@ $ 75.00	$ 225.00
	Total		$3195.00

7. (a) Yes.

RECEIVED
JAN 23 1956

MINING LEASE

THIS AGREEMENT OF LEASE, Made and entered into this 9th day of August, 1955 by and between MYSTERY GOLD MINING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Colorado, party of the first part, and hereinafter designated as lessor, and JESSE A. BINGEL of San Juan County, Colorado, party of the second part, and hereinafter designated as lessee, WITNESSETH:—

That the lessor, for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the lessee to be paid, kept and performed, has granted, demised and let, and by these presents does grant, demise and let unto the said lessee the Hercules lode mining claim, U. S. Survey No. 648A, the Gladstone lode mining claim, U. S. Survey No. 1695 (19695), and the Victoria Millsite, U. S. Survey No. 1051B, together with the Boston Tunnel and the dumps situated at the mouth of such tunnel,--all situate in Animas Mining District, San Juan County, Colorado.

See Amendment following on short page

TO HAVE AND TO HOLD unto the said lessee from the date hereof, for, during and until August 9, 1960, unless sooner forfeited or terminated through the violation of any covenant against the said lessee herein reserved.

And in consideration of said demise, and as conditions and covenants hereof, the said lessee does hereby covenant and agree to and with the lessor as follows, to-wit:

1. That all work which he shall do on said demised premises shall be done in good and workmanlike manner, with due regard to the safety, development and preservation of said premises, as a workable mine, and to the special covenants hereinafter reserved, and no underhand stoping shall be done or performed hereunder in said premises during the continuance in force of this lease. It is further agreed that all drifts made by said lessee shall be driven on a grade of four (4) to six (6) inches to the one hundred (100) feet, horizontal measurement, and shall be made at least six and one half (6½) feet in height above the track rail and four and one-half (4½) feet in width, all in the clear. All workings which he shall make or use on said demised premises shall be sufficiently timbered wherever necessary in accordance with the usages of good mining.

2. That he will permit the said lessor, or its agent or agents thereunto duly authorized, from time to time and at all reasonable times, to enter into and upon the said premises and the workings thereon and therein for the purpose of inspection, and will afford and furnish all aid necessary to full and complete exercise of said right.

3. That he will keep all workings on said demised premises, which may be made or used by him under this lease, at all times free and clear of loose rock and rubbish, and will nowhere stope nearer than ten (10) feet below the surface of the earth above stope, or nearer than seven (7) feet below the floor of any drift above the stope then being worked.

4. That as far as reasonably possible he will place and leave in one place on the dump or dumps of the workings on said demised premises all low grade ore extracted and brought to the surface by him under this lease, and not jigged or sent to a concentrating mill by him.

5. That not later than August 20, 1955 he will enter into possession of said premises and commence work thereon, and during each three-month period thereafter will do and perform one hundred twenty (120) shifts of work, a shift of work being defined as eight (8) hours work for one man, in the development and operation of said premises, unless prevented by unusual or extraordinary mining casualty, heavy storms, or what is termed an "act of God," and the failure to do such work shall not be a breach of the covenant. Any work done on said property for the improvement, development or preservation thereof shall be a portion of the work herein required.

6. That he will post and keep posted on said claims, at all places where work is being performed under this lease, written or printed notices, (or partly written and partly printed notices) in due form of law under the Colorado statutes relating to mechanic's liens, that said premises are being worked under lease only and that the same and the owner thereof will not be liable for any work performed thereon or materials and supplies furnished for the operation thereof, so as to protect said property from mechanic's liens.

7. That at all times when work is being performed upon said property hereunder, he will take out and carry workmen's compensation insurance under the terms

and provisions of the Colorado Workmen's Compensation Act, for the protection of himself and the workmen employed by him in the working and operation of said property, so that the said first party and said property shall incur no liability by reason of the injury of the lessee or any of his workmen employed in the operation of said property hereunder. The policy of insurance and receipts showing payment of the premiums thereon may be inspected by the representatives or agent of the lessor at all reasonable times.

8. That all mine track put in place on said premises shall be and remain a part of said property and at the expiration of this lease shall remain as a further agreed consideration for the granting of this lease on the terms herein stated. All machinery, tools and equipment placed upon said property by the lessee for the operation thereof may be removed by him at the termination of this lease if removed within six (6) months from the date of such termination. If not removed within such period of time they shall become a part of the said premises and may not be removed thereafter.

9. The lessee further agrees that all work done or performed by him upon said property hereunder shall be done and performed in accordance with the laws of the State of Colorado, the rules of the Bureau of Land Management and the laws of the United States pertinent thereto.

10. That upon all ore and concentrates produced therefrom and extracted by the lessee hereunder, a royalty shall be paid as follows: on all ore and concentrates not exceeding fifty dollars ($50.00) per ton in value, a royalty of ten percent (10%) shall be paid; and on all ore and concentrates produced and shipped and sold from said property exceeding fifty dollars ($50.00) per ton in value, a royalty of fifteen (15%) percent shall be paid. Such royalty shall be calculated as follows: on all ore shipped crude to a smelter, the royalty shall be paid on the purchase price paid by the smelter for such ore, less transportation and treatment charges only; if such ore shall be shipped to a custom mill situate in San Juan County, Colorado, such royalty shall be paid on the purchase price paid by said custom mill for such ore, after deducting the transportation charge from mine to mill; if such ore shall be shipped to any other custom mill for treatment

only and the concentrates produced therefrom shall be shipped to a smelter, the royalty shall be calculated after deducting from the purchase price paid by the smelter for such ore the haulage charge from mine to mill, the milling charge, and the transportation charge from such custom mill to the smelter purchasing such ore, together with the treatment charge of the smelter for treating such ore. It is agreed that a signed copy of this agreement placed and deposited with the smelter or custom mill shall be full authority to it to calculate the royalty due hereunder and remit the same to the lessor at such address as it may submit, and to remit to the lessee the remainder of the net smelter or mill returns of such ore after deducting the above charges. It is agreed that the sum of sixteen dollars eighty cents ($16.80) has been paid to the lessor as advance royalty and shall be deducted from the first payment of royalty made hereunder.

11. The lessee agrees that he will quit and surrender to the lessor the possession of said demised premises, with the appurtenances and improvements, on the expiration of the term of this lease, or at any time previous upon demand for forfeiture; and the lessee reserves the right to discontinue his operations hereunder and terminate this lease by giving ten (10) days written notice of his intention so to do.

12. Said lessee agrees to occupy and hold all cross or parallel lodes, spurs, feeders, crevices or mineral deposits of any kind which may be discovered in working under this lease, with the privilege to him of working the same as parcel of said demised premised; and to not locate or record the same in his own name, or allow the same to be located or recorded except in the name of the lessor.

And, finally, it is expressly agreed and understood that upon the violation by the lessee of any covenant herein reserved, the term of this lease shall, at the option of the lessor, terminate and expire, and the same and said premises, with the appurtenances, shall become forfeit to said lessor, and said lessor, or its agent, may thereupon, after demand for possession in writing, enter upon said premises and dispossess all persons occupying the same, with or without force, and with or without process of law; or at the option of said lessor, the said lessee and all persons found in occupation of said premises may be treated as guilty of unlawful detainer and may be proceeded against accordingly. And the

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

RECEIVED
JAN 23 1956

January 20, 1956

224 New Customhouse
Denver 2, Colorado

dmea
4138

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Application for DMEA Aid (Tungsten-Lead-Copper), Jesse Arthur Bingel, Dora Mine, San Juan County, Colorado

Enclosed are three copies of the subject application in the amount of $18,200.00. One copy of the application is being retained in our files.

W. M. Traver

W. M. Traver

Enclosures

said lessee agrees that upon the termination of this lease by the expiration of its term, or upon its termination prior thereto by any of the means hereinabove provided, said lessee will promptly deliver up possession of said premises and the appurtenances, without further demand or notice.

IN WITNESS WHEREOF said lessor has hereunto caused its name to be subscribed by its President, thereunto duly authorized, and the lessee has hereunto affixed his signature, all on the day and year first above written.

MYSTERY GOLD MINING COMPANY

By [illegible]
its President

Lessor

[illegible]

Lessee

AMENDMENT OF LEASE AGREEMENT.

This amendment is to that certain Mining Lease, of August 9th, 1955, by and between Mystery Gold Mining Company, Party of the first part and Lessee, and Jesse A. Dingel, Party of the Second part and Lessee, provides that paragraph No. 2 Page 1, of said lease be amended to read as follows:

Witnesseth: That the Lessor for and in consideration of the royalties, covenants and agreements hereinafter reserved and by the Lessee to be kept and performed, has granted demised and let and by these presents does grant demise and let unto the said lessee the Hercules lode mining claim, U.S.Survey No. 648 A; the Gladstone lode mining claim, U.S.Sur. No. 19695, the Victoria Millsite, U.S.Sur. No. 1051 B, the Empire Lode Mining claim U.S.Sur. No. 647 A, the dumps at the portal of the Boston tunnel; together with the joint use and occupancy, with the Lessor and its other assigns, of the Boston tunnel and the Empire tunnel, with buildings and facilities at the portal of each, for ingress and egress, dumping waste and handling ore, and the discharge of mine water, all essential to the mining operation hereunder, all situated in Animas Mining District, San Juan County, Colorado.

This amendment is intended to add the Empire lode mining claim to the lease and provide for ingress and egress.

In witness whereof said Lessor has hereunto caused its name to be subscribed by its President, thereunto duly authorized, and the Lessee has hereunto affixed his signature all on this day and year January 10,1956

MYSTERY GOLD MINING COMPANY.

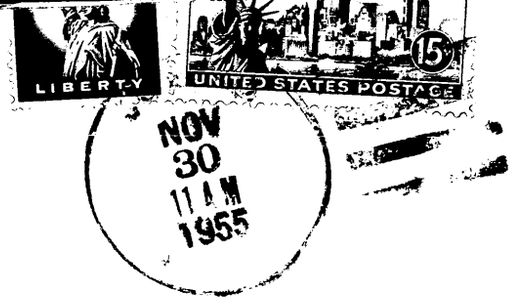
by Warren C. Prosser
Lessor its President

Jesse A. Dingel
Lessee

U. S. BUREAU OF MINES
METAL ECONOMICS BRANCH
JUNEAU, ALASKA

OFFICIAL BUSINESS

P. O. BOX 560
JUNEAU, ALASKA



VIA AIR MAIL

OPERATING COMMITTEE,
DEFENSE MINERALS EXPLORATION ADMINISTRATION,
DEPARTMENT OF THE INTERIOR,
INTERIOR BUILDING,
WASHINGTON 25, D. C.

VIA AIR MAIL

VIA AIR MAIL

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

Operator: Jesse A. Bingel		Actual Cost	
State: San Juan County, Colorado	Contract	Agreed Unit Cost $28,010	
Final Report of Audit	Commodity: Tungste-Lead-Copper	Docket No. DMEA-4138	
Final Report of Review $13,585		Contract No. Idm-E997	

Operation	Authorized by Contract and Amendments		Completed		Net cost after sale of Government Property
	Units	Cost	Units	Cost	
Drifting & Crosscutting	600 ft.	$18,600	296'ft	$8,880	
Raising	195 ft	6,965	123 ft.	4,305	
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation Drift		400			
shaft		~~1,395~~		~~400~~	
New Building, Improvements, etc.					
Other (Specify) Assaying		650			
Totals		$28,010		$13,585	*

* Net cost total must agree with final report of audit or review.

Prepared by T. L. Chapman Date 9/10/58

31398

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-7	Chapman	400
4-7	Martin	400
4/10	Selfridge	180
"	Johnson	110
		~~150~~
"	Butterworth	400
		220
		400

APR 10 1958

Mr. Jesse A. Bingel
Home on the Range
Wyoming

Re: Docket No. DMEA 4138 - Tungsten,
Lead, and Copper
Dora Mine
San Juan County, Colorado
Contract No. Idm-E997

Dear Mr. Bingel:

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

It is not our intention to issue a certification of discovery or development which would create a lien against the property. We are therefore closing our books and records with respect to this project. At this same time your attention is called to the provisions of the contract requiring the operator to keep and preserve certain records for the period indicated.

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

Sincerely yours,

Administrator

TLCHAPMAN/dlm 4-4-58
cc to: Code 400
Admr. R. File
Oper. Comm.
REGION III
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

Mr. Jesse A. Bingel
Silverton, Colorado

11-14-58
Copy to Audits

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-7	Chapman	400
4-7	Martin	400
		110
		100

April 7, 1958

MEMORANDUM

To: Administrator, DMEA

From: Division of Iron and Ferro-Alloys, DMEA

Subject: Closing of project without certification of discovery or development
Docket No. DMEA 4138 - Tungsten-Lead-Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract No. Idm-E997

The Government after completion of Stage I of the contract, and after request from the operator, notified the operator by a letter dated September 17, 1957, that the exploration under the contract was considered to be completed.

Mr. Jesse A. Bingel, Silverton, Colorado, on January 13, 1956, applied for exploration assistance to explore for tungsten-lead-copper ores in the Dora mine, Silverton, Colorado. The proposal was for rehabilitation, raising, drifting and/or crosscutting at an estimated cost of $18,200.00.

The property was examined on April 17, 1957, by R. U. King, Geological Survey, and E. W. Buel, Bureau of Mines. The examining team recommended a two-stage program of rehabilitation, raising and drifting at an estimated cost of $28,408.00.

Applicant: Jesse A. Bingel
Silverton, Colorado (last address, Home on the Range, Wyoming)

Property Ownership: Mr. Jesse A. Bingel, on August 9, 1955, obtained a lease on the Empire patented claim, mineral survey 647A, located in section 19, T. 41 N., R. 7 W. San Juan County, Colorado, from the Mystery Gold Mining Company, 414 Cooper Building, Denver, Colorado. On January 10, 1956, the lease was amended to allow joint use of the Boston and Empire tunnels and equipment at the portals.

Geology: This property lies within a quartz monzonite stock of Tertiary age, which intrudes Precambrain crystalline rocks and Paleozoic sediments. The stock is cut by several north to northwest fissue veins. These veins contain the ore deposits of the area.

The three main veins, the Dora, Empire and Hercules are cut by the Empire tunnel. These veins are fissure fillings containing gold, silver, galena, sphalerite, tetrahedrite, chalcopyrite, huebnerite, and pyrite in a gangue of quartz, barite and fluorite.

Past History and Production: The Empire vein was first worked in 1876. Up to 1915 there are no known production records. The property changed hands a number of times and was worked by the several owners and leasers. Available production records from the Bureau of Mines show 35 tons of sulphide ores amounting to 16.5 ounces gold, 352 ounces silver, 134 pounds copper and 357 pounds lead. The Little Dora vein produced 19 tons of huebnerite ore containing 35 percent WO_3. Three carloads of huebnerite ore containing 26 percent WO_3 were mined from the Empire vein.

Giant Resources, Inc., and Mountain Top Mining and Milling Company in 1956 and 1957 mined ore subject to DMEA Royalty from the Dora winze on the east end of the Empire claim as follows: Ore mined 201 tons, concentrate 10.222 tons averaging 2.95 ounces gold, 114.25 ounces silver, 8.8 percent copper, 45.3 percent lead and 3.7 percent zinc.

Development: The Dora mine has been developed through the Ricker, Boston and Empire tunnels. The mine contains several miles of drifts and crosscuts. The Boston and Empire tunnels are accessible. Most of the surface equipment is in disrepair except the combination compressor-change house-workshop.

Contract: Contract No. Idm-E997 was issued to the Operator on August 22, 1956. The work authorized was in two stages as follows:

STAGE I

Rehabilitate Empire No. 1 drift, 100 feet at $4.00/ft.	$ 400.00	
Raise 125 feet at $35.00/ft.	4,375.00	
Drift 300 feet at $30.00/ft.	9,000.00	
50 samples at $6.50 each	325.00	
Total Stage I		$14,100.00

STAGE II

Raise 70 feet at $37.00/ft.	$2,590.00	
Rehabilitation of shaft, 150 feet at $9.30/ft.	1,395.00	
Drifting 300 feet at $32.00/ft.	9,600.00	
50 samples at $6.50 each	325.00	
Total Stage II		$13,910.00
Estimated Total for project		$28,010.00
Government participation 62½ percent		$17,506.00

Work Completed: Work completed consisted of the following:

Rehabilitation	$ 400.00	
Raising 123 feet at $35.00/ft.	4,305.00	
Drifting 296 feet at $30.00/ft.	8,880.00	
Total cost of project		$13,585.00
Government participation 62½ percent		$ 8,490.62
Royalty payments	$162.57	

Ore Values and Reserves: No ore was found by the operation and there are no ore reserves.

Comments and Conclusions: The examining team, with concurrence of the Field Team, concludes that the project has little possibility of developing any significant ore bodies and concurs in the request by the operator for termination at the end of Stage I. No certification of discovery or development is recommended.

The Commodity Divisions of the Geological Survey, and the Bureau of Mines, concur in the conclusions and recommendations of the Field Team.

W S Martin
W. S. Martin, Director
Division of Iron and Ferro-Alloys

TLChapman:foc 4-7-58
cc to: Code 400
Code 100
Admr. R. File
Oper. Comm.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

APR 8 1958

48	C	220
	WSM	400

April 7, 1958
Re: DMEA 4138 Idm E997
Jesse A. Bingel
Dora Mine
San Juan County, Colo.
Tungsten-Lead-Copper

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report

The contract, awarded August 22, 1956, authorized the expenditure of $28,010 for exploration of the tungsten-lead-zinc-copper-bearing Empire vein by rehabilitation, raising and drifting, the work to be done in 2 stages.

The Empire vein, a diagonal vein in quartz monzonite connects the sub-parallel Dora and Hercules veins. The Empire vein is credited with a small production, probably less than 5,000 tons, whereas the other veins, judging by the extent of the workings, may have been more important producers.

Only Stage I work was done. It consists of:-

	Units	Cost
Rehabilitation	100 ft.	$ 400.00
Raising	123 "	4,305.00
Drifting	296 "	8,880.00
Totals		$13,585.00
Government share 62½%		8,490.62

Minor amounts of galena, sphalerite, and huebnerite were found in the vein but concentrations approaching ore-grade, were limited to 2 small pods less than 18 inches in maximum dimension.

The examiners and Field Team conclude it is not probable additional work between the Empire and Ricker levels will lead to the discovery of significant reserves of tungsten and/or lead-zinc ore, and they do not recommend certification.

I concur with their conclusions.

N. E. Nelson

N. E. Nelson

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DMEA
RECEIVED MAR 31 1958

DATE	INITIALS	CODE
3/31	C	220
	WSM	400

[illegible]
[illegible]
[illegible]
Washington 25, D. C.

Date March 28, 1958

DMEA Project No. 4138
DMEA Contract No. E997
Commodity Tungsten-Lead-Copper
Name of applicant Jesse A. Bingel
Name of property Dora Mine
Location of property San Juan County, Colorado
Estimated cost of project

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals and Ferroalloys
From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals and Ferroalloys

Subject: Review of Final Report by Field Team
(Application, Field Team Report, etc.)

1. Date of application: 3/14/58 2. Date received by DMEA: 3/28/58

3. Prior reports on this property known to reviewer: Yes ☐ No ☐

4. Prior report on similar properties known to reviewer: Yes ☐ No ☐

5. Prior plan available on past production: Yes ☐ No ☐

6. Old or prospectus information known to reviewer: Yes ☐ No ☐

7. Complete item marked yes above:

8. Factors needing special consideration:
- a. Location ☐
- b. Ownership ☐
- c. Evidence of mineralization
- d. Geology ☐
- e. Proposed exploration method ☐
- f. Alternate exploration method ☐
- g. Costs ☐
- h. _____ ☐

9. Action advised:
- a. Obtain information from applicant ☐
- b. Refer to Field Team ☐
- c. Denial ☐
- d. Agree with Field Team ☒
  - i. Consult with Mr. _____ at _____ AEC office.
- e. Disagree with Field Team ☐
- f. Suggest alternate plan ☐
- g. Request another examination ☐
- h. Approval ☐

10. Remarks: (Use back of page if necessary) I concur in the Field Team recommendation against certification of discovery.

R. W. Holliday

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado
March 19, 1958

DMEA
RECEIVED MAR 21 1958

DATE	INITIALS	CODE
3/21	C	220
	ay	130
3/24	7B	110
3/26	2B	130
3/26	C	220
3/28	WSM	

Memorandum

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado - FINAL SUMMARY REPORT

Enclosed are the original and two copies of a Joint Final Engineering and Geologic Report, dated March 14, 1958, by E. N. Harshman, Geologist, Geological Survey, and E. W. Buel, Mining Engineer, Bureau of Mines, pertaining to work completed under the subject contract.

The original and one copy of the Operator's Final Report were forwarded by memorandum of September 17, 1957.

The contract was considered completed upon completion of the work provided for under Stage I and Government concurrence to discontinuing work at that point was indicated by letter to the Operator, dated September 17, 1957.

Final payment to the Operator was processed by this office September 23, 1957, in conformance with the Report of Review of reported project costs by the Contract Administration and Audit Division, DMEA, dated September 20, 1957.

Acceptable units of work completed consist of 100 feet of rehabilitation in the Empire No. 1 drift, 123 feet of raising, and 296 feet of drifting; all at a total accepted cost of $13,585.00, toward which the Government contributed 62½ percent, or $8,490.62.

The exploration work completed did not result in the discovery or development of a significant quantity of tungsten-lead-copper ore; therefore, Certification of the project is not recommended.

FT Final Report

W. H. King
W. H. King

E. N. Harshman
E. N. Harshman

Reviewed by
DMEA OPERATING COMMITTEE
3-26-58
(date)

WRB
HMC 3-14-58
TH

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT BY FIELD TEAM
REGION III

DMEA
DEPARTMENT OF THE INTERIOR
MAR 18 1958
REGION III
DENVER, COLORADO

DMEA 4138

Contract Idm-E 997

Jesse A. Bingel

Dora mine

San Juan County, Colorado

Tungsten-lead-copper

ORIGINAL FILE COPY
DMEA
RECEIVED MAR 21 1958

DATE	INITIALS	CODE
3/26	2/B	130
		220

Joint Final Engineering and Geologic Report

by

E. N. Harshman, Geologist
Geological Survey

E. W. Buel, Mining Engineer
Bureau of Mines

March 14, 1958

Reviewed by
DMEA OPERATING COMMITTEE
3-26-58
(date)

FILE COPY
RECEIVED MAR 21 1958
DATE | INITIALS | CODE

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3.	Vertical section along Empire vein, Dora mine, San Juan County, Colo. DMEA 4138, Contract Idm-E 997	18
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DMEA 4138

CONTRACT Idm-E 997

JESSE A. BINGEL
DORA MINE
SAN JUAN COUNTY, COLORADO

INTRODUCTION AND SUMMARY

Jesse A. Bingel, Silverton, Colorado, applied for Defense Minerals Exploration Administration assistance to explore for tungsten-lead-copper ore in the Dora mine, San Juan County, Colorado.

The property was examined on April 17, 1957, by R. U. King, U. S. Geological Survey, and E. W. Buel, U. S. Bureau of Mines. In an examination report dated June 13, 1957, the examiners recommended a two-stage program of exploration comprising rehabilitation, raising, and drifting on the Empire vein at a total estimated cost of $28,408. Approval was based on the strength and continuity of the Empire vein and the presence of tungsten ore on the Empire and Boston levels.

Contract Idm-E 997 was consummated on August 22, 1956, and work started September 17, 1956. The contract provided for rehabilitation, raising, and sub-level drifting in a two-stage program estimated to cost $28,010, Government participation 62-1/2 percent or $17,506.

Stage I work was completed in June 1957 at a total accepted cost of $13,585, Government participation $8,490.62. On September 11, 1957, the operator advised the Government that he would not request

Stage II work. Because of the paucity of ore-grade material exposed by Stage I exploration, the Government notified the operator on September 17, 1957, that exploration under the contract was considered to be completed.

No ore was found as a result of exploration at the Dora mine; a certification of discovery is not recommended nor can additional exploration, with Government assistance, be justified.

LOCATION AND ACCESSIBILITY

The Dora mine is on the north slope of Sultan Mountain in sec. 19, T. 41 N., R. 7 W., N.M.P.M., San Juan County, Colorado (fig. 1). The principal working or Empire level, is about 1,000 feet west of the junction of highways 550 and 110 which is in Silverton.

PHYSICAL FEATURES

The general region is comprised of a typical glaciated alpine topography with deep canyons, rugged peaks, and narrow valleys. Altitudes range from 9,270 feet at Silverton to over 13,330 feet on Sultan Mountain.

Snowfall in the region is heavy and the winters are severe. Most of the less favorably located mines are forced to close throughout the winter season because of the heavy snowfalls but the Dora mine, because of its favorable location, can be operated throughout the year.

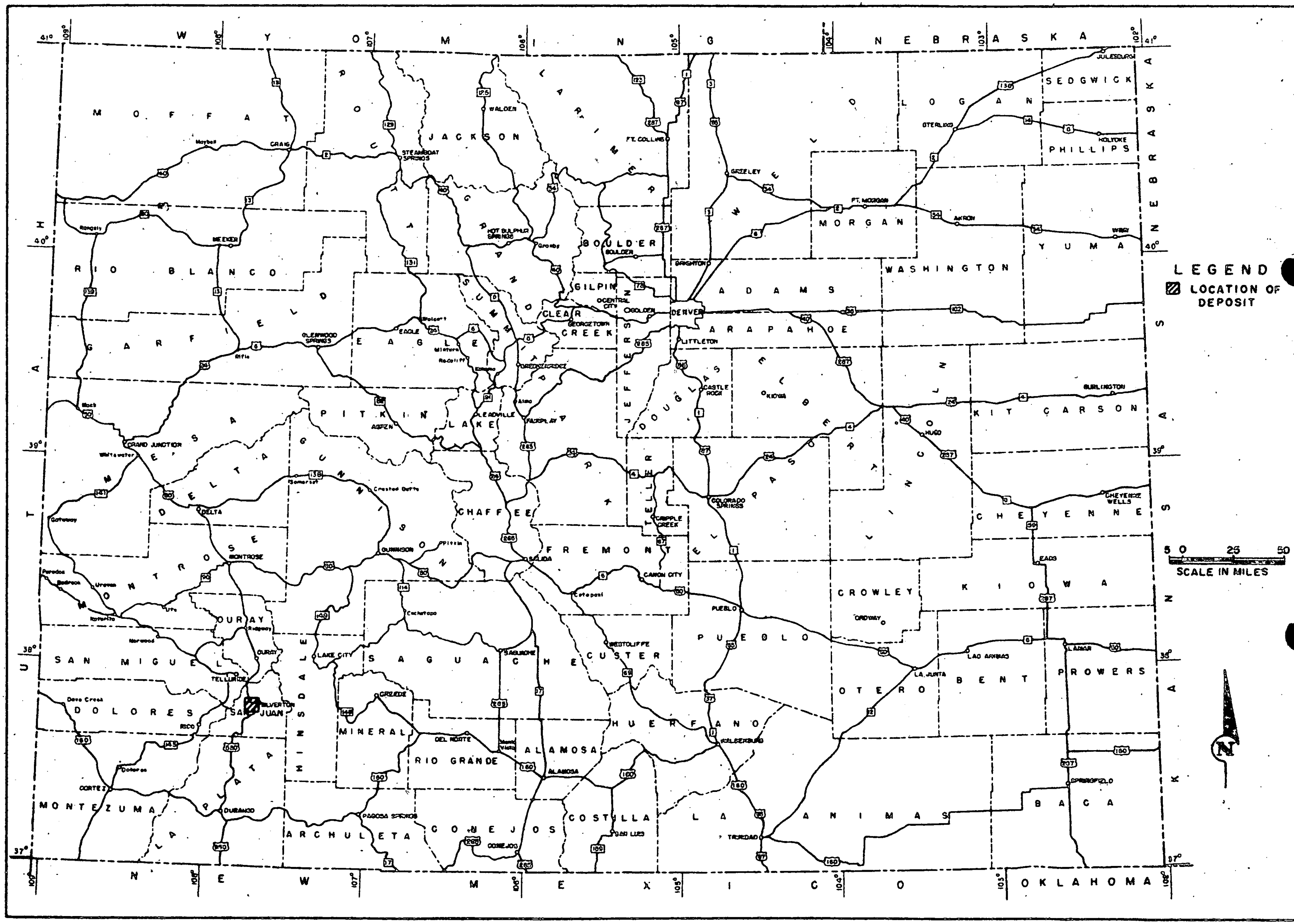


FIGURE 1 - INDEX MAP SHOWING LOCATION OF THE DORA MINE, SAN JUAN COUNTY, COLO. DMEA 4138
CONTRACT Idm-E 997

Hercules veins. Ransome (1901, p. 252-253) reports that the Empire vein was first worked by Melville and Summerfield in 1876 and that a 125-foot shaft existed in 1882.

From 1883 to 1915, there are no known production records. Some development and exploration were carried on during 1916 according to Mr. Warren Prosser, president, Mystery Gold Mining Company. Bureau of Mines records show that the Dora mine was worked from 1929 to 1935 by the Dora Consolidated Mining Company and the Los Animas Development Company, both of Silverton, Colorado, and other smaller leasers. Mystery Gold Mining Company, the present owner of the Dora mine and the subordinated Empire claim, acquired the group of patented claims sometime after 1935. Since then the property has been worked intermittently by Mystery Gold Mining Company, Ben Tomasi, Jesse A. Bingel, Mountain Top Mining and Milling Company, and recently by Giant Resources, Inc.

Production figures, available from the Bureau of Mines, for the Dora mine show a total of 35 tons of sulphide ore mined from 1924-35. Recovered production amounts to 16.5 ounces Au, 352 ounces Ag, 134 pounds Cu, and 357 pounds Pb. According to Belser (1956, p. 8-9), the Little Dora vein, which is east of the Empire vein, has a production record of 19 tons of huebnerite ore containing 35 percent WO_3; three carloads of huebnerite ore containing 26 percent WO_3 were removed from the Empire vein.

Giant Resources, Inc., and Mountain Top Mining and Milling Company produced from 1956 to September 1957 the following ore from the Little Dora vein on the A-level. This level is reached by a winze from the Empire Tunnel level (fig. 2) and is in part on subordinated ground.

Location	Tons		Ounces		Percent		
	Crude Ore	Concentrates	Au	Ag	Cu	Pb	Zn
A-level (Empire /647A/ claim*)	201.00	10.222	2.950	114.250	8.8	45.3	3.7
A-level (Little Dora /981/ etc., claims)	600.80	30.504					
A-level (claim (s) unknown)	--	66.658	2.995	126.000	12.1	54.8	--
do.	--	107.384	2.978	121.544	10.9	44.1	--
do.	--	87.884	3.325	138.451	13.1	43.0	--
do.	--	195.268	3.134	129.153	20.0	43.6	--
Totals	801.80	497.920					
Averages			3.100	127.512	14.8	45.2	

* Subject to DMEA royalty payments.

DEVELOPMENT AND PRESENT STATUS

The Dora mine has been developed from three principal levels, namely, the Empire, Boston, and Ricker. The mine contains several miles of drifts and crosscuts, as well as several shafts and winzes. The mine is developed over a known vertical depth exceeding 700 feet.

At the time of the initial DMEA examination on April 17, 1956, only parts of the Empire and Boston levels were accessible. For the most part, these levels do not require any support except at or near vein intersections and below stoped areas.

Ventilation and drainage are good on the Empire level as far as the DMEA raise, beyond that area the conditions are not known, except in the DMEA raise and sub-level drift where the air is known to be bad. Below the Empire level, water pumping is required. The amount of water pumped from the Little Dora shaft and A-level is not considered great.

Except for the combination compressor-change house-workshop and snowsheds at the Empire level portal, most of the Little Dora surface installations are in disrepair.

As of the last DMEA inspection of July 10, 1957, Giant Resources, Inc., was mining on the A-level by way of the Little Dora shaft and Empire Tunnel.

GEOLOGY AND ORE DEPOSITS

The Dora mine is within a quartz monzonite stock, Tertiary in age, which intrudes Precambrian crystalline rocks and Paleozoic

sedimentary rocks. The stock crops out on the northeast slope of Sultan Mountain where it is cut by several north- to northwest-trending fissure veins. These veins contain the ore deposits of the Sultan Mountain area.

Three principal veins or vein zones have been exploited through the Dora mine workings. The Little Dora vein is cut by the Empire tunnel, the lowest adit, at a point about 1,200 feet from the portal. The vein strikes N. 30° W. and dips vertically to steeply southwest (fig. 2). The Empire vein is cut at a point about 1,500 feet from the portal. It strikes north and dips vertically to 80° W. The Hercules vein which may be the southern extension of the North Star lode, is cut at a point about 2,000 feet from the portal. It strikes N. 45° W. and dips steeply west.

The three veins are fissure fillings containing galena, sphalerite, tetrahedrite, chalcopyrite, huebnerite, and pyrite in a gangue of quartz barite and fluorite.

The Empire vein, on the Empire adit level, ranges in width from 2 to 5 feet, and fills a strong fissure in fractured and argillized quartz monzonite. According to Ransome (1901) stopes on the Empire vein contained as much as 18 inches of ore, largely tetrahedrite, which averaged 100 ounces of silver per ton and about 10 percent copper.

Tungsten ore has been mined along the Empire vein on the Empire, Boston, and Ricker levels of the Dora mine (fig. 3). The tungsten

stope, about 100 feet south of the Empire adit, is approximately 50 feet long and 30 feet high. The vein consists of stringers of quartz and pyrite containing minor amounts of huebnerite and fluorite. Veinlets of huebnerite are found in the altered wall rock. A sample (EB-1) cut across 1 foot of vein material in the back of the stope, contained 2.6 percent WO_3, 0.02 percent Pb, 0.01 percent Cu, 0.05 percent Zn, and minor amounts of gold and silver.

The tungsten stopes on the Boston and Ricker level were not accessible for examination but tungsten ore is reported to have been mined from small stopes above each level (fig. 3). A sample of vein material, reported to have been mined from the small stope on the Boston level directly above the tungsten stope on the Empire level (fig. 3), contained 2.4 percent WO_3, 0.10 percent Pb, 0.02 percent Cu and minor amounts of gold and silver.

The Empire vein was explored in the DMEA raise for an inclined distance of 123 feet above the Empire tunnel level and in a sub-level drift turned from the raise at a point about 102 feet above the level (fig. 4). It strikes from N. 5° to 15° W. and dips about 75° W. The vein occupies a fault fissure and ranges in width from 2 inches to 3 feet. The vein matter is predominantly quartz although minor amounts of barite, rhodochrosite, and fluorite are present. Sulfide minerals include galena, sphalerite, and pyrite. Huebnerite in very minor

amounts, associated with fluorite, is present throughout the vein exposed in the DMEA workings. Concentrations of huebnerite, approaching ore grade, are limited to small pods a few feet in maximum dimension. Sulfide minerals are dispersed through the explored part of the vein but only one small pod approaching ore grade was exposed in the raise and drift.

It is probable that huebnerite and fluorite were deposited later than the bulk of the sulfide and other gangue minerals, perhaps in a separate stage of mineralization.

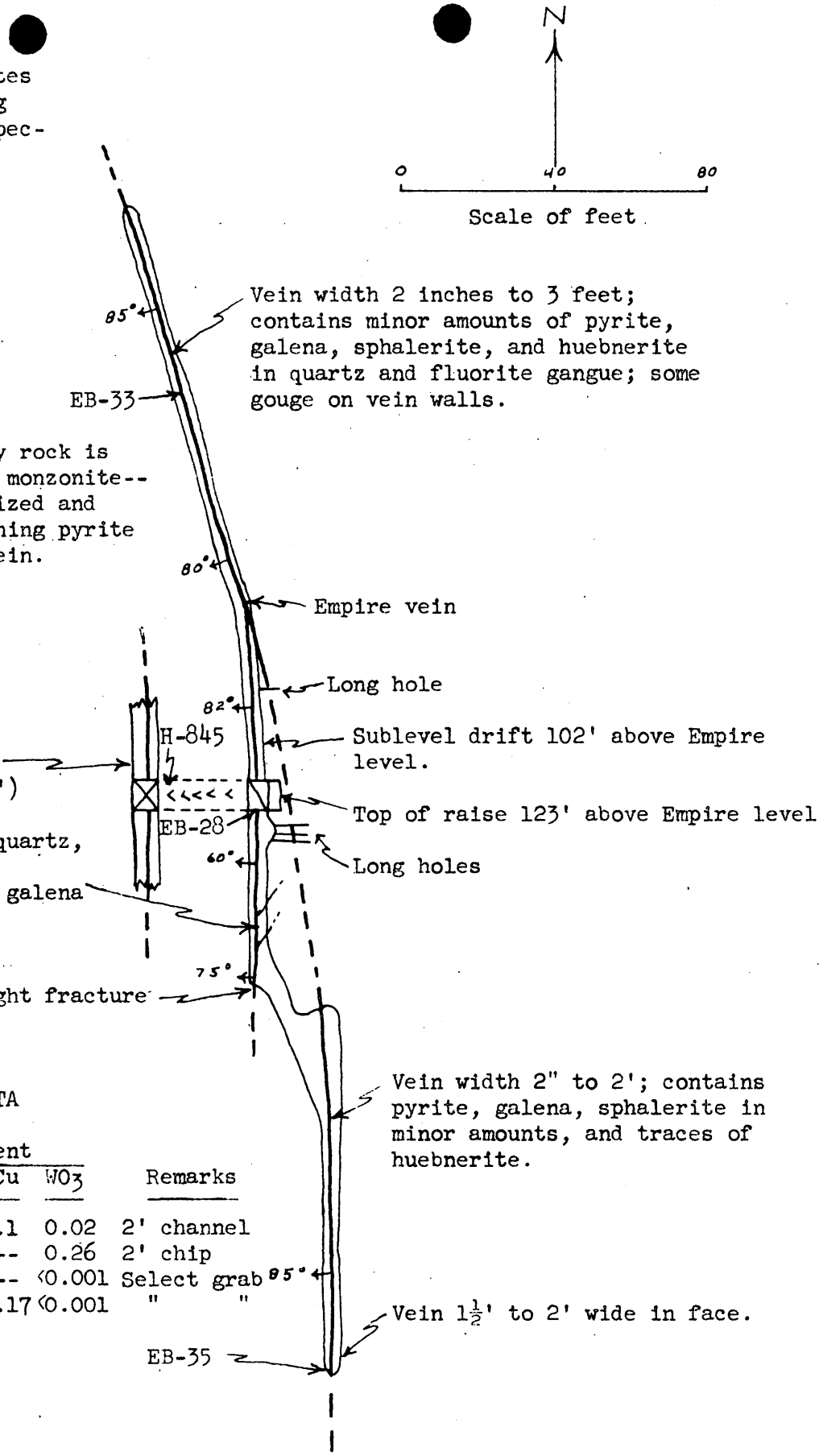
On the DMEA sub-level drift north of the DMEA raise the Empire vein splits into two strands (fig. 4). The eastern strand appears to be the stronger, and if this is true the upper part of the raise was driven on a hanging wall split of the Empire vein.

Exploration completed under this contract failed to expose either lead-zinc or tungsten ore in significant amounts. The data obtained from this project as well as other projects in the Silverton area suggests that although tungsten mineralization is widespread the probability of finding significant deposits is remote.

OPERATOR'S EXPLORATION PROPOSAL

The operator originally proposed a 200-foot long, 2 compartment raise, between the Empire and Boston drift levels. At a favorably

Note: Compiled from notes and sketches made during monthly and interim inspections.



DMEA
SAMPLE DATA

No.	Ounces Au	Ounces Ag	Percent Pb	Percent Zn	Percent Cu	Percent WO_3	Remarks
H-845	---	---	0.1	---	0.1	0.02	2' channel
EB-28	0.03	0.2	0.02	0.2	---	0.26	2' chip
EB-33	0.04	5.5	11.4	2.8	---	<0.001	Select grab
EB-35	0.02	2.2	1.2	1.3	0.17	<0.001	" "

FIGURE 4.--PLAN MAP OF DMEA WORKINGS, DORA MINE, SAN JUAN COUNTY, COLORADO.
DMEA DOCKET 4138, CONTRACT Idm-E 997

E.N.Harshman, 1958

located point in the raise a 200-foot sub-level drift was to be driven along the Empire vein. The operator estimated the project to cost $18,200 and to be completed in six months.

The unit costs of the proposed work was computed at $56.10 per foot for raising and $35.00 per foot for drifting.

EXPLORATION PROJECT

An exploration contract, Idm-E 997, between the operator, Jesse A. Bingel and Defense Minerals Exploration Administration was consummated on August 22, 1956. The short form contract authorized a two-stage program of exploration for tungsten, lead, and copper on the Empire claim of the Dora mine. The estimated cost of the program was $28,010.00 of which the Government's share at 62-1/2 percent was rounded to $17,506.00.

Authorized work

The contract authorized a two-stage program consisting of raise and drift rehabilitation, raising, and drifting. The operator was authorized to perform all work as described in Stage I and as much of the work described in Stage II as the Government approved in advance in writing. All drifts were to be timbered, if necessary. All mineralized zones were to be sampled at 5-foot intervals and assayed for tungsten trioxide (WO_3) and lead and copper where warranted.

The approved two-stage program is quoted as follows:

Stage I

(1) "Rehabilitate Empire No. 1 drift from Empire tunnel approximately 100 feet to point of raising. Rehabilitation includes cleaning drift, laying track with 20 lb. rail, and putting in a 2-inch air line, a 1-inch water line, and an 8-inch galvanized ventilation line.

(2) "Raise approximately 125 feet; the raise shall be two compartment with stulls, approximately 3-1/2 feet by 7-1/2 feet in the clear and shall be started at a point about 90 feet south of the Empire tunnel (fig. 3).

(3) "A sub-level drift approximately 4-1/2 feet by 6-1/2 feet in the clear shall be driven for a maximum of 300 feet on the most favorable showing of ore within the interval 90 to 125 feet above the Empire No. 1 drift, as follows: not less than 100 feet of drift shall be driven, of which 50 feet shall be driven in a southerly direction and 50 feet in a northerly direction. Not more than the remaining 200 feet of drift shall subsequently be driven on the better showing with the approval of the Government."

Stage II

(1) "The Stage I raise shall be continued, as specified in Stage I, for 70 feet along the Empire vein.

(2) "The existing shaft between the Boston and tunnel levels (fig. 3) shall be rehabilitated for approximately 150 feet beginning at the Boston tunnel level.

(3) "A sub-level drift not less than 4-1/2 feet by 6-1/2 feet in the clear shall be driven for a maximum of 300 feet on the most favorable showing of ore within the interval 100 to 150 feet above the Boston tunnel level, as follows: not less than 100 feet of drift shall be driven, of which 50 feet shall be in a southerly direction and 50 feet in a northerly direction. Not more than the remaining 200 feet shall subsequently be driven on the better showing with the approval of the Government."

Estimated cost of project

Stage I

Rehabilitate 100 feet of Empire No. 1 drift at $4.00/ft.	$ 400.00	
Raise 125 feet at $35.00/ft.	4,375.00	
Drifting, 300 feet at $30.00/ft. (Includes timbering)	9,000.00	
50 samples at $6.50/each sample	325.00	
Estimated total for Stage I		$14,100.00

Stage II

Raise 70 feet at $37.00/ft.	$ 2,590.00	
Rehabilitation of shaft 150 feet at $9.30/ft.	1,395.00	

Adequate timber, electrical power, and water for mining needs are available at the mine property.

Skilled labor and mining labor are available in Silverton and nearby Ouray, Colorado.

Several small base metal mills are in the Silverton-Ouray area.

PROPERTY AND RIGHTS

The operator, Jesse A. Bingel, obtained a mining lease for exploratory work on the Empire patented claim, mineral survey 647A. The Mystery Gold Mining Company, 414 Cooper Building, Denver, Colorado, owns Empire claim which is part of a large consolidated group of patented claims.

The operator's lease was effective August 9, 1955; it was amended January 10, 1956. The lease, as amended, authorizes the operator to make joint use, with the lessor and its other assignees, of the Boston and Empire tunnels and the buildings and facilities at the portals of these tunnels, for ingress, egress, dumping waste, handling ore, and discharge of mine water.

HISTORY AND PRODUCTION

The Empire claim is one of several claims included within the Empire group. This group encompasses three lodes which are exploited in the Dora mine and designated as the Little Dora, Empire, and

Drifting, 300 feet at $32.00/ft.	$ 9,600.00	
50 samples at $6.50/each sample	325.00	
Estimated total for Stage II		$13,910.00
Estimated total for project		$28,010.00
Government participation, 62-1/2 percent (rounded)		$17,506.00

Description of work completed

Work under the contract was begun on September 17, 1956, and completed during June 1957. By letter of September 17, 1957, the Government notified the operator that the project was considered completed upon the completion of Stage I work.

Work completed under the contract included 100 feet of rehabilitation of the Empire No. 1 drift from the junction of the drift with the Empire tunnel to the DMEA raise area. The rehabilitation comprised rail repair and the installation of air and water lines. An inclined two compartment raise, measuring about 3-1/2 by 7-1/2 feet in the clear was driven for 123 feet above the Empire No. 1 drift. At a point approximately 102 feet in the raise, a sub-level drift was driven southerly for 146 feet and northerly for 152 feet. Of this latter footage, all but two feet were approved by the Government. The sub-level drift, about 4-1/2 by 6-1/2 feet in cross section, is untimbered. This drift was mucked with a slusher.

All of the completed work was performed under the provisions of Stage I. No Stage II work was approved by the Government or undertaken by the operator.

Efficiency of operations

Inspections of the DMEA contract work showed that the operator pursued exploration in a workmanlike manner. Inactive periods, lasting for a month or two, by the operator's mining contractor accounted for the comparatively low rate of progress throughout the period of the contract.

Contract modifications

There were no amendments to the contract.

Summary of contract work

Exploration project contract Idm-E 997 was a shortform contract. The contract was negotiated on August 22, 1956, with work to begin on or before October 1, 1956, and to be completed within 12 months from the date of the contract. The estimated total cost of the project work was $28,010.00 with the Government contributing 62-1/2 percent or $17,506.00. Total accepted costs of the contract was $13,585.00 of which the Government reimbursed the operator $8,490.62. Royalty payments for ore shipped from the A-level on the Empire claim amount to $162.57.

The units of work and costs authorized and completed under the contract are given in Table I.

Table I.--Summary of authorized and completed work units and costs

Type	Authorized project work			Completed project work	
	Units	Unit cost	Total cost	Units	Accepted cost
Stage I					
Drift					
Rehabilitation	100 ft.	$ 4.00	$ 400.00	100 ft.	$ 400.00
Raising	125 ft.	35.00	4,375.00	123 ft.	4,305.00
Drifting	300 ft.	30.00	9,000.00	296 ft.	8,880.00
Samples	50 analyses	6.50	325.00	---	---
Stage I estimated total			$14,100.00		$13,585.00
Stage II					
Shaft					
Rehabilitation	150 ft.	$ 9.30	$ 1,395.00	None	
Raising	70 ft.	37.00	2,590.00	do.	
Drifting	300 ft.	32.00	9,600.00	do.	
Samples	50 analyses	6.50	325.00	do.	
Stage II estimated total			$13,910.00		
Estimated total for project			$28,010.00		$13,585.00
Government participation 62-1/2 percent (rounded)				$17,506.00	$ 8,490.62

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that raising and drifting completed under contract Idm-E 997 adequately explored the Empire vein for tungsten and lead-zinc ore between the Empire and Boston levels of the Dora mine. Although minor amounts of galena, sphalerite, and huebnerite were found in the vein, concentrations approaching ore-grade were limited to two small pods less than 18 inches in maximum dimension. It is probable that additional exploration between the Empire and Boston levels or between the Boston and Ricker tunnel levels will not lead to the discovery of significant reserves of tungsten and/or lead-zinc ores.

Certification of a discovery is not recommended.

REFERENCES CITED

Belser, Carl, 1956, Tungsten potential in the San Juan area, Ouray, San Juan, and San Miguel Counties, Colorado: U. S. Bureau of Mines Inf. Circ. 7731.

Ransome, F. L., 1901, Economic geology of the Silverton Quadrangle: U. S. Geol. Survey Bull. 182, p. 265.

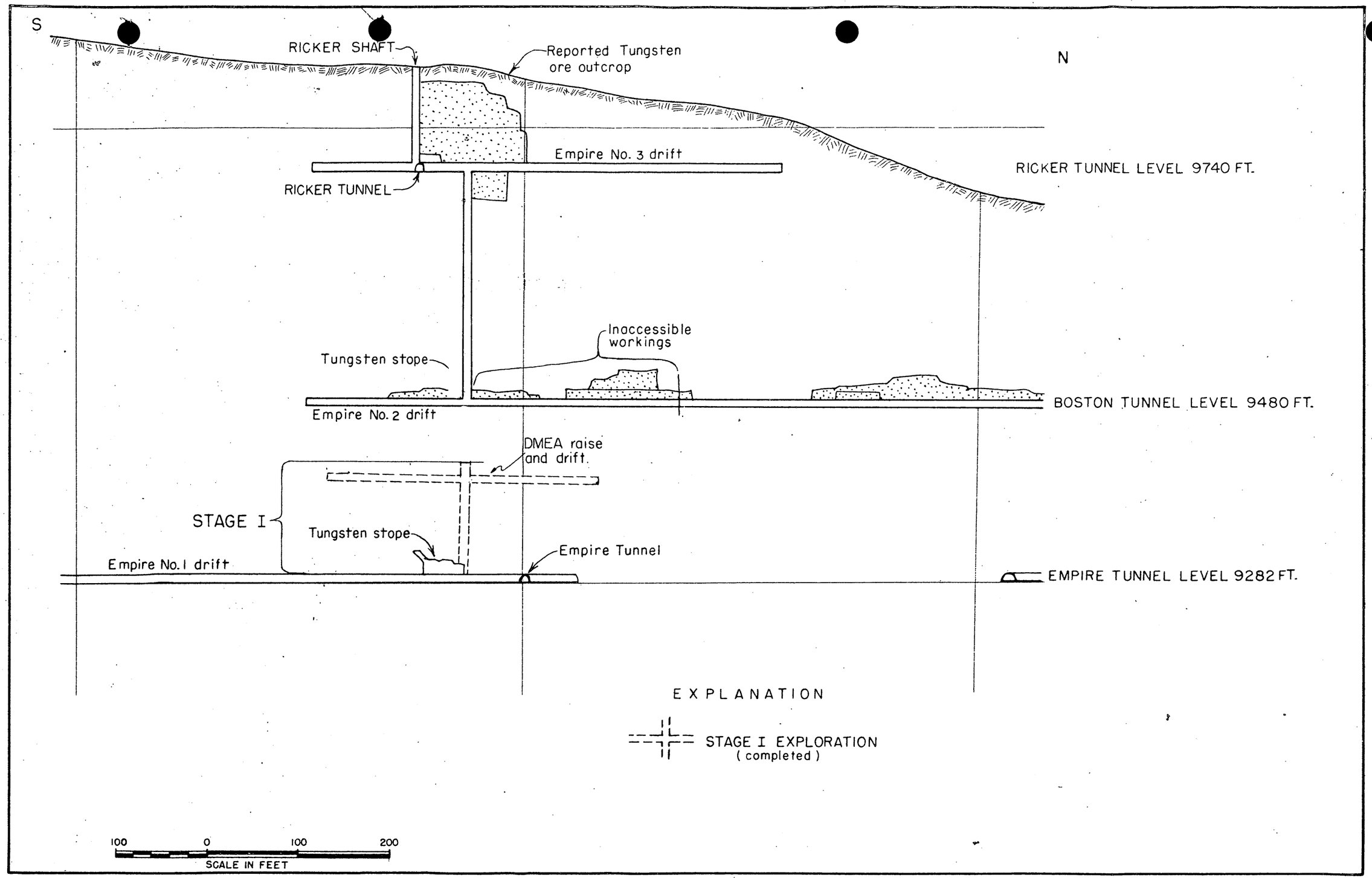


FIGURE 3 - VERTICAL SECTION ALONG EMPIRE VEIN, DORA MINE, SAN JUAN COUNTY, COLO. DMEA 4138, CONTRACT Idm-E 997.

ORIGINAL FILE COPY
DMEA
RECEIVED OCT 3 1957

DATE		AMOUNT
10/4	C	220
10/4	[illegible]	800
10/7	WSM	400

Fifth New Customhouse
Denver 2, Colorado

October 1, 1957

Mr. Jesse A. Bingel
Home on the Range
Wyoming

Re: Docket DMEA 41jd (Tungsten-Lead-Copper),
Contract Ldm-8997, Jesse A. Bingel (Dora Mine)
San Juan County, Colorado

Dear Mr. Bingel:

Your final narrative report pertaining to work completed under the Contract was received in this office September 3, 1957.

> Article 6(a) of the Contract states in part:
> ..."The Government at any time not later than six months after the Operator has rendered a sufficient final report may so certify in writing to the Operator."

Accordingly you are advised that you remain liable for royalty for the six months following the date of receiving the final report in this office. This includes royalty on any ore that may be mined from the Dora mines by Giant Resources, Inc.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

MHM/vj

cc: Royalty File 8997)
Corres. File 8997)
DMEA/DPC (2)) w/cy Chair. 9/25/57 ltr.
Harshman)
Townsend)
Dec. Opr. Comm. (2)
Marshall
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/24	Talbert	800
9/25	B	220
9/26	W SM	400

SEP 25 1957

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Report of Review
Jesse A. Bingel
Contract No. Idm-E997
Docket No. DMEA-4138

Dear Mr. Brading:

The recently received Washington office copies of your Report of Review covering the referenced project have been released after correcting the period covered to read "September, 1956 to June, 1957."

Please arrange to correct all other copies.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Director
Contract Administration
and Audit Division

EDTalbert/wb
September 24, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9-24	Chapman	400
9-24	Martin	400
9-25	Chapman	400
9/25	GCS	130
"	Johnson	110
"	Mitchell	100
9/26	CT	220
		400

SEP 25 1957

Mr. William H. King, Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4138 - Tungsten,
Lead, and Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract Idm-5997

Dear Mr. King:

Reference is made to copy of your letter of September 17, 1957, to Mr. Jesse A. Bingel, agreeing to that Operator's request by letter of September 11, 1957, for termination of the above-noted project at the end of Stage I. We concur with your agreement for termination of the project.

We also acknowledge receipt of your memorandum of September 17, 1957, with copy of the Final Report of the Operator attached. The Operator should be advised that it is liable for royalty for the six months following the date of receiving Final Report in the Field Office. This includes royalty on any ore that may be mined from the Dora winze by Giant Resources, Inc.

Sincerely yours,

George C. Selfridge
(Original Signed)
Chairman, Operating Committee

APPROVED:

Frank D. Lamb
(Original Signed)
Member, Bureau of Mines

N. E. Nelson
(Original Signed)
Member, Geological Survey

TLChapman/dlm 9-24-57
cc to: Code 400
Admr. R. File
Oper. Comm.
FT. REG. III
Messrs. R. W. Holliday, USBM
T. H. Kiilsgard, USGS

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1957

DATE	INITIALS	CODE
9/19	C	220
9/19	[illegible]	800
9/19	WSM	400
		130
	WSM	408

September 17, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado

Enclosed are the original and one copy of the Final Report submitted by the Operator pertaining to work completed under the subject Contract.

J W Townsend
for E. N. Harshman

Enclosures

OFFICIAL FILE COPY
DMEA
RECEIVED 1957
COPY

FINAL REPORT
to

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

on

EXPLORATION PROJECT CONTRACT
DMEA No. 4138

Introduction:

The work under this contract was done on the patented Empire lode mining claim, Survey No. 647A. Said claim is in the Animas Mining District, section 19, T. 41 N., R. 7 W., San Juan County, Colorado. Jesse A. Bingel, Silverton, Colorado, holds the claim under lease, dated August 9, 1955, amended January 10, 1956, from the Mystery Gold Mining Company.

The work reported on and evaluated in this "FINAL REPORT" is that work that was to be performed in Stage I of the contract as described in EXHIBIT "A" of said contract. The Operator, Jesse A. Bingel, with the consent of the Defense Minerals Exploration Administration desires to discontinue work at the completion of Stage I. No ore of commercial grade was developed and the decline of the tungsten market price makes that ore towards which development was proceeding non-commercial.

Geolgy, general:

The Empire vein system occurs in a large mass of granular quartz-monzonite known locally as the Sultan Mountain monzonite stock. The mass has irregular boundaries but has a general length, east and west, of about 5 miles and a width of about 2 miles.

Geology, Empire vein:

The Empire vein has a general strike of N 10° W and a dip of 80° to the west. It is a fault fissure vein and slicken-sides and fault gouge are always present to considerable extent. The quartz-monzonite walls are fractured, altered, and difficult to hold. Cut and fill stoping was used in all the old workings in order to support the walls and remove the ore without dillution. The alteration of the walls to sericite grades from almost complete alteration adjoining the vein to slight alteration at a distance of from 5 to 10 feet.

The gangue minerals besides sericite are mostly guartz,

and small amounts of barite, rhodochrosite, and pyrite. The most important gangue mineral in relation to tungsten is fluorite. In all tungsten occurances of the locality the tungsten mineral, hubnerite, is always associated with pale green fluorite. The development work of this contract was started on a showing of this fluorite-hubnerite. As development proceeded the fluorite would pinch and widen, never completly disappear and never widen to more than one foot. Directly above the workings of this contract, 200 feet, the fluorite has widened in one place to about 5 feet. The hubnerite occurance is very erratic, in panings of any round there would always be a crystal or two, in scattered vugs in the fluorite are small concentrations of hubnerite crystals, sometimes as much as 100 or so pounds. In a total distance of 425 feet of drifting and raising the operator dug from vugs encountered around 2 ton of hubnerite ore containing about 4% WO_3.

Ore minerals other than hubnerite occured only in traces. They were fine grained galena, pale yellow sphalerite, chalcopyrite, tetrahedrite, and gold. The hubnerite of the Empire vein probably approaches wolframite in composition as it is very black in color and the crystals seldom exceed an inch in length.

Evaluation:

While no commercial ore was blocked out the raise and drift driven under this contract proved that tungsten in considerable amount could be available in this property. Sampling in the past of old stope fills, dumps, and mill tailings indicates that an average assay of around 0.20% WO_3 could be obtained by careful selective mining. Metallurgy is more of a problem than mining in considering the Empire as a commercial venture. Recovery of the precious and base metal values without loss of the tungsten would constitute quite a task. The operator treated some material from the dumps in a gravity mill the summer of 1955. The concentrate produced was a mixture of hubnerite, galena, gray copper, and barite.

During the duration of this contract mining on other sections of the vein system for precious and base metals was proceeding with a production estimated to be about 10 tons per day. Examination of the ore shipped and the workings indicated that in these locations of much higher precious and base metal content the tungsten occurance was similar to that where the contract work was done. The miners often brought out nice specimens of hubnerite and fluorite is quite abundant in the ore shipments. In grinding this ore for selective flotation the hubnerite is slimed and lost in the tails.

Assays:

No assays were taken by the operator during or following the development. The Examining Engineer for the DMEA took several samples where concentrations of hubnerite were encountered but these are not available for this report. There was never enough base metals to warrant the expense of assaying for them and the occurance of hubnerite was of such an erratic nature that the only valuable sample would be one of several hundred tons. A sample of this size would, no doubt, check with the average of the grab samples and mill runs mentioned above at around 0.20% WO_3.

Summary:

As shown on the enclosed sketches, 123 feet of 3½ X 7½ foot two compartment raise was driven. A total of 298 feet of 4½ X 6½ foot drift was driven, 152 feet to the north of the raise and 146 feet to the south. The drifting was begun at an elevation in the raise of 100 feet above the track in the Empire main level. The drifts stand well and no timber was necessary. The only difficulty encountered in the operation was that due to the talcy nature of the muck it would not move freely down the raise. It would build up on the footwall and eventually choke off the ore pass. Several times it was necessary to pull the chute empty and clean down the footwall.

The Empire No. 1 drift was rehabilitated from the Empire Tunnel to the point of raising, approximately 100 feet. Rail was repaired, 2-inch air line and 1-inch water line was carried to and up the raise to the 100-foot level. On last examination it was still in place. There is no ventilation through the raise or the drifts driven under this contract and they should be entered with due caution.

Costs:

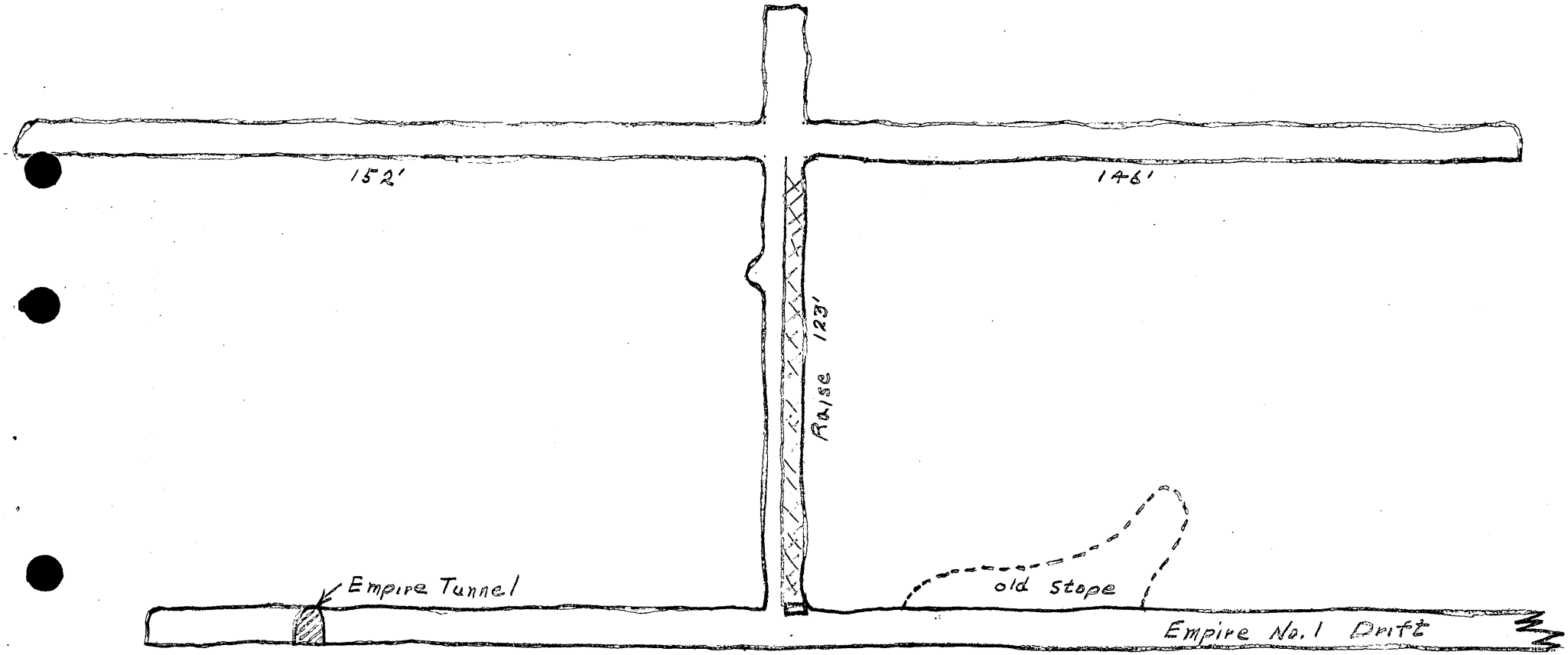
Rehabilitate 100 feet of Empire No. 1 drift	@	$4.00/ft.	$	400.00
Raise 123 feet	@	Cont 35.00 $44.00/ft.		5,412.00
Drifting, 298 feet	@	cont. 30.00 $32.00/ft.		9,536.00
		TOTAL----------		15,348.00

The estimated "Fixed Unit Costs" as tabulated in EXHIBIT "A" of the contract compares favorably with the above costs with the exception of the unit cost for raising.

Respectfully submitted,

John M. Cook

John M. Cook
Mining Engineer



Elevation Along Strike

DMEA 4138

Scale: 1" = 30'

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

Budget Bureau No. 47-R1036.9

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED SEP 19 1957 D.M.E.A.

OPERATOR'S ~~MONTHLY REPORT AND~~ VOUCHER
FINAL

Month of Aug., 1957 Docket No. DMEA 4138 Contract No. E-997
Operator's Name Jesse A. Bingel Minerals Tungsten,
Address Silverton, Colo. Lead, Copper
Contract Amount, $28,010.00 Government Participation 62.5% Amount, $17,500

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Building~~ Raising			$4305.00			
Crosscutting						
Drifting			$8880.00			
Rehabilitation			$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS			$13585.00			

DMEA
DEPARTMENT OF THE INTERIOR
SEP 3 - 1957
REGION III
DENVER, COLORADO

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

Date Aug. 29-57 *Payee Jesse A. Bingel

Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1957

DATE	INITIALS	CODE
9/19	C	220
9/19	wrd	800
9/19	wbay	400

224 New Customhouse
Denver 2, Colorado

September 17, 1957

Memorandum

To: T. A. Brading, DMEA Auditor

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

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado

The subject contract is considered completed upon completion of the work performed to date under Stage I. A copy of our letter to the Operator, pertaining thereto, is enclosed for your records.

The Operator has rendered a final engineering and geologic report and a final accounting, as required by the contract. Therefore, final payment of the Operator's account is in order, contingent upon receipt in this office of a Certificate and Report of Audit, or Report of Review of reported project costs, whichever is indicated.

Acceptable units of work or service completed on a Fixed Unit Cost basis are as follows:

Rehabilitation, Empire No. 1 Drift..... 100 feet
Raising..... 123 feet
Drifting..... 296 feet.

The sum of $500.00 was withheld from reimbursement to the Operator in processing the final accounting report, which was for the month of June, 1957.

Original signed
J. W. TOWNSEND
for E. N. Harshman

Enclosure

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
Townsend
Corres. file
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1957

DATE	INITIALS	CODE
9-19	C	220
9/19	U	800
9/19	WSM	400

224 New Customhouse
Denver 2, Colorado

September 17, 1957

Mr. Jesse A. Bingel
Home on the Range
Wyoming

Re: Docket No. DMEA 4138
(Tungsten-Lead-Copper)
Contract No. Idm-3997
Jesse A. Bingel
(Dave mine)
San Juan County, Colorado

Dear Mr. Bingel:

In reference to your letter of September 11, 1957, the Government is in agreement that because of the poor results from work performed under Stage I, further work under the Contract is not warranted.

Under the circumstances, the Contract work is considered to be completed upon completion of the work performed to date under Stage I. Therefore, procedures that are a prerequisite to closing the account are in order.

In conjunction with closing the account, receipt is acknowledged of your final narrative report pertaining to work completed under the Contract, as required by the Contract.

Very truly yours,

Original signed by
J. W. TOWNSEND

for H. W. Harshman
Acting Executive Officer
DMEA Field Team, Region III

cc: Mr. C. Leslie Larsen
P. O. Box 422
Silverton, Colorado

JWT:prl
cc: Finance Office, Region III
cc: Chem.Op.Comm.-3 } w/copy of
Amendment file, } Operator's
Region III } letter of
Harshman } September 11,
DMEA/DFC } 1957.
Corres. file }
Reading }
Townsend
Chron.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED SEP 19 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S ~~UNIT/COST~~ AND PROGRESS REPORT
FINAL

Month of Aug. 195 7 Docket No. DMEA 4138 Contract No. E-227
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.			$8880.00	296	$30.00	300	$30.00
Crosscutting								
Raising	Ft.			$4305.00	123	$35.00	125	$35.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.			$400.00	100	$4.00		
TOTAL DISTRIBUTED COSTS				$13585.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				None				
Initial Rehabilitation and Repairs				"				
New Buildings, Improvements, etc.				"				
TOTAL COSTS				$13585.00				

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

Date Aug. 29, 1957 Operator Jesse A Bingel
Per C. Leslie Larson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

DMEA
DEPARTMENT OF THE INTERIOR
SEP 13 1957
REGION III
DENVER, COLORADO

Home on the Range, Wyo.,
September 11, 1957

United States Dept. of the Interior,
Defense Minerals Exploration Adm.,
224 New Customhouse,
Denver 2, Colo.,

Re: Docket No. DMEA 4138
(Tungsten-Lead-Copper)
Contract No. Idm-E997
Jesse A. Bingel
(Dora Mine)
San Juan County, Colorado

Dear Sirs:

I do not believe the amount of tungsten ore uncovered by phase A of this exploration program, warrants any further work.

I will not request government approval, for additional work on this program.

Sincerely

Jesse A. Bingel

Jesse A. Bingel

I agree!

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

September 5, 1957

Memorandum

To: Chairman, Operating Committee, DMEA
From: Executive Officer, DMEA Field Team, Region III
Subject: Royalty Payments, Docket DMEA-4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora Mine) San Juan County, Colorado
Period: August, 1957

Enclosed are settlement sheets for which royalty payments were received for ore or concentrates shipped from the subject property during the above month:

Date	Lot No.	Dry Tons	Royalty Due	Royalty Paid	Bonus Roy. Due	Bonus Roy. Pd.

9-16 C
9/16 WSY 220
400

Totals:

Past Due Royalties Collected $60.38
Per our letter dated 8/8/57 to Ed. Strnad
Total Dry Tons (Ore or Cons.) Shipped to Date 10.222

E. M. Hershman
Acting Executive Officer

Chron
cc: Royalty File E997 w/settlement sheets
Monthly Royalty Payment File
hmh

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

September 5, 1957

Memorandum

To: Chairman, Operating Committee, DMEA
From: Executive Officer, DMEA Field Team, Region III
Subject: Royalty Payments, Docket DMEA-4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora Mine) San Juan County, Colorado
Period: August, 1957

Enclosed are settlement sheets for which royalty payments were received for ore or concentrates shipped from the subject property during the above month:

Date	Lot No.	Dry Tons	Royalty Due	Royalty Paid	Bonus Roy. Due	Bonus Roy. Pd.

Totals:

Past Due Royalties Collected $60.38
Per our letter dated 8/8/57 to Ed. Strnad
Total Dry Tons (Ore or Cons.) Shipped to Date 10.222

Original signed by
E. N. HARSHMAN

Acting Executive Officer

cc: Chron
Royalty File E997 w/settlement sheets
Monthly Royalty Payment File
hmh

224 New Customhouse
Denver 2, Colorado

September 5, 1957

9/9 Q 220
9/9 800
9/9 NSdy 400

Mr. Jesse A. Bingel
c/o Mr. C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket No. DMEA 4138
(Tungsten-Lead-Copper)
Contract No. Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

Reference is made to our letter of August 6, 1957, to which we have not received a reply.

For record purposes, we will appreciate receipt by return mail of a definite commitment from you as to whether or not you intend to request the Government's approval for additional work under the contract.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JWT:prl

cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC
Townsend
Corres. file
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 12 1957

DATE	INITIALS	CODE
8/12	Q	220
8/12	C.E.D.	800
8/13	WSM	400

224 New Customhouse
Denver 2, Colorado

August 8, 1957

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
P. O. Box 1451
Grand Junction, Colorado

Re: Docket DMEA 4138 (Tungsten-Lead-Copper), Contract Idm-E997, Jesse A. Bingel (Dora Mine), San Juan County, Colorado

Dear Mr. Strnad:

The ore quotation sheet which we requested by letters, dated May 9, 1957 and July 31, 1957 has been received.

Under the provisions of the captioned contract an additional $60.38 is due as royalties on the production reported by settlement sheet dated April 4, 1957, Lot No. CL-1, United States Smelting, Refining and Mining Company, purchaser.

The computation is as follows:

Gross Value	$13,700.63
Less Deductions	746.92
Net Value	$12,953.71
DMEA Proration at 25.1%	3,251.38
Tons	40.726
DMEA Proration at 25.1%	10.222
Value per ton	$318.08
DMEA Royalty at 5%	162.57
Royalty Paid	102.19
Balance Due	$60.38

The basis for our arriving at this figure is as follows:

The Government's royalty shall be a percentage of the sum of the individual payments made (including any bonuses, premiums, allowances, or other benefits) for the production sold, in the form sold (ore, concentrates, metal, or equivalent) at the point of delivery (f.o.b. point); less the deductions and charges made by the buyer arising in the regular course of its busi-

nses and shown on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and hauling or freight paid by the buyer directly to a carrier.

The costs of treatment processes, sampling and assaying, or transportation, performed or paid by the operator or by anyone other than the buyer, are not deductible from "the sum of payments made" for purposes of royalty calculation.

Your check for $60.38 made payable to the Defense Minerals Exploration Administration should be mailed to the Executive Officer, DMEA Field Team, Region III, 224 New Customhouse, Denver 2, Colorado.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

MHM/vj

cc: Royalty File E997)
Corres. File E997)
Sec. Opr. Comm. (2) w/cy of Ore Quotation
DMEA/DFC)
Marshall
Chron.

UNITED STATES SMELTING REFINING AND MINING COMPANY

ORE QUOTATION

SALT LAKE CITY, UTAH.
NEWHOUSE BUILDING.

FOR DIRECT SMELTING LEAD ORE AND CONCENTRATES

SMELTER AND MILL
MIDVALE, UTAH

SHIPPER Giant Resources, Inc. ADDRESS Silverton, Colorado

DATE August 5, 1957 SHIPPING POINT Ridgway, Colorado

Delivery: F. O. B. Midvale, Utah. Allow credit a/c freight rate differential of $1.75 per wet ton.

Sampling: By Buyer free of charge or by Utah Ore Sampling Company at expense of Shipper.

PAYMENTS

Gold: Based on present Mint price of $34.9125 per ounce.
$31.8183 per ounce if .02 oz. per ton and up to .5 ozs. per ton.
$32.3183 per ounce if .5 ozs. per ton and up to 1.0 oz. per ton.
$32.8183 per ounce if over 1.0 oz. per ton.
No payment if less than .02 ounce per ton.

Silver: 95% (minimum deduction ½ oz. per ton) at New York quotation date of assay. No payment if less than 1 oz. per ton.
96% if over 100 ozs. per ton.

Lead: 90% of dry assay (wet less 1½ units) paid for at the average Engineering and Mining Journal quotation for E. & M. J. week preceding date of arrival, less 2.3 ¢ per pound. No pay if under 3% dry assay.

Copper: 85% of wet assay (minimum deduction 15 pounds) paid for at the average Engineering and Mining Journal cathode price for the E. & M. J. week preceding date of arrival, less 9.0¢ per pound.

Iron: [redacted]

Lime: [redacted]

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DMEA
RECEIVED AUG 12 1957

DATE	INITIALS	CODE

CHARGES:

Insoluble: [redacted]

Zinc: [redacted]

Arsenic: [redacted]

Sulphur: [redacted]

Treatment: $ 5.75 per ton. [redacted]

If lots of less than 10 tons are shipped there shall be a charge of $10.00 on the lot to cover sampling and assaying.

ABOVE RATES ARE SUBJECT TO CHANGE WITHOUT NOTICE.

Bill all shipments to United States Smelting Refining and Mining Company, Midvale, Utah, sending bill oflading to our Salt Lake City office.
If public sampling is desired insert in bill of lading,-

"Stop at Utah Ore Sampling Company, Murray, Utah, for sampling in transit."

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/5	P.K.	220
8/5	[illegible]	800
		[illegible]
8/9	WSM	400

224 New Customhouse
Denver 2, Colorado

July 31, 1957

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
P. O. Box 1451
Grand Junction, Colorado

Re: Cocket DMEA 4138 (Tungsten-Lead-Copper), Contract Idm-E997, Jesse A. Bingel (Dora Mine), San Juan County, Colorado

Dear Mr. Strnad:

By letter dated May 9, 1957, we requested you to submit to this office a copy of the smelter schedule or agreement which you have with U. S. Smelting, Refining and Mining Company.

We have a copy of your letter dated May 15, 1957 to U. S. Smelting & Refining wherein you requested copies of the schedule, but to date we have not received such a copy.

We will appreciate your attention to this matter.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

MHM/vj

cc: Royalty File E997
Corres. File E997
Chair. Opr. Comm. (2)
DMEA/DFC
Marshall
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
8/9	G.K.	220
8/9	[illegible]	800
		400

224 New Customhouse
Denver 2, Colorado

August 6, 1957

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138 (Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

Form MF-104, Operator's Monthly Report and Voucher, for June 1957, has been received in this office and is being processed for payment.

Work under Stage I of the contract has been essentially completed, therefore the amount of $500.00 is withheld from reimbursement to you pending possible performance of additional work under Stage II. If additional work is not approved by the Government and performed by you, the amount of $500.00, will continue to be withheld pending resolution of matters prerequisite to closing the account, which includes the following:

1. Rendering to the Government a final report as required under Article 5(c) of the contract form.

2. Release to this office of an Audit Report or Report of Review of reported project expenditures, by the Contract Administration and Audit Division, DMEA.

Yours very truly,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC
Townsend
Corres.file, Reg. III
Chron

224 New Customhouse
Denver 2, Colorado

August 6, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
8/9	O.K.	220
8/9		800
		400

Jesse A. Bingel
C. Leslie Larsen
O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138
(Tungsten-Lead-Copper)
Contract Idm-3997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

The completion period for all the work outlined in the contract will expire August 22, 1957, therefore if you desire to perform additional work under the contract you should immediately submit to this office for consideration by the Government, the original and five copies of a request for extension of a completion period for such additional time as you anticipate will be required. As soon as possible thereafter you should submit to this office for consideration by the Government, the original and five copies of a request, complete with maps and pertinent data, for Government approval of the work you wish to perform under Stage II of the contract.

If you do not plan to request Government approval for additional work please notify this office in writing as soon as possible.

Yours very truly,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:hmh
cc: Chem. Op. Comm. (2)
Harshman
DMEA/DFC
Townsend
Corres.file, Reg. III
Chron

224 New Customhouse
Denver 2, Colorado

August 6, 1957

EXTRA COPY
D M E A
RECEIVED AUG 9 1957

DATE	INITIALS	CODE

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138
(Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

The completion period for all the work outlined in the contract will expire August 22, 1957, therefore if you desire to perform additional work under the contract you should immediately submit to this office for consideration by the Government, the original and five copies of a request for extension of a completion period for such additional time as you anticipate will be required. As soon as possible thereafter you should submit to this office for consideration by the Government, the original and five copies of a request, complete with maps and pertinent data, for Government approval of the work you wish to perform under Stage II of the contract.

If you do not plan to request Government approval for additional work please notify this office in writing as soon as possible.

Yours very truly,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:hmh
cc: Chmn. Op. Comm. (2)
Harshman
DMEA/DFC
Townsend
Corres.file, Reg. III
Chron

FINAL DISTRIBUTION

MADE AUG 7 1957

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III
[redacted]
Administrative Audit Difference Statement

[redacted]

Date: [redacted]
Payee's
Reference: [redacted]

[redacted]

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

Amount Claimed $ [redacted]

Difference $

Amount Approved $ [redacted]

The reason for the difference was due to:

[redacted]

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DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
8/9	G.K.	220
"	gef	110
8/12	WSM	400

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

224 New Customhouse
Denver 2, Colorado

August 5, 1957

EXTRA COPY D M &		
RECEIVED		
DATE		CODE

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket-4138, (Tungsten-Lead-Copper) Contract Idm-8997
Jesse A. Bingel (Dora mine) San Juan County, Colorado,
Operator's Monthly Progress Report, for the month of
June, 1957

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. All of the work was performed at "Fixed Unit Costs" under the short form contract on Form MF-200A, therefore documentation of the costs is not required. We recommend that payment be made to the Operator for 62½% of the amount reported on Form MF-104, subject to your verification of applicable rates and arithmetical accuracy within the report except for the following deduction:

<u>Withhold</u> an amount of $500.00, pending performance of additional work under the contract, or if additional work is not approved by the Government and performed by the Operator, continue to withhold the amount of $500.00, pending resolution of matters which are prerequisite to closing the account. Stage I has been essentially completed.

Remarks:

Date of Report----------July 5, 1957
Date Received in Field Office----------July 8, 1957
Date Received in Region Office----------Aug. 2, 1957
Reason for delay: Forms MF-104 and MF-104A returned to Operator for signature.

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures
JDC:hsh
cc: Chem. Op. Comm. (2)
DMEA/DPC
Harshman } w/copy of Engr's
Townsend } report
MF-104 file, Reg. III
Charon.

DMEA
DEPARTMENT OF THE INTERIOR
JUL 17 1957
REGION III
DENVER, COLORADO

DMEA
DEPARTMENT OF THE INTERIOR
AUG 2 - 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
July 16, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: Edward W. Buel

Subject: Project DMEA 4138 (Tungsten, Lead, Copper)
Contract 14m-1997, Jesse A. Stengel (Dave Mine)
San Juan County, Colorado - Progress Report
for June 1957

The Dave Mine was visited on July 10, 1957, to check on the work under the DMEA contract. Mr. Leslie Larson, the operator's contractor, was present during the inspection.

Since the writer's last inspection on June 4, 1957, the operator drove 96 feet along the south drift (see attached map). The operator was authorized by the Field Team to drive for a total of 100 feet along a split (?) of the Empire vein as exposed in the north drift, a short crosscut, and from laughholes.

The recently extended south drift exposed a rather persistent structure that varies in width from about 2 inches to approximately 2 feet. The structure is sporadically mineralized with ore sulphides and tungsten of which the most conspicuous minerals are galena and hubnerite. Pyrite and quartz, some of which is vuggy, occur throughout most of the structure. Undoubtedly some minor amounts of rhodocrosite and fluorite also are present as in the vein which passes through the mine. Pockets of gouge are erratically distributed along the structure.

The face of the south drift showed a mineral structure which measures from 1.5 to 2.0 feet wide. Small pods of galena and widely disseminated small grains of pyrite occur with quartz. A select grab sample (RB-35) was taken at the face. The results of the assays have not been received to date.

It was learned from Mr. Larson that the operator will not complete the remaining 4 feet of drifting to the south.

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D M E A
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DATE	INITIALS	CODE

From conversations held with Mr. Larson, it appears as though the operator might request Government approval to do work under Stage II.

The operator in his MF-104's for June, 1957, requests payment for 96 feet of drifting at a cost of $2880.00. The amount of drifting was verified during the last inspection.

It is recommended that the operator be reimbursed for $2880.00 of which the Government's participation at 62.5 percent is $1,800.00.

Edward W. Buel

Edward W. Buel
Mining Engineer

EWB:ms
cc: 6
Jan-1997
Chron.

EXTRA COPY
D M E A
RECEIVED AUG 9 1957

DATE	INITIALS	CODE

Silverton, Colo.
July 5, 1957

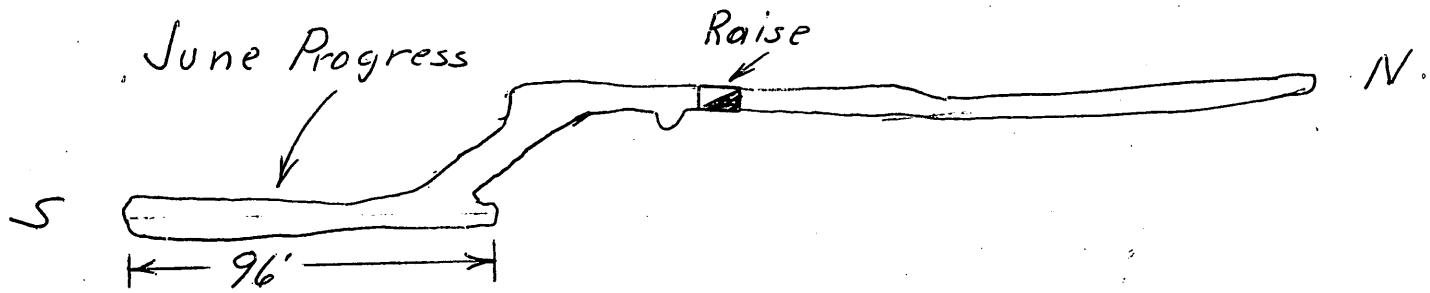
Mr. John F. Shaw, DMA
Bldg. 20
Denver Federal Center
Denver 2, Colorado

Dear Mr. Shaw:

During the month of June 1957, we drifted south 96 ft. on the vein. This is the final drifting to be done under Phase I of the contract. We drove an additional 20 ft. to intersect the qtz-pyrite vein which was understood not to be part of the contract as far as government participation was concerned.

The vein varied in width of 18 in. to two ft. and still shows strong in the breast. Very small amount of tungsten mineral showed. Galena showed consistently but very narrow. Pyrite was abundant all along.

A Plan view of the Sub-level drift follows:



Sketch approx 50' to inch

Jesse A Bingel
by H. Leslie Larson

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

Budget Bureau No. 42-R1036.5

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

Month of June, 1957 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper
Contract Amount, $8,010.00 Government Participation 62.5% Amount, $17,506

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	None	$4305.00	$4305.00			
Crosscutting						
Drifting	$2880.00	$6000.00	$8880.00			
Rehabilitation	None	$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2880.00	$10,705.00	$13,585.00	2,880.00	10,705.00	13,585.00

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

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

Date July 5, 1957 *Payee Jesse A Bingel

Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

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

$1300.00

Signature [illegible] (Authorized Certifying Officer)

Date 8/6/57 Voucher DMA 58-12 (See other side)

Note: Withhold 500 [illegible]

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Adm-E997 in accordance with the terms of the contract.

Signature Edward W. Buel $1800.00 Title Mining Engr. Date 7/15/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hawkman Title Acting Executive Officer Date AUG 5 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1957 Docket No. DMEA 4138 Contract No. E997

Operator's Name Jesse A. Bingel Minerals Tungsten

Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	$2880.00	96	$8880.00	296	$30.00		
Crosscutting								
Raising	Ft.	None	None	$4305.00	123	$35.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00		
TOTAL DISTRIBUTED COSTS		$2880.00	96	$13,585.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None	None	None				
Initial Rehabilitation and Repairs		"	"	"				
New Buildings, Improvements, etc		"	"	"				
TOTAL COSTS		$2880.00		$13,585.00				

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

Date July 5, 1957 Operator Jesse A. Bingel

Per C. Leslie Lasson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

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

INSTRUCTIONS

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

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

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

GPO 872894

SAMPLE DATA

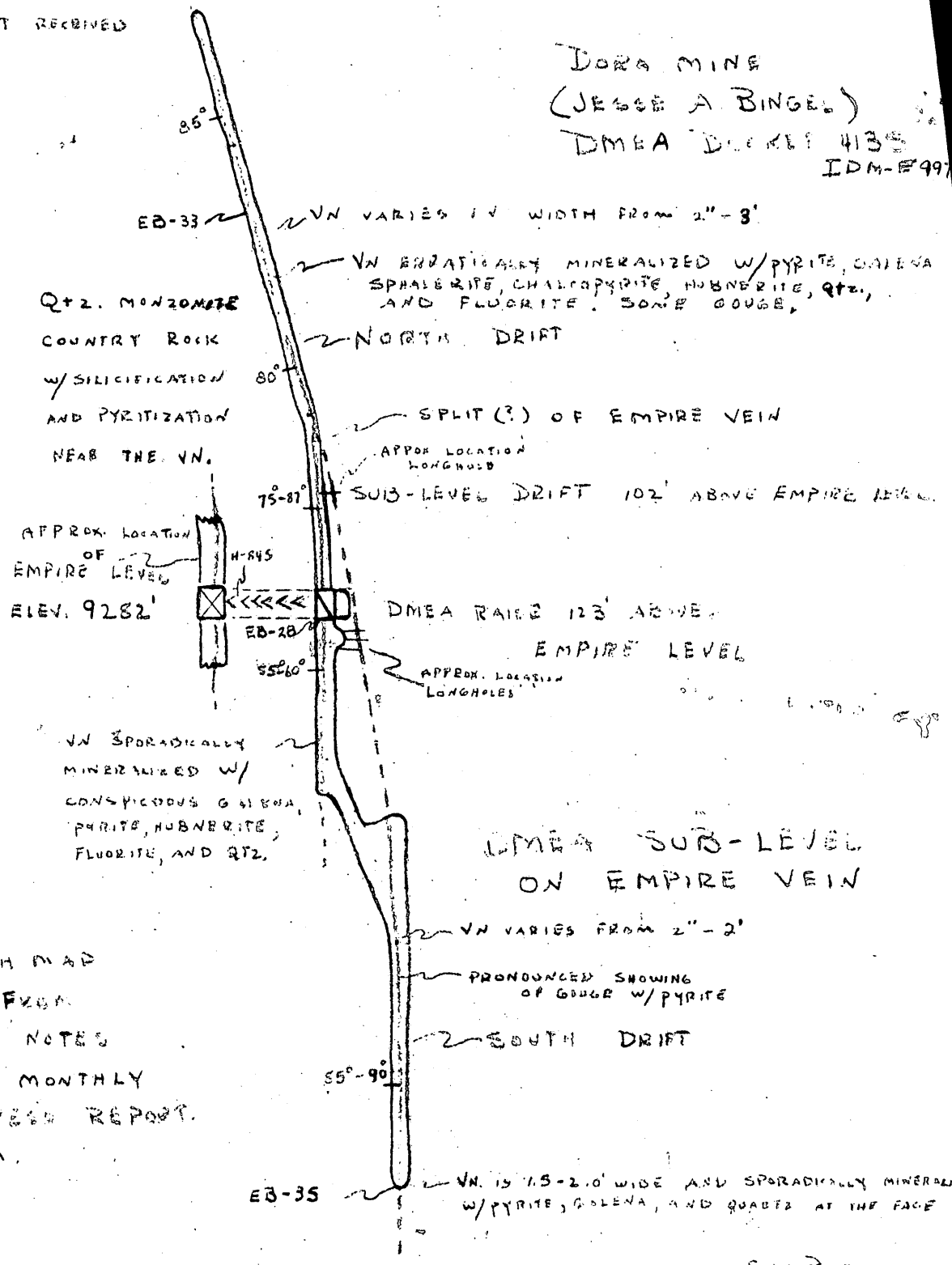
NO.	AU	AG OZ.	PB %	ZN %	CU %	WO_3	REMARKS
H-845	—	—	0.1	—	0.1	0.02	2' - CHANNEL
EB-28	0.03	3.2	0.02	0.2	—	0.26	2' - DMIP
EB-33	0.04	5.5	11.4	2.8	—	<0.001	- SELECT GRAB
EB-35 *							- SELECT GRAB

* ASSAY DATA NOT RECEIVED

N

SCALE 1"=40'

DORA MINE
(JESSE A BINGEL)
DMEA DOCKET 413S
IDM-F997



NOTE: SKETCH MAP MADE FROM FIELD NOTES AND MONTHLY PROGRESS REPORT DATA.

E.W. BUEL
7/11/57

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D M E A
RECEIVED AUG 9 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE		CODE
7/1	C	220
7/1		800
7/3	RLC	400

228 New Customhouse
Denver 2, Colorado

June 28, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket-4138 (Tungsten-Lead-Copper) Contract Idm-E997, James A. Bingel (Dura mine) San Juan County, Colorado - REINSTATEMENT

Enclosed is a letter from the subject Operator, dated June 27, 1957, requesting reinstatement of the amount of $500.00 which was withheld from Form MF-104, Operator's Monthly Report and Voucher, for March, 1957, pending completion of certain work at his own expense, and resumption of contract work.

The Operator has completed the required work at his expense and the contract work has been resumed, therefore we recommend that the amount of $500.00 be reinstated to the Operator.

Original signed by
W. H. KING

W. H. King

Enclosure

JDG:hmh
cc: Chem. Op. Comm. (2)
Marshman
DMEA, RFC
Townsend
MF-104 file, Reg. III
Corres. file, Reg. III
Chron.

w/copy of Operator's letter of 6/27/57

DMEA
EPARTMENT OF THE INTERIOR

JUN 28 1957
REGION III
DENVER, COLORADO

Cody, Wyoming

June 27, 1957

United States Department of the Interior,
Defense Minerals Exploration Administration,
224 New Customhouse Building,
Denver 2, Colorado,

Att: W. H. King

Re: Docket DMEA-4138
Contract IDM-E997
Jesse A. Bingel
(Dora Mine)
San Juan County, Colo.

Dear Mr. King:

I have completed fifty two feet of drift on the above contract, during month of June.

Would it be possible to send the $500.00 withheld from the March voucher, immediately.

Thank you for your attention in this matter.

Sincerely

Jesse A. Bingel

Jesse A. Bingel
% C. Leslie Larson
Box 422
Silverton, Colorado

GRC

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

JUN 19 1957

Memorandum

To: The Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4138, Jesse A. Bingel, Contract Idm-E997 Tungsten-Lead-Copper

The following documents were submitted for our review by Mr. Martin:

1. Memorandum dated June 7, 1957, to Chairman, Operating Committee, DMEA, from E. N. Harshman.

2. Copy of letter dated May 21, 1957, to Mr. Ed Strnad from E. N. Harshman, requesting the legal instrument which explains the relationship between Giant Resources, Inc., and Mountain Top Mining and Milling Company.

3. Copy of AGREEMENT OF MERGER dated September 6, 1956, between Mountain Top Mining and Milling Company and Giant Mines Company of Nevada afterwards known as Giant Resources, Inc.

4. Copy of letter dated May 27, 1957, to Mr. Harshaman from William E. Foster, General Counsel, Giant Resources, Inc., transmitting Item 3.

The documents adequately explain the relationship of Giant Resources, Inc., to the subject project and also explain the basis for the Government's receiving royalties on production from Empire claim, U. S. Survey No. 647-A by Giant Resources, Inc.

Giant Resources, Inc., a Nevada corporation, merged with and absorbed Mountain Top Mining and Milling Company, a Colorado corporation. The merger was conducted pursuant to appropriate laws and statutes of both States. By the terms of the merger agreement

Giant acquired all of Mountain Top's assets and liabilities, among which was the right to mine a portion of the Empire Lode No. 647-A together with the obligation to pay royalties to the Government on the production. Mountain Top had acquired the rights and obligations in an agreement dated November 20, 1956, from Jesse A. Bingel, a copy of which is in the file and which was previously approved by this office.

Robert P. Dwyer

OFFICE
DMI

6/17 C 220
6/18 800
6/20 WSK 400

224 New Customhouse
Denver 2, Colorado
June 13, 1957

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138
(Tungsten-Lead-Copper)
Contract IdM-8997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

We have received your letter of June 8, 1957, requesting payment of the amount of $500.00, which was withheld from the March, 1957, Voucher. As a standard procedure the amount of $500.00 will be paid in conjunction with the next monthly report and voucher, unless the circumstances are such that immediate payment is necessary in order to continue operations under the contract or to avoid financial hardship.

If payment is necessary prior to submission of your next monthly report and voucher, please resubmit your request by return mail, and inform this office of the progress so far in June in the south drift.

For your information the Government will withhold similar amounts in the future, upon completion of each stage of work; during any recess of operations; and in any other instance where it is considered necessary to withhold from reimbursement in order to protect the Government's interests.

Yours very truly,

W. H. KING

W. H. King
Executive Officer, DMEA
Field Team, Region III

JDC:hmh
cc: Chem. Op. Comm.(2) ✓
Harshman
DMEA-DFC
Townsend
Corres.file,Reg. III
Chron.
} w/copy of Operator's letter

DMEA
DEPARTMENT OF THE INTERIOR
JUN 10 1957
REGION III
DENVER, COLORADO

OFFICIAL-COPY

June 8,1957
Silverton, Colo.

DMEA
RECEIVED JUN 1957
CASE NUMBER CODE

Mr. E. N. Harshman
D.M.E.A., Region III
224 New custom House
Denver 2, Colo.

Re: Docket No. DMEA 4138
Contract No. Idm-E997
Jesse A. Bingel

Dear Mr. Harshman;

We are proceeding with drifting of not more than 100 ft. as authorized in your letter of April 29,1957. This is the last of Stage I, Item 3.

According to our telephone conversation we were to receive the $500.00 held back on our last drifting as soon as the present work was begun. We would appreciate this payment.

We did not make out any progress report for the months of April or May because no work was done that would qualify for loan payment.

Yours truly,
Jesse A. Bingel
Guy Leslie Larson

OFFICIAL FILE COPY
D M E A
RECEIVED JUN 1957

DATE		CODE
6/6	JAB	220
6/10	[illegible]	800
6/11	[illegible]	400

224 New Customhouse
Denver 2, Colorado

June 7, 1957

CERTIFIED MAIL

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
P. O. Box 1451
Grand Junction, Colorado

Re: Docket DMEA 4138 (Tungsten-Lead-Copper), Contract Ism-2997, Jesse A. Bingel (Dora Mine) San Juan County, Colorado

Dear Mr. Strnad:

Enclosed is a copy of AGREEMENT OF MERGER dated September 6, 1956, between Mountain Top Mining and Milling Company and Giant Mines Company of Nevada afterwards known as Giant Resources, Inc. which you sent to this office by your letter of May 27.

We appreciate your loaning us this instrument.

Very truly yours,

E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer

Enclosure
MHM:eh
cc: Ch. Op. Comm. (2)
Royalty File E997
Corres. File E997
Konselman (2)
Harshman
Marshall
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED JUN

DATE	INITIALS	CODES
6/10	C	220
6/11	E.E.B	800
6/11	WSM	400

June 7, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997
Jesse A. Bingel (Dora Mine) San Juan County, Colorado

In response to your letter of May 17, 1957, to this office, we enclose the following:

1. Copy of our letter dated May 21, 1957, to Mr. Ed Strnad, Giant Resources, Inc. requesting the legal instrument which explains the relationship between Giant Resources, Inc. and Mountain Top Mining and Milling Company.

2. Copy of AGREEMENT OF MERGER dated September 6, 1956, between Mountain Top Mining and Milling Company and Giant Mines Company of Nevada afterwards known as Giant Resources, Inc.

3. Copy of letter dated May 27, 1957, transmitting Item 2 to this office.

The enclosed document and correspondence should explain the basis for our receiving payment of royalties on production made from the Empire Claim, U.S. Survey No. 647-8.

E. N. Harshman

GIANT RESOURCES, INC.
159 COLORADO AVENUE
GRAND JUNCTION, COLORADO
TELEPHONE CH 3-1752
P. O. BOX 1451

DMEA
DEPARTMENT OF THE INTERIOR
MAY 29 1957
REGION III
DENVER, COLORADO
TWX GJ 79

27 May 1957

United States Dept. of The Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 10 1957

DATE	INITIALS	CODE

Attn: E. N. Harshman
Acting Executive Officer

Gentlemen:

In reply to your letter of May 21, 1957 to Mr. Ed Strnad, our general manager, in which you requested a copy of the instrument by which Mountain Top Mining and Milling Company was merged into Giant Resources, Inc., I am enclosing a copy of the Merger Agreement between Mountain Top Mining and Milling Company and Giant Resources, Inc.

I would appreciate it if, after you have examined this instrument, you would return it to this office, inasmuch as we are exceedingly short of executed copies of this instrument and, as you know, various Governmental and State agencies periodically ask to examine the instrument.

Your cooperation in returning the enclosed Merger Agreement will be greatly appreciated.

Very truly yours,

GIANT RESOURCES, INC.

William E. Foster

William E. Foster
General Counsel

WEF:dj
encl: (1)

PHOTOCYTO
WO(2)
Corresp.
KONSELMAN (2)

224 New Customhouse
Denver 2, Colorado

May 21, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 24 1957

DATE	INITIALS	CODE
5/24	JWD	220
5/24	MW	800
5/27	WSM	400

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
P. O. Box 1454
Grand Junction, Colorado

Re: Royalty payments, Docket DMEA 4136 (Tungsten-Lead-Copper), Contract IDM-E997, Jesse A. Bingel (Dora Mine) San Juan County, Colorado

Dear Mr. Strnad:

During your visit to this office March 29, 1957, the question of paying royalties on production made by Mountain Top Mining and Milling Company from the Dora Mine was discussed.

In the course of conversation, you mentioned that Mountain Top, as such, no longer existed, but was superseded by Giant Resources, Inc. At that time, we commented that it might become necessary for you to submit some evidence of this fact.

To clarify the exact relationship of Giant Resources, Inc. to Mountain Top Mining and Milling Company, we now request a copy of the legal instrument which describes this transaction.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer

MHM:eh

cc: Royalty File E997) W/copy of
Corres. File E997) Chairman's
Ch. Op. Comm. (2)) letter
Konselman (2)) dated
Harshman) May 17, 1957
Marshall
Chron.

orm 7
56)

OFFICIAL FILE COPY

Date	Surname	Code
5-16	Chapman	400
5-16	Martin	400
5-17	Chambers	800
5/17	Selfridge	130
"	Jackman	110
"	Mulhendon	100
5/20	C	220
		400

MAY 17 1957

Mr. E. N. Harshman, Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4138 - Tungsten,
Lead, and Copper
Dora mine
San Juan County, Colorado
Contract No. Idm-8997

Dear Mr. Harshman:

Reference is made to your memorandum of May 6, 1957, covering royalty payments on the above-noted project, and enclosing letter of April 12, 1957, from Giant Resources, Inc., showing tonnage shipped to mill, a letter showing royalty settlement tonnage and value proportioned to DMEA, and a settlement sheet for concentrates shipped to the United States Smelting Refining and Mining Company of Midvale, Utah. Also noted was copy of your letter of May 9, 1957, to Mr. Ed Strand, General Manager, Giant Resources, Inc., which is not named in our records, and we would appreciate being advised how that company is concerned with the Jesse A. Bingel operation.

The Agreement dated November 20, 1956, concerning the above noted Exploration Project Contract is between Jesse A. Bingel and C. Leslie Larson and Mountain Top Mining and Milling Company. An Agreement of Lease dated February 3, 1956, is between Mystery Gold Mining Company and Mountain Top Mining and Milling Company.

The exact relationship of Giant Resources, Inc., to the project could make a material difference in figuring the royalties.

Sincerely yours,

George C. Selfridge
(Ayes)
Chairman, Operating Committee

APPROVED:

Frank D. Lamb
(Ayes)
Member, Bureau of Mines

Thor H. Kiilsgaard
(Ayes)
Member, Geological Survey

TLCHAPMAN:foc 5-16-57
cc to: Docket
Code 400
Admr. R. File
Oper. Comm.
FT. REG. III
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 1957

DATE		CODE
5/13	C	
5/13	E.E.F.	220
5/14	WSM	800
		400

224 New Customhouse
Denver 2, Colorado

May 9, 1957

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
P. O. Box 1451
Grand Junction, Colorado

Re: Royalty payments, Docket DMEA-4138
(Tungsten-Lead-Copper)
Contract Idm-E997, Jesse A. Bingel
(Dora Mine) San Juan County, Colo.

Dear Mr. Strnad:

We wish to thank you for your royalty payment check of $102.19, settlement sheet, dated April 4, 1957, and the letter, dated April 12, 1957, from George Hazen, itemizing the tonnage of production from the Empire Claim, which is subject to DMEA royalty.

Please note that Item 4 of our letter, dated March 29, 1957, requests your submitting four copies of a signed statement indicating that the proration of DMEA production provides the Government with its equitable share of royalties. When reporting shipments of production which contain ore subject to DMEA royalty, in the future, please provide this office with such a statement.

The basis for the royalty payment received was apparently made on a proration of an amount ($8,142.91) which is the resultant of certain charges being deducted from the gross value of production reported by smelter's sheet, dated April 4, 1957.

To establish which items listed as deductions are valid so far as royalty payments under a DMEA contract are concerned, please submit a copy of the smelter schedule or agreement which you have with U. S. Smelting Refining and Mining Company.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

MHM:jy
cc: Royalty File E997
Corresp. File
Chm. Op. Comm. (2)
A. S. Konselman (2)
Harshman
Marshall
Chron.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

May 6, 1957

Re: DMEA 4138 Idm-E997
Jesse A. Bingel
Dora Mine
San Juan Co., Colo.
Tungsten-copper

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of memorandum concerning additional work under Stage I.

The operator requested authorization to do an additional 100 feet of drifting in the south drift under Stage I. The work would be a switch from work authorized for the north drift, the vein in which appears to have gone sour. According to the interim reports, the vein in the south drift is not too promising. The switch has been authorized an action with which I concur.

N. E. Nelson

N. E. Nelson

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D M E A
RECEIVED MAY 7 1957

DATE	REMARKS	CODE
5/8	LWJ	220
5/8	WSM	400

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

224 New Customhouse
Denver 2, Colorado

Date: May 6, 1957

Memorandum

To: Chairman, Operating Committee, DMEA
From: Executive Officer, DMEA Field Team, Region III
Subject: Royalty payments, Docket DME 4138 (Tungsten-Lead-Copper), Contract Idm-E997, Jesse A. Bingel (Dora Mine), San Juan County, Colorado
Period: April, 1957

Enclosed are settlement sheets for which royalty payments were received for ore or concentrates shipped from the subject property during the above month:

Date	Lot No.	Dry Tons	Royalty Due	Royalty Paid	Bonus Roy. Due	Bonus Roy. Pd.
4/4/57	GL-1	10.222	$165.06	$102.19 *		
Totals:		10.222	$165.06	$102.19		

OFFICIAL FILE COPY
DMEA
RECEIVED 1957

DATE		CODE
5/8	C	220
5/9	WSM	400

Past Due Royalties Collected None

Total Dry Tons (Ore or Cons.) Shipped to Date 10.222

E. M. Hawkins

XXXXXXXXXXXX
Acting Executive Officer

vj
cc: Royalty File E997 w/settlement sheets
Monthly Royalty Payment File
J. F. Shaw (2) w/settlement sheet
Chron.

GIANT RESOURCES, INC. MINERALS

GIANT MINES COMPANY OF NEVADA

OPERATIONS OFFICE - SECOND & COLORADO
GRAND JUNCTION, COLORADO
P. O. BOX 1451 - TELEPHONE 3700

April 12, 1957

DMEA
DEPARTMENT OF THE INTERIOR
APR 18 1957
REGION III
DENVER, COLORADO

Dear Ed,

This is the total of the ore shipped from South of the shaft upt to the finish of the mill run. All ore is now from there. The original, kept in the mine, was too soiled to be sent in.

12-3-56	3	Tons	1-16-57	9	Tons
12-5-56	5	"	1-18-57	0	"
12-11-56	4	"	1-19-57	14	"
12-14-56	7	"	1-23-57	3	"
12-15-56	9	"	1-26-57	8	"
12-19-56	8	"	2-2-57	4	"
12-22-56	3	"	2-5-57	3	"
12-28-56	11	"	2-7-57	7	"
12-30-56	2	"	2-9-57	12	"
1-3-57	5	"	2-11-57	9	"
1-4-57	4	"	7-14-57	7	"
1-7-57	8	"	2-17-57	3	"
1-10-57	5	"	2-21-57	0	"
1-11-57	7	"	2-23-57	7	"
1-14-57	11	"	2-26-57	11	"
				201	Tons

(signed) George Hazen

RECEIVED
MAY 8 1957
DMEA

Jesse A. Binzel

E997

GIANT RESOURCES, INC.
P. O. Box 1451
Grand Junction, Colorado

ROYALTY SETTLEMENT

Empire Claim
Little Dora Mine
Silverton, Colorado

	Crude Ore Tons	Per Cent of Total	Smelter Value
Little Dora Mine (A Level)	600.80	.749	$ 6,099.04
North Side Stope - Little Dora (Empire Claim)	201.00	.251	2,043.87
	801.80	1,000	$ 8,142.91

Royalty to DMEA

5% of $ 2,043.87 $ 102.19

Check No. 780 $ 102.19

FORM C O. 77-2

2169-B

UNITED STATES SMELTING REFINING AND MINING COMPANY

NINTH FLOOR NEWHOUSE BUILDI
P. O. BOX 1980 SALT LAKE CITY 10, UTAH

Salt Lake City, Utah, [illegible] 4, 1957

Purchased From GIANT RESOURCES, INC.
Pay GIANT [illegible], INC. 159 COLLEGE AV NU., GRAND JUNCTION, COLORADO

Shipping Point: [illegible] AY, COLO.

Lot No. GL-1 Product [illegible] Mine LITTLE [illegible] Gold License No.
Sampled by MDV. L. Received 3-26-57 Sampled 3-29-57 Assayed 3-3[illegible]-57
Metal Quotations—Gold 34.9125 Silver 91.375 Copper, N. Y. 31.335 Lead, N. Y. 16.0 Zinc

ASSAYS	GOLD OZS. PER TON	SILVER OZS. PER TON	COPPER %	LEAD %	INSOLUBLE %	IRON %	ZINC %	SULPHUR %	LIME %	[illegible] %	NON-SULPHIDE LEAD %	NON-SULPHIDE ZINC %
U. S. S. R. & M. Co.	2.83	113.20	8.85	46.2	3.1	1[illegible].0	3.6	23.5				
B & D	2.965	115.60	8.75	47.2	3.6	11.[illegible]	3.8	22.3	.8			
BARDWELL Umpire	2.95	114.25		46.8								
Less NON-SULPHIDE				1.5								
Settlement	2.95	114.25	8.8[illegible]	45.3	3.05	11.9	3.7	2[illegible].0	.4	.3[illegible]		

CAR NOS.	NET WEIGHT
RG 55278	
Total Weight	
Containers	
Wet Weight	85740
Moisture 5.0 %	4288
Dry Weight	81452

METAL VALUES		
Gold 1[illegible] % @ 3[illegible].8[illegible]	[illegible]	[illegible]
Silver [illegible]6 % @ 91.375	10[illegible]	[illegible]
Copper	33	41
Lead	111	71
Zinc		
Total Metal Value	3[illegible]	1[illegible]
Less Treatment Charge	5	75

TREATMENT CHARGES	DEBIT	CREDIT
Based on % Lead		
Variation from % Lead		
Labor		
Insoluble		
Zinc, excess over %		
Sul., excess over %		
As., excess over %		
Iron		
Lime		
Net Treatment Charge		

Payment for 4[illegible].7[illegible] Dry Tons @ 336 41 Per Ton [illegible]

DEDUCTIONS	
Freight (Value under 224.9[illegible] Per Ton) 4[illegible].7[illegible] Wet Tons @ 1[illegible].[illegible] Per Ton	[illegible] [illegible]
Federal Tax 3%	3[illegible] [illegible]
Cr. a/c freight rate differential 1.75	[illegible] [illegible]
Handling Charge	
Assay Charge	[illegible] [illegible]
Umpire Charge	4 [illegible]
Watching Charge	
Sampling Charge	
Hauling 4[illegible].7[illegible] Wet Tons @ 7.[illegible] Per Ton	[illegible] [illegible]
Federal Tax 3%	5 [illegible]
Pay Hauling & Tax to: Gilbrons [illegible] to [illegible] of Surrey, Colorado for [illegible] account of [illegible]	
[illegible] Hilliar: [illegible] Tons 3.[illegible] per ton - Gilbrons [illegible] to [illegible] of Surrey, Colorado for [illegible] to account of [illegible]	[illegible]
[illegible] or assignment dated 3-21-57 - [illegible] tons 1.[illegible] per ton [illegible]	[illegible]
Total Deductions	[illegible]
Amount Withheld Pending Receipt of Silver Affidavit	
Net Payment	[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
5/1	C	220
5/1	WSM	400

April 29, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado

Enclosed are four copies of confirmation of work approval, issued by the DMEA Field Team, Region III.

Also enclosed are four copies of a joint memorandum, dated April 11, 1957, from Edward W. Buel, Mining Engineer, Bureau of Mines, and Donald H. Richter, Geologist, Geological Survey, pertaining to the work approved.

Copies of the confirmation of work approval have been distributed to the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

Enclosures

5/1/57
Work approved to
be done in accordance
Contract.

4138

Dma 57-111

FINAL DISTRIBUTION

MADE APR 12 1957

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

Administrative Audit Difference Statement

Jesse A. Bingal
c/o C. Leslie Larson
P. O. Box 122
Silverton, Colorado

Date: April 12, 1957
Payee's Reference: March 1957

Gentlemen:

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

Amount Claimed $ 2,700.00

Difference $

Amount Approved $ 2,700.00

The reason for the difference was due to:

Withheld $500.00 pending completion of long hole drilling and possible crosscutting from the south sub level drift.

EXTRA COPY DMEA RECEIVED		
DATE	INITIALS	CODE
4/15	JEJ	110
4/16	WSM	400

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

Very sincerely yours,

RRC Mf 104'P Mar. 1957

N. E. Stokes
Audit Section

Marshel R. Cooper
Fiscal Officer, Region III

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

DMA 57-111

224 New Customhouse
Denver 2, Colorado

April 10, 1957

EXTRA COPY
DMEA
RECEIVED APR 15 1957
DATE | CODE

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket 4138, (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado - Operator's Monthly Progress Report, for the month of March, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 62.5 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except for the following deduction.

Withhold an amount of $500.00 from reimbursement to the Operator pending completion of long hole drilling and possible crosscutting from the South sub level drift. The Operator agreed to complete this work at his expense prior to performance of additional Stage I drifting.

Remarks

Date of Report——————————April 2, 1957
Date Received in Field Office————April 4, 1957
Date Received in Region Office————April 8, 1957

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures
JWT:hh
cc: Chem. Op. Comm. (2)
Shaw (2)
Harshman } w/copy of Engr's.
Townsend } report
MF-104 File, Reg. III
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado

April 5, 1957

EXTRA COPY
DMEA
RECEIVED APR 15 1957
DATE | INITIALS | CODE

DMEA
DEPARTMENT OF THE INTERIOR
APR 8 - 1957
REGION III
DENVER, COLORADO

Memorandum

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

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: Docket DMEA 4138 (Tungsten-lead-copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado -- Progress report for March 1957

On April 2, 1957, the subject property was visited in order to check on the DMEA work progress during the inspection interim. The writer was accompanied by Messrs. Stanley Kung, Point IV Trainee, and C. Leslie Larson, the operator's mining contractor.

During the interim, March 5 - April 2, 1957, the operator extended the north drift 92 feet, making a total drift length of 152 feet.

An examination of the north drift face showed a poorly defined, tight structure which appears to have an average strike of N. 15° W. and a dip of 85° SW. Beginning at a point 124 feet from the DMEA raise and extending to the face of the north drift, the structure is barely noticeable. The structure, as near as could be determined, is but weakly mineralized with metallic sulfide mineralization, mostly as pyrite. The pyrite is erratically distributed in a partly silicified and highly altered quartz monzonite country rock which locally contains small pockets of gouge. At a point 117 feet from the raise, several small pods of hubernite were noted in a vuggy quartz. It is believed that the operator obtained several sackfuls of hubnerite from this general area. At a point about 100 feet from the raise, the most favorably seen mineralized part of the north drift is an area measuring about 1 foot in width and 3 feet in length. This area displayed vuggy quartz with small amounts of "steel" galena and pyrite. A grab sample (EB-33) was obtained of this material. The results of the sample have not been received to date.

The operator's contractor, Mr. Larson, was given verbal authority by phone on April 4, 1957, to do an additional 100 feet of drifting in the south drift. He was requested to put one or two long holes in the east wall near the end of the south drift to determine the presence of any new structure to the east. If the drill holes show the presence of a mineralized structure, then the operator is to crosscut over to the structure and then drift for an additional 100 feet in a southerly direction. According to Mr. Larson, the operator is willing to pay the cost of the estimated 10 to 15 feet of crosscutting. In the event that the operator's long holes do not show any mineralization to exist to the east, he is to continue the south drift for an additional 100 feet on the present weakly mineralized structure.

The operator in his MF-104's for March 1957, requests reimbursement for 90 feet of drifting. An inspection of the DMEA work verified the amount of drifting claimed by the operator.

It is recommended that the operator be paid for 90 feet of drifting at a cost of $2,700.00 of which the Government's share at 62.5 percent is $1.687.50.

Edward W. Buel

Edward W. Buel
Mining Engineer

cc 6
Idm-R997
Sharon.

EWB:ph

EXTRA COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
No: DMEA 4138		
Contract Ion--1997		

April 2, 1957
Silverton, Colo.

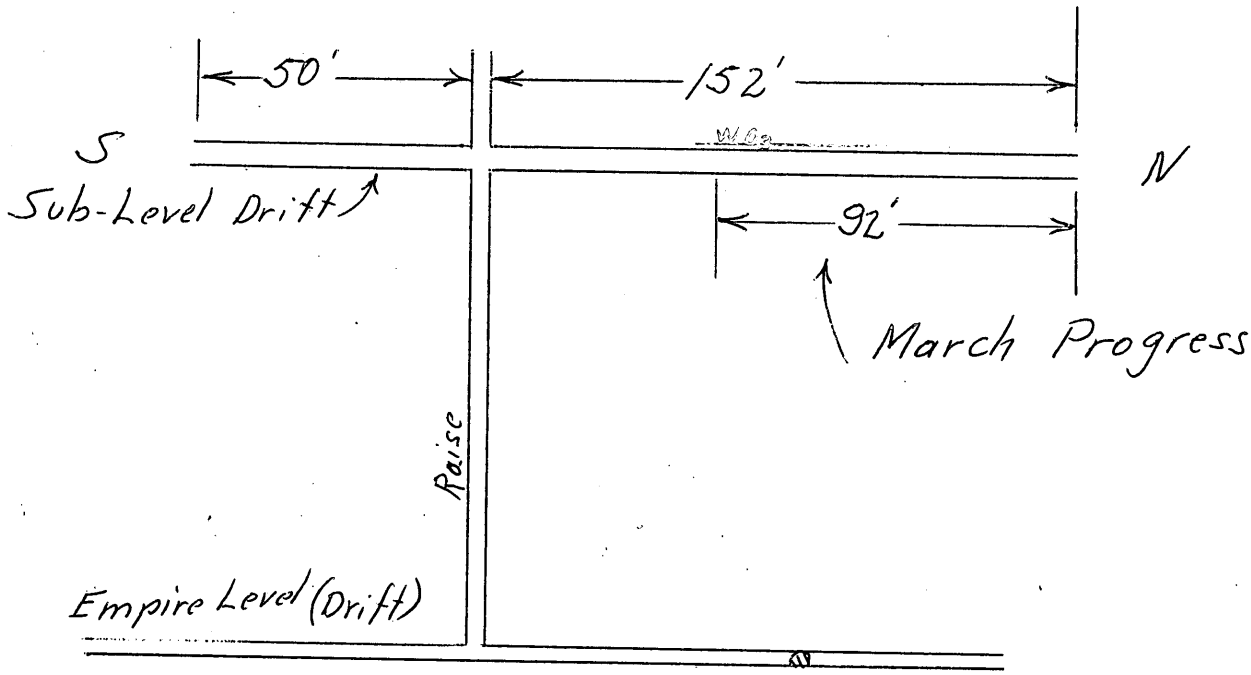
Mr. John P. Shaw
Room 137, Bldg. 20
Denver Federal Center
Denver 2, Colo.

Dear Mr. Shaw:

In March we drove an additional 92 ft. on the North drift. I did not report the last two ft. on the accompanying sheets as it was over the amount authorized in your last letter to us.

We encountered several small pockets of hubnorite and sacked about 1500 lbs. of it. The 2 foot quartz-sulphide vein continued to about the 70 foot mark then started to pinch out. At the breast there was little evidence of any vein.

A sketch of the work follows:



Yours truly,

Jesse A Bingel
Guy C. Leslie Larson

Form MF-102A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1957 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse Bingel Minerals Tungsten
Address Silverton, Colorado lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	$2700.00	90	$6000.00	200	$30.00		
Crosscutting								
Raising	Ft.	None	None	$4305.00	123	$35.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS		$2700.00	90	$10,705.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None	None	None				
Initial Rehabilitation and Repairs		"	"	"				
New Buildings, Improvements, etc.		"	"	"				
TOTAL COSTS		$2700.00	90	$10,705.00				

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

Date April 2, 1957 Operator Jesse A. Bingel
Per C. Leslie Larson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

RECEIVED APR 15 1957 D.M.E.A.

INSTRUCTIONS

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

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

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

GPO 872894

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

Budget Bureau No. 42-R1036.5

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

Month of March, 1957 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper
Contract Amount, $28,010.00 Government Participation 62.5% Amount, $17,506

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	None	4305.00	4305.00			
Crosscutting						
Drifting	$2700.00	$3300.00	$6000.00			
Rehabilitation	None	400.00	400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2700.00	$8,005.00	$10,705.00	2700.00	8,005.00	10,705.00

RECEIVED APR 15 1957 D.M.E.A.

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

Date 4-2-57 *Payee Jesse A Bingel

Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

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

$1,187.50

Signature RRe
(Authorized Certifying Officer)

Date 4-11-57 Vou. No. DMA-57-111
(See other side)

Note: Withheld 500.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 2dm-2997 in accordance with the terms of the contract.

Signature Edward W. Buel #1,687.50 Title Mining Engr. Date 4/5/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title alternate acting Executive Officer Date APR 10 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/5	Chapman	400
4/5	Martin	400
4/8	Sawyer	140
		~~140~~
4/10	Selfridge	130
"	Johnson	110
"	Matthews	100
4/11	C	220
	Tungsten	400

APR 10 1957

Mr. E. W. Harshman, Executive Officer
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

Re: Docket No. DMEA 4138 - Tungsten
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract No. Idm-E997

Dear Mr. Harshman:

Reference is made to your memorandum of March 28, 1957, and enclosed copy of Mr. Bingel's letter of March 26, 1957, concerning the above-noted project.

Please keep us advised of any new information you receive respecting the disputed charges. Apparently there is now no need for action on your part.

In regard to the question of ownership no further action by you is necessary.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

FROM SOLICITOR
APR - 9 1957
FOR SIGNATURE

RECEIVED
APR - 8 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

TLChapman:am 4-5-57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.
FT REG III
Messrs. R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

8623

OFFICIAL FILE COPY
DMEA
RECEIVED APR 15 1957

DATE	INITIALS	CODE
4/15		220
4/16	[illegible]	800
4/17	WSay	400

224 New Customhouse
Denver 2, Colorado

April 10, 1957

Mr. Jesse A. Bingel
c/o C. Leslie Larsen
P. O. Box 422
Silverton, Colorado

Re: Docket MEA-4138 (Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

Form MF-104, Operator's Monthly Report and Voucher for March, 1957, has been received in this office and is being processed for payment.

An amount of $500.00 is withheld from reimbursement to you pending completion of long hole drilling and possible crosscutting from the South sub level drift, which work you agreed to complete at your expense prior to performance of additional Stage I drifting.

Yours very truly,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

JXC:hh
cc: Chmn.Op.Comm. (2)
Harshman
Shaw
Townsend
Corres. File, Reg. III
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/2	C	220
4/5	BEP	800
4/8	WSM	400

224 New Customhouse
Denver 2, Colorado

March 29, 1957

d Strnad, General Manager
t Resources, Inc.
. Box 1451
d Junction, Colorado

Re: Royalty payment, Docket DMEA 4138
(Tungsten-Lead-Copper), Contract
Idm-E997, Jesse A. Bingel (Dora Mine)
San Juan County, Colorado

Dear Mr. Strnad:

Confirming our verbal instructions to you of this date, you are requested to make report of production from land subordinated to the Government by the terms of the captioned DMEA contract, and pay royalties due therefrom as follows:

1. Submit four (4) copies of each settlement sheet which includes any production made from DMEA subordinated land.

2. Submit four (4) copies of the mine records which show the total number and weights of all car loads of production made from that part(s) of the mine which is on DMEA subordinated land.

3. Since only tonnage records of DMEA production were maintained prior to comingling with production not subordinated, submit four (4) copies of your computations which:

   (a) Prorate by wet ton weight, DMEA production as evidenced by mine records to the total production from the mine noted in the applicable settlement sheet.

   (b) Prorate this wet weight ratio to the net total value of this production covered by the indicated settlement sheet.

(c) Establish the value of DMEA production for the respective settlement sheets and calculate therefrom, royalties due.

4. Submit four (4) copies of a signed statement indicating that proration of DMEA production provides the Government with its equitable share of royalties.

If you anticipate making further production from land included in Contract Idm-E997, we suggest that DMEA production be kept separate from other production, or that a sampling system be devised wherein the assay value of DMEA production will be known prior to comingling with other ores.

Make royalty checks payable to the Defense Minerals Exploration Administration and mailed to the Executive Officer, DMEA Field Team, Region III, 224 New Customhouse, Denver 2, Colorado.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer,
DMEA Field Team, Region III

MHM/vj

cc: Royalty File E997)
Corres. File E997)
Chair. Opr. Comm. (2) w/cy Buel's memo dtd 3/7/57
J. F. Shaw (2))
Harshman)
Marshall
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

MAR 8 1957
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
March 7, 1957

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: John F. Shafer
Supervising Mining Engineer

From: Edward W. Buel

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel, (Dora mine), San Juan County, Colorado—Royalty payments.

Mountain Top Mining and Milling Company is currently removing ore from the A-level workings on the subject property.

Part of these workings are on the Empire claim (U.S. Survey 647-A) which is subordinated under the terms of the subject contract. It was learned from the operator's mining contractor that Mountain Top Mining and Milling Company has removed several hundred tons of ore from the subordinated claim. It is estimated that total production from the A-level workings amounts to 1,000 tons, of which 3/4 is from the Empire claim.

The ore is being stockpiled pending shipment, in the near future, to a custom mill at Ouray, Colorado. It is believed that the ore will be sent to the newly constructed Rolling "J" Mining and Milling Company's mill.

Edward W. Buel

Edward W. Buel
Mining Engineer

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
3/8	WSM	400

EWB:jg

cc: 9
Idm-E997
Chron.

WO (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED APR 1 1957

DATE	INITIALS	CODE
4/1	C	220
4/2	WSM	400

March 28, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado

Enclosed are four copies of a letter from the Operator, dated March 26, 1957, which is in reply to our two letters, dated March 21, 1957, and in part in reference to matter discussed in your letter to this office dated March 18, 1957.

The Operator states that he is the sole owner of the mentioned lease and that Mr. Larson is his agent and manager.

Please advise if you consider further action by this office is necessary on either the matter of delinquent bills or ownership of the lease pertaining to the ground subordinated under the Contract.

E. N. Harshman

E. N. Harshman

4/2/57
Copies to
BMd &

EXTRA COPY
DMEA
RECEIVED
DATE | INITIALS | CODE

Cody, Wyoming
March 26, 1957

DMEA
DEPARTMENT OF THE INTERIOR
MAR 28 1957
REGION III
DENVER, COLORADO

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMEA-4138 (Tungsten, Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora Mine)
San Juan County, Colorado

Dear Mr. Harshman:

I am in receipt of your two letters dated March 21, 1957, one in regards to delinquent bills and the other in regards to C. Leslie Larson.

To my knowledge we have but one delinquent bill outstanding, which is due to the Mountain Top Mining and Milling. As you may not know, the Mountain Top is presently operating a property adjoining the property which I am holding by lease. Both properties are worked from the same tunnel. I had agreed to buy air made by their compressor and to rent other equipment which could have been an advantage to my operation. However, to date, I have only used their air, and this only part time. I was billed by Mountain Top for using other equipment, which was an unfair billing. Through Mr. Wm. Gianetto, an associate of mine in a tunnel contracting firm, a meeting was set up with Mr. Ed Strnad of the Mountain Top Mining and Milling, at Grand Junction, Colorado on March 30 to iron out the difficulties of this billing and to arrange for payment of same. I will advise you of the outcome of this meeting.

Now, in regards to Mr. Larson's exact status concerning the land which is subordinated under the contract. Mr. Larson along with Mr. William Gianetto and others, who are interested with me in the mining and tunnel contracting business, are doing certain work on the Dora Lease to enable me to be on the larger jobs. At the present time we are working on a large job at Cody, Wyoming. I am the sole owner of the mentioned lease and Mr. Larson is my agent as well as manager for the contracting firm on this particular lease.

I hope that this letter will clarify as well as answer your questions. If you should need additional information of any nature do not hesitate to write to me.

Sincerely yours,

Jesse A. Bingel

Jesse A. Bingel

JAB:jjg
CC: C. Leslie Larson, Silverton, Colo.
Mountain Top Mining & Milling, Grand Jct., Colo.

224 New Customhouse
Denver 2, Colorado

March 21, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	C	220
3/26	[illegible]	800
		225

CERTIFIED MAIL

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138 (Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

It has been brought to our attention that bills for the rental of equipment used in conjunction with DMEA contract work are delinquent from the date the work was started.

In your application for DMEA aid you stated that you were prepared to furnish your share of the cost of the project, and as you have been reimbursed for the Government's share of the acceptable costs to date we are at a loss to understand why these bills have been allowed to become delinquent for such a length of time.

Failure to meet your obligations in connection with the contract work may jeopardize the Government's interests in the contract; therefore, we will appreciate advice from you by return mail that arrangements have been made to meet these outstanding bills.

Yours very truly,

Original signed by
E. N. HARSHMAN
E. N. Harshman
Acting Executive Officer, DMEA
Field Team, Region III

JDC:hh
cc: Chmn. Op. Comm. (2))
Harshman)
Shaw (2)) w/copy of letter
Townsend) from Giant Res., Inc.,
Corres. File E997) dated 3/18/57
Chron.

COPY

GIANT RESOURCES, INC.
159 Colorado Avenue
Grand Junction, Colorado
Telephone Gh 3-1752

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 20 1957
DATE | INITIALS | CO
TWX GJ 73

P. O. Box 1451

18 March 1957

Mr. E. N. Hanelman
224 New Custom House
Denver, Colorado

Re: R-997 DMEA 4138 Jesse A. Bingel

This is to advise you that as of February 28, 1957, the above person owed our company the total sum of $2,075.00 for rental of equipment since starting his DMEA work on the Little Bear.

We have billed them monthly for the use of our compressor, hoist, etc., and no effort has been made to make payment to us. While we are not asking your department to get into the middle of an argument, we are still forwarding this information to you so that you will know that not all bills are being paid by this party. It is our understanding that they have received some payments from the Federal Government on their DMEA work.

Very truly yours,

GIANT RESOURCES, INC.

/s/ Ed Strnad

/t/ Ed Strnad
General Manager

ES:dj
cc: Warren Prosser
Cooper Bldg.
Denver, Colorado
cc: Les Larsen
Silverton, Colorado

224 New Customhouse
Denver 2, Colorado

March 21, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	C	220
3/26	[illegible]	800
		225

Mr. Ed Strnad, General Manager
Giant Resources, Inc.
159 Colorado Avenue
Grand Junction, Colorado

Re: Docket DMEA-4138 (Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Strnad:

We have received your letter of March 18, 1957, regarding money owed to you by Jesse A. Bingel, for the rental of equipment used in connection with work under DMEA Exploration Contract No. Idm-E997.

Under the circumstances the Government has no control in the matter; however, we will contact the Operator in an attempt to resolve the matter at an early date.

Yours very truly,

Original signed by
E. N. HARSHMAN
E. N. Harshman
Acting Executive Officer, DMEA
Field Team, Region III

JDC:hh

cc: Warren Prosser
Cooper Building
Denver, Colorado

cc: Chmn. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Corres. File E997
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	C	220
3/26		800
		225

224 New Customhouse
Denver 2, Colorado

March 21, 1957

CERTIFIED MAIL

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket DMEA-4138 (Tungsten-Lead-Copper)
Contract Idm-E997
Jesse A. Bingel
(Dora mine)
San Juan County, Colorado

Dear Mr. Bingel:

Your original lease with Mystery Gold Mining Company, dated August 9, 1955, does not indicate that C. Leslie Larson has an interest in the Empire Lode Mining claim, Survey No. 647A, which land is subordinated under DMEA Exploration Contract Idm-E997. However, the agreement with Mountain Top Mining and Milling Company, dated November 20, 1956, indicates that Mr. Larson does have a part interest in the land.

Please inform this office by return mail as to Mr. Larson's exact status concerning the land which is subordinated under the contract.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

JDC:jy
cc: Chm. Op. Comm. (2)
Harshman)
Shaw (2)) w/copy of Chm's. relative letter of 3/18/57
Townsend)
Corresp. E997)
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/14	Chapman	400
3/14	Martin	400
3/15	Jaeger	800
3/18	Selfridge	130
"	Johnson	110
"	Mitchelson	100
3/18	C	220
		225

Bishop

MAR 18 1957

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Custom House Building
Denver 2, Colorado

Re: Docket No. DMEA 4138 - Tungsten-Lead-Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract No. Idm-5997

Dear Mr. Harshman:

Review of the copies of an Agreement between the Operator and the Mountain Top Mining and Milling Company, sent to us with your memorandum of February 19, 1957, indicates that the Government's interest is adequately protected.

We note, however, that the Agreement of November 20, 1956, refers to Mr. Larson as being a lessee of the land included in the DMEA contract. The copy of the lease and amendment thereto previously submitted showed only Mr. Bingel as the lessee. The Consent to Lien attached to the Contract is signed only by the lessor, and the DMEA Contract is signed only by Mr. Bingel. If Mr. Larson is a lessee of the land included in the DMEA Contract, you should request that a copy of the instrument which conferred on him the rights of a lessee be forwarded to DMEA, and that Mr. Larson sign a Consent to Lien and Subordination Agreement. The latter document would not be required if Mr. Larson becomes a party to the DMEA Contract by an appropriate approved assignment.

Reference is also made to your memorandum of February 27, 1957, enclosing copies of: (1) Mining Lease between the Mystery Gold Mining Company and Mountain Top Mining Company; (2) Addendum to above mining lease; (3) Survey data "A" level, Little Dora Winze; and (4) Map showing mine workings, and overlap of Little Dora claim 981 with Empire claim 647A. These last mentioned documents have been reviewed and do not adversely affect the Government's rights under the DMEA Contract.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

/s/ O. M. Bishop
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

cc to: FT REG III
Messrs. R. Holliday, USBM
T. Kiilsgaard, USGS

TLChapman:am 3/14/57
cc to: Docket
Code 400
Admr. Read. File
Oper. Comm.

8623

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

MAR - 8 1957

DMEA Form 7
(12-56)

March 6, 1957

OFFICIAL FILE COPY

Date	Surname	Code
3/6	Chapman	400
3/6	Martin	400
		140

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Agreement of Lease and Addendum thereto
Docket No. DMEA 4138 - Tungsten-Lead-Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract No. Idm-E997

Attached are an Agreement; Addendum thereto; Survey data "A" level, Little Dora Winze; and Map of Mine workings and overlap of Little Dora and Empire claims.

It will be appreciated if you will review the above noted material, which is supplementary to data submitted on February 26, 1957, already answered by your memorandum of March 4, 1957, and advise us if the Government is properly protected in its rights under the Contract.

W. S. Martin

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

Attachment

TLChapman:am
cc to: Docket
Code 400

8623

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

MAR - 4 1957

Memorandum

To: Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4138 - Tungsten, Lead, Copper
Jesse A. Bingel

This responds to your request of February 26, as to whether the Government's interest is adequately protected in the Agreement of November 20, 1956, made by Jesse A. Bingel and C. Leslie Larson with Mountain Top Mining and Milling Company, which assigns to the latter company part of the lands and minerals included in the DMEA contract.

Our answer is yes. See Articles 1, 2, and 8 of that Agreement.

We note, however, that the Agreement of November 20, 1956, refers to Mr. Larson as being a lessee of the land included in the DMEA contract. The copy of the lease and amendment thereto previously submitted showed only Mr. Bingel as the lessee. The Consent to Lien attached to the Contract is signed only by the lessor, and the DMEA Contract is signed only by Mr. Bingel. If Mr. Larson is a lessee of the land included in the DMEA Contract, you should request that a copy of the instrument which conferred upon him the rights of a lessee be forwarded to DMEA, and that Mr. Larson sign a Consent to Lien and Subordination Agreement. The latter document would not be required if Mr. Larson becomes a party to the DMEA Contract by an appropriate approved assignment thereof.

Robert P. Dwyer

PIndritz:ar
Mar. 4, 1957
Copy to: Sol. Docket (2)
DMEA Docket
W. S. Martin, DMEA (2)
R. P. Dwyer
P. Indritz
Chron

224 New Customhouse
Denver 2, Colorado

March 13, 1957

FINAL DISTRIBUTION
MADE MAR 15 1957

DATE	INITIALS	CODE
3/18/57	[illegible]	100
3/18	[illegible]	400

Memorandum

To: T. A. Christensen

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

Subject: DMEA Docket 4138, (Tungsten-Lead-Copper) Contract Idm-2997, Jesse A. Bingal, (Dora mine) San Juan County, Colorado - Operator's Monthly Progress Report, for the month of February, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-2004, therefore, we recommend that payment be made for 62.5 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report——————————March 6, 1957
Date Received in Field Office——————March 8, 1957
Date Received in Region Office——————March 13, 1957

Original signed by
E. N. HARSHMAN
E. N. Harshman

Enclosures
JDC:hh
cc: Chmn. Op. Comm. (2)
Shaw (2)
Harshman w/copy of engr's report
MF-104 File 2997
Chron.

MF-104'P
Feb. 1957

DMEA
DEPARTMENT OF THE INTERIOR
MAR 13 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
March 12, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Beal

Subject: Docket DMEA 4138 (Tungsten-lead-copper) Contract Ida-8997, Jesse A. Bingel (Dora mine) San Juan County, Colorado -- Progress report for February 1957

The Dora mine was visited by the writer on March 5, 1957. Purpose of the visit was to check the work progress on the sub-level drift. Mr. C. Leslie Larson, the operator's mining contractor, was present during the inspection.

Since the previous inspection on February 12, 1957, the operator extended the "South" drift 9.5 feet, making a total length of 50 feet, and he lengthened the "North" drift an additional 21 feet, making a total drift length of 60 feet. The drifts stand well and need no support.

The contractor has installed a slusher to remove broken rock from the drifts. Previously, the contractor removed rock material with a wheelbarrow.

An examination of the "South" drift face revealed a small (2" - 3") tight, mineralized structure that strikes essentially N. 10° - 15° W. and dips 55° - 60° SW. The structure is conspicuously mineralized with quartz and minor amounts of fluorite. The presence of sulphide minerals was not noted in the face. Prior to the operator's lengthening of the drift an additional 9.5 feet, the structure in the former face was very thin and tight, and appeared to be unmineralized. This structure throughout most of its exposure in the "South" drift, and for about 39 feet in the "North" drift, strikes N. to N. 6° W., dips 75° - 87° SW., and ranges in thickness from less than half an inch to 1 foot. Principal mineralization of the structure consists of fluorite, vuggy and massive quartz, and clay (gouge). A few erratically distributed clusters of hubernite (?) are also present along with insignificant quantities of lead-zinc sulphides.

The operator encountered a relatively thick mineralized structure which intersects the previously described structure approximately 39 feet within the "North" drift. Because of its more favorably mineralized appearance, the operator requested the Field Team's permission to drift on the "new" structure. Permission was granted the operator by the Field Team to do 100 feet of drifting on the "new" structure.

The operator drove 21 feet along the "new" structure. As seen in the face of the "North" drift, the "new" structure strikes N. 10° - 15° W. and dips approximately 80° SW. It is 2 to 3 feet wide. The structure as exposed along the drift shows the presence of vuggy and massive quartz with lesser amounts of pyrite. Sulphides of lead-zinc were not noted, although their presence is suspected. Some silicification and pyritization exists within the quartz monzonite country rock.

Larson drilled three, 3-foot holes into the east wall of the "South" drift at points within 5 feet of the raise, in order to cut the projected south extension of the "new" structure and to determine whether or not it was mineralized. Mr. Larson said that the holes indicated the presence of the "new" structure, containing some pyrite. Larson estimated that the structure would probably be 2 feet wide. On the basis of his findings, the operator's contractor believes that the "South" drift should be turned to intersect the "new" structure and to continue some additional drifting on the same. Estimated distance to the "new" structure from the present "South" drift face would probably be less than 15 feet.

The cost, according to Larson, of crosscutting to the "new" structure, if need be, would be borne by the operator if the Government grants permission to drift on the "new" structure.

The operator states in his narrative and in the MF-104's for February 1957 that he did 50 feet of drifting. This was verified during the recent inspection.

It is recommended that the operator be paid for the amount claimed. The Government's reimbursal computed at 62.5 percent of $1500.00 is 937.50.

Edward W. Buel

Edward W. Buel
Mining Engineer

EWB/mr
cc: 6
Idm-8997
Chron

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DMEA
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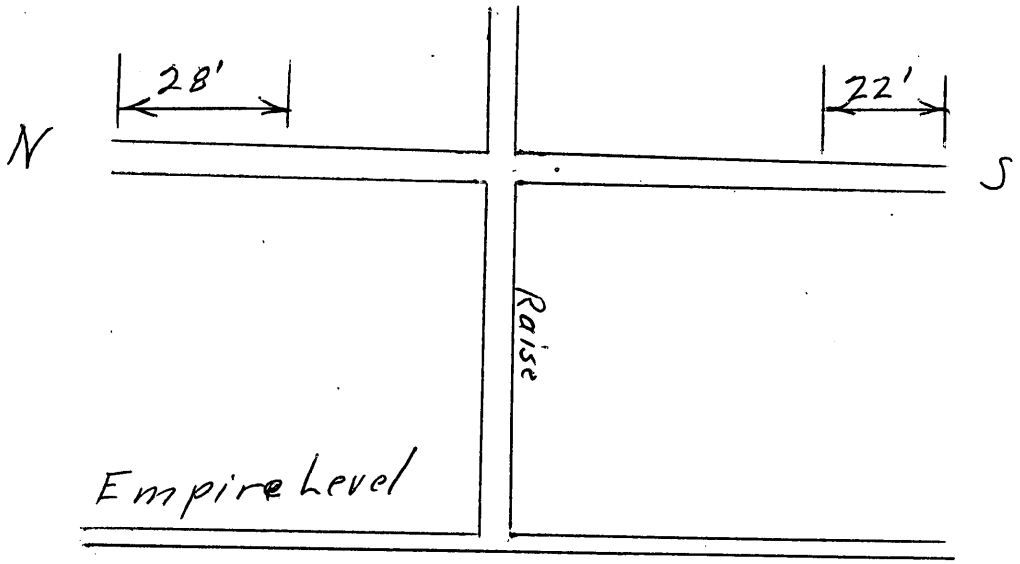
DATE | INITIALS | CODE

Feb. Progress
Total 50 Ft.



Jean G. Bizzell
by C. Leslie Parson

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Feb. 1957 Docket No. DMEA 4138 Contract No. E997

Operator's Name Jesse A. Bingel Minerals Tungsten

Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	$1500	50	$3300.00	110	$30.00		
Crosscutting								
Raising	Ft.	None	None	$4305.00	123	$35.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS		$1500		$8005.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		"		"				
New Buildings, Improvements, etc		"		"				
TOTAL COSTS		$1500.00		$8005.00				

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

Date Mar. 6- 57 Operator Jesse A. Bingel

Per C. Leslie Larson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

RECEIVED MAR 18 1957 D.M.E.A.

INSTRUCTIONS

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

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

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

GPO 872894

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Feb, 1957 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten, Lead, Copper
Address Silverton, Colo.
Contract Amount, $28,010.00 Government Participation 62.5% Amount, $17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	None	$4305.00	$4305.00			
Crosscutting						
Drifting	$1500.00	$1800.00	$3300.00			
Rehabilitation	None	$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1500.00	$6505.00	$8005.00	1500.00	6505.00	8005.00

RECEIVED MAR 28 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Mar. 6-57 *Payee Jesse A. Bingel
Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$937.50
Signature (Authorized Certifying Officer)
Date 3/14/57 Vou. No. DMA 57-100

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. [illegible]-8997 in accordance with the terms of the contract.

Signature Edward W. Buel #937.50 Title Mining Engr. Date 3/8/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hershman Title acting Executive Officer Date MAR 13 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

224 New Customhouse
Denver 2, Colorado

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RECEIVED MAR 1 1957

DATE	INITIALS	CODE
3/1	C	220
		225

February 27, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado.

Enclosed are four copies of confirmation of verbal approval for the performance of work under the subject Contract.

Also enclosed are four sets of data relative to the matter.

Copies of the work approval have been distributed to the Operator, the Finance Office, Region III, and to others concerned.

E. N. Harshman

E. N. Harshman

Enclosures

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DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

February 27, 1957

Mr. G. Leslie Larsen
P. O. Box 422
Silverton, Colorado

Re: Project No. DMEA 4138 (Tungsten-Lead-Copper)
Contract No. DMe-1957
Jesse A. Bingal
(Bara mine)
San Juan County, Colorado

Dear Mr. Larsen:

In reference to your request of February 20, 1957, this constitutes confirmation of verbal approval from this office on February 25, 1957 for you to perform 100 feet of drifting north on the Empire vein, as provided for under Stage I, Item 3, of the Contract.

Approval of any additional drifting is withheld pending review of the results of the drifting herein approved after it has been completed, or sufficiently so to enable an accurate appraisal of the results obtained.

Nothing in this confirmation of work approval shall be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the final unit cost of any item of work.

Very truly yours,

DMEA Field Team, Region III

By E. M. Hornbuckle
E. M. Hornbuckle
Acting Executive Officer

JVT:prl
cc: Chairman, Op. Comm. (4)
Finance Office, Reg. III
Amendment file, Reg. III
Hornbuckle
Shaw
Townsend
Corres. file
Chron.

W. O.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

IN REPLY REFER TO:
DMEA
DEPARTMENT OF THE INTERIOR
FEB 27 1957
REGION III
DENVER, COLORADO

February 26, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman EWH
J. F. Shaw JFS

From: D. H. Richter
E. W. Buel

Subject: Docket DMEA 4138 (Tungsten-lead-copper) Contract Idm-E 997, Jesse A. Bingel (Dorm mine), San Juan County, Colorado

The operator in a letter dated February 20, 1957, requests permission to complete item 3, under Stage I of the subject contract, by drifting 100 feet north and 100 feet south on the quartz-pyrite vein recently exposed along the north drift on the 102-foot sublevel.

The geology of the 102 sublevel drift was recently described by Richter (memo: February 18, 1957) and it was suggested that the newly exposed quartz-pyrite vein might be a more favorable structure than the very thin fluorite-quartz vein (Empire vein). A sketch map, in the operator's letter, shows that the 50 feet of drifting to the north on the fluorite-quartz vein has now exposed the intersection of this vein with the quartz-pyrite vein and indicates that beyond this intersection only one vein, with essentially the same strike as the fluorite-quartz vein, is present. If this interpretation is correct, therefore, it appears that the fluorite-quartz vein is only a split off the larger quartz-pyrite filled structure and is not the

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DATE INITIALS CODE

main Empire vein. However, it is difficult to reconcile the fact that the raise from the main Empire level was presumably started on the Empire vein!

Whatever the case, it is apparent both from our recent examination and the operator's letter that some additional drifting is warranted to fully explore the 102 sublevel. Furthermore, we are essentially agreed now that the drifting should be along the quartz-pyrite vein and not along the thin fluorite-quartz vein on which 100 feet of drifting has already been completed. However, we do disagree with the operator in his proposal to "turn ... the drift away from the hanging wall [fluorite-quartz vein]" at the face of the south drift in hopes of intersecting the quartz-pyrite vein within a short distance. This proposed drifting should be contingent upon an exploratory long-hole drilled from the end of the south drift to determine the exact location of the vein and hence the amount of crosscutting required to reach it.

In conclusion, we recommend 100 feet of drifting on the quartz-pyrite vein to the north, and 100 feet of drifting on the same vein to the south, provided long-hole drilling indicates the vein to be within a reasonable distance.

D. H. Richter

D. H. Richter

E. W. Buel

E. W. Buel

DHRichter:arh

DMEA
DEPARTMENT OF THE INTERIOR

FEB 21 1957
REGION III
DENVER, COLORADO

Silverton, Colo.
Feb. 10, 1957

Mr. M. Grover, Executive Officer, DMEA
804 Del Gulton Lowe
Denver 2, Colo.

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RECEIVED MAR 1 1957

DATE	INITIALS	CODE

Re: Project DMEA 4138
Sunnyton, Lead, Copper
Contract 100-1397

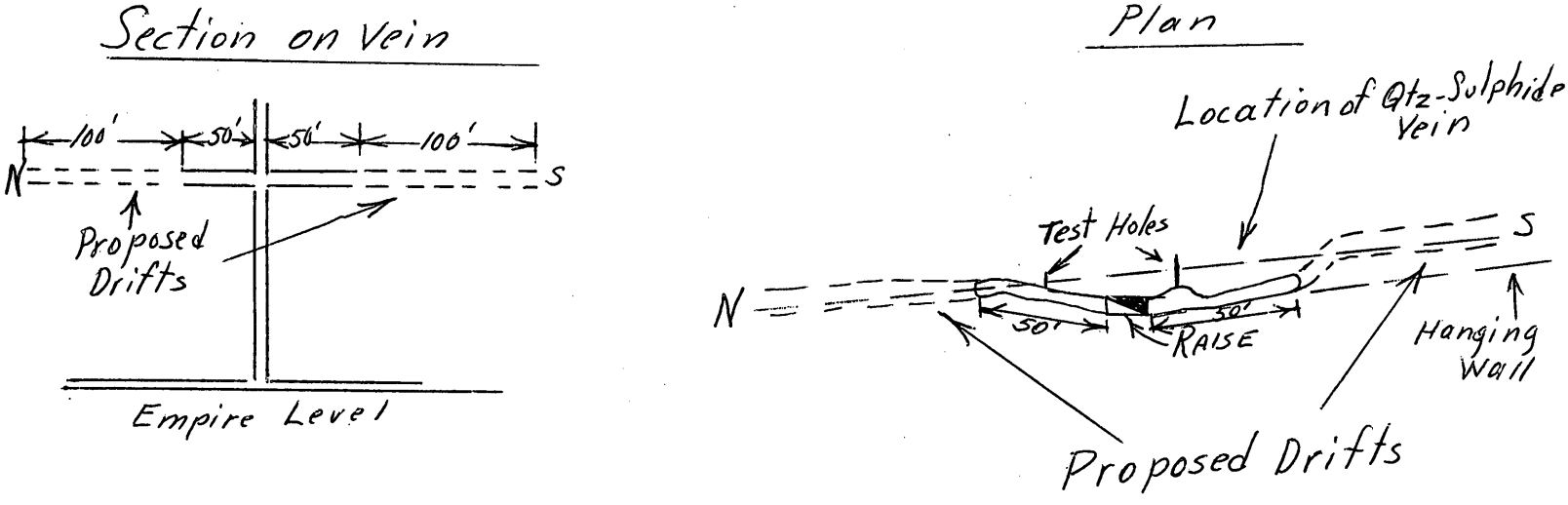
Dear Mr. Grover:

We have completed all of Step I except the last part of drifting on ore item 3. We are hereby requesting your approval to go ahead on this project.

We think that the north drift offers the best possibilities for ore. The face of the drift has two and one half ft. of quartz filled with pyrite, galena, chlorite, and scattered tetrahedrite crystals.

We cut drift above pyrite but very little quartz and other sulphides. We propose to drift 100 ft. on the north drift and if we do not get ore then we continue the drift on the south and to explore the footwall ore by sinking the drift over from the hanging wall.

A sketch of the proposed work follows:



Yours truly, Jesse A Bingel
C. Leslie Larson

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

224 New Customhouse
Denver 2, Colorado

February 27, 1957

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DATE	INITIALS	CODE
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		225

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA-4138 (Tungsten-Lead-Copper) Contract Idm-E997
Jesse A. Bingel (Dora mine)
San Juan County, Colorado

Enclosed are three copies each of the following items which were submitted to this office in person by Mr. Warren Prosser, President, Mystery Gold Mining Company in response to our request of February 19, 1957.

1. Mining Lease between Mystery Gold Mining Company, and Mountain Top Mining and Milling Company

2. Addendum to above mining lease

3. Survey data, "A" level, Little pora Winze

4. Map showing mine workings, and overlap of Little Dora claim 981 with Empire claim 647A.

Mr. Prosser stated that mining is in progress on the "A" level workings on the Empire claim 647A by Mountain Top Mining and Milling Company and that the ore is presently being stockpiled.

In connection with the above matter please refer to our memorandum to your office dated February 19, 1957.

E. N. Harshman

E. N. Harshman

Enclosures

DMEA Form 7
(12-56)

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Date	Surname	Code
2/26	Chapman	400
2/26	Martin	400
		140

February 26, 1957

MEMORANDUM

To: Associate Solicitor, Division of Mineral resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Assignment of property with mining rights to certain minerals
Docket No. DMEA 4138 - Tungsten-Lead, Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado
Contract No. Idm-E997

Attached is an Agreement wherein Jesse A. Bingel and C. Leslie Larson assign to Mountain Top Mining and Milling Company certain property, and mining rights for certain minerals only, within the area covered by Annex No. 1 of the subject contract.

It will be appreciated if you will review this Agreement and advise us if the Government is properly protected in its rights under the same Contract.

W. S. Martin

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

Attachment

TLChapman:am
cc to: Docket
Code 400

8623

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

224 New Customhouse
Denver 2, Colorado

February 20, 1957

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DATE	INITIALS	CODE
2/27	C	220

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora Mine), San Juan County, Colorado - INTERIM GEOLOGIC REPORT

Enclosed are four copies of an interim geologic report dated February 18, 1957, by D. H. Richter, Geologist, USGS, covering progress under the contract for the period from January 10, 1957 to February 12, 1957.

W. M. Traver

W. M. Traver

Encls.

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DATE	INITIALS	CODE

DMEA
IN REPLY REFER TO:
DEPARTMENT OF THE INTERIOR
FEB 18 1957
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

February 18, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman EWH

From: D. H. Richter

Subject: Docket DMEA 4138 (Tungsten-lead-copper) Contract Idm-E 997, Jesse A. Bingel (Dora mine), San Juan County, Colorado

An interim examination of the Dora mine was made on February 12, 1957, in company with E. W. Buel, U. S. Bureau of Mines.

Work for the month consisted entirely of drifting along the Empire vein on the sublevel, 102 feet above the main level. The drift on the sublevel, which had begun on January 10, 1957 (last interim examination) has been advanced 39 feet to the north and 40-1/2 feet to the south, for a total of 79-1/2 feet.

The vein, which has been kept along the west side of the drift throughout most of its length, strikes N. to N. 6° W., dips 75° to 87° west, and ranges in thickness from less than one-half inch to 1 foot. The vein, along the last 5 feet of the south drift, is very thin and at the face is apparently only a tight unmineralized fracture. Slickensides along the vein plunge at an angle of 35°. Principal minerals in the vein are light green and purple fluorite, quartz, and clay (gouge); only a few small sporadic clusters of wolframite were observed. The 2-foot chip sample (EB-28) taken across the vein at the beginning of the sublevel drift by Pratt and Buel during the last examination assayed: 0.02 percent Pb, 0.2 percent Zn, 0.03 oz. Au, 0.2 oz. Ag, and 0.26 percent WO_3. A small fluorite-quartz filled fracture parallel to the main vein was noted in the north drift and a similar mineralized fracture branches off the main vein in the south drift.

A relatively thick quartz-pyrite vein with minor base metal sulfides has been exposed by the last round in the NE corner of the north drift. The vein is probably about 2 feet thick and apparently strikes about N. 10° to 30° W.; no dip could be determined. The operator is very optimistic over the structure and asked the examiners if he should drift along it instead of the fluorite-quartz vein. The examiners informed the operator that at the present time sufficient information was lacking and that additional drifting on the present course would be necessary to better evaluate the new structure.

D. H. Richter
D. H. Richter

DHRichter:arh

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

224 New Customhouse
Denver 2, Colorado

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DATE	INITIALS	CODE
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		225

February 19, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado - Memorandum Report, Production from Subordinated Land.

Enclosed are four copies of a memorandum report, dated February 15, 1957, by Edward W. Buel, Mining Engineer, Bureau of Mines, which contains information concerning production from the subordinated Empire Lode Mining Claim No. 647-A by Mountain Top Mining and Milling Company, under a mining and use agreement with the subject Operator.

Steps will be taken by this office to make sure that royalty is paid to the Government on any production from the Empire claim.

W. M. Traver

W. M. Traver

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
FEB 15 1957
REGION III
DENVER, COLORADO

February 13, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 21 1957

DATE	INITIALS	CODE

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado -- Royalty payments

During an inspection on February 14, 1957, to the subject property, it was learned from Mr. C. Leslie Larson, contractor for the operator, that Mountain Top Mining Company is mining ore from the Empire claim. The Empire claim is subordinated under the subject contract.

The Mountain Top Mining Company has a lease from the Mystery Gold Mining Company, owner of the Dora mine. Terms of the lease are not known. The lessee is working from the Dora winze which is located on the east boundary of the Empire claim. The lessee is producing ore from the Dora vein between the Empire tunnel level and the 90-foot (?) sub-level. From Mr. Larson it was learned that the lessee is taking ore from the Little Dora (other claims?) and the Empire claims. The ore has been stockpiled pending shipment to a mill. Mr. Larson informed representatives of the Mountain Top Mining Company that any ore removed from the Empire claim is subject to a Government royalty. To date, no notification has been received by the Field Team from the Mountain Top Mining Company that they are mining ore from land subordinated under the DMEA contract.

It is recommended that the operator be notified of his obligation to pay royalities on all ore removed from the Empire claim.

Edward W. Buel
Edward W. Buel
Mining Engineer

cc 9
Idm-E997
Chron.

EWB:ph

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
224 New Customhouse
Denver 2, Colorado

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 21 1957

DATE	INITIALS	CODE
2/21	C	220
		225

February 19, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. EMEA 4138 (Tungsten-Lead-Copper), Contract No. Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado - Mining and Use Agreement.

Enclosed are three copies of an agreement between the subject Operator and Mountain Top Mining and Milling Company, whereby the Operator assigns all interest in that part of the Empire Lode Mining Claim, U. S. Survey No. 647A, which is overlaid by the Little Dora Claim No. 981, subject to various provisions, several of which relate to the subject Contract. The Empire Lode Mining Claim No. 647A is the subject of Contract No. Idm-E997.

The Government's interests appear to be adequately protected by the terms of the agreement; however, we will appreciate your review of the document and advice to this office as to how we are to proceed in the event other documents are required.

Some time ago, we contacted Mr. Warren Prosser, President of Mystery Gold Mining Company, owner of the property, and we were informed that a survey was being conducted of the mine workings covered by the above agreement. Mr. Prosser agreed to furnish the Government a copy of the survey results and a copy of a lease or agreement between Mystery Gold Mining Company and Mountain Top Mining and Milling Company. The survey results and lease have not been received to date and we have again requested the Operator to submit them to this office. We will forward these items to your office as soon as they are received here.

W. M. Traver

W. M. Traver

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 21 1957

DATE	INITIALS	CODE
2/21	C	220
2/20	GEF	800
		225

224 New Customhouse
Denver 2, Colorado

February 19, 1957

CERTIFIED MAIL

Mr. Warren C. Prosser, President
Mystery Gold Mining Company
Cooper Building
Denver 2, Colorado

Re: Docket No. DMEA 4138
(Tungsten-Lead-Copper)
Contract No. I4n-E997
Jesse A. Bingal
(Bora mine)
San Juan County, Colorado

Dear Mr. Prosser:

On November 14, 1956, and on several subsequent occasions, we contacted you by telephone and you agreed to submit to this office the results of a recent survey of the A-level workings Northwest of the Little Bora mine and a copy of a lease or agreement between Mystery Gold Mining Company and Mountain Top Mining and Milling Company, which allows Mountain Top Mining and Milling Company to mine ore from the A-level workings. The survey data and lease have not yet been received by the Government.

From maps and records in this office, it appears that all or part of the production will be from the Empire Lode Mining Claim, U. S. Survey No. 647-A, which is the subject of DMEA Exploration Contract No. I4n-E997. Royalty is due the Government on any mineral production from the Empire Lode Mining Claim; therefore, it is imperative that the above mentioned survey data and the lease agreement be submitted to this office without further delay. Your immediate attention to this matter is requested.

Very truly yours,

Original signed by
W. M. TRAVER

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

JWT:prl
cc: Chairman, Op. Comm. (2)
Marshman (2)
Shaw (2)
Townsend
Royalty file, E997
Corres. file, E997
Chron.

OFFICIAL FILE COPY DMEA RECEIVED FEB 21 1957		
DATE	INITIALS	CODE
2/21	C	220
2/21	[illegible]	800
		225

224 New Customhouse
Denver 2, Colorado

February 18, 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4138, (Tungsten-Lead-Copper)
Contract Idm-E997, Jesse A. Bingel (Dora mine)
San Juan County, Colorado - Operator's Monthly
Progress Report, for the month of January, 1957

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

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 62.5 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report----------February 6, 1957
Date Received in Field: Office----------February 11, 1957
Date Received in Region Office----------February 15, 1957

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JDC:hh
cc:
Chmn. Op. Comm. (2)
Shaw (2)
Harshman w/copy Engr's report
MF-104 File E997
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
FEB 15 1957
REGION III
DENVER, COLORADO

February 15, 1957

EXTRA COPY
DMEA
RECEIVED FEB 25 1957

DATE	INITIALS	CODE

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado -- Progress report for January 1957

The subject property was inspected on February 12, 1957, by D. Richter, Geological Survey, and E. W. Buel, Bureau of Mines. Mr. C. Leslie Larson, contractor for the operator, was present during the inspection.

An inspection of the DMEA raise area revealed that the operator drove a sub-level drift for 39 feet to the north and 40.5 feet to the south along the Empire vein. The sub-level is about 103 feet above the Empire drift as measured along the raise.

The operator gives in his narrative report and on F-104's for January 1957 units of drifting as 60 feet. Actual measurement shows the sub-level drift in excess of this amount. Therefore, it is recommended that the operator be reimbursed for the amount he claims for 60 feet of drifting. The Government's reimbursement at 62.5 percent is $1,125.00 of a total amount of $1,800.00.

Edward W. Buel
Edward W. Buel
Mining Engineer

cc 6
Idm-E997
Chron.

EWB:ph

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

Budget Bureau No. 42-R1036.5

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

Month of Jan., 1957 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. ~~Lead~~, Copper
Contract Amount, $28,010.00 Government Participation: 62.5% Amount, $17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising		$4305.00	$4305.00			
Crosscutting						
Drifting	$1800.00	None	$1800.00			
Rehabilitation		$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1800.00	$4705.00	$6505.00	1800.00	4705.00	6505.00

RECEIVED FEB 25 1957 D.M.E.A.

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

Date Feb. 6, '57 *Payee Jesse A. Bingel

Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

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

$ 1125.00

Signature [illegible]
(Authorized Certifying Officer)

Date 2/19/57 Vou. No. DMA 57-90

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E997 in accordance with the terms of the contract.

Signature Edward W. Buel #1125 Title Mining Engr. Date 2/14/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Kelley Title Executive Officer Date FEB 18 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED FEB 25 1957 D.M.E.A.

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

Month of Jan. 1957 Docket No. DMEA 4158 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	$1800.00	60	$1800.00	60	$30.00		
Crosscutting								
Raising	Ft.	None	None	$4305.00	123	$35.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS				$6505.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None	None	None				
Initial Rehabilitation and Repairs		"	"	"				
New Buildings, Improvements, etc.		"	"	"				
TOTAL COSTS		$1800.00		$6505.00				

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

Date Feb. 6 '57 Operator Jesse A. Bingel
Per C. Leslie Larson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

INSTRUCTIONS

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

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

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

GPO 872894

Silverton, Colorado
Feb. 6, 1957

EXTRA COPY DMEA RECEIVED FEB 25 1957		
DATE	INITIALS	CODE
2/25	WSM	400

Mr. John F. Shaw
Room 137, Bldg. 20
Denver Federal Center
Denver, Colorado

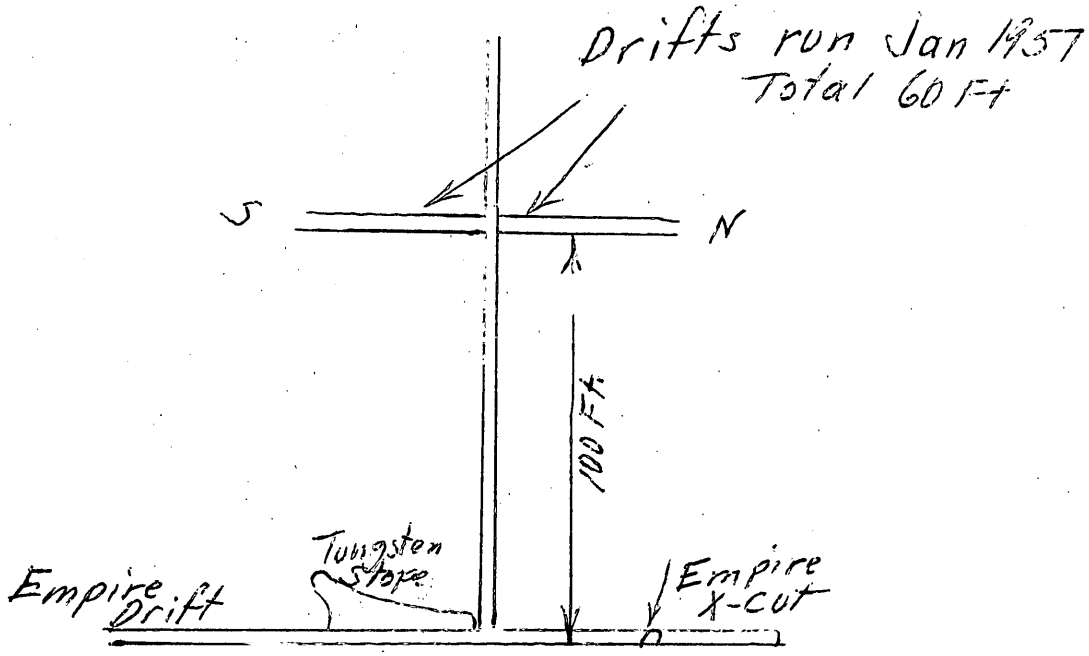
Re: DMEA 4138
Contract Idm-E997

Dear Mr. Shaw:

As we had raised 123 ft. of the authorized 125 ft. of Phase I, we started the drift at 100 ft. above the Empire level. We completed 32 ft. of drift to the North and 28 ft. to the south of the raise.

The vein continued to be the same character. Fairly soft, lots of pyrite, very little galena and sphalerite. The walls are very definite. We encountered scattered crystals of hubnerite and flourite. Nothing yet of commercial value.

A sketch of the work done follows:



Jesse A. Bingel
by T. Leslie Parsons

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

RECEIVED
JAN 25 1957
D.M.E.A.

224 New Customhouse
Denver 2, Colorado

January 21, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado - INTERIM REPORT

Enclosed are four copies of an interim report, dated January 14, 1957, from Walden P. Pratt, Geologist, U. S. Geological Survey, covering operations under the subject contract through January 10, 1957.

W. M. Traver

W. M. Traver

Enclosures

IN REPLY REFER TO:
DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DEPARTMENT OF THE INTERIOR
JAN 18 1957
REGION III
DENVER, COLORADO

January 14, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman EWH

From: Walden P. Pratt

Subject: DMEA Docket 4138 (Tungsten-lead-copper), Contract Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado. INTERIM REPORT

The Dora mine was visited on January 10, 1957, by W. P. Pratt, U. S. Geological Survey, and E. W. Buel, U. S. Bureau of Mines.

The DMEA raise has been advanced to 123 feet above the top of the drift, or 47 feet beyond the top of the raise as estimated during the last inspection, December 5, 1956. At 102 feet above the top of the drift, a new drift has just been started in order to explore a 10-inch vein of pyrite and quartz with sporadic vugs of hubnerite. A few sacks of hubnerite had been hand sorted from the vein a few feet below the new drift, but as thus far exposed the vein is not of commercial grade. A 2-foot chip sample was taken across the vein at the base of the new drift.

The Dora vein was examined in the face of the north drift on the 90 sublevel; it is 12 inches thick and contains quartz, rhodochrosite, pyrite, and spotty hubnerite.

W.P. Pratt
Walden P. Pratt
Geologist

WPPratt:mp

RECEIVED JAN 25 1957 D.M.E.A.

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

224 New Customhouse
Denver 2, Colorado

January 17, 1957

FINAL DISTRIBUTION
MADE JAN 22 1957

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idn-2997, James K. Kingal (Dorn mine) San Juan County, Colorado - Operator's Monthly Progress Report for the month of December, 1956

WSM

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 62 ½ percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report ---------- January 12, 1957
Date Received in Field Office ----- January 15, 1957
Date Received in Region Office ----- January 17, 1957

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JBC:jy
cc: Chm. Op. Comm. (2)
Shaw (2)
Hershman w/copy engr's report
MF-104 File 2997
Chron.

MF 104
Dec '56

DMEA
DEPARTMENT OF THE INTERIOR
JAN 17 1957
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
January 16, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: Edward W. Buel

Subject: Bonded DMEA 4138 (Tungsten-lead-copper) Contract IAm-2997, Jesse A. Bingel (Dora mine) San Juan County, Colorado — Progress report for the month of December 1956

The subject property was visited by W. Pratt, Geological Survey, and E. W. Buel, Bureau of Mines, to check the work progress. The property was inspected with Mr. C. Leslie Larson, contractor for the operator, in attendance.

Since the last inspection on December 5, 1956, the DMEA raise was extended for 47 feet making a total length of 129.5 feet above the rail along the Empire drift. The height of the Empire drift is 6.5 feet, thus making total advance of raise as 123.0 feet.

The operator has begun to cut a sub-level drift station along the south wall of the raise at a point approximately 102.0 feet along the raise. According to Mr. Larson, the sub-level drift was begun on the more favorably mineralized part of the raise. A sample was taken by the DMEA members from the sub-level drift area. The results of the sample analyses have not been received, at this time.

The operator, in his narrative report and MF-164's reports 47 feet of raising during the month of December. The amount of advance was verified during the recent inspection.

It is recommended that the operator be reimbursed for 47 feet of raising costing $1,645.00. The Government's share at 62.5 percent is $1,028.13.

Edward W. Buel

Edward W. Buel
Mining Engineer

EWB/mr cc: 6 IAm-2997 Chron

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

Budget Bureau No. 42-R1036.5

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

Month of Dec., 1956 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper
Contract Amount, $8,010.00 Government Participation: 625% Amount, $17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	$1645.00	$2660.00	$4305.00			
Crosscutting						
Drifting						
Rehabilitation	None	$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1645.00	$3060.00	$4705.00	1645.00	3060.00	4705.00

RECEIVED JAN 25 1957 D.M.E.A.

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

Date Jan. 12, 1957 Payee Jesse A. Bingel
Jesse A. Bingel
Per C. Leslie Larson Title Agent
C. Leslie Larson

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

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

(Instructions on reverse)

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

$1,028 13

Signature
(Authorized Certifying Officer)

Date 1/18/57 Vou. No. DMEA 57-78

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Jen-6997 in accordance with the terms of the contract.

Signature Edward W. Buel $1,028.13 Title Mining Engr. Date 1/16/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Traver Title Executive Officer Date JAN 17 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED JAN 25 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 195 6 Docket No. DMEA 4138 Contract No. E997

Operator's Name Jesse A. Bingel Minerals Tungsten

Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising	Ft.	$1645.00	47	$4305.00	123	$35.00	125	$35.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS		$1645.00	47	$4705.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None	None	None				
Initial Rehabilitation and Repairs		"	"	"				
New Buildings, Improvements, etc.		"	"	"				
TOTAL COSTS		$1645.00		$4705.00				$28,010.00

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

Date Jan. 12, 1957 Operator Jesse A. Bingel

Per C. Leslie Larson Title Agent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Edward W. Buel

INSTRUCTIONS

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

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

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

GPO 872894

Silverton, Colo.
Jan. 21, 1957

Mr. John F. Shaw, US Bureau of Mines
Room 157, Bldg. 20
Denver Federal Center
Denver 2, Colo.

RECEIVED
JAN 25 1957
D.M.E.A.

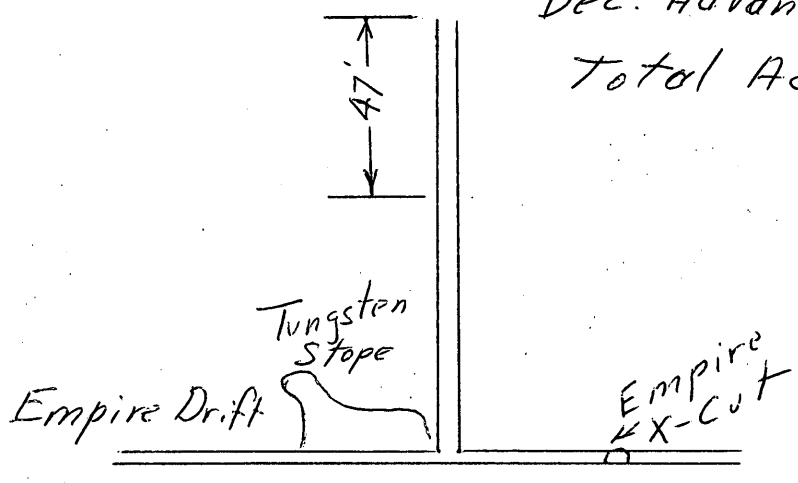
Re: DMEA 4170
Contract 3125-1307

Dear Mr. Shaw:

We advanced the raise 47 feet in the month of December. The vein continued to dip to S.W. at about 75 degrees. There was a continuing increase in the amount of hubnerite, however not of commercial grade. The character of the vein has changed considerable. Not much massive pyrite and only occasional showing of sphalerite and galena.

It was decided to put the drift at about the 100 ft. level as this was the best showing of hubnerite.

A sketch of the Dec., 1956 progress follows:



Dec. Advance 47 Ft.
Total Advance 123 Ft.

Jesse A. Bingel
Y. C. Leslie Larson

Please circulate to have everyone in division see this, and make note on application form in main docket, and staple this note to our docket so that if we write to Bingel we address our letter correctly 12/14/56 WSM

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

RECEIVED DEC 13 1956

100

224 New Customhouse
Denver 2, Colorado

December 11, 1956

Mr. Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

Re: Docket No. DMEA 4138 (Tungsten, Lead, Copper)
Contract No. Idm-E997
Jesse A. Bingel
(Dora Mine)
San Juan County, Colorado

Dear Mr. Bingel:

In conformance with instructions contained in your letter of November 5, 1956, to Mr. John F. Shaw, all future correspondence will be sent to you in care of C. Leslie Larson, P. O. Box 422, Silverton, Colorado.

A check for reimbursement to you for contract work performed during October, 1956, was mailed to you on or about November 27, 1956, at the original address which you furnished to us. As of this date the check has not been returned to the Government. If the check is returned, we will have it mailed to the new address.

Very truly yours,

Original signed by
W. M. TRAVER

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

JDC:ewa
cc: Chm. Op. Comm. (2)
Harshman
Shaw (2)
Townsend
Corresp. E997
Chron.

Cards Changed
12/13/56

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

RECEIVED DEC 13 1956 DMEA

224 New Customhouse
Denver 2, Colorado

December 11, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket No. 4138 (Tungsten, Lead, Copper) Contract No. Idm-E997, Jesse A. Bingel (Dora Mine), San Juan County, Colorado - Change of address

Enclosed is a copy of a letter from the subject operator requesting a change of mailing address as follows:

Jesse A. Bingel
c/o C. Leslie Larson
P. O. Box 422
Silverton, Colorado

In the future, please send all checks and relative correspondence to the new address.

Original signed by
W. M. TRAVER

W. M. Traver

Enclosure
JDC:ewa
cc: Chm. Op. Comm. (2) ✓)
Harshman)
Shaw) w/copy Oper. letter
Townsend) of 11/5/56
Corres. E997)
Chron.)

COPY

Silverton, Colo.
Nov. 5, 1956

RECEIVED
DEC 18 1956

Mr. John F. Shaw,
Denver Federal Center,
Denver 2, Colo.,

Dear Sir:

Please change my mailing address to:

c/o C. Leslie Larson
P. O. Box 422
Silverton, Colo.

Sincerely

s/ Jesse A. Bingel

FINAL DISTRIBUTION

MADE DEC 20 1956

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

224 New Customhouse
Denver 2, Colorado

December 18, 1956

Memorandum

W/dy

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket No. 4138, (Tungsten-Lead-Copper), Contract No. ldm E-997, Jesse A. Bingel, (Dora Mine), San Juan County, Colorado - Operator's Monthly Progress Report for the month of November, 1956

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

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 62.5 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

REMARKS

Date of Report - - - - - - - - - - - - - - - - December 7, 1956
Date Received in Field Office - - - - - - - - December 11, 1956
Date Received in Region Office - - - - - - - - December 12, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
MHM:ewa
cc: Chm. Op. Comm. (2)
Shaw (2)
Harshman, w/copy of engr's. report
MF-104 File E997
Chron.

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
December 12, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: DMEA 4138 (Tungsten, lead, copper) Contract I4n-8997, Jesse A. Ringel (Dora mine) San Juan County, Colorado -- Progress report for November 1956

An inspection was made on the subject property to check the work progress under the DMEA contract on December 5, 1956.

Since the last inspection on October 31, 1956, the DMEA raise was advanced for a measured distance of 21.5 feet making a total of 58.5 feet of measured raise above the top of the Empire drift. At the time of the inspection, the remaining portion of the raise could not be measured because there was no safe way of gaining access above the 58.5 foot point. It was estimated that an additional 15 to 20 feet of raise was driven above the furthermost measured advance.

From points estimated at 37 to 60 feet above the top of the drift, the vein dips from nearly vertical to 63° SW. Above the 60-foot point, the vein again dips steeply to 80° SW.

The operator's MP-104's and narrative are correct and complete. Reimbursement for 39 feet of raising is recommended at a cost of $1366.00. Government participation at 62.5 percent is $853.13.

Edward W. Buel
Edward W. Buel
Mining Engineer

EWB/mr
I4n-8997
cc: 6
Chron

DMEA
DEPARTMENT OF THE INTERIOR
DEC 12 1956
REGION III
DENVER, COLORADO

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

RECEIVED
DEC 11 1956
Div. of Mineral Technology
BUREAU OF MINES
Denver Experiment Station
Denver, Colorado

Budget Bureau No. 42-R1036.5

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

Month of Nov., 1956 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead Copper
Contract Amount, $28,010.00 Government Participation: 625% Amount, $17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	$1365.00	$1295.00	$2660.00			
Crosscutting						
Drifting						
Rehabilitation	None	$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1365.00	$1695.00	$3060.00	1,365.00	1,695.00	3,060.00

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

Date Dec. 7, 56 *Payee Jesse A. Bingel

Per C. Leslie Larson Title Agent

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

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

(Instructions on reverse)

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

$853.12

Signature [illegible]
(Authorized Certifying Officer)

Date 12/19/56 Vou. No. DMA 57-68

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E997 in accordance with the terms of the contract.

Signature Edward W. Buel #853.13 Title Mining Engr. Date 12/11/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Inman Title Executive Officer Date DEC 18 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. John F. Chew, U.S. Bureau of Mines
Room 157, Bldg. 20
Denver Federal Center
Denver 2, Colo.

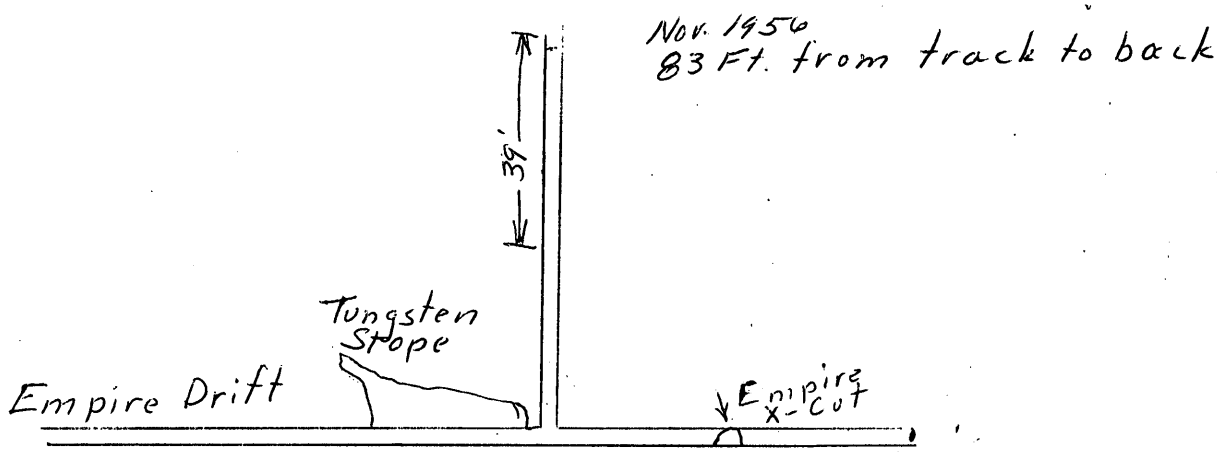
RECEIVED
DEC 26 1956
D.M.E.A.

Re: DMEA 4138
Contract Idm-7397

Dear Mr. Chew:

We advanced the raise 39 ft. in the month of November. The vein continued to dip at about 60 degrees to the SW. for about 25 ft. The vein has broken up a great deal. The last 15 ft. was about vertical with the same character, much the same as when we started the raise. The pyrite has persisted all along with minor amounts of galena and sphalerite. The last 10 ft. has shown a constantent streak of about 3 to 5 inches of flourite on the hanging wall. This same streak has shown some huberanite. The huberanite was usually scattered and not of commercial value. At a point 62 feet from the track a small amount of this mineral was saved. (150 lbs.) It has not been assayed.

A sketch of the progress of Nov. 1956 follows:



Jesse A. Bingel
By C. Leslie Larson

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 195 6 Docket No. DMEA 4138 Contract No. E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colorado. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising	Ft.	$1365.00	39	$2660.00	76	$35.00	125	$35.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft.	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS		$1365.00	39	$3060.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				None
Initial Rehabilitation and Repairs		None		None				None
New Buildings, Improvements, etc.		None		None				None
								$28,010.00
TOTAL COSTS		$1365.00		$3060.00				

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

Date Dec. 7, 1956 Operator Jesse A Bingel
Per E. Leslie Larson Title Agent

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

(Instructions on reverse)

REMARKS:

(For Government use only)

RECEIVED DEC 26 1956 D.M.E.A.

Edward W. Buel

INSTRUCTIONS

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

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

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

GPO 872894

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

RECEIVED
NOV 16 1956
D.M.E.A.

224 New Customhouse
Denver 2, Colorado

November 14, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado

Enclosed are four copies of a memorandum dated November 9, 1956 from Edward W. Buel, Mining Engineer, Bureau of Mines, relative to the possible leasing by the owner to a third party, of land which is subordinated under Contract Idm-E997.

The owner has advised this office by telephone that he is aware of the Government's rights to royalty on any production from the subordinated land. As soon as a survey of the potential mining area has been completed, the owner is to furnish full information to this office, including a copy of the lease or agreement with Mountain Top Mining Company.

Further information will be forwarded to your office as soon as it is received here.

W. M. Traver

W. M. Traver

Enclosures

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
November 9, 1956

RECEIVED NOV 15 1956 D.M.E.A.

DMEA
DEPARTMENT OF THE INTERIOR
NOV 13 1956
REGION III
DENVER, COLORADO

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: DMEA 4138 (tungsten-lead-copper) Contract Idm-[illegible] Jesse A. Bingel (Dora mine) San Juan County, Colorado--Sub-leasing of a subordinated DMEA claim

During an inspection trip to the subject property on October 31, 1956, it was learned from Mr. Bingel, the operator, that the Empire (647 A) claim subordinated under Contract Idm-[illegible]997 has been leased by the owner of said claim.

From what could be learned from Mr. Bingel, Mr. Warren Prosser, as president of Mystery Gold Mining Co., Denver, Colorado, who owns the property, has granted a lease to Mountain Top Mining Company. Based on hearsay and the inspection of the property, the sub-lease authorizes the rehabilitation of the surface installations and the Empire tunnel (No. 1 level) to the Little Dora winze (most of this work has already been completed) and the mining of ore on the A-level which is 130 feet below the Empire tunnel (No. 1 - level). The area to be mined on the A-level is northwest of the Little Dora winze which would place the mining area on the Empire 647A claim subordinated under the DMEA contract.

This matter should be clarified with Mystery Gold Mining Co. to determine the Government's equity in any ore removed and any other details of the sub-lease and/or work which might be beneficial to the Government's exploration program.

Edward W. Buel

Edward W. Buel
Mining Engineer

cc: 9
Idm-[illegible]997
Chron

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

224 New Customhouse
Denver 2, Colorado

November 21, 1956

FINAL DISTRIBUTION
MADE DEC 3 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora Mine) San Juan County, Colorado - Operator's Monthly Progress Report for the month of October, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 62 1/2 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report - - - - - - - - - - - - November 5, 1956
Date Received in Field Office- - - November 8, 1956
Date Received in Region Office- - November 13, 1956

Original signed by
W. M. TRAVER

W. M. Traver

Enclosures
JDC:jy
cc: MF-104 File E997
Chm. Op. Comm. (2)
Shaw (2)
Harshman w/copy engr's report
Chron.

MF-104 R
Oct. 1956

REGION III

Memorandum

Building 20
Denver Federal Center
Denver 2, Colorado
November 9, 1956

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Edward W. Buel

Subject: DMEA 4138 (tungsten-lead-copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado --Progress report for October 1956

Work progress under the subject contract was examined on October 31, 1956, in company with C. L. Larsen, mining contractor, and C. M. Harrer, U. S. Bureau of Mines.

Since the last inspection the DMEA raise, located in the Empire drift, was advanced 11.5 feet. This places the back of the raise 44 feet above the drift rail, or 37 feet above the back of the drift.

The raise measures 5 by 7 feet in cross section and is divided into a manway and ore pass. The raise has been driven nearly vertical along the Empire vein.

At a point approximately 37 feet above the drift rail, the vein dips from nearly vertical to 83° SW. The vein as exposed near the present raise advance is approximately 3 feet wide and contains quartz and pyrite with minor amounts of galena and sphalerite. No huebnerite was detected in the vein.

The contractor reports that his normal advance per shift is 2 1/2 feet. The normal cycle of operation is drilling and blasting one shift and timbering and waste removal during the second shift. The 5- by 7-foot raise requires an average of 12 holes, V-cut, which are loaded with 1/2 box of 35 percent powder per 2 1/2-foot round.

The operator's MF-104's and narrative report are correct and complete. Reimbursement for 12 feet of raising is recommended at a cost of $420.00. Government participation at 62.5 percent is $262.50.

Edward W. Buel
Edward W. Buel
Mining Engineer

cc: 6
Idm-E997
Chron.

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

Budget Bureau No. 42-R1036.5

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

Month of Oct., 1956 Docket No. DMEA 4138 Contract No. Idm-5997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colorado Lead, Copper
Contract Amount, $28,010.00 Government Participation: 62½% Amount, $17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing Rolling	$420.00	$875.00	$1295.00			
Crosscutting						
Drifting						
Rehabilitation	None	$400.00	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$420.00	$1275.00	$1695.00	420.00	1275.00	1695.00

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

Date Nov. 6, 1956 *Payee Jesse A. Bingel

Per _____ Title _____

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

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

(Instructions on reverse)

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

$362.50

Signature [illegible]
(Authorized Certifying Officer)

Date 11/26/56 Vou. No. DMA 57-59

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm-E 997 in accordance with the terms of the contract.

Signature Edward W. Buel $262.50 Title Mining Engr Date Nov. 8, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature W. M. Davey Title Executive Officer Date NOV 21 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 1956 Docket No. DMEA 4156 Contract No. Idm-E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Silverton, Colo. Lead, Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising (Stage I)	Feet	$420.00	12	$1295.00	37	$35.00	125	$35.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Feet	None	None	$400.00	100	$4.00	100	$4.00
TOTAL DISTRIBUTED COSTS		$420.00		$1695.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		None		None				
New Buildings, Improvements, etc.		None		None				
TOTAL COSTS		$420.00		$1695.00				

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

Date Nov. 5, 1956 Operator Jesse A. Bingel

Per ..... Title .....

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Edward W. Buel

INSTRUCTIONS

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

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

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

GPO 872894

Silverton, Colorado
Nov. 5, 1956

RECEIVED
DEC 5 1956
D.M.E.A.

Mr. John P. Shaw
U. S. Bureau of Mines
Room 157, Bldg. 40
Denver Federal Center
Denver 3, Colo.

Re: Docket DMEA 4178
Contract Ign--2087

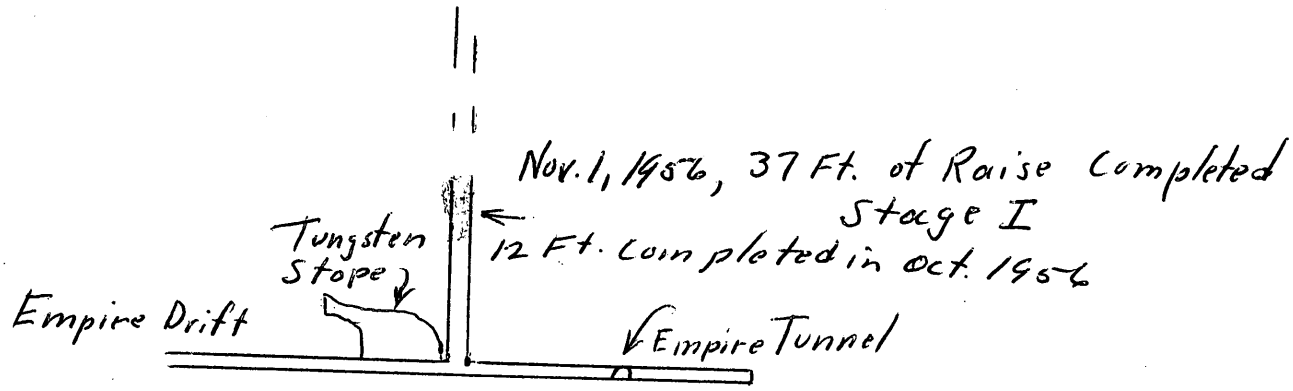
Dear Mr. Shaw:

The following is a summary of last months progress in the raise.

Three rounds were drilled with much difficulty because of many open spaces in the vein. The water coming through the rock caused many misfires. The timbering was brought up to date.

There was little if any change in mineralogical character of the vein. Still abundant pyrite, sparse lead and zinc sulphides. The vein laid over from its vertical dip to about a 25 degree dip to the SW. and the strike appeared to be more NE. than previously.

The following sketch shows the October progress.



Jesse A. Lingel
Jesse A. Lingel

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

RECEIVED
OCT 25 1956

224 New Customhouse
Denver 2, Colorado

October 22, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado - INTERIM REPORT

Enclosed are the original and three copies of an Interim Report, dated October 18, 1956, by F. B. Moore, Geologist, U.S. Geological Survey, covering progress under the subject contract through October 3, 1956.

W. M. Traver

Enclosures

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
OCT 19 1956
REGION III
DENVER, COLORADO

October 18, 1956

RECEIVED
OCT 25 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III
Through: E. N. Harshman

From: F. B. Moore

Subject: DMEA Docket 4138 (Tungsten-lead-copper), Contract Idm-E997, Jesse H. Bingel (Dora mine), San Juan County, Colorado. INTERIM REPORT

The Dora mine was visited on October 3, 1956, by F. B. Moore, U. S. Geological Survey, and C. M. Harrer, U. S. Bureau of Mines. Leslie Larson, who is in charge of the exploration work, accompanied the examining team.

The raise on the Empire vein from the Empire No. 1 drift has been driven to a point 25.5 feet above the back of the drift. At 12 feet above the drift the vein is about 2 feet wide and dips 85° W. to vertical. Vein material consists of 6 inches of crushed rock and gouge on the hanging wall, 1 foot of quartz and pyrite in the center, and about 6 inches of quartz with disseminated pyrite and fine-grained galena on the footwall. The footwall contact is gradational. The top of the raise could not be raached for close inspection of the vein, but it appeared to be similar in width and mineral content to that described above. No hubnerite or fluorite was seen, and Larson said that hubnerite "went out" after the second round in the raise (about 10 feet). A sample taken at 12 feet above the Empire drift has been sent for assay by the Bureau of Mines.

Nearly 100 feet of raising as well as 300 feet of sub-level drifting remains to be done in Stage I of this contract.

F. B. Moore

F. B. Moore
Geologist

400

RECEIVED
OCT 1 9 1956

224 New Customhouse
Denver 2, Colorado

October 11, 1956

FINAL DISTRIBUTION
MADE OCT 1 6 1956

Memorandum

To: T. A. Christensen

WSY

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

Subject: DMEA Docket 4138 (Tungsten-Lead-Copper) Contract Idm-E997, Jesse A. Bingel (Dora mine) San Juan County, Colorado - Operator's Monthly Progress Report for the month of September, 1956

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

It is deemed that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 62 1/2 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks

Date of Report - - - - - - - - - - - - - - - October 4, 1956
Date Received in Field Office- - - - - - - October 8, 1956
Date Received in Region Office- - - - - October 11, 1956

E. N. Harshman

E. N. Harshman

Enclosures
JDC:jy
cc: MF-104 File E997
Sec. Op. Comm. (2)
Shaw (2)
Harshman w/copy engr's report
Chron.

MF's 104'4
Sept.

RECEIVED
OCT 19 1956

DMEA
DEPARTMENT OF THE INTERIOR
OCT 11 1956
REGION III
DENVER, COLORADO

REGION III

Building 20
Denver Federal Center
Denver 2, Colorado
October 10, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: C. M. Harrer

Subject: DMEA 4138 (Tungsten, lead, copper) Contract Idm-2997, Jesse A. Bingel (Dora mine) San Juan County, Colorado -- First Progress report, September 1956

Progress under the contract was examined on October 3, 1956, in the company of C. L. Larson, Jesse A. Bingel, operator, and Frank Moore of the Geological Survey. Work started on September 17, 1956. Underground work consisting of rehabilitation of the Empire No. 1 drift and the starting of the raise began on September 19. At the time of examination the rehabilitation had been completed and the raise was advanced 25.5 feet above the top of the drift. The back is 32.5 feet above the drift track.

32.5
25.5
7.0

The raise followed a nearly vertical 2-foot quartz vein containing pyrite and small amounts of galena and chalcopyrite. Small patches of hubnerite were noted in the first 10-feet of raise. There is no evidence of hubnerite in the last 15 feet of raise. A sample H-845 was taken across the 2-foot vein, 12 feet above the top of the drift.

The operator's forms MF-104 and MF-104A and narrative report are correct and complete. Payment is recommended for the rehabilitation of 100 feet of drift and the completion of 25 feet of raise, as requested by the operator, at a cost of $1,275.00. Government participation of 62.5 percent is $796.88.

C. M. Harrer
C. M. Harrer
Mining Engineer

CMH/mr
cc:6
Idm-2997
Chron

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
OCT 19 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Sept. 1956 Docket No. DMEA 4138 Contract No. Idm-E997
Operator's Name Jesse A. Bingel Minerals Tungsten
Address Lead, Copper
Contract Amount, $ 28,010.00 Government Participation: 62½% Amount, $ 17,506.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
~~Bulldozing~~ Raising	$375.00	None	$875.00			
Crosscutting						
Drifting						
Rehabilatation	$400.00	None	$400.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1275.00	None	$1275.00	1275.00	-	1275.00

DMEA
DEPARTMENT OF THE INTERIOR
OCT 11 1956
REGION III
DENVER, COLORADO

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

Date Oct. 4, 1956 *Payee Jesse A. Bingel

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 796.87

Signature _____
(Authorized Certifying Officer)

Date 10/15/57 Vou. No. DMA 57-46

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Ich-E997 in accordance with the terms of the contract.

Signature C. M. Harper $796.87 Title Mining Engineer Date Oct. 8, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. M. Hanchman Title Acting Executive Officer Date OCT 11 1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
OCT 19 1956

Month of Sept. 195 6 Docket No. DMEA 4138 $1/ Contract No.

Operator's Name

Address Jesse A. Bingel
Silverton, Colo.

Minerals Idm-E 997
Tungsten
Lead, Copper

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
~~Shafts~~ (Stage I)	Feet	$875.00	25	$875.00	25	$35.00	125	$35.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Feet	$400.00	100	$400.00	100	$4.00	100	$4.00
Total Distributed Costs		$1275.00		$1275.00				Total Costs Authorized by Contract
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		None		None				
New Buildings, Improvements, etc.		None		None				
Total Costs		$1275.00		$1275.00				

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

Date Oct. 4, 1956 Operator

Per Title

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

(Instructions on reverse)

Remarks:

DMEA
DEPARTMENT OF THE INTERIOR
OCT 11 1956
REGION III
DENVER, COLORADO

(For Government use only)

C. M. Harper

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
OCT 19 1956

Silverton, Colorado
Oct.4, 1956

Mr. John F. Shaw
U.S. Bureau of Mines
Room 157, Bldg. 20
Denver Federal Center
Denver 2, Colorado

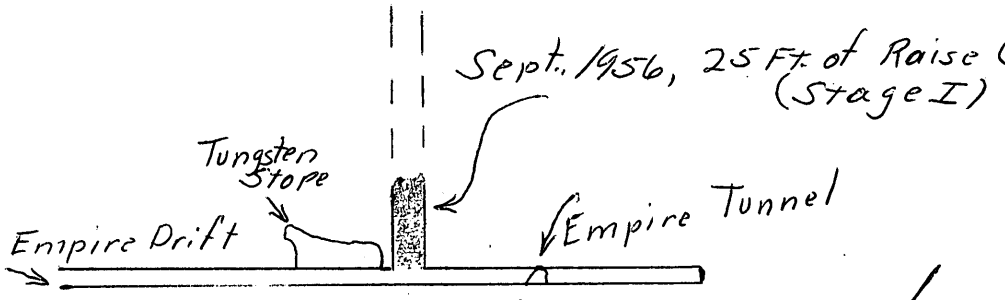
Re: Docket DMEA 4138
Contract Idm-2087

Dear Mr. Shaw:

In accordance with instructions received Sept. 14, 1956 from Mr. W.M. Trevor, I am making this report.

Work was commenced on Sept. 17, 1956, on the above contract. Round stull timber was hauled to portal as well as 2x12, and 2x12 boards for lining the sets and chute. Rehabilitation of drift and laying pipe was begun on Sept.19 and was continued with the drillin of the first two rounds. After the first two rounds were shot down a muckingmachine was procured and the rock mucked up. A chute was then built and the raise then continued up to a height of 25 ft. at the top of the original drift.

The raise is following a 2 ft. qtz. vein with altered monzonit on both walls. The qtz. contains abundant pyrite with some lead and copper. The first 10 ft. of raise there was a 2 in. vein of gr flourite on the east wall. This vein contained scattered crystals hubnerite. The vein of flourite pinched out completely in the last 15 ft. The rock has been badly broken up and alternatly hard and s which has occasioned some difficulty in drilling. A sketch of the Sept. progress follows.



Jesse Bingel

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

RECEIVED
SEP 17 1956

224 New Customhouse
Denver 2, Colorado

September 14, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten, Lead, Copper), Contract Idm-E997, Jesse A. Bingel (Dora mine), San Juan County, Colorado.

Enclosed are executed Government's, Division, and Docket copies of the subject Exploration Project Contract, which was forwarded by your letter of August 22, 1956, for the Applicant's signature.

Also enclosed are two copies of our letter of today, forwarding the "Operator's Copy" of the contract and the first month's supply of forms MF-104 and MF-104A with instructions regarding reporting procedure on work performed.

October 1, 1956 has been inserted under Article 1 as the date on or before which operations are to start.

W. M. Traver

W. M. Traver

Enclosures

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

RECEIVED
SEP 17 1956

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

SEP 14 1956

Mr. Jesse A.Bingel
Silverton
Colorado

Re: Docket DMEA 4138
(Tungsten-Lead-Copper)
Contract Idm-E997

Dear Mr. Bingel:

Enclosed herewith is your copy of Exploration Project Contract Idm-E997.

Also enclosed are six copies of form MF-104, "Operator's Monthly Report and Voucher," and six copies of form MF-104A, "Operator's Unit Cost and Progress Report." At the end of the first calendar month after work is commenced, and monthly thereafter, you are required to submit the original and four copies of each form to Mr. John F. Shaw, U. S. Bureau of Mines, Room 157, Building 20, Denver Federal Center, Denver 2, Colorado. The extra copy is for your records.

Forms MF-104 and MF-104A are to be combined into five sets of one of each form, each set of the combined forms is to be accompanied by a map or sketch showing the location and extent of work performed, and a signed narrative report which describes the work performed, conditions encountered, and results of the work. The monthly accounting report will not be processed for reimbursement to you unless it is accompanied by a signed narrative report and other required or pertinent data. Additional copies of forms MF-104 and MF-104A will be forwarded to you each month on receipt of your report for the prior month.

For your information and in reply to many questions that have been asked, after forms MF-104 and MF-104A are received, an engineer will check progress and approve your accounts, after which they will be sent to the Regional Office, Region III, U. S. Bureau of Mines, 224 New Customhouse, Denver 2, Colorado, for auditing and vouchering. If the report is in order, a check will be issued by

the Treasury Department for the Government's portion of the costs. If you have any difficulty in completing these forms and the reports, please call on Mr. Shaw or this office for assistance.

The contract is prepared on form MF-200A and under its provisions the work is to be performed at "Fixed Unit Costs," as outlined in Exhibit "A" of the contract, which will be the basis of reimbursement to you as units of work are completed and reported on forms MF-104 and MF-104A.

Your requests to this office for work approval, changes in the contract, or any other communication pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data.

The location of the work to be performed under Stage I and Stage II is indicated on the map, "Figure 3", attached to the contract. Should conditions encountered necessitate any appreciable change in the location of any of the work, approval of this office for the change must be obtained prior to performance of the work. Otherwise, the work may not be acceptable for reimbursement to you under the terms of the contract.

Your attention is directed to the provisions in the contract that the last 200 feet of drifting under item 3 of Stage I, all of the work under Stage II, and in addition the last 200 feet of drifting under item 3 of Stage II, require prior Government approval before performance of any of the work.

Before you are ready to commence any of the restricted work mentioned above, you must request approval from this office for such specific work as you propose to perform. Your request for the work approval must be in sextuplicate, each copy complete with a map showing the location of the work previously completed and the location and extent of the additional work you are proposing. The map attached to your request for work approval should be complete in all details and contain the location and results of any samples taken.

You should anticipate a suspension of operation between stages of work to enable the Government geologist and engineer to evaluate the results of the work performed and make their recommendations to this office relative to the additional work you propose.

To eliminate as much delay to operations as possible, if that is of serious consideration, you should expedite forwarding of the results of the work completed and your request for the Government's approval of the additional work you propose.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can only be given by the Washington Office, NYA, or by the NYA Field Team, Region XIX.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a requirement and imperative that you notify this office in writing the date work actually commences under the contract, with a copy of your letter to Mr. Shaw.

Very truly yours,

W. M. Traver

W. M. Traver
Executive Officer, NYA
Field Team, Region XIX

Enclosures

JWT:pcl

cc: Chairman, Oper. Comm. (2)
Amendment file
Finance Office, Reg. XIX
Hardeman
Shaw
Townsend
Corres. file
Chron.

Docket

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

224 New Customhouse
Denver 2, Colorado

CERTIFIED MAIL

August 27, 1956

WSM

Mr. Jesse A. Bingel
Silverton
Colorado

Copy retained 400

Re: Docket DMEA 4138
(Tungsten-Lead-Copper)
Jesse A. Bingel
(Bora Mine)
San Juan County, Colorado
Proposed Exploration Project
Contract Idm-2997

Dear Mr. Bingel:

Enclosed are the Government's, Division, Docket, Finance Office, and Field Team copies of proposed Exploration Project Contract Idm-2997, which has been prepared pursuant to your application for Government assistance in exploration work under the Defense Minerals Exploration Administration program.

If the contract is satisfactory, all copies are to be signed by you as indicated and all copies promptly returned to this office. When the signed copies of the contract are returned to this office, please advise the date on or before which work will begin for our insertion in Article 1 of the contract form.

When the properly executed copies of the contract have been returned to this office, the "Operator's Copy" will be forwarded to you together with forms and instructions relative to reporting on the work completed under the contract.

Very truly yours,

W. M. TRAVER

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

cc: Mr. Warren Prosser
414 Cooper Building
Denver, Colorado

JWT:prl
cc: Chairman, Op. Comm. (2)
Harshman
Shaw
Townsend
Docket file
Chron.

400

DOCKET
Surname:
Chapman
Martin
Selfridge
Chamberlin
Nelson 8/21/56
Lamb 8/21/56
Johnson
McCleadon

Mr. W. M. Traver, Executive Officer AUG 23 1956
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

Re: Docket No. DMEA-4138,
Tungsten-Lead-Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado

Dear Mr. Traver:

Enclosed are the original and five copies of a proposed contract for an exploration program at the above-referenced property, signed by the Administrator for the Government, together with Annex 1 (1 page), Consent to Lien, Exhibit "A" (2 pages), and 3 maps. Two extra copies of Exhibit "A" and the other attachments to the contract are enclosed for the use of the Field Team.

If the terms and conditions of this proposed contract are satisfactory to you and the operator, all six copies should be signed and the usual distribution made.

If any part of this proposed contract does not have either your approval or that of the operator and cannot be amended within your delegated authority, the original and all copies of the proposed contract are to be returned to this office, together with the proposed changes for consideration.

Under Article 1, the starting date has been left blank and is to be filled in when the contract is signed by the operator.

We are also enclosing an extra copy of the application for your use.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JVS)

Enclosures

APPROVED:

/s/ P. F. Yopes (JVS)
Member, Bureau of Mines

N. E. Nelson (JVS)
Member, Geological Survey

cc: Docket
Code 400 (2)
Oper. Comm.
Adm. Read File
T. Kiilsgaard, USGS
R. W. Holliday, USBM
FT, Region 3

TLChapman/ls
7/25/56

Docket
Martin
Selfridge
Williams
Matheny

Interior Department

AUG 21 1956

Defense Minerals Exploration Administration
14X4401(01) Revolving Fund, Defense Production Act, Interior
(Allocated Working Fund to the Office of the Secretary)

T E L E T Y P E

Mr. W. N. Traver, Executive Officer
DMEA Field Team, Region 3
224 New Customhouse Building
Denver 2, Colorado

Re Docket DMEA-4138, Jesse A. Bingel. Contract being mailed to you. ~~today~~

George C. Selfridge
Chairman, Operating Committee (HB)

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
R. W. Holliday, USBM
FT, Reg. 3 -- CONFIRMATION

WSMartin/ls
8/21/56

Mr. George Selfridge
Hershel

RECEIVED
AUG 17 1956

No reply necessary
Talked to Traver about this and told him we would wire him Tuesday (Aug 21) to tell him what the status is.
Dwyer tells me the contract is ready up here now and we will have it Monday.
WSM
8/17/56

BUR MINES DN 235 8-17-56 9-41 AM

CHAIRMAN, OPERATING COMMITTEE, DMEA

REMYTT AUGUST 13, DMEA-4138, JESSE ARTHUR BINGEL, SANMXXXX XXXX SAN MXXX JUAN COUNTY, COLORADO. ARE YOU PREPARING A CONTRACT OR DENYING THE APPLIAXXXX APPLICATION /Q/

W M TRAVER

Denver, Colo.

Chairman, Operating Committee

Docket

WSM

ON 235 BU MINES 8-13-56 4-19

CHAIRMAN, OPERATING COMMITTEE

DOCKET DMEA-4138, JESSE ARTHUR BINGEL, SAN JUAN COUNTY, COLORADO. REPORT OF EXAMINATION RECOMMENDING A MODIFIED PROJECT TRANSMITTED JUNE 19. APPLICANT REQUESTS THAT HE BE INFORMED OF YOUR DECISION.

W M TRAVER

RECEIVED

AUG 14 1956

Denver, Colorado

53 48

7/30/56

Mr. Martin

Suggest Review and revision of proposed contract.

We should discuss.

DMEA-4138 - Jesse A. Bingel

Annex I - 10th line - delete extra word "also"

Exhibit A - Lacks provision for Government approval of location, direction, and extent of all work.

Stage I - Why do we permit 200 ft. of drifting at discretion of Operator? This is not in accordance with the established policy of the DMEA to keep control of all work at all times. We do not give the Operators blank checks to do as he pleases.

Stage II - Same objection.

Stage II - Should depend upon results of Stage I. Use "approximately" before figures in narrative.

Project - Aspects of development.

Equopment - Are we sure we should not be paying for depreciation instead of rental?

High cost - Low footage - No salvage?

Raise only 2-1/2 ft. per shift?

Poor project - Narrow in and omit veins with sporadic tungsten mineralization.

Frank E. Johnson
(bih)

Docket No. _____

Commodity _____

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E ____

Date of Contract or Amendment:

Name and Address of Operator:

Amount of Government participation _____ $

Percent of Government participation _____ %

Region: State:

_____
(Name)

_____
(Title)

Date Delivered to Bureau of Mines, Washington.

54458

Mr. Meyer:

Suggest Revised version of proposed contract. We should discuss.

4/38 — Jesse A. Binger

Annex I - 10th line - delete extra word "also"

Exhibit A - Extra provision for Government approval of location, direction, and extent of all work

Stage I - Why do we permit - 200 of drilling at discretion of operator? This is not in accordance with the established policy of the W.P.A. to keep control of all work at all times. We do not give the Operator a blank check to do as he pleases.

Stage II should depend upon results of Stage I. Use "approximately" before figures in a contract.

Projects as part of development lease - Are we sure we should not be paying for depreciation instead of rental?

High cost - Low footage - No acreage?

Run only 2½' per shift?

Poor project - Unusual in and not worth with approach bargain manipulation.

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

JUL 20 1956

Memorandum

To: Administrator, DMEA
Attention: Chief, Iron and Ferro-Alloys Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4138 (Tungsten, Lead, Copper)
Jesse A. Bingel
Dora Mine
San Juan County, Colorado

Pursuant to your memorandum dated July 10, 1956, we have prepared the attached Contract in satisfactory legal form for execution, subject to the attachment of the maps referred to in the Contract.

Robert P. Dwyer

400 DOCKET SURNAME Chapman

July 10, 1956

MEMORANDUM

To: Associate Solicitor, Division of Mineral Resources

From: Iron and Ferro-Alloys Division, DMEA

Subject: Preparation of contract
Docket No. DMEA 4138 - Tungsten, Lead, Copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado

Transmitted herewith is a draft of a proposed contract for the captioned project for your use in preparing the contract in final form.

T. L. Chapman, Acting Chief
Iron and Ferro-Alloys Division

Attachment

TLChapman/foc
7-10-56
cc to: Docket
Code 400

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Copy Retained 400

June 28, 1956

Memorandum

To: W. S. Martin, Chief, Iron and Ferroalloys Division-DMEA
Through: Acting Chief, Branch of Ferrous Metals & Ferroalloys

From: R. W. Holliday, Commodity Specialist, Branch of Ferrous Metals & Ferroalloys

Subject: Review of Field Team Examination Report
Docket DMEA-4138 (Tungsten-Lead-Copper)
Jesse A. Bingle, (Dora Mine)
San Juan County, Colorado
$28,408.00

Subject report recommends revision of applicant's proposal by the addition of exploration above the Boston drift level and division of the project into two stages.

Historical and geological evidence cited, indicates a good possibility of making a significant discovery.

In the summary it is stated "The possibility of finding significant deposits of lead and copper is not well indicated." Tungsten is the commodity on which justification of this proposal is based and the original application stated the wish to explore for Huebnerite with possible values in lead and copper. Lowering of the amount of Government participation because of the presence of other minerals would almost appear to be in the nature of a penalty. In actuality a by-product, by placing an operation in a better competitive position, might tend to make the United States less dependendent on imports during an emergency.

I concur in the program as recommended by the Field Team.

R W Holliday
R. W. Holliday

Docket

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
JUN 27 1956

June 26, 1956

Re: DMEA 4138,
Jesse A. Bingel,
Dora Mine,
San Juan Co., Colo.
App. Est. $18,200.00
Rec'd. 28,408.00
Tungsten-Lead-Zinc

WSM

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team report.

The applicant requested assistance in exploring the tungsten-lead-zinc-bearing Empire vein by raising and drifting. The examiners recommend a 2-stage work program. Stage I will consist of raising from the Empire level on the Empire vein, and drifting from the top of the raise. Stage II as proposed will continue the raise to the Boston level, rehabilitation of part of the raise from the Boston level to the Ricker level and drifting at a favorable point in the rehabilitated raise. The estimated costs are:

Stage I	$14,800.00
Stage II	13,608.00
Total	$28,408.00

I concur with the recommendation of the examiners and the Field Team

N. E. Nelson

N. E. Nelson

Docket

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

RECEIVED
JUN 22 1956

June 20, 1956

224 New Customhouse
Denver 2, Colorado

WSJ

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: DMEA Docket 4138 (Tungsten-Lead-Copper), Jesse A. Bingle, (Dora Mine), San Juan County, Colorado

Enclosed are nine copies each of Figures 2 and 3 which accompanied the Joint Report of Examination. These are for possible use in the contract.

DMEA Field Team, Region III

W. M. Traver

By W. M. Traver
Executive Officer

Enclosures

Dockell

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

RECEIVED
JUN 21 1956

June 19, 1956

224 New Customhouse
Denver 2, Colorado

WSM

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Field Team, Region III

Subject: Joint Report of Examination, DMEA Docket 4138 (Tungsten-Lead-Copper), Jesse A. Bingle, (Dora Mine), San Juan County, Colorado

Enclosed are the original and three copies of a joint engineering and geologic report on the subject property. The examiners recommend a modified program of exploration to consist of two stages at an estimated total cost of $28,408.00.

We concur in the work program as outlined in the report, but since tungsten-lead-copper are the metals which are the subject of the exploration, the amount of Government participation would not be 75% as stated in the report.

The supervising engineer advised this office that the Applicant is agreeable to the modified program at the greater amount recommended by the field examiners. The engineer's copy of the application has been misplaced or lost in the field and has not been returned to this office.

Nine extra copies of Figures 2 and 3 have been requested and will be forwarded you in a short time for possible use in the contract.

ON-SITE EXAM.

DMEA Field Team, Region III

W. M. Traver

Copy retained 400

Enclosures

By W. M. Traver
Executive Officer

Maps attached to contract

Reviewed by
DMEA OPERATING COMMITTEE
6-25-56
(date)

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED
JUN 21 1956

DMEA
Date Rec'd.
JUN 18 1956
BUREAU OF MINES
Denver, Colorado

Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

June 14, 1956

Memorandum

TRANSMITTED
JUN 19 1956

To: Executive Officer, DMEA Field Team, Region III

From: J. F. Shaw
E. N. Harshman

Subject: DMEA Docket 4138 (Tungsten-lead-copper), Jesse A. Bingle (Dora mine), San Juan County, Colorado

Enclosed are the original and eight copies of a joint engineering and geologic report by E. W. Buel, U. S. Bureau of Mines, and R. U. King, U. S. Geological Survey, in which a two-stage program of exploration is recommended.

The applicant proposes a single-stage program to explore for tungsten ore on the Empire vein by a 200-foot raise and 200 feet of drifting at an estimated cost of $18,200. The program recommended by the examiners includes work similar to that requested by the applicant but in addition includes exploration above the Boston drift level in a second stage. The revised program is estimated to cost $28,408.

We concur with the conclusions and recommendations made in the enclosed report.

J. F. Shaw
J. F. Shaw
Superintendent of the Denver
Experiment Station

E. N. Harshman
E. N. Harshman
Member, Field Team

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
6-25-56
(date)

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

RECEIVED
JUN 21 1956
DMEA
Date Rec'd.
JUN 18 1956
BUREAU OF MINES
Denver, Colorado

DMEA 4138

TRANSMITTED
JUN 19 1956

Dora Mine

Jesse A. Bingel

San Juan County, Colorado

Tungsten-Lead-Copper

Joint Engineering and Geologic Report

by

E. W. Buel, Mining Engineer
Bureau of Mines

R. U. King, Geologist
Geological Survey

June 13, 1956

Reviewed by
DMEA OPERATING COMMITTEE
6-25-56
(date)

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ILLUSTRATIONS

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3.	Vertical section along Empire vein, Dora Mine, San Juan County, Colorado. DMEA 4138	25

DMEA 4138

JESSE A. BINGEL (DORA MINE)
ANIMAS MINING DISTRICT
SAN JUAN COUNTY, COLORADO

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JUN 21 1956

SUMMARY

Jesse A. Bingel of Silverton, Colorado, applied for Defense Minerals Exploration Administration assistance to explore for tungsten-lead-copper in the Dora mine, San Juan County, Colorado, in the amount of $18,200.

Tungsten in the form of hubnerite, and small quantities of galena and chalcopyrite occur along the Empire fissure vein in the Dora mine. The country rock is a quartz monzonite porphyry intrusion. The Dora mine is on the northeast side of Sultan Mountain, one-half mile southwest of Silverton, San Juan County, Colorado. The applicant proposes to explore for these metals in a segment of the Empire vein by raising and drifting between the lowest, or Empire tunnel level, and the intermediate, or Boston tunnel level, and by rehabilitating a shaft that connects the Boston tunnel level with the upper, or Ricker tunnel level, and to drift along the Empire vein from a suitable point between the levels.

The examining team concludes that there is a probability of discovering significant deposits of tungsten ore within the area of proposed exploration and concurs in general with the applicant's proposed exploration program.

The possibility of finding significant deposits of lead and copper is not well indicated.

The examining team recommends approval of the application in the amount of $28,408.

INTRODUCTION

Jesse A. Bingel applied for DMEA assistance to explore the Empire claim for tungsten, lead, and copper. An examination of the property was made on April 17, 1956, by an examining team consisting of Robert U. King, Geological Survey, and C. M. Harrer and Edward W. Buel, Bureau of Mines. The team members were accompanied by Francis Kung, Point IV Trainee from Formosa, and Jesse A. Bingel and Leslie Larson both of Silverton, Colorado.

The Empire level and the proposed raise area were accessible and an adequate examination was made. The Empire no. 2 drift, directly above the proposed raise, was not readily accessible because of flooding and caving on the Boston level. It was possible, however, to obtain a sample (EB-2) of ore from a small sacked stockpile on the Boston level. This sacked ore is believed to have been obtained from the stope above the proposed raise site.

LOCATION AND ACCESSIBILITY

The Dora mine is in sec. 19, T. 41 N., R. 7 W., San Juan County, Colorado (fig. 1). The Empire or principal level lies

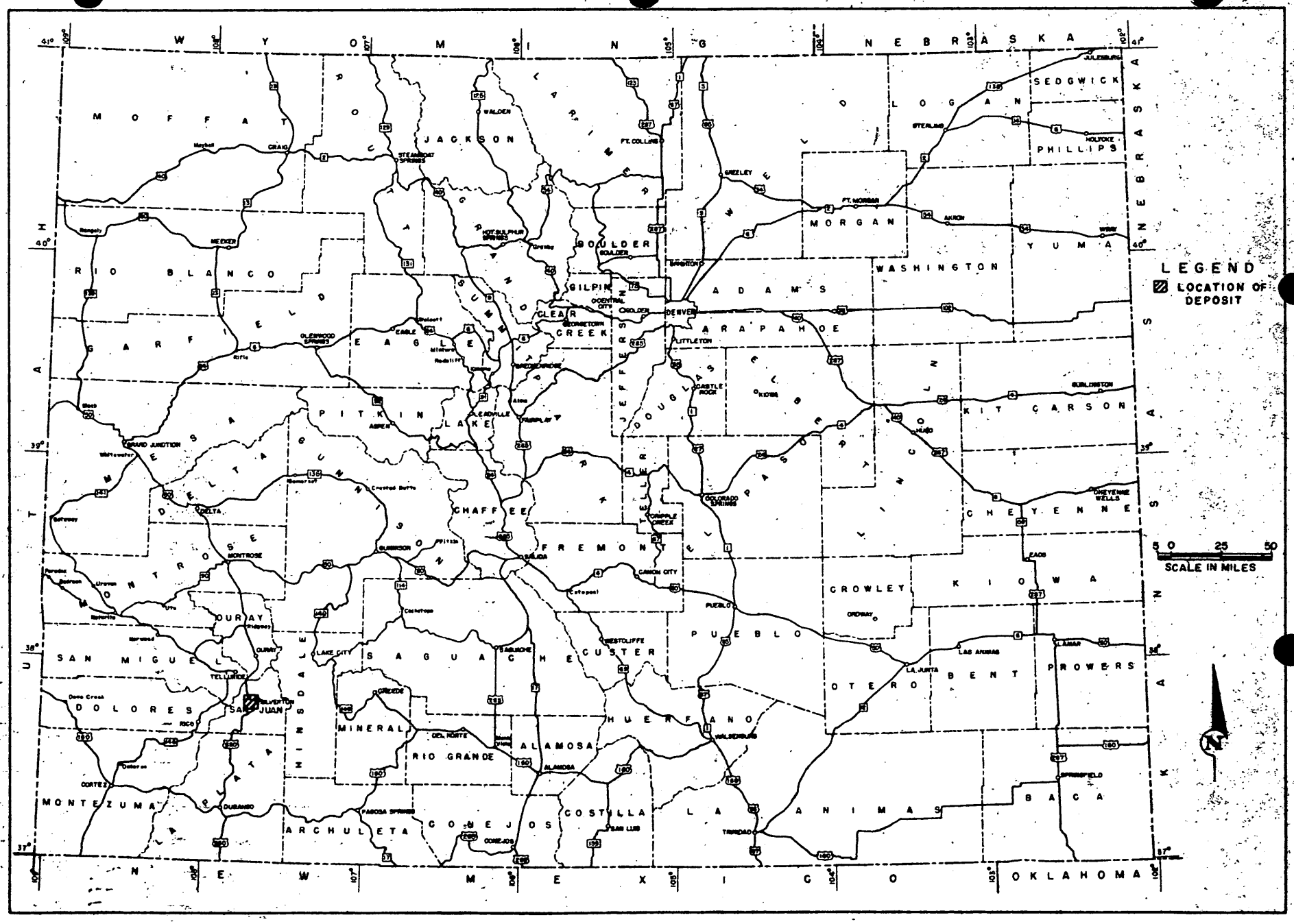

FIGURE 1 - INDEX MAP SHOWING LOCATION OF THE DORA MINE, SAN JUAN COUNTY, COLO. DMEA 4138

on the north slope of Sultan Mountain at an altitude of about 9,280 feet; the portal is approximately 80 feet above Mineral Creek a tributary of the Animas River. The portal is less than 1,000 feet south of the intersection of highways 550 and 110 which are in Silverton.

The Empire and Boston adits are readily accessible from U. S. Highway 550.

PHYSICAL FEATURES

The general region is extremely mountainous with deep canyons and narrow valleys. Altitudes range from 9,270 feet at Silverton to 13,336 feet on Sultan Mountain.

Average annual precipitation at Silverton is 25 inches. Snowfall is heavy and the winters severe which result in the seasonal closing of many mines. Because of its location with respect to the highway, the Empire claim can be operated easily the year round.

Sufficient timber, power, and water for mining needs can be obtained nearby.

Mining supplies and skilled labor are available in Silverton, a small mining center of more than 1,000 population.

A number of small mills in the region beneficiate base metal ores. According to Belser (1956, p.14), two tungsten mills operated in 1953; however, these mills have discontinued operations.

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PROPERTY

The applicant, Jesse A. Bingel, requested DMEA assistance for exploration on the Empire patented claim, mineral survey 647A. This is part of a large group of patented claims that have been consolidated, some of which are the North Star, Little Dora, Empire, and Hercules. The owner of these patented claims is the Mystery Gold Mining Company, 414 Cooper Building, Denver, Colorado. The Empire and adjoining claims are shown in figure 2.

DEVELOPMENT

The Dora mine has been developed by three levels, namely, the Empire, Boston, and Ricker. Only the Empire and Boston levels are accessible in part. These levels for the most part do not require any support except at or near vein intersections and below stoped areas.

Ventilation and water drainage appear to be relatively good and they are not unusual mining problems, especially on the Empire level.

Several buildings suitable for the housing of equipment and supplies are near the Empire portal.

HISTORY AND PRODUCTION

The Empire claim is one of several claims known as the Empire group. The more important claims of the group are the Empire,

Little Dora, Victoria, Jennie Parker, Ajax, and Hercules. These claims cover three important lodes designated as the Little Dora, Empire, and Hercules veins. According to Ransome (1901, p. 252-253), the Empire was first worked by Melville and Summerfield in 1876, and in 1882 the shaft was 125 feet deep.

There is no known record of any operations being conducted during the period from 1883 to 1915. In a letter accompanying the application, Prosser states that some development and exploration work was carried on during 1916. Bureau of Mines records show the Dora Consolidated Mining Company and the Las Animas Development Company, both of Silverton, and other lessees as being active in the Little Dora mine from 1929 to 1935. The present owner, Mystery Gold Mining Company, acquired the group of patented claims shortly after 1935. The property has been intermittently worked since by the present owner and Ben Tomasi, a lessee.

Bureau of Mines production figures for the Little Dora mine, believed to include the Little Dora, Empire, and Hercules veins, show a production of 35 tons of sulphide ore from 1924-35. Recovered metals were 16.5 ounces Au, 352 ounces Ag, 134 pounds Cu, and 357 pounds Pb. According to Belser (1956, p. 8-9), the Little Dora vein, which is near the Empire vein, had a production of 19 tons of hubnerite ore containing 35 percent WO_3, and the Empire vein had a production of three carloads of hubnerite ore containing 26 percent WO_3.

GEOLOGY

A stock of quartz monzonite porphyry of Tertiary age that has intruded Precambrian crystalline rocks and Paleozoic sedimentary rocks crops out within the area of exploration on the northeast slope of Sultan Mountain. The stock is cut by several north- to northwest-trending fissure veins which constitute the ore deposits of the Sultan Mountain area.

The Dora mine, through the Empire, Boston, and Ricker tunnels, exploits three principal veins, known as the Little Dora, Empire, and Hercules lodes (fig. 2). The Little Dora lode, that is cut by the Empire tunnel at about 1,200 feet from the portal, strikes N. 30° W. and dips vertically to steeply west. The Empire vein is cut 350 feet farther along in the tunnel. The Empire vein strikes north and dips from 80° W. to vertical; 500 feet farther along the Empire tunnel the Hercules vein is cut. The Hercules vein strikes north 45° west and dips steeply west. This vein may be the southeastward continuation of the North Star lode, which was one of the largest and most productive veins in the district. The North Star is credited with a gross precious and base metal production of $1,000,000.

All three of the veins cut by the Empire tunnel are known to contain tungsten minerals in significant quantities, and tungsten is also reported to occur in the North Star lode. In the Empire vein hubnerite is associated with fluorite, auriferous pyrite, and

in places with other sulfide minerals; it occurs as radiating crystal aggregates up to 2 inches across and in veinlets as much as one-eighth inch wide. According to Emmons (1901, p. 253), the Empire lode contained 18 inches of ore, largely tetrahedrite, which averaged 100 ounces silver and 10 percent copper. The ore, according to Emmons, is mineralogically similar to the North Star and consisted of galena, sphalerite, tetrahedrite, chalcopyrite, and pyrite. The vein gangue, in addition to fluorite, consists of quartz, carbonates, barite, and clay gouge.

The Empire vein on the Empire adit level ranges in width from 2 to 5 feet. The Tungsten stope (fig. 3), about 100 feet west of the Empire adit, is about 50 feet long by 30 feet high, and the vein consists of stringers of quartz and pyrite from 2 inches to 1 foot wide. Hubnerite occurs as scattered small crystals and also in the massive crystalline form. Veinlets of hubnerite occur sparingly in the altered walls. The wall rock is highly fractured and argillized for several inches to a few feet out from the vein on both the hanging wall and the footwall. A sample (EB-1) collected from the vein in the back of the stope contains 2.6 percent WO_3, 0.02 percent Pb, 0.01 percent Cu, 0.05 percent Zn, and 0.02 ounce Au and 0.1 ounce Ag per ton (fig. 3).

The Empire vein in the Tungsten stope on the Boston level was not examined, but vein material from the stope near the bottom of

the shaft to the Ricker level, contained 2.4 percent WO_3, 0.10 percent Pb, 0.02 percent Cu, 0.1 percent Zn, and 0.07 ounce Au and 0.1 ounce Ag per ton (EB-2, fig. 3). This stope is almost directly above the Tungsten stope on the Empire tunnel level.

Prosser reports that tungsten ore occurs on each of the three levels, and the applicant states that some production of tungsten has been made from all three levels in the past.

It appears, therefore, that within the area of proposed exploration, that is about 300 feet long by 600 feet high in the vicinity of the shaft that connects the Ricker and Boston tunnel levels, there is a good chance of discovering significant deposits of tungsten ore.

SAMPLING AND ASSAY DATA

Production and assay data from the Mystery Gold Mining Company's records are given as follows:

Shipments to J. J. Clark, Boulder, Colorado

Lot	Pounds	WO_3 Percent	Au ounce	Ag ounces
M 1329	5,470	24.60		
M 1330	19,270	5.18		
M 2017	3,584	14.16		
M 2018	642.5	7.31	0.14	2.66
M 2019	295	23.85		
M 2020	2,041.5	5.72		

Note: Shipments M 1329 and 1330 taken from stope along the Boston drift above proposed raise area; remainder of shipments taken from stope along the Empire drift below proposed raise area (see fig. 3).

Samples taken during the DMEA examination gave the following assay data:

Sample	Width	WO_3 Percent	Pb Percent	Cu Percent	Au Ounce/ton	Ag Ounce/ton
EB-1	1.0	2.6	0.02	0.01	0.02	0.1
EB-2	Grab	2.4	0.10	0.02	0.07	0.1

ORE RESERVES

Sufficient data for the determination of ore reserves were not available at the time of the DMEA examination. Belser (1956) gives inferred ore reserves as 3,000 tons at 0.40 percent WO_3 in the stopes and 4,000 tons at 0.25 percent WO_3 on the dumps of the Little Dora mine (probably includes the Empire, Little Dora, and Hercules veins).

MILLING FACILITIES

All of the operating mills in the region are equipped to process only sulphide ores. Of the several tungsten concentrating plants that operated in the area, all but one have been dismantled. The operative condition of the remaining mill is not known.

The applicant proposes to build his own tungsten concentrating plant if an appreciable tonnage of tungsten ore is indicated from

exploration work. The applicant's sulphide ore probably can be treated by one of the other mills in the area.

DISCUSSION OF APPLICANT'S CONTRACT PROPOSAL

The applicant proposes to raise 200 feet, in a two-compartment raise, between the Empire and Boston drift levels. At a point in the raise, to be determined as the raise progresses, a 200-foot drift will be driven. All of the exploratory work will be confined to the Empire vein. Estimated time for completion of the exploration is six months. Total cost of the applicant's proposal is $18,200. The Government's share at 75 percent is $13,650.

The unit costs of the proposal are $56.10 per foot for raising and $35 per foot for drifting. These costs are too high and recommended costs are given under the Cost Estimates section.

RECOMMENDED EXPLORATION PROGRAM

The examining team concurs in general with the applicant's proposed program but recommends that additional exploratory work should be undertaken. A two-stage program is recommended.

Stage I shall consist of 125 feet of raising and 300 feet of sublevel drifting. A two-compartment raise, 3-1/2 by 7 feet in the clear shall begin at a point in the Empire no. 1 drift about 90 feet south of the Empire (crosscut) tunnel (fig. 3). A 5- by 7-foot sublevel drift shall be driven on the most favorable showing of ore within the interval of 90 to 125 feet above the

Empire no. 1 drift. A minimum of 50 feet of sublevel drift shall be driven both northerly and southerly from the raise. The remaining 200 feet may be used at the operator's discretion to extend the more favorable drift.

Stage II shall consist of 70 feet of raising, 150 feet of shaft rehabilitation, and 300 feet of sublevel drifting. The stage I raise shall be extended 70 feet along the Empire vein to connect with the Boston tunnel level, which is now inaccessible. The existing shaft between the Boston and Ricker tunnel levels shall be rehabilitated for 150 feet beginning at the Boston tunnel level. A 5- by 7-foot sublevel drift shall be driven on the most favorable showing of ore within the interval of 100 to 150 feet above the Boston tunnel level. A minimum of 50 feet of sublevel drift shall be driven both northerly and southerly from the rehabilitated shaft. The remaining 200 feet may be used at the operator's discretion to extend the more favorable drift.

The exploratory work of Stage II will be dependent on the results of Stage I, and prior approval of the Government shall be required before any work under Stage II can be undertaken.

This recommended program if carried to completion will explore a favorable part of the Empire vein between the Empire and Ricker tunnel levels for a vertical distance of about 340 feet and a horizontal distance of 300 feet.

The alloted time and total cost of the exploration program is given as follows:

Stage I	2.5 months,	$14,800.00
Stage II	2.5 months,	13,608.00
Totals	5 months,	$28,408.00

COST ESTIMATES

The costs were estimated as follows:

Stage I

125 feet of raising - computed on the following data: 4 by 8 feet raise 3-1/2 by 7 feet in the clear, untimbered except for stulls, 2-1/2 feet advance per shift, 5-foot rounds, 2 shifts per day, 6 days per week, and estimated time for completion is 50 shifts or one month.

Labor and supervision		Estimated Cost
1 foreman - miner at $2.71/hr.* per shift	$ 21.68	
2 miners at $4.88/hr.* per shift	39.04	
Labor per shift	$ 60.72	

*Includes time and half for 8 hrs. beyond 40 hrs.

Payroll insurance, taxes, etc. at 5%	$ 3.04	
Total cost per shift	$ 63.76	
cost per foot		$ 25.50
cost per 50 shifts		$ 3,188.00

Equipment to be rented

315 c.f.m. diesel compressor, at $400/mo., 1 month	$ 400.00	
Ore cars and diesel trammer, at $150/mo., 1 month	150.00	

Drill and hose, at $80/mo., 1 month	$ 80.00	
Air hoist, at $50/mo., 1 month	50.00	
Blower, at $75/mo., 1 month	75.00	
Total cost per month		$ 755.00
cost per foot		$ 6.04

Operating materials and supplies

		Drift	Raise
DRIFT REHAB. Track, 20 lb., 1,336 lbs. total (new), 100 feet	$ 110.00	97.00	
		30.00	
Spikes, bolts, fish plates, ties, etc.	90.00	20.00	25.00
Pipe, 2", air, black, iron at $0.40/ft., 225 feet	90.00	10.00	12.50
Pipe, 1", water, galvanized, iron at $0.20/ft., 225 feet	45.00	5.00	7.00
Miscellaneous pipe fittings, estimated	20.00	50.00	65.00
Pipe, 8", ventilation, rigid, galvanized at $1/ft., 225 ft.	225.00	192.00	109.50
Powder, 40%, at $11.25/50lb. box 25 boxes	281.25		
Caps, electric, at $17/box of 100 6-1/4 boxes	106.25		
Ladders, at $0.55/ft., 125 feet	68.75		
Timber, squared stulls, at $0.40/ft., 200 linear feet	80.00		
Lagging, 3" by 12", at $70/ thousand, 3/4 thousand	52.50		
Drill steel & bits, at $0.50/ft., 125 feet	62.50		
	651.25		651.25 / 760.75

Fuel, oil, lubrication, etc. at $3.50/shift, 50 shifts	$ 175.00	
Miscellaneous supplies, estimated at	100.00	
Total cost		$ 1,506.25
cost per foot		$ 12.05

Technical services

Engineering, geology, reports, etc.	$ 100.00	
Total technical services		$ 100.00

Miscellaneous

Freight, repairs, transportation, etc.	$ 150.00	
Total miscellaneous		$ 150.00
Grand total of 125 feet of raising		$ 5,699.25
Cost per foot		$ 45.59
	Say	$ 45.60
Total cost of 125 feet of raising		$ 5,700.00

300 feet of drifting - computed on the following data: approximately 5 by 7 feet, untimbered (except for stulls), waste removed by slushing, 4 ft. advance per shift, 5-foot rounds, 2 shifts per day, 6 days per week, and estimated time for completion is 75 shifts or approximately 1-1/2 months.

Labor and supervision		Estimated Cost
Same estimation as for raising in stage I		
Total cost per shift	$ 63.76	
cost per foot		$ 15.94
cost per 75 shifts		$ 4,782.00

Equipment to be rented*

315 c.f.m. diesel compressor, at $400/mo., 2 months	$ 800.00	
Ore cars and diesel trammer, at $150/mo., 2 months	300.00	
Drill and hose, at $80/mo., 2 months	160.00	
Air hoist, at $50/mo., 2 months	100.00	
Slusher, at $125/mo., 2 months	250.00	
Blower, at $75/mo., 2 months	150.00	
Total cost per 2 months		$ 1,760.00
cost per foot		$ 5.87

*Final monthly rental under stage I has been computed on a full month's basis.

Operating materials and supplies

Vent-tube, 8", flexible, at $2/ft., 225 feet	$ 450.00	
Powder, 40%, at $11.25/50lb. box, 60 boxes 250'-2" holes at 40 cts. 50% Saving	675.00	67.50 25.00
Caps, electric, at $17/box of 100, 15 boxes 250'-1" " 20"	255.00	
Timber, squared stulls, at $0.40/ft. estimated 360 linear feet	$ 144.00	
Drill steel & bits, at $0.50/ft., 300 feet	150.00	$300.00
Fuel, oil, lubrication, etc. at $3.50/shift, 75 shifts	262.50	
Miscellaneous supplies, estimated at	100.00	
Total cost		$ 2,036.50 $2,261.00
cost per foot		$ 6.79

Technical services

Engineering, geology, reports, etc.	$ 100.00		
Total technical services		$ 100.00	
Cost per foot		$ 0.33	

Miscellaneous

Freight, repairs, transportation, etc.	$ 100.00		
Total miscellaneous		$ 100.00	
Cost per foot		$ 0.33	
Grand total for 300 feet of drifting			$ 8,778.50
Cost per foot			$ 29.26
		Say	$ 29.25
Total cost of 300 feet of drifting			$ ~~8,775.00~~ 9.000. 30 ft.

Stage II

70 feet of raising - continue raise completed in stage I, other data same as under stage I except estimated time for completion is 28 shifts or approximately 1/2 month.

Labor and supervision		Estimated Cost
Same estimation as for raising in stage I		
Total cost per shift	$ 63.76	
cost per foot		$ 25.50
cost per 28 shifts		$ 1,785.28

Equipment to be rented

Same estimation as for raising in stage I except for rental at 1/2 month	$ 377.50	
Total cost per 1/2 month		$ 377.50
cost per foot		$ 5.39

Operating materials and supplies

Pipe, 2", air, black, iron, at $0.40/ft., 70 feet	$ 28.00	
Pipe, 1", water, galvanized, iron, at $0.20/ft., 70 feet	14.00	
Miscellaneous pipe fittings, estimated	5.00	
Pipe, 8", ventilation, rigid, galvanized, at $1/ft., 70 ft.	70.00	
Powder, 40%, at $11.25/50lb. box, 14 boxes	157.50	
Caps, electric, at $17/box of 100, 3-1/2 boxes	59.50	
Ladders, at $0.55/ft., 70 feet	$ 38.50	
Timber, squared stulls, at $0.40/ft., 125 linear feet	50.00	
Lagging, 3" by 12" at $70/ thousand, 1/2 thousand	35.00	
Drill steel & bits, at $0.50/ft., 70 feet	35.00	
Fuel, oil, lubrication, etc., at $3.50/shift, 28 shifts	98.00	
Miscellaneous supplies, estimated at	60.00	
Total cost		$ 650.50
Cost per foot		$ 9.29

Technical services

Engineering, geology, reports, etc.	$ 50.00	
Total technical services		$ 50.00
Cost per foot		$ 0.71

Miscellaneous

Freight, repairs, transportation, etc.	$ 80.00		
Total miscellaneous		$ 80.00	
Cost per foot		$ 1.14	
Grand total of 70 feet of raising			$ 2,826.28
Cost per foot			$ 40.38
		Say	$ 40.40
Total cost of 70 feet of raising			$ 2,828.00

150 feet of rehabilitation of raise - computed on the following data: rehabilitate where needed, rate of 15 ft. per shift, 2 shifts per day, 6 days per week, and estimated time for completion is 10 shifts or approximately 1/5 month.

Labor and supervision		Estimated Cost
Same estimation as for others		
Total cost per shift	$ 63.76	
cost per foot		$ 4.25
cost per 10 shifts		$ 637.60

Equipment to be rented

Same estimation as for 300 feet of drifting in stage I, except for rental at 1/5 month	$ 176.00	
Total cost per 1/5 month		$ 176.00
cost per foot		$ 1.17

Operating materials and supplies

Pipe, 8", ventilation, rigid, galvanized, at $1/ft, 145 ft	$ 145.00	
Ladders, at $0.55/ft, 150 feet	82.50	
Timber, squared stulls, at $0.40/ft, 250 linear feet	100.00	
Lagging, 3" by 12", at $70/ thousand, 1 thousand	70.00	
Fuel, oil, lubrication, etc. at $3.50/shift, 10 shifts	35.00	
Miscellaneous supplies, estimated at	125.00	
Total cost		$ 557.50
Cost per foot		$ 3.72

Miscellaneous

Freight, repairs, transportation, etc.	$ 25.00	
Total miscellaneous		$ 25.00
Cost per foot		$ 0.20

Grand total of 150 feet of rehabilitation of raise		$ 1,396.10
Cost per foot		$ 9.31
	Say	$ 9.30
Total cost of 150 feet of rehabilitation		$ 1,395.00

300 feet of drifting - computed on the following data: approximately 5 by 7 feet, untimbered (except for stulls), waste removed by slushing, 3-1/2 ft. advance per shift, 5-foot rounds, 2 shifts per day, 6 days per week, and estimated time for completion in 86 shifts or approximately 1-2/3 months.

Labor and supervision		Estimated Cost
Same estimation as for drifting in stage I		
Total cost per shift	$ 63.76	
cost per foot		$ 18.22
cost per 86 shifts		$ 5,483.36

Equipment to be rented*	
Same estimation as for drifting in stage I	$ 1,760.00

*Final monthly rental under stage II has been computed on a full month's basis.

Total cost per 2 months	$ 1,760.00
cost per foot	$ 5.87

Operating materials and supplies		
Powder, 40%, at $11.25/50lb. box, 60 boxes	$ 675.00	
Caps, electric, at $17/box of 100, 15 boxes	255.00	
Timber, squared stulls, at $0.40/ft., estimated 360 linear feet	144.00	
Drill steel and bits, at $0.50/ft., 300 feet	150.00	
Fuel, oil, lubrication, etc., at $3.50/shift, 86 shifts	301.00	
Miscellaneous supplies, estimated at	100.00	
Total cost		$ 1,625.00
Cost per foot		$ 5.42

Case file from 1. draft 8/68

Technical services

Engineering, geology, reports, etc.	$ 100.00		
Total technical services		$ 100.00	
Cost per foot		$ 0.33	

Miscellaneous

Freight, repairs, transportation, etc.	$ 100.00		
Total miscellaneous		$ 100.00	
Cost per foot		$ 0.33	
Grand total for 300 feet of drifting			$ 9,068.36
Cost per foot			$ 30.17
		Say	$ 30.20
Total cost of 300 feet of drifting			$ 9,060.00

Assays*

100 sample assays at $6.50/each $ 650.00

*Cost of sample assay not computed with unit cost contract items.

Total cost of stage I	$14,475.00	
stage II	$13,283.00	
Assays	$ 650.00	
		$28,408.00
Government's share at 75 percent		$21,306.00

SUMMARY OF RECOMMENDED EXPLORATION AND COSTS

Stage I

(1) Raise on the Empire vein between the Empire and Boston drift levels for 125 feet. The raise shall be of two compartments,

3-1/2 by 7 feet in the clear, and shall be started from a location approximately 90 feet south of the Empire crosscut adit and drift intersection.

Cost: 125 feet at $45.60/ft. = $5,700.00

Time: 50 shifts, or approximately 1 month

(2) Drift northerly and southerly along Empire vein for a total of 300 feet at a geologically favorable location between 90 and 120 feet above the Empire drift level. Of the 300 feet of drifting, a minimum of 50 feet is to be driven in each direction.

Cost: 300 feet at $29.25/ft. = $8,775.00

Time: 75 shifts, or approximately 1-1/2 months

(3) Assays - 50 sample assays at $6.50/each = $325.00

Grand total of costs stage I = $14,800.00

Estimated time allowance = 2-1/2 months

Government's participation at 75 percent ≐ $11,100.00

Stage II

Dependent upon the results of stage I.

(1) Continue raise for 70 feet to connect the Empire and Boston drift levels.

Cost: 70 feet at $40.40/ft. = $2,828.00

Time: 28 shifts, or approximately 1/2 month

(2) Rehabilitate, as required, a maximum of 150 feet of existing raise between the Boston and Ricker drift levels.

Cost: 150 feet at $9.30/ft. = $1,395.00

Time: 10 shifts, or approximately 1/5 month

(3) Drift 300 feet northerly and southerly along the Empire vein at a geologically favorable elevation between 100 and 150 feet above the Boston drift level. Of the 300 feet of drifting, a minimum of 50 feet is to be driven in each direction.

Cost: 300 feet at $30.20/ft. = $9,060.00

Time: 86 shifts, or approximately 1-2/3 months

(4) Assay - 50 sample assays at $6.50/each = $325.00

Grand total of costs stage II = $13,608.00

Estimated time allowance = 2-1/2 months

Government's participation at 75 percent = $10,206.00

Stages I and II total cost = $28,408.00

Government's share = $21,306.00

Estimated time = 5 months

CONCLUSIONS AND RECOMMENDATIONS

Based on the analyses of samples of the vein material, the reported tungsten content of the Empire vein on the three levels, and the reported occurrence of tungsten in other veins in the immediate area, the examining team concludes that there is a probability of finding significant deposits of tungsten within the area of recommended exploration, but that the lead and copper deposits probably will not be important economically.

Because of the expected cost of laying an estimated 900 feet of track in the Boston tunnel, and of rehabilitating part of the drift on that level, it is concluded that the most feasible approach is to raise and drift on the Empire vein from the Empire tunnel level, and if warranted, to continue raising to the Boston tunnel level, and to further explore the vein from the existing shaft above the Boston tunnel level.

It is recommended that a modified program of exploration to consist of two stages, be approved. The estimated cost is $28,408.00; the Government's share at 75 percent would amount to $21,306.00.

REFERENCES CITED

Belser, Carl, 1956, Tungsten potential in the San Juan area, Ouray, San Juan, and San Miguel Counties, Colorado: U. S. Bureau of Mines Inf. Circ. 7731.

Ransome, F. L., 1901, Economic geology of the Silverton Quadrangle: U. S. Geol. Survey Bull. 182, p. 265.

Docket

DMEA
Date Rec'd.

MAR 6 1956

BUREAU OF MINES
Denver, Colorado

RECEIVED
MAR 12 1956

Copy [illegible] 400

March 6, 1956

WSM

Memorandum

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

From: Superintendent, Denver Experiment Station, Reg. III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper), Jesse A. Bingel, Dora Mine, San Juan County, Colorado

The subject application in the amount of $18,200.00 was received in this office on March 6.

A field examination will be made and suitable report prepared by an engineer from the Denver office.

John F. Shaw

cc: W. M. Traver (2)
E. N. Marshman
J. F. Shaw
Sec. Sp. Rep. (2)

Copy [illegible] 400

Docket

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

RECEIVED
MAR - 8 1956

March 5, 1956

224 New Customhouse
Denver 2, Colorado

Copy

Memorandum

To: J. F. Shaw (1) (With brochure)
E. N. Marshman

From: Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper), Jesse A. Bingel, Dora Mine, San Juan County, Colorado

Enclosed is the subject application in the amount of $18,200.00. Also enclosed for your information is a copy of a letter from the Chairman of the Operating Committee dated February 28, 1956 and attached memoranda of review of the application by N. E. Nelson and R. W. Holliday.

A field examination and suitable report are requested.

DMEA Field Team, Region III

W. M. TRAVER

By W. M. Traver
Executive Officer

Enclosures

HMC:ab

cc: Sec. Op. Comm. (2)
Docket 4138
Chron.

Docket

BINGEL BROTHERS SHOP

Mining Machinery, Sales, Repairs and Installation
Welding and General Shop Work

SILVERTON, COLORADO

RECEIVED
MAR - 2 1956

February 28, 1956

United States
Department of Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

WSM

Re: Docket No. DMEA-4138
Tungsten, Lead, Copper
Dora Mine
San Juan County, Colorado

Dear Sirs:

Reference is made to your letter of Feb. 17,1956, concerning the above property.

The " Consent to Lien" forms have been mailed to Mr. Warren C. Prosser of Mystery Gold Mining Co., for his signature.

Mr. Prosser also has assay certificates on samples taken in vicinity of proposed exploration project. I am asking him to mail these and map of Gladstone claim to your office.

We have not completed any work on property beyond making it accessable for examination.

Sincerely

Jesse Arthur Bingel

Mr. Jesse Arthur Bingel

copy made for 400 file
2 copies made + sent to F.T.
3/5/56 lo.

Copy retained 400

1901-09 LAWRENCE STREET

TELEPHONE MAin 1852

CHEMISTS, ASSAYERS, ENGINEERS

DENVER, COLO.

Folio 2392

Mystery Gold Mining Co.

Date Oct. 27, 1938

We hereby Certify, that the samples assayed for you gave the following results:

DESCRIPTION	GOLD OUNCES PER TON	SILVER OUNCES PER TON	COPPER PER CENT (WET)	LEAD PER CENT (WET)	ZINC PER CENT	IRON PER CENT	SILICA PER CENT	VALUE PER TON
Posthain & Tomasi Lot M-2017 Empire Tunnel Empire stope.			WO_3—14.80%					

Gold at $35.00 per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit

Charge $ 3.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

1901-09 LAWRENCE STREET

TELEPHONE MAin 1852

CHEMISTS, ASSAYERS, ENGINEERS

DENVER, COLO.

Folio 2392

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Date Oct. 27, 1938

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Lot M-2018	0.14	2.66			WO_3—8.10%			
Empire Tunnel								
Empire Stope.								

Gold at $35.00 per ounce Copper at _____ per unit

Silver at _____ per ounce Zinc at _____ per unit

Lead at _____ per unit

Charge $ 4.00

CHARLES O. PARKER & CO.
CHEMISTS, ASSAYERS and ENGINEERS

DOCKET
400 Surname: Chapman
Martin
Selfridge
Hefferman

FEB 28 1956

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

Re: Docket No. DMEA-4138,
Tungsten-lead-copper
Jesse A. Bingel
Dora Mine
San Juan County, Colorado

Dear Mr. Traver:

The above-docketed application for exploration assistance is being referred to your office for a field examination of the property.

Copies of two memoranda, both dated January 30, 1956, by N. E. Nelson, Geological Survey, and R. W. Holliday, Bureau of Mines, respectively, relating to the project, are enclosed for your information.

We note that the Gladstone claim, Survey No. 19695, is named in lease and amendment to lease, but does not show on accompanying map.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures

APPROVED:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

cc: Docket
Code 400
Oper. Committee
Adm. Read. File
T. Kiilsgaard, USGS
R. W. Holliday, USBM
FT, Reg. 3

TLChapman/ls
2/3/56

R.C.L.

DOCKET
Surname:
Chapman
Martin
Gehman
Kilsgaard
Selfridge
Johnson

400

FEB 28 1956

Mr. Jesse A. Bingel

Silverton, Colorado

Re: Docket No. DMEA-4138,
Tungsten-lead-copper
Dora Mine
San Juan County, Colorado

Dear Mr. Bingel:

The above-docketed application for exploration assistance for tungsten, lead, and copper ores has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and is being referred to Mr. W. M. Traver, Executive Officer, DMEA Field Team, Region III, 224 New Custom House, Denver 2, Colorado, for a field examination of the property.

Any assistance you can give the members of the Field Team will be appreciated.

Sincerely yours,

C. O. Mineckerson

Administrator

cc: Docket
Code 400
Adm. Read. File
Oper. Comm.
Thor Kiilsgaard, USGS
Robt. Holliday, USBM
FT, Reg. 3

TLChapman/ls
2/3/56

R.C.L.

Mr. Martin -

Does not appear that field referral is justified at this stage.

Need map of underground workings showing location of proposed work.

What work has been done by applicant?

What evidence of tungsten, and lead-zinc mineralization, except possible past production of lead-zinc-gold-silver ores?

Field Team in this area over-loaded.

Surface covered by snow. but workings are said to be accessible

Can work be started before spring?

Advise applicant of necessity for Consent to Lien if contract can be made.

FEJ

Transcribed from Mr. "J's" - Beulah

Mr. Montague

Does not appear to be
field reference [illegible]
[illegible] slope —

Need map of [illegible]
[illegible] of Hughes' work —
Which [illegible] has been [illegible] by [illegible]
which contains of Tungsten [illegible]
[illegible], except possibly [illegible]
[illegible] gain field — [illegible]
[illegible] Tungsten in this area [illegible]
[illegible]
[illegible]
[illegible]
[illegible]

Total Line [illegible]
[illegible]

700

I guess this does not give us much excuse for not doing something about this right now

Docket

RECEIVED
FEB 23 1956

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

February 20, 1956

224 New Customhouse
Denver 2, Colorado

WSM

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 4138 (Tungsten-Lead-Copper), Jesse Arthur Bingel, Dora Mine, San Juan County, Colorado

This responds to your letter of February 17, 1956 on the subject docket.

We have talked to Mr. Warren Prosser, President of the Mystery Gold Mining Company, owner of the Dora Mine. He informed us that the subject property is available for examination at all times of the year since it is at the edge of the town of Silverton. He also stated that work could be started on a project at any time of the year.

W. M. Traver

W. M. Traver

Copy retained 400

DOCKET
SURNAME
Chapman
Martin
Selfridge
Yopes

400

FEB 17 1956

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
24: New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA-4138
Tungsten, lead, copper
Jesse Arthur Bingel
Dora Mine
San Juan County, Colorado

Dear Mr. Traver:

Reference is made to the above docketed application for exploration assistance, which states that the mine workings are accessible for examination.

Please advise us from your general knowledge of the area whether it would be practicable to make a field examination during the winter season, and if work could be started on a project before late spring.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

APPROVED:

P. F. Yopes (SHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (SHB)
Member, Geological Survey

TLChapman:foc 2/13/56
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. III
M Robert Holliday, USBM
T. H. Kiilsgaard, USGS

P.S.

DOCKET
SURNAME

400 Chapman
Martin
Yoss
Kiilsgaard
Selfridge
Johnson

FEB 17 1956

Mr. James Arthur Bingel
Silverton, Colorado

Re: Docket No. DMEA-4138
Tungsten, lead, copper
Dora Mine
San Juan County, Colorado

Dear Mr. Bingel:

Reference is made to your application for exploration assistance on the above noted property.

In the event that a contract should be approved, we shall require from the owners of the property signed "Consent to Lien" forms, for which we are enclosing 7 copies (revised March 24, 1955). Please return 6 signed copies to us, keeping one for your own files.

Your application should contain evidence that significant showings of tungsten occur on the property. We would, therefore, appreciate having copies of any available assay reports showing tungsten values. Any available assay results on the lead, zinc and copper would also help us to evaluate the proposed project.

The claim map which was enclosed does not show the Gladstone claim and we would appreciate a map showing its location. In the event you have completed any work on the property, please advise us where the work was done and show the results of such work on a map if feasible.

We thank you for your interest in the Defense Minerals Exploration Administration and for presenting the proposed project for exploration assistance.

Sincerely yours,

E. O. Mittendorf

Administrator

Enclosure
TLChapman:foc / 2/13/56
cc to: Docket
Code 400
Adm. Read. File

cc to: Operating Comm.
FT. REG. III
Robert Holliday, USBM
Thor H. Kiilsgaard, USGS

R.C.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Docket

January 30, 1956

Copy retained 400

Memorandum

To: Chief, Iron & Ferroalloys Division-DMEA
Through: Chief, Branch of Ferrous Metals & Ferroalloys

WOM

From: Commodity Specialist-Tungsten

Subject: Application for Exploration Assistance
Docket No. DMEA-4138
Dora (Empire Lode Survey #647A)
Animas Mining District, San Juan County, Colorado
Jesse Arthur Bingel
Silverton, Colorado
$18,200.00-Copper, Tungsten, Lead.

Subject application proposes a two compartment raise (200 feet) and 200 feet of drifting along the vein from a point in the raise to be determined as the raise progresses.

The application is well prepared and judging from the letterhead, the applicant sells and repairs mining machinery and is well qualified to conduct such an operation.

Provision for milling the ore should be considered, since the nearest custom mill may be some distance away. Since the proposed raise is well situated for later use as an ore pass (for ore above the Boston tunnel level) the advisability of including ore from above the Boston level in royalty payments should be considered.

It is recommended a field referral be made.

R W Holliday
R. W. Holliday

Copy to: Mr. Geehan
Mr. Holliday
Docket No. 4138 file
F I L E S

(1)

Does BLM have a map that shows the Gladstone claim US Survey 19695

(2) Should Base Metals commodity man review this

Docket

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
JAN 31 1956

January 30, 1956

Copy received

Re: DMEA 4138
Jesse Arthur Bingel
Empire Vein, Dora Mine
San Juan County, Colorado
$18,200.00 - Tungsten, Lead, Copper

Memorandum

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

WSM

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application.

The applicant requests assistance in raising from the Empire Tunnel level to the Boston Tunnel level, 200 feet above, and drifting at an intermediate point in the raise on the tungsten-bearing Empire vein.

I have no information concerning the production or possible potential of the vein. A longitudinal section on the vein shows it to have been mined for tungsten from the Ricked Tunnel level to the surface, and in stopes on the Boston and Empire Tunnel levels. Information concerning the vein in the backs of the stopes would aid in appraisal of the application.

Lack of such information makes referral necessary and such is here recommended.

N. E. Nelson

N. E. Nelson

January 25, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region III.

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region III.

DMEA- 4138 Jesse Arthur Bingel

Robert E. Adams
Chief, Operation's Control
and Statistics Division

January 25, 1956

Subject: DMEA-4138
Re: Exploration Assistance
Dora Mine

Mr. Jesse A. Bingel
Silverton, Colorado

Dear Mr. Bingel:

The receipt of your application dated January 13, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4138 and referred to the Iron & Ferro Alloys Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

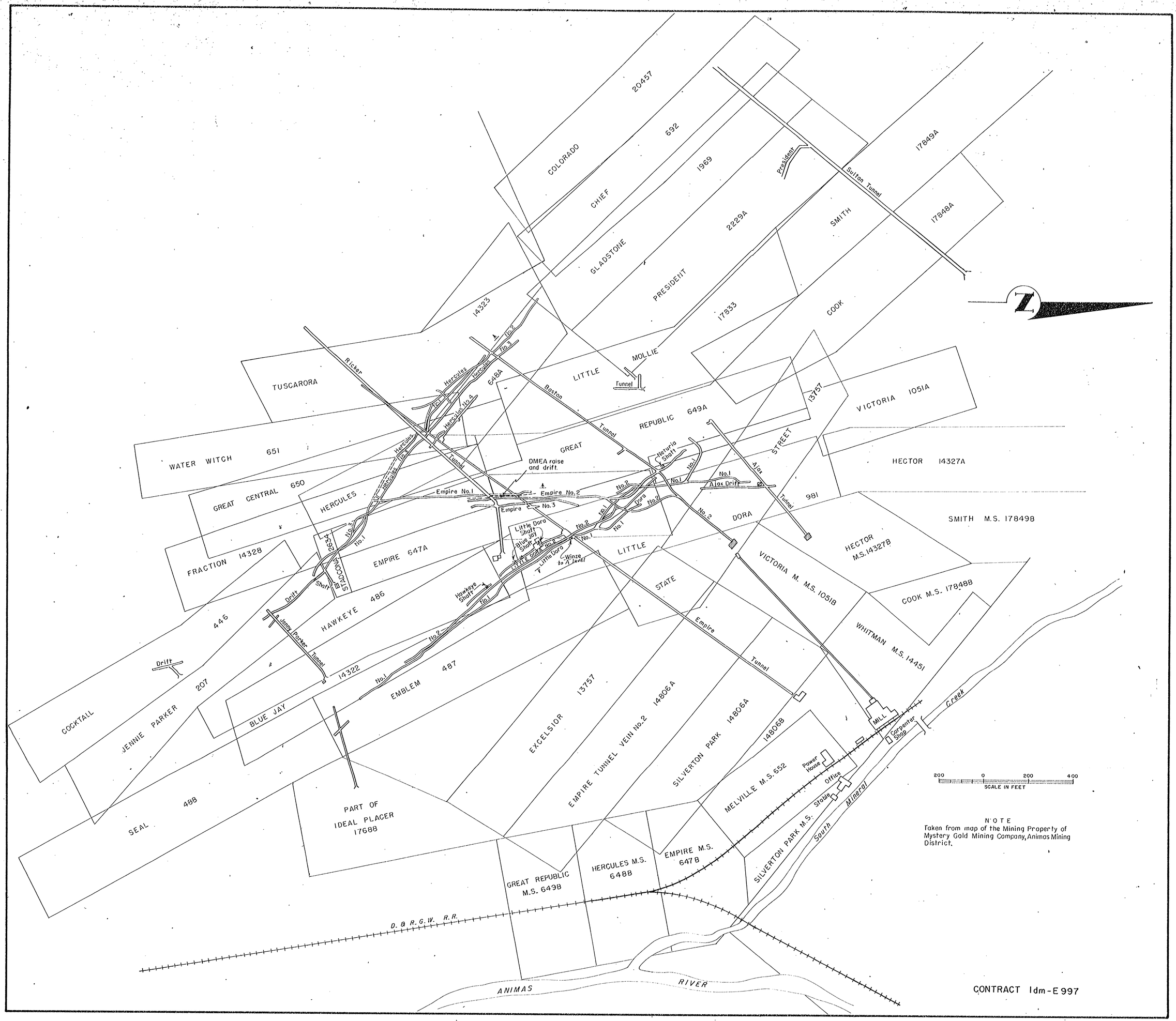
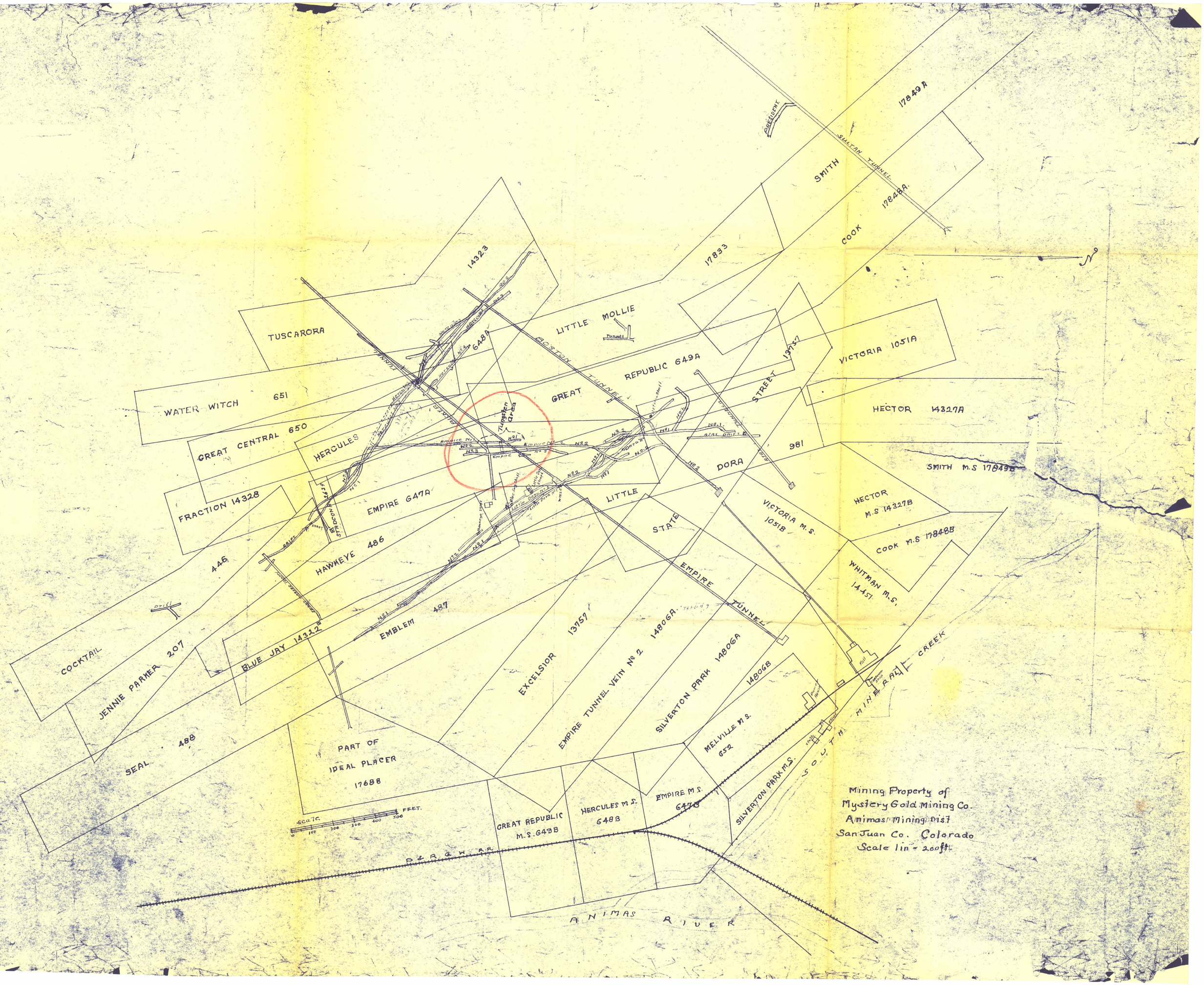


FIGURE 2 - MAP SHOWING CLAIMS AND WORKINGS OF MYSTERY GOLD MINING COMPANY, (DORA MINE), SAN JUAN COUNTY, COLO. DMEA 4138


SMITH
17849A
SULTAN TUNNEL
COOK
17848A
17833
14323
TUSCARORA
LITTLE MOLLIE
648A
BOSTON TUNNEL
REPUBLIC 649A
GREAT
STREET
13757
VICTORIA 1051A
WATER WITCH 651
GREAT CENTRAL 650
HERCULES
HECTOR 14327A
981
DORA
SMITH M.S 17849B
FRACTION 14328
EMPIRE 647A
LITTLE
VICTORIA M.S. 1051B
HECTOR M.S 14327B
STATE
COOK M.S 17848B
HAWKEYE 486
446
EMPIRE
WHITMAN M.S. 14451
EMBLEM 487
COCKTAIL
BLUE JAY 14322B
EXCELSIOR 13757
EMPIRE TUNNEL VEIN No 2 14806A
SILVERTON PARK 14806A
JENNIE PARKER 207
14806B
MELVILLE M.S. 652
SEAL 488
PART OF IDEAL PLACER 17688
GREAT REPUBLIC M.S. 649B
HERCULES M.S. 648B
EMPIRE M.S. 647B
SILVERTON PARK M.S.
SOUTH MINERAL CREEK
D.R.G.W. R.R.
ANIMAS RIVER
Scale
FEET
Mining Property of
Mystery Gold Mining Co.
Animas Mining Dist
San Juan Co. Colorado
Scale 1in = 200ft.

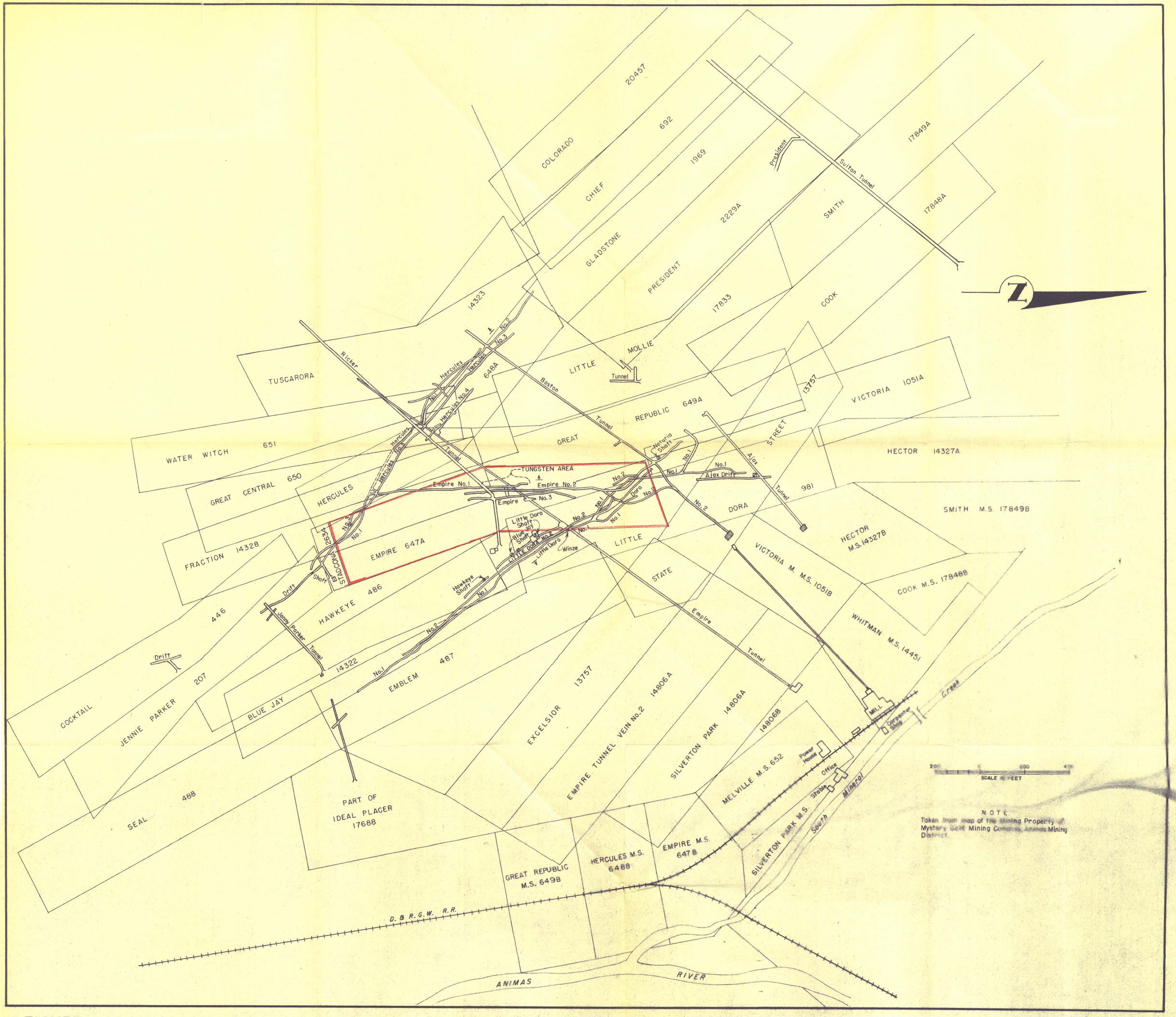


FIGURE 2 - MAP SHOWING CLAIMS AND WORKINGS OF MYSTERY GOLD MINING COMPANY, (DORA MINE), SAN JUAN COUNTY, COLO. DMEA 4138