U. S. Government Messenger Envelope

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65-104

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM	
Mrs Burch Room 2442	STOP	~~Mrs Dutton~~ ~~Rm 4436~~	STOP
~~Mr. Kirkens Int. Bldg Rm 5225~~	STOP	Harold Kirkens Rm 5225, Interior	STOP
[redacted]	STOP		STOP
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~~Director of Personnel~~	STOP		STOP
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~~Commissioner Dietzke~~	STOP		STOP
~~Mrs. Kephart Information~~	STOP		STOP
~~Accounts~~ ~~Bureau Sport Fish and~~ Wldf.	STOP		STOP
~~Mr. John Ady Acting Director Division Rm 2635~~	STOP		STOP

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AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

ANNEX I

The land referred to in Article 2 of the contract [redacted] consists of the one hundred and thirty-five (135) patented and unpatented lode mining claims listed in Annex I of the Prior Contract (see Annex II of Amended Contract) and, in addition, the following claims situated in the same area. Patent and recording data of the thirty-two (32) additional claims are as follows:

Patented Claims

Name of Claim	U.S. Patent No.
Beatrice No. 3	13873
Golden Chief 1/	12627A

1/ Spelled Golden Cliff in Prior Contract

Unpatented Claims

Dan Mac. 1 through 30 claims recorded in Book 242, pages 201 through 230, in the Gilpin County Courthouse, Central City, Colorado.

The claims are shown in green on Plate 1 (amended) entitled "Mining Property of Nye-Mathews Mining, Inc., Apex Mining Dist., Gilpin Co., Colorado.....," attached hereto and made part hereof.

The Operator is the owner of the claims.

AMENDED EXPLORATION CONTRACT
NYK METALS, INC.
OME-6231

ANNEX II

This Amended Contract amends and except as otherwise provided herein supersedes an earlier contract between the same parties, Contract 2149 (OME-6231) dated June 6, 1962, as amended, hereinafter called the "Prior Contract."

NOW THEREFORE, it is mutually agreed that:

1. Effective as of June 6, 1962, the date of the Prior Contract, it is amended and superseded by this Amended Contract in all respects except as provided herein that vouchers and claims for the Government's contribution to the work performed under the Prior Contract and payment thereof by the Government shall be as provided in the Prior Contract. The total contribution of the Government under both the Prior Contract and this Amended Contract shall be repayable under the royalty provisions of this Amended Contract.

The Operator releases and agrees to save the Government harmless from all claims and demands arising out of the Prior Contract except as otherwise provided herein.

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AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
GME-6231

EXHIBIT A

The purpose of the work under this contract is to extend the north drift on the Indiana vein, the south drift on the Indianapolis vein and raise to the surface on the Indianapolis vein. From these drifts, the main adit, and from the surface in the Oregon Hill and Mountain Chief Mine areas diamond drilling will be performed.

General Provisions

The General Provisions outlined in the Prior Contract shall be applicable to ~~the~~ this amended contract, with the following changes and additions:

Diamond drill holes shall be started standard NX core size (core 2-1/8" diameter) and may be reduced if necessary to BX core size (core 1-5/8" diameter and AX core size (core 1-1/8" diameter). The Government will not contribute to the cost of a hole that bottoms closer than 200 feet to any other hole drilled under this contract, or to a hole completed less than AX standard core size.

In addition to the sampling procedure outlined in the first paragraph of General Provisions of the Prior Contract, a representative bulk sample shall be taken of each round broken in areas showing significant molybdenum mineralization.

The Operator shall employ a Supervisor-Engineer-Geologist and an Assistant Supervisor-Engineer-Geologist [redacted]

The Operator shall [illegible]

Under Stage II and III of this contract air pipe may be reduced to 3" diameter from the 4" diameter pipe stipulated in the Prior Contract.

The bulldozer used for access roads and leveling drill sites shall be a D-8 caterpillar size or equivalent dozer of any other make. In the event a smaller size is used there will be a corresponding reduction in the allowable cost per hour.

Description of the Work

The work is divided into three stages, as follows:

Stage I

The work under Stage I is outlined in Exhibit "A" and amendments Nos. 1 and 2 of the Prior Contract and is incorporated herein by reference.

Stage II

The work under Stage II of this contract shall consist of extending the south drift on the Indianapolis vein an additional 500 feet and the north drift on the Indiana vein an additional 500 feet. With prior Government approval the alloted footage for the Indiana vein may be transferred to the south Indianapolis vein project and vice-versa. From the Indianapolis or Indiana veins 200 feet of drifting or crosscutting may be performed with prior Government approval to explore favorable structures indicated in the drifts or adjacent drill holes. Seven (7) diamond drill stations aggregating 70 feet in length shall be excavated along the Main Adit, the Indianapolis vein, and Indiana vein. On the

surface 8 drill stations in the Oregon Hill and Mountain Chief Mine areas shall be prepared at locations mutually agreed upon by the Operator and the Government. Not more than 80 hours of bulldozing for access roads and drill sites shall be allowed under this contract.

Location of Drill Holes

UNDERGROUND

Hole No.	Location Station	Project Area	Bearing Degrees	Vertical Angle	Length (Feet)
1	Sta. 1	Main Adit	N.5 W.	-45	500
2	Sta. 1	" "	S.86 E.	-20	900
3	Sta. 1	" "	S.64 E.	-40	900
4	Sta. 2	Indiana Vein	S.35 E.	-12	800
5	Sta. 4	Indianapolis Vein	N.42 W.	-20	700
6	Sta. 4	"	S.80 E	-45	400
7	Sta. 9	"	N.55 W.	-30	500
8	Sta. 9	"	S.60 W.	-30	500
9	Sta. 10	"	East	-5	400
10	Sta. 10	"	S.5 E.	-20	600
11	Sta. 11	"	West	-5	400
12	Sta. 7	Indiana Vein	S.60 E.	-30	700

SURFACE

From the prepared drill sites, 8 holes shall be diamond drilled in the Oregon Hill area to explore Nos. 3, 4, 5, and the Golden Chief veins and in the Mountain Chief area to explore the

fracture zones and veins adjacent to the Mountain Chief fault. The bearing, vertical angle, and depth of each hole shall be mutually agreed upon by the Operator and the Government.

The locations of the drifts and underground drill holes are shown colored red on Plate 2, entitled "Geologic Map, Nye Mine and Vicinity, showing proposed O.M.K. Exploration....," attached hereto and made part hereof. The locations and attitude of the drill holes as shown on Plate ~~21~~ 2 are tentative and may be changed with prior Government approval.

The structures to be explored in the Oregon Hill and Mountain Chief Mine areas are shown on Plate 1, entitled "Geological Map, Nye Metals, Inc. Property....," attached hereto and made part hereof.

STAGE III

Stage III work is dependent on results of Stage II work and each item of work is subject to prior approval by the Government.

The work will consist of not more than 600 feet of drifting and crosscutting along the south Indianapolis vein, 480 feet of timbering in the drifts and crosscuts, 350 feet of raising from the Indianapolis vein from the adit level to surface, 6,000 feet of diamond drilling from the underground openings at locations mutually agreed upon by the Operator and Government, 80 hours reaming and casing drill holes, 80 hours cementing and drilling out, 40 hours standby time, 8 months wages each for the supervisor

and assistant, 250 core boxes, and 400 assays for MO_2.

The 350-foot raise shall have two compartments and be cribbed with 4" thick lumber. Each compartment shall not be less than ~~3'~~ 4' x ~~3'~~ 4' in the clear of the crib timber.

Estimated Cost of the Work

Stage I

Work units stipulated in Prior Contract	$76,650.00

Stage II

Actual Costs

Category (1), Independent Contracts

Core Drilling (Underground)

0 to 500 foot depths	
4800 feet @ $4.15/ft NX core size	$19,920.00
$3.80/ft BX core size	
$3.60/ft AX core size	
500 to 750 foot depths	
2150 feet @ $4.05/ft BX core size	8,707.50
$3.60/ft AX core size	
750 to 1000 foot depths	
350 feet @ $4.60/ft BX core size	1,610.00
$4.40/ft AX core size	
Cementing and drilling out	
100 hours @ $8.50/hr	850.00
Reaming and casing hole	
100 hours @ $8.50/hr	850.00
Surveying hole and standby time	
50 hours @ $8.50/hr	425.00

Compressed air for drilling		
7300 feet @ $0.70/ft	$5,110.00	
Total underground drilling		$37,472.50
Core Drilling (Surface)		
Bulldozing access roads and drill sites		
80 hours @ $15.00/hr for D-8	1,200.00	
$12.00/hr for D-7 dozer		
Drilling overburden ~~and casing~~		
100 feet @ $5.70/ft	570.00	
Bedrock - 500-foot depths		
4,000 feet @ $4.60/ft NX core size	18,400.00	
@ $4.00/ft BX core size		
@ $3.60/ft AX core size		
Cementing and drilling out		
50 hours @ $8.50/hr	425.00	
Reaming and casing		
50 hours @ $8.50/hr	425.00	
Surveying hole and standby time		
25 hours @ $8.50/hr	212.50	
Total surface drilling		$21,232.50
Total Independent Contracts Stage II		$58,705.00

Category (2), Personal Services

None Except

Supervisor (Engineer-Geologist)

12 months @ $750/mth $9,000.00

Consultant

Assistant (Engineer-Geologist)

12 months @ $400/mth 4,800.00 $13,800.00

Category (3), (4), (5), and (6)

None

Category (7), Miscellaneous

None Except

Payroll Taxes and Insurance on

personal services $13,800.00 @ 15% 2,070.00

600 cardboard core boxes @ $1.00 each 600.00

500 assays for MO_2 @ $4.00/assay 2,000.00 4,670.00

Total Estimated Actual Costs Stage II $77,175.00

Fixed Unit Costs 1/

1 ~~50~~ feet crosscutting for drill stations @ $37.00/ft 1,890.00

1,000 feet drifting and crosscutting

@ $31.00/ft 31,000.00

700 feet timbering in drifts and

and crosscuts @ $7.00/ft 4,900.00

Total Estimated Fixed Unit Costs Stage II $37,790.00

Total Estimated Cost Stage II $114,965.00

Stage III

Actual Costs

Category (1), Independent Contracts

Core drilling (Underground)

0 to 500 foot depths

3000 feet @ $4.15/ft NX core size	$12,450.00	
$3.80/ft BX core size		
$3.60/ft AX core size		
500 to 750 foot depths		
1500 feet @ $4.05/ft BX core size	6,075.00	
$3.60/ft AX core size		
750 to 1000 foot depths		
1500 feet @ $4.60/ft BX core size	6,900.00	
$4.40/ft AX core size		
Cementing and drilling out		
80 hours @ $8.50/hr	680.00	
Reaming and casing hole		
80 hours @ $8.50/hr	680.00	
Surveying hole and standby time		
40 hours @ $8.50/hr	340.00	
Compressed air for drilling		
6000 feet @ $0.70/ft	4,200.00	
Total Independent Contracts Stage III		$31,325.00

Category (2), Personal Services

None Except

Supervisor (Engineer-Geologist)		
8 months @ $750.00/mth	$ 6,000.00	
Assistant (Engineer-Geologist)		
8 months @ $400.00/mth	3,200.00	9,200.00

Category (3), (4), (5), and (6)

None

Category (7), Miscellaneous

None Except

Payroll Taxes and Insurance on personal services $9,200.00 @ 15%	1,380.00	
250 cardboard core boxes @ $1.00 each	250.00	
400 assays for MO_2 @ $4.00/assay	1,600.00	3,230.00
Total Estimated Actual Costs Stage III		$43,755.00

Fixed Unit Costs[1/]

120 feet crosscutting for drill stations @ $27.00/ft	2,160.00	
600 feet drifting and crosscutting @ $31.00/ft	18,600.00	
350 feet raising @ $65.00/ft	22,750.00	
Total Estimated Fixed Unit Costs Stage III		$43,510.00
Total Estimated Cost Stage III		$87,265.00

SUMMARY

Total Estimated Cost Stage I	$ 76,650.00
" " " Stage II	$ 114,965.00
" " " Stage III	$ 87,265.00
Total Estimated Cost of Project	$ 278,880.00
Government Participation @ 50%	$ 139,440.00

1/ Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except the salaries, taxes, and insurance for the supervisor and assistant, the cost of care homes, and the cost of assays for MO_2.

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new 2nd stage

Car samples

Location of Work

Underground Drilling

from Plate 2. map

Location	Angle	Bearing	Length (feet)	
(1) sta 4' (5)	-20	N 42 W	700	(on Indianapolis) North of pit
(2) sta. 2' (4)	-12	S 45° E	800	(on Indiana) South of pit
(3) sta 1' (1)	-45°	N 5° W	500	(on Indianapolis)
(4) sta 1 (2)	-20	S 86 E	900	(" " ")
(5) sta 1 (3)	-40	S 64 E	900	(" " ")
(6) sta 4 (6)	-45°	S 80 E	400	(on Indianapolis) North of pit
(7) sta 9' (7)	-30	N 55 W	500	(on Indianapolis)
(8) sta. 9 (8)	-30	S 60 W	500	"
(9) sta. 10' (9)	-5°	East	400	"
(10) sta 10 (10)	-20	S 5 E	600	"
(11) sta 11' (11)	-5°	West	400	
(12) sta 7 (12)	-30	S 60 E	700	(on Indiana vein)

Total 7300' Underground

surface Drilling - Bullsbury

✓ 4 holes in Oregon Hill area to explore No 3, No. 4, & No 5, and Golden Chief veins 2000'

✓ 4 holes in Mountain Chief Mine area, 2000'

Total 4000' - surface drilling.

Drifting south on Indianapolis	500'	
X cuts, " "	200'	1070'
Drifting north on Indiana	300'	
7 Underground drill stations	70'	

(over

~~4~~ 3rd Stage..

500 feet draft on Tuchongoba

100 " X cuts

350 feet 8 inch

6000' feet diamond drilling[1]

[1] may want to drill long holes to south

Nye Metals OME-6231

Stage II **Costs**

depth **Underground drilling - 12 holes**

0-400'	4800' @	$5.25/ft	$25,200.00
401-750'	2150' @	$5.55/ft	11,932.50
751-1000'	350' @	$6.00/ft	2,100.00
	7300		
	Cementing & drilling out		
	80' @	$8.50/ft	680.00 $39,912.50

Surface drilling 8 holes

	Bulldozing 80 hours @	$15.00/hr	1,200.00
depth	100' (alluvium) @	6.70/ft	670.00
0-400	3200'	@ $5.60/ft	17920.00
400-500	800'	@ 5.85/ft	4680.00
	4100		
	40' cement & drill out @	$8.50/ft	340.00 24,810.00

70' excavations for 2 drill stations

@ $30.00/ft 2,100.00

1000 feet drifts and xcuts

@ $34.00/ft 34,000.00

700 feet timbering

@ $8.00/ft 5,600.00

500 assays for MO_2 2,000.00

Estimated total stage II $108,432.50

Write Long Form Core Boxes

20/11 40%
570

OME-6231

~~Stage~~ Stage III

350
2800

500' drifts and cuts @ $34.00/ft.		$20,400.00
400' timbering @ $8.00/ft.		3,200.00
350' raising @ $65.00/ft.		22,750.00
D.D. stations		
Diamond drilling (underground 8 holes)		
Depth 0 - 400' 3200' @ $5.25/ft.	$16,800.00	
" 400'-750 2800' @ $5.55/ft.	15,540.00	
6000		
60 foot roaming casing @ $8.50/ft	510.00	32,850.00
400 assays for MO_2 @ $4.00		800.00
Estimated Total Stage III		$80,000.00

Summary

Original Contract - Stage I	$76,650.00
~~[illegible]~~ Stage II	108,422.50
~~[illegible]~~ Stage III	80,000.00
Total Estimated cost of contract	$265,072.50
Part Part	$132,036.25

Total New money $188,422.50

Incl and B. U. leying
Ln Bay

Reg III

Questions for Conners

1) Arlington 19,595 ~~[illegible]~~ in new proposal / ~~not~~ is listed in contract ~~[illegible]~~

2) Only 2 drill bids submitted, need one more about ½ (Stage (16,000)) – 2 stage

3) Time limit for Stage II & III 2 years only.

✓ What other [illegible] Mining in

✓ Bulk sampling – Should provide

✓ chalcocite and pyrite – No – some on

Water in mine available for N.D. + yes

Lowest bid 60% for mine – How get in mine –

[illegible] or company [illegible]. [illegible]

✓ [illegible] in? – Company may provide

✓ Field Examination – No necessary

Drill at Ballaghaderreen – yes

Phone [illegible] – (Jan meeting)

20 years

MME Form 50
Feb. 1959

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME - 6231	Molybdenum	14-23-090- 2149 (Amended)	Gilpin	Colorado

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Nye Metals, Inc., an Indiana corporation, whose mailing address is Room 711, Merchants Bank Building, Indianapolis, Indiana, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before June 25, 1962 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 40 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

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

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

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

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

None

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

None

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

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

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

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

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

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

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

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

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

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

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

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

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

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

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

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

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

CATEGORY (2)--PERSONAL SERVICES.

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

Subcategory (b)--Labor.

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

CATEGORY (4)--OPERATING EQUIPMENT.

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

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

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

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

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

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

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

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

(b) Nonallowable costs.--The Government will not contribute to the following costs:

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

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

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

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

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

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

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

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

See Paragraph 16

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

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

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

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

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, 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) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

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

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

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

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

ARTICLE 16. Changes and added provisions.--

(a) In Article 7(b)(2) of the contract substitute the period "twenty years" for the period "ten years"

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____

By _____

Title _____

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

_____ secretary of the corporation named as Operator herein; that

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

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

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

_____

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52370

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

ANNEX I

The land referred to in Article 2 of the contract form consists of the one hundred and thirty five (135) patented and unpatented lode mining claims listed in Annex I of the Prior Contract (see Annex II of Amended Contract) and, in addition, the following claims situated in the same area. ~~With the exception of the~~ Patent and recording data of the thirty two (32) additional claims are as follows:

Patented Claims

Name of Claim	U.S. Patent No.
Beatrice No. 3	13873
Golden Chief[1]	12627A

[1] spelled Golden Cliff in Prior Contract

Unpatented Claims

Dan Nos. 1 through 30 claims recorded in Book 242, pages 201 through 230. in the Gilpin County Courthouse, Central City, Colorado.

The claims are shown in green on Plate 1 (amended) entitled, "Mining Property of Nye-Mathews Mining Inc., Apex Mining Dist., Gilpin Co., Colorado....," attached hereto and made part hereof.

The Operator is the owner of the claims.

B

(1)

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.

OME-6231

ANNEX II

This Amended Contract amends and except as otherwise provided herein supersedes an earlier contract between the same parties, Contract 2149 (OME-6231) dated June 6, 1962, as amended, hereinafter called the "Prior Contract"

NOW THEREFORE, it is mutually agreed that:

1. Effective as of June 6, 1962, the date of the Prior Contract, it is amended and superseded by this Amended Contract in all respects except that vouchers and claims for the Government's contribution to the work performed under the Prior Contract and payment thereof by the Government shall be as provided in the Prior Contract. The total contribution of the Government under both the Prior Contract and this Amended Contract shall be repayable under the royalty provisions of this Amended Contract.

The Operator releases and agrees to save the Government harmless from all claims and demands arising out of the Prior Contract except as otherwise provided herein.

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.

OME-6231

EXHIBIT A

The purpose of the work under this contract is to extend the north drift on the Indiana vein, the south drift on the Indianapolis vein and raise to the surface on the Indianapolis vein. From these drifts, the main adit, and from the surface in the Oregon Hill and Mountain Chief Mine areas diamond drilling will be performed.

General Provisions

The General Provisions outlined in the Prior Contract shall be applicable to the contract, with the following changes and additions:

Diamond drill holes shall be started, standard NX core size (core 2 1/8" diameter) and may be reduced if necessary to BX core size (core 1 5/8" diameter) and AX core size (core 1 1/8" diameter). The Government will not contribute to

Ex "A" (2)

the cost of a hole ~~[illegible]~~ that bottoms closer than 200 feet to any other hole drilled under this contract, or to a hole completed less than 8X standard pore area.

In addition to the sampling procedures outlined in the first paragraph of General Provisions of the Prior Contract, a representative bulk sample shall be taken of each pound broken in areas showing significant molybdenum mineralization. The Operator shall employ a Supervisor Engineer-Geologist and an Assistant Supervisor Engineer-Geologist full time.

Under stage II and III of this contract air pipe may be reduced to 3" diameter from the 4" diameter pipe stipulated in the Prior Contract.

The bulldozer used for access roads and leveling drill sites shall be ~~[illegible]~~ a D-8 caterpillar size or equivalent dozer of any other make. In the event a smaller size is used there will be a corresponding reduction in the [illegible] cost per foot

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

Description of the Work

The work is divided into three stages, as follows:

Stage I

The work under Stage I is outlined in Exhibit "A" and Amendments Nos. 1 and 2 of the Prior Contract and is incorporated herein by reference.

Stage II

The work under Stage II of this contract shall consist of extending the south drift on the Indianapolis vein an additional 500 feet and the north drift on the Indiana vein and additional 500 feet. With prior Government approval the allotted footage for the Indiana vein may be transferred to the south Indianapolis vein and visa-versa. From the Indianapolis or Indiana veins 200 feet of drifting or crosscutting may be performed with prior Government approval to explore favorable

structures indicated in the drifts or adjacent drill holes. Seven(7) diamond drill stations aggregating 90 feet in length shall be excavated along the Main Adit, the Indianapolis vein, and Indiana Vein. On the surface 8 drill stations in the Oregon Hill and Mountain Chief Mine areas shall be prepared at locations mutually agreed upon by the Operator and the Government. Not more than 80 hours of bulldozing for access roads and drill sites shall be allowed under this contract.

Location of Drill Holes

UNDER GROUND

Hole No	Location Station	Project Area	Bearing degrees	Vertical Angle	Length (Feet)
1	Sta. 1	Main Adit	N. 5° W.	-45°	500
2	Sta. 1	" "	S. 86 E.	-20	900
3	Sta. 1	" "	S. 64 E.	-40	900
4	Sta. 2	Indiana Vein	S. 35° E.	-12	800
5	Sta. 4	Indianapolis Vein	N. 42 W.	-20	700
6	Sta. 4	"	S. 80 E	-40°	400
7	Sta. 9	"	N. 55° W.	-30	500
8	Sta. 9	"	S. 60 W.	-30	500
9	Sta. 10	"	East	-5°	400

Hole					
10	Sta. 10	Indiana Vein	S. 55 E.	-20	600
11	Sta. 11	" "	West	-5°	400
12	Sta 7	Indiana Vein	S. 60 E.	-30	700

SURFACE

From the prepared drill sites holes shall be diamond drilled in the Oregon Hill area to explore Nos. 3, 4, 5 and the Golden Chief veins and in the Mountain Chief Area to explore the fracture zones and veins adjacent to the Mountain Chief fault. The bearing, vertical angle, and depth of each hole shall be mutually agreed upon by the Operator and the Government.

[illegible] than [illegible] feet of underground and [illegible] feet of diamond core drilling from the surface shall be performed under the supervision of the contract. [illegible] shall be [illegible] contract [illegible]. The locations of the drifts and underground drill holes are shown on colored red Plate 2, entitled "Geologic Map,

Nye Mine and Vicinity, showing proposed O.M.E. Exploration....", attached hereto and made part hereof. The locations of the drill holes and attitude as shown on Plate II are tentative and may be changed with prior government approval.

The structures to be explored in the Oregon Hill and Mountain Chief Mine areas are shown on Plate I entitled "Geological Map, Nye Metals, Inc. Property...", attached hereto and made part hereof.

STAGE III

Stage III work is dependent on results of Stage II work and each item of work is subject to prior approval by the government.

The work will consist of not more than 1500 feet of drifting and crosscutting along the south Indianapolis vein, 400 feet of timbering in the drifts and crosscuts, 350 feet of raising from the Indianapolis vein from the adit level to surface, 6000 feet of diamond drilling from

Revised

description of work

the underground openings at locations mutually agreed upon by the Operator and Government, 80 hours reaming and casing drill holes, 80 hours cementing and drilling out, 40 hours standby time, 8 manhole covers each for the steam house and warehouse, 250 core boxes, and 400 assays for MnO_2.

V The 350 foot raise shall have two compartments and be cribbed with 4" thick lumber. Each compartment shall not be less than 3' x 3' in the clear of the crib timber.

Estimated Cost of the Work

Stage I

Work units stipulated in Prior Contract $76,650.00

Stage II

Actual Costs

Category (a), Independent Contracts

Core Drilling - (Underground)

0 to 500 foot depths

4800 feet @ $4.15/ft NX core size $19,920.00

$3.80/ft BX core size

$3.60/ft AX core size

500 to 750 foot depths

2150 feet @ $4.05/ft BX core size 8,707.50

$3.60/ft AX core size

750 to 1000 foot depths

350 feet @ $4.60/ft BX core size 1,610.00

$4.40/ft AX core size

Cementing and drilling out.

100 hours @ $8.50/hr 850.00

Reaming and casing hole.

100 hours @ $8.50/hr 850.00

Surveying hole and standby time

50 hours @ $8.50/hr. 425.00

Compressor air for drilling
7300 feet @ $0.70/ft $5110.00
Total Underground drilling $37,472.50

Core Drilling - (Surface)

Building access roads and drillsites
80 hours @ $15.00/hr for D-8 $1200.00
$12.00/hr for D-7 dozer

Drilling overburden and casing
100 feet @ $5.70/ft. 570.00

Bedrock - 500 foot depths
4000 feet @ $4.60/ft NX coring 18400.00
@ $4.00/ft BX coring
@ $3.60/ft AX core size

Cementing and drilling out
50 hours @ $8.50/hr 425.00

Reaming and casing
50 hours @ $8.50/hr 425.00

Surveying hole and straddling
25 hours @ $8.50/hr 212.50
Total surface drilling $21,232.50
Total Independent Contracts $58,705.00
stage II

Category (2) Personal Services
None except
Supervisor (Engineer-Geologist)
12 months @ $750/mth $9000.00
Assistant (Engineer-Geologist
12 months @ $400/mth 4800.00 $13,800.00

Category (3), (4), (5), and (6)
None

Category (7) Miscellaneous
None except

Payroll taxes and Insurance on
personal services $13,800.00 @ 15% $2070.00
600 cardboard core boxes @ $1.00 each 600.00
500 assays for MO_2 @ $4.00/assay 2000.00 4,670.00
Total Estimated Actual costs Stage III $77,175.00
Fixed Unit Costs
70 feet crosscutting for 7
drill stations @ $27.00/ft $1890.00
1000 feet drifting and crosscutting
@ $31.00/ft 31,000.00
900 feet timbering in drifts
and crosscuts @ $7.00/ft 4900.00
Total Estimated Fixed Unit Costs Stage II $37,790.00
Total Estimated Cost Stage II $114,965.00

type at end pg (11)

(1) Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except the salaries, taxes and insurance for the supervisor and assistant, the cost of core boxes, and the cost of assays for MO_2.

Stage III

Actual Costs

Category (1), Independent Contracts

Core drilling (Underground)

0 - 500 foot depths

3000 feet @ $4.15/ft NX core size $12,450.00

$3.80/ft BX " "

$3.60/ft AX " "

500 - 750 foot depths

1500 feet @ $4.05/ft BX core size 6,075.00

$3.60/ft AX " "

750 - 1000 foot depths

1500 feet @ $4.60/ft BX core size 6,900.00

$4.40/ft AX " "

Cementing and drilling out

80 hours @ $8.50/hr 680.00

Reaming and casing hole
40 hours @ $8.50/hr 680.00
Surveying hole and standby time
40 hours @ $8.50/hr. 340.00
Compressed air for drilling
6000 feet @ $0.70/ft 4200.00
Total independent Contracts Stage III $31,325.00

Category (2) Personal Services
None except

Supervisor (Engineer-Geologist)
8 months @ $750.00/mth $6000.00
Assistant (Engineer-Geologist)
8 months @ $400.00/mth 3200.00 9,200.00

Category (3), (4), (5), and (6)
None

Category (7) Miscellaneous
None except

Payroll Taxes and insurance on
personal services $9,200.00 @ 15% $1380.00
250 cardboard core boxes @ $1.00 each 250.00
400 assays for MO_2 @ $4.00/assay 1600.00 3230.00
Total Estimated Actual Costs Stage III $43,755.00
Fixed Unit Costs 1/

Fixed Unit Costs ✓

80 feet crosscutting for drill stations @ $27.00/ft. $2160.00

600 feet drifting and crosscutting @ $31.00/ft 18600.00

350 feet raising @ $65.00/ft 22,750.00

Total Estimated Fixed Unit Costs Stage III $43,510.00

Total Estimated Cost Stage III $87,265.00

SUMMARY

Total Estimated Cost Stage I $76,650.00

" " " Stage II 114,965.00

" " " Stage III 87,265.00

Total Estimated Cost of Project $278,880.00

Government Participation @ 50% $139,440.00

✓ Insert from pg. (9) here

Docket

MME Form 50
Feb. 1959

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

EXPLORATION CONTRACT
(Long Form)

Docket No.	Commodity	Contract No.	County	State
OME-6231	Molybdenum	14-23-090- 2149 Amended	Gilpin	Colorado

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

Nye Metals, Inc., an Indiana corporation

_____,

whose mailing address is Room 711, Merchants Bank Building, Indianapolis, Indiana, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before June 25, 1962 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 40 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $288,510. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $144,255 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

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

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

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

None

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

None

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

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

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

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

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

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

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

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

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

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

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

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

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

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

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

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

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

CATEGORY (2)--PERSONAL SERVICES.

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

Subcategory (b)--Labor.

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

CATEGORY (4)--OPERATING EQUIPMENT.

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

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

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

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

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

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

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

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

(b) Nonallowable costs.--The Government will not contribute to the following costs:

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

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

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

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

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

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

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

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

See Article 16

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

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

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

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

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, 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) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

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

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

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

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

ARTICLE 16. Changes and added provisions.--

(a) In Article 7(b)(2) of the contract, substitute the period "twenty years" for the period "ten years."

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Nye Metals, Inc.
(Operator)

By _____

Title _____

By _____
Director, Office of Minerals Exploration

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

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52374

DRAFT FMMurphy/mm
1/14/62

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

ANNEX I

The land referred to in Article 2 of the contract consists of the one hundred and thirty-five (135) patented and unpatented lode mining claims listed in Annex I of the Prior Contract (see Annex II of Amended Contract) and, in addition, the following claims situated in the same area. Patent and recording data of the thirty-one (31) additional claims are as follows:

Patented Claims

Name of Claim	U. S. Patent No.
Beatrice No. 3	13873

Unpatented Claims

Dan Nos. 1 through 30 claims recorded in Book 242, pages 201 through 230, in the Gilpin County Courthouse, Central City, Colorado.

The claims are outlined in green on Plate 1 (amended) entitled "Mining Property of Nye-Mathews Mining, Inc., Apex Mining Dist., Gilpin Co., Colorado .....," attached hereto and made part hereof.

The Operator is the owner of the claims.

NOTE: The Golden Chief claim, U. S. Patent No. 12627A is spelled Golden Cliff in Prior Contract.

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

ANNEX II

This Amended Contract amends and except as otherwise provided herein supersedes an earlier contract between the same parties, Contract 2149 (OME-6231) dated June 6, 1962, as amended, hereinafter called the "Prior Contract."

NOW THEREFORE, it is mutually agreed that:

1. Effective as of June 6, 1962, the date of the Prior Contract, it is amended and superseded by this Amended Contract in all respects except as otherwise provided for and that vouchers and claims for the Government's contribution to the work performed under the Prior Contract and payment thereof by the Government shall be as provided in the Prior Contract. The total contribution of the Government under both the Prior Contract and this Amended Contract shall be repayable under the royalty provisions of this Amended Contract.

The Operator releases and agrees to save the Government harmless from all claims and demands arising out of the Prior Contract except as otherwise provided herein.

Paragraph (1) of Article 6, as added by Article 14, and section 4 of Amendment No. 1 of the Prior Contract shall remain effective under this Amended Contract.

AMENDED EXPLORATION CONTRACT
NYE METALS, INC.
OME-6231

EXHIBIT A

The purpose of this project is to explore for molybdenum-bearing ore bodies by drifting from the Main Tunnel of the Nye Molybdenum Mine along the Indiana and Indianapolis vein systems, crosscutting from the drifts, and raising from the south Indianapolis drift to the surface. From the drifts, crosscuts, main adit, and from the surface in the Oregon Hill and Mountain Chief mine areas, diamond drilling will be performed.

The work shall be divided into three stages. The Operator shall perform all of Stage I and Stage II work and as much of Stage III work as is approved in advance by the Government.

General Provisions

The General Provisions outlined in the Prior Contract shall be applicable to Stage II and Stage III work under this Amended Contract, with the following changes and additions:

All drifts, crosscuts, and drill stations shall not be less than 6' x 7' in cross section in the clear of timber and shall be timbered as necessary using standard drift sets of not less than 8" x 8" timber, or equivalent round timber. The drill stations may each be cut to a depth of 15 feet from the wall of the drift, or for inclined holes an equivalent vertical depth to allow room for inserting and pulling the drill rods.

Mine rails shall be of not less than 30-pound size, air lines not less than 3 inches in diameter, and water lines not less than 1 inch in diameter. The drifts shall be ventilated, using not less than 12-inch diameter vent pipe.

Diamond drill holes shall be started standard NX core size (core 2-1/8" diameter) and may be reduced to finish a hole, if necessary, to BX core size (core 1-5/8" diameter) and AX core size (core 1-1/8" diameter). The Government will not contribute to the cost of a hole that bottoms closer than 200 feet to any other hole drilled under Stage II or Stage III of this contract, or to a hole completed less than AX standard core size.

In addition to the sampling procedure outlined in the first paragraph of General Provisions of the Prior Contract, a representative bulk sample shall be taken of each round broken in areas showing significant molybdenum mineralization.

The bulldozer used for access roads and leveling drill sites shall be either a D-7 or D-8, or an equivalent dozer of any other make.

Description of the Work

Stage I

The work under Stage I is outlined in Exhibit "A" and Amendments Nos. 1 and 2 of the Prior Contract and is incorporated herein by reference.

Stage II

The work under Stage II of this amended contract shall consist of extending the south drift on the Indianapolis vein an

additional 500 feet and the north drift on the Indiana vein an additional 500 feet. With prior Government approval the alloted footage for exploring either vein may be transferred to the other. Also, an aggregate of not more than 200 feet of drifting or crosscutting from the vein drifts may be performed to explore favorable structures indicated in the drifts or adjacent drill holes. The Government will contribute to the cost of not more than 1,000 feet of drifting on the Indianapolis and Indiana veins and 700 feet of timbering of the drifts and crosscuts under Stage II.

Seven (7) diamond drill stations aggregating not more than 105 feet in length shall be excavated along the Main Adit, the Indianapolis vein, or Indiana vein. On the surface access roads and 8 drill stations in the Oregon Hill and Mountain Chief Mine areas shall be prepared at locations mutually agreed upon by the Operator and the Government. Not more than 80 hours of bulldozing for access roads and drill sites shall be allowed under this contract.

From these stations, approximately 12 holes aggregating not more than 7,500 feet shall be drilled.

Approximate Locations and Attitudes of Drill Holes:

Type this Rpt at place marked Insert on page 4.

UNDERGROUND

Hole No.	Location Station	Project Area	Bearing Degrees	Vertical Angle	Length (Feet)
1	Sta. 1	Main Adit	N.5 W.	-45	500
2	Sta. 1	" "	S.86 E.	-20	900
3	Sta. 1	" "	S.64 E.	-40	900
4	Sta. 2	Indiana Vein	S.35 E.	-12	800
5	Sta. 4	Indianapolis Vein	N.42W.	-20	700

Hole No.	Location Station	Project Area	Bearing Degrees	Vertical Angle	Length (Feet)
6	Sta. 4	Indianapolis Vein	S.80 E.	-45	400
7	Sta. 9	"	N.55 W.	-30	500
8	Sta. 9	"	S.60 W.	-30	500
9	Sta.10	"	East	-5	400
10	Sta.10	"	S.5 E.	-20	600
11	Sta.11	"	West	-5	400
12	Sta. 7	Indiana Vein	S.60 E.	-30	700

Insert from page 3.

SURFACE

From the prepared drill sites, 8 holes aggregating not more than 4,200 feet shall be diamond drilled in the Oregon Hill area to explore Nos. 3, 4, 5, and the Golden Chief veins and in the Mountain Chief area to explore the fracture zones and veins adjacent to the Mountain Chief fault. The bearing, vertical angle, and depth of each hole shall be mutually agreed upon by the Operator and the Government.

The locations of the drifts and underground drill holes are shown colored red on Plate 2, entitled "Geologic Map, Nye Mine and Vicinity, showing proposed O.M.E. Exploration.....," attached hereto and made part hereof. The locations and attitude of the drill holes as shown on Plate 2 are approximate and may be changed with prior Government approval.

The structures to be explored in the Oregon Hill and the Mountain Chief mine areas are shown on Plate 1, entitled "Geological Map, Nye Metals, Inc. Property....," attached hereto and made part hereof.

Stage III

The work shall consist of not more than 600 feet of drifting and crosscutting along the south Indianapolis vein, 400 feet of timbering in the drifts and crosscuts, 350 feet of raising on the Indianapolis vein from the adit level to the surface, 120 feet of crosscutting for drill stations, and 6,000 feet of diamond drilling from the underground openings at locations mutually agreed upon by the Operator and Government.

The 350-foot raise shall have two compartments, consisting of a combination manway and timberslide and a chute for the muck. The raise shall be cribbed with 4' thick lumber and each compartment shall not be less than 4' x 4' in the clear of the crib timber.

Estimated Cost of the Work

Stage I

Work units stipulated in Prior Contract $76,650.00

Stage II

Actual Costs

Category (1). Independent Contracts

Core Drilling (Underground)

0 to 500 foot depths

4800 feet @ $4.15/ft NX core size $19,920.00

$3.80/ft BX core size

$3.60/ft AX core size

500 to 750 foot depths

2150 feet @ $4.40/ft NX core size	9,460.00	
$4.05/ft BX core size		
$3.80/ft AX core size		
750 to 1000 foot depths		
350 feet @ $4.95/ft NX core size	1,732.50	
$4.60/ft BX core size		
$4.40/ft AX core size		
Cementing and drilling out and/or reaming and casing hole		
200 hours @ $8.50/hr	1,700.00	
Surveying hole and standby time		
50 hours @ $8.50/hr	425.00	
Compressed air for drilling		
7300 feet @ $0.70/ft	5,110.00	
Total underground drilling		$38,347.50

Core Drilling (Surface)

Bulldozing access roads and drill sites		
80 hours @ $15.00/hr for D-8	1,200.00	
$12.00/hr for D-7 dozer		
Drilling overburden cased		
200 feet @ $5.70/ft	1,140.00	

Bedrock 500-foot depths		
4000 feet @ $4.60/ft NX core size	18,400.00	
@ $4.00/ft BX core size' @ $3.60/ft HX core size		
Cementing and drilling out and/or reaming and casing		
100 hours @ $8.50/hr	850.00	
Surveying hole and standby time		
25 hours @ $8.50/hr	212.50	
Total surface drilling		$21,802.50
Total Independent Contracts Stage II		$60,150.00
Category (2), Personal Services		
Supervision and technical services		
12 months @ $750/mth	9,000.00	
Outside Consulting Engineer-Geologist		
1 day per week, 52 days @ $50/day	2,600.00	11,600.00
Category (7), Miscellaneous		
None Except		
Payroll Taxes and Insurance on supervision and technical services		
$9,000.00 @ 15%	1,350.00	
600 cardboard core boxes @ $1.00 each	600.00	
500 assays for MO_2 @ $4.00/assay	2,000.00	3,950.00
Total Estimated Actual Costs Stage II		$75,700.00

Fixed Unit Costs[1/]

105 feet crosscutting for drill stations @ $27.00/ft 2,835.00

1200 feet drifting and crosscutting @ $31.00/ft 37,200.00

700 feet timbering in drifts and crosscuts @ $7.00/ft 4,900.00

Incidental allowance[2/] for each foot of drilling on surface
~~4100~~ 4200 feet @ $0.30/ft ~~1,230.00~~ 1260.00

Total Estimated Fixed Unit Costs Stage II ~~$[illegible]~~ $46,195.00

Total Estimated Cost Stage II ~~$[illegible]~~ $121,895.00

Stage III

Actual Costs

Category (1), Independent Contracts

Core drilling (Underground)

0 to 500 foot depths

3000 feet @ $4.15/ft NX core size 12,450.00

$3.80/ft BX core size

$3.60/ft AX core size

500 to 750 foot depths

1500 feet @ $4.30/ft NX core size 6,450.00

$4.05/ft BX core size

$3.80/ft AX core size

750 to 1000 foot depths

1500 feet @ $4.95/ft NX core size 7,425.00

$4.60/ft BX core size

$4.40/ft AX core size

Cementing and drilling out and/or reaming and casing hole

160 hours @ $8.50/hr 1,360.00

Surveying hole and standby time

40 hours @ $8.50/hr 340.00

Compressed air for drilling

6000 feet @ $0.70/ft 4,200.00

Total Independent Contracts Stage III $32,225.00

Category (2), Personal Services

None Except

Supervision and technical services

8 months @ $750/mth 6,000.00

Outside Consulting Engineer-Geologist

1 day per week, 32 days @ $50/day 1,600.00 7,600.00

Category (7), Miscellaneous

None Except

Payroll Taxes and Insurance on supervision and technical services

$6,000.00 @ 15% 900.00

250 cardboard core boxes @ $1.00 each 250.00

400 assays for MO_2 @ $4.00/assay 1,600.00 2,750.00

Total Estimated Actual Costs Stage III		$42,575.00
Fixed Unit Costs[1/]		
120 feet crosscutting for drill stations @ $27/ft	3,240.00	
600 feet drifting and crosscutting @ $31/ft	18,600.00	
400 feet timbering in drifts and crosscuts @ $7/ft	2,800.00	
350 feet raising @ $65.00/ft	22,750.00	
Total Estimated Fixed Unit Costs Stage III		$47,390.00
Total Estimated Cost Stage III		$89,965.00

SUMMARY

Total Estimated Cost Stage I	$76,650.00
" " " Stage II	$ 121,895.00 ~~$122,065.00~~
" " " Stage III	$89,965.00
Total Estimated Cost of Project	$ 288,510.00 ~~$288,480.00~~
Government Participation @ 50%	$ 144,255.00 ~~$144,240.00~~

1/ Includes all costs whatever that would otherwise be allowable under categories (2) through (7) except the salaries, taxes, and insurance for supervision and technical services, consultant fees, boxes, and assays for MO_2.

2/ Includes all costs of surface drilling not included under Stage II categories (1) through (7).

Microfilmed original in company file.

Building 20 - Federal Center
Denver 25, Colorado

January 28, 1963

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: OME-6231 (Molybdenum)
Contract 2149
Nye Metals, Inc.
(Nye Molybdenum Mine)
Gilpin County, Colorado
GEOCHEM ANALYSES

Under separate cover I am forwarding you Geochem Analyses of the subject property which were made by the Bear Creek Mining Company at no cost to the Operator.

The Analyses consists of the following:

1. Ppm Mo In Soil
2. Ppm Mo In Rock
3. Silicifiestion
4. Ppm Cu In Soil
5. Ppm Cu In Rock
6. Surface Geology
7. Pit Locations
8. Weak Argillic Alteration
9. Sample Types
10. Sample Numbers
11. Ppm Zn In Soil
12. Ppm Zn In Rock
13. MoS_2 On Surface And Dumps
14. Iron Staining
15. Weak Pyritic Alteration

Original signed by

Hugh M. Connors

U. S. Government Messenger Envelope

Standard Form No. 65 Rev. (1957)
Promulgated by Bureau of the Budget Circular A-33 (Rev.)

65-104

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~~Howell Terry~~ ~~Rm. 6254~~	STOP		STOP
~~Mrs. Margie Kleske~~ ~~Room 6077~~	STOP		STOP
Personnel Officer ~~Office of the Secretary~~ ~~Room 4228 Int.~~	STOP		STOP
~~[illegible]~~ for	STOP		STOP
~~Mr. [illegible]~~ ~~Room 7022~~	STOP		STOP
O. M. E. ~~Room 4450~~	STOP		STOP
Mr Murphy 500	STOP		STOP
	STOP		STOP
	STOP		STOP
	STOP		STOP

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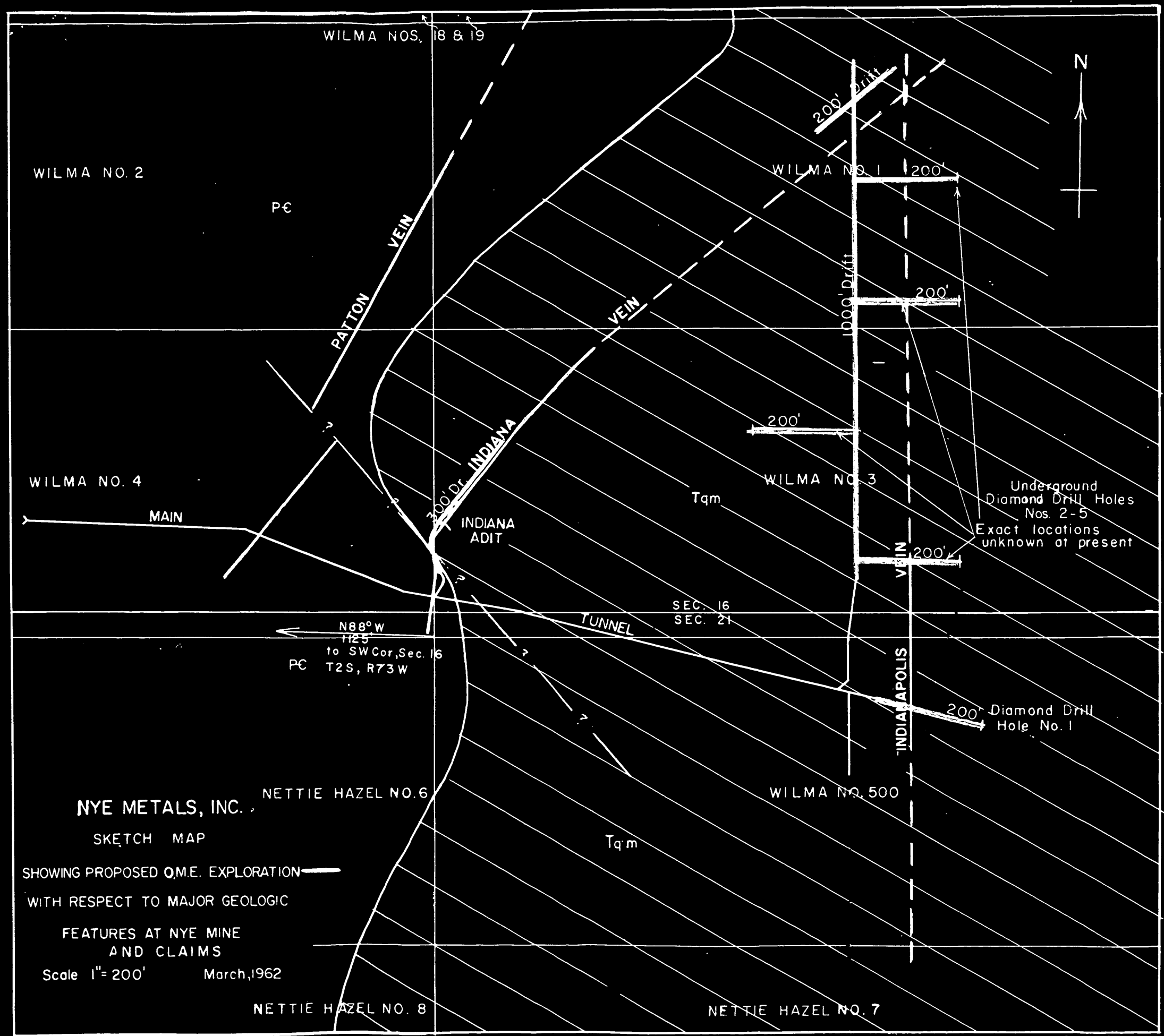
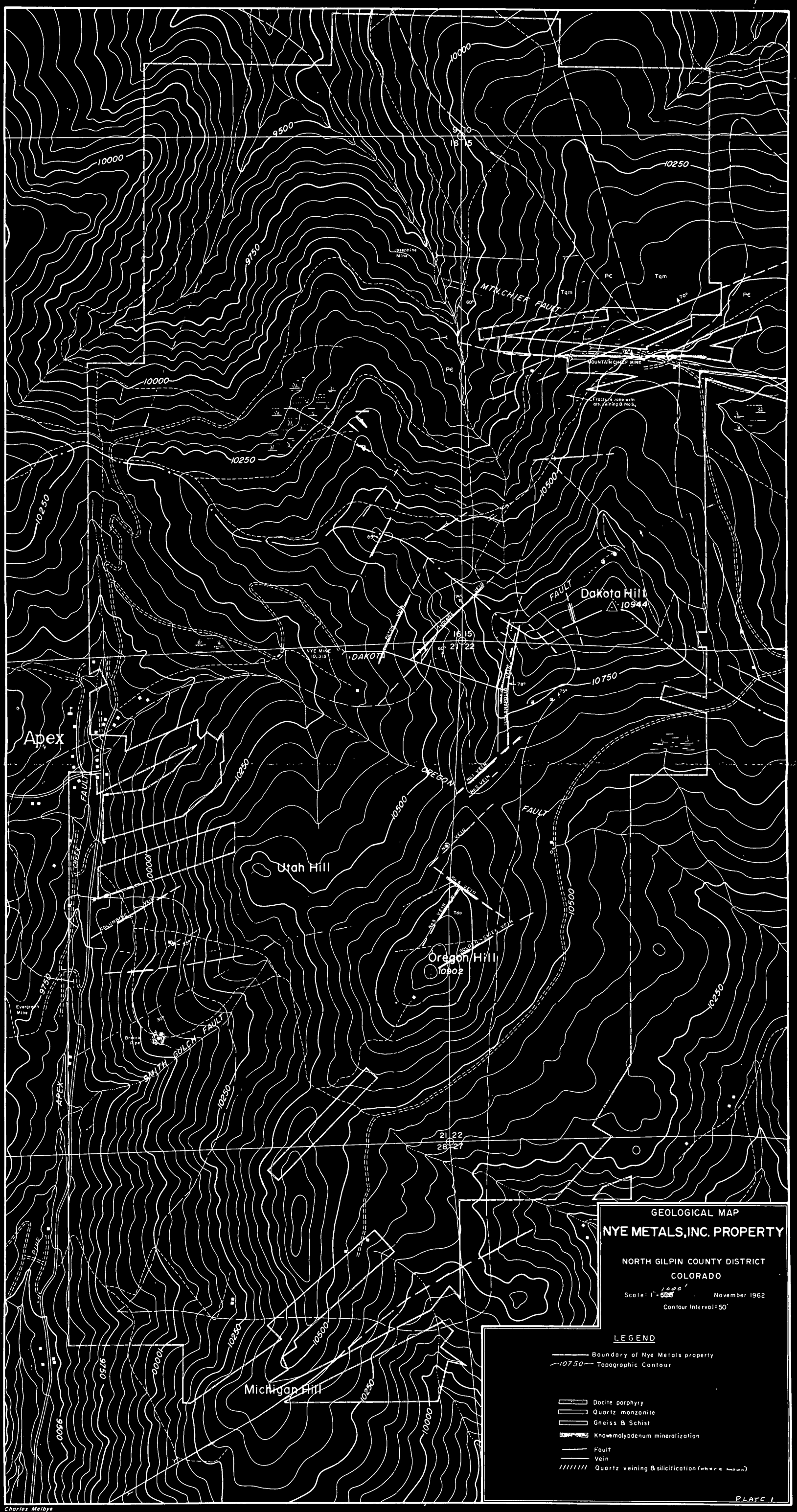
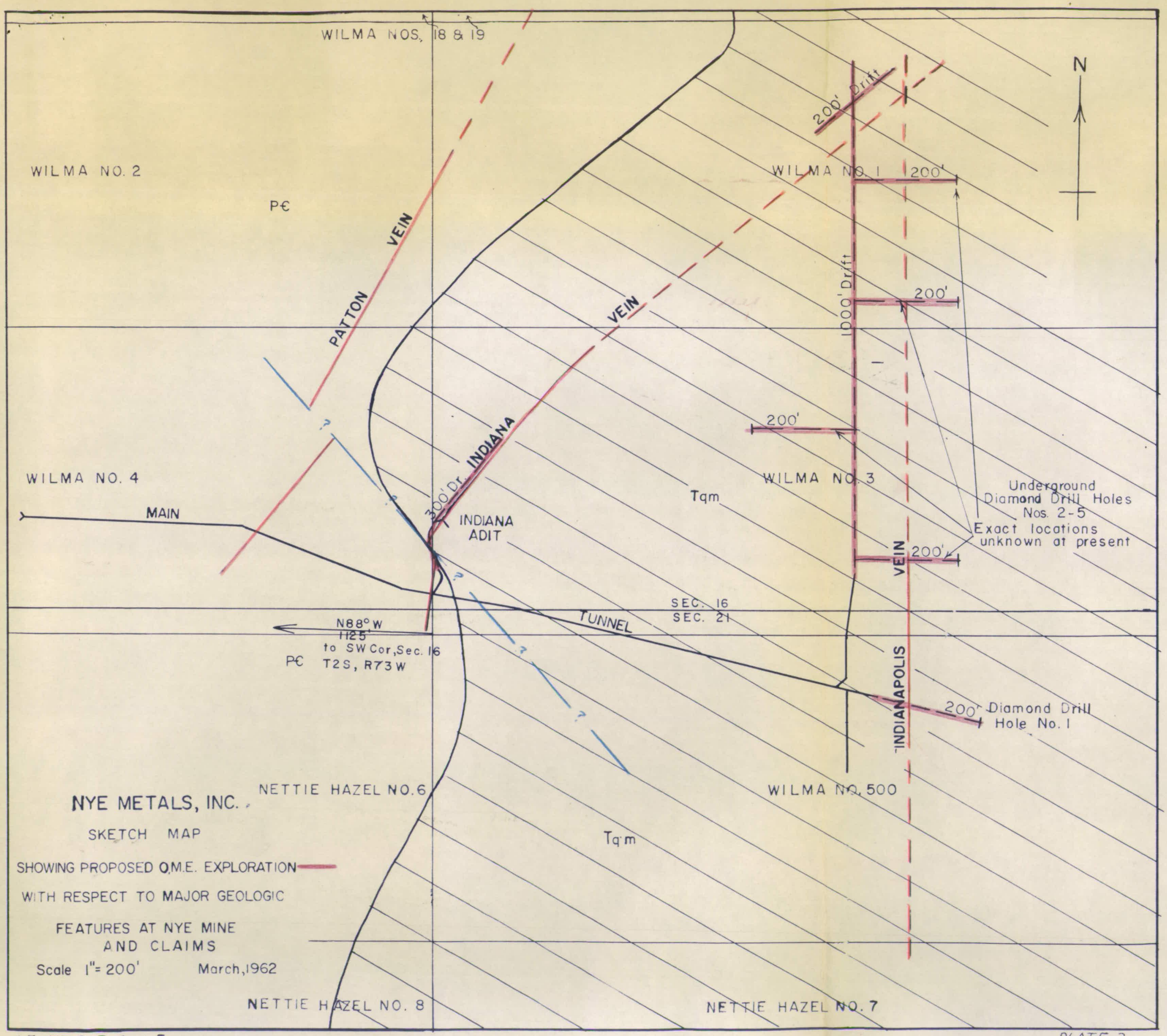


C.E. MELBYE, Geol. E.

PLATE 3

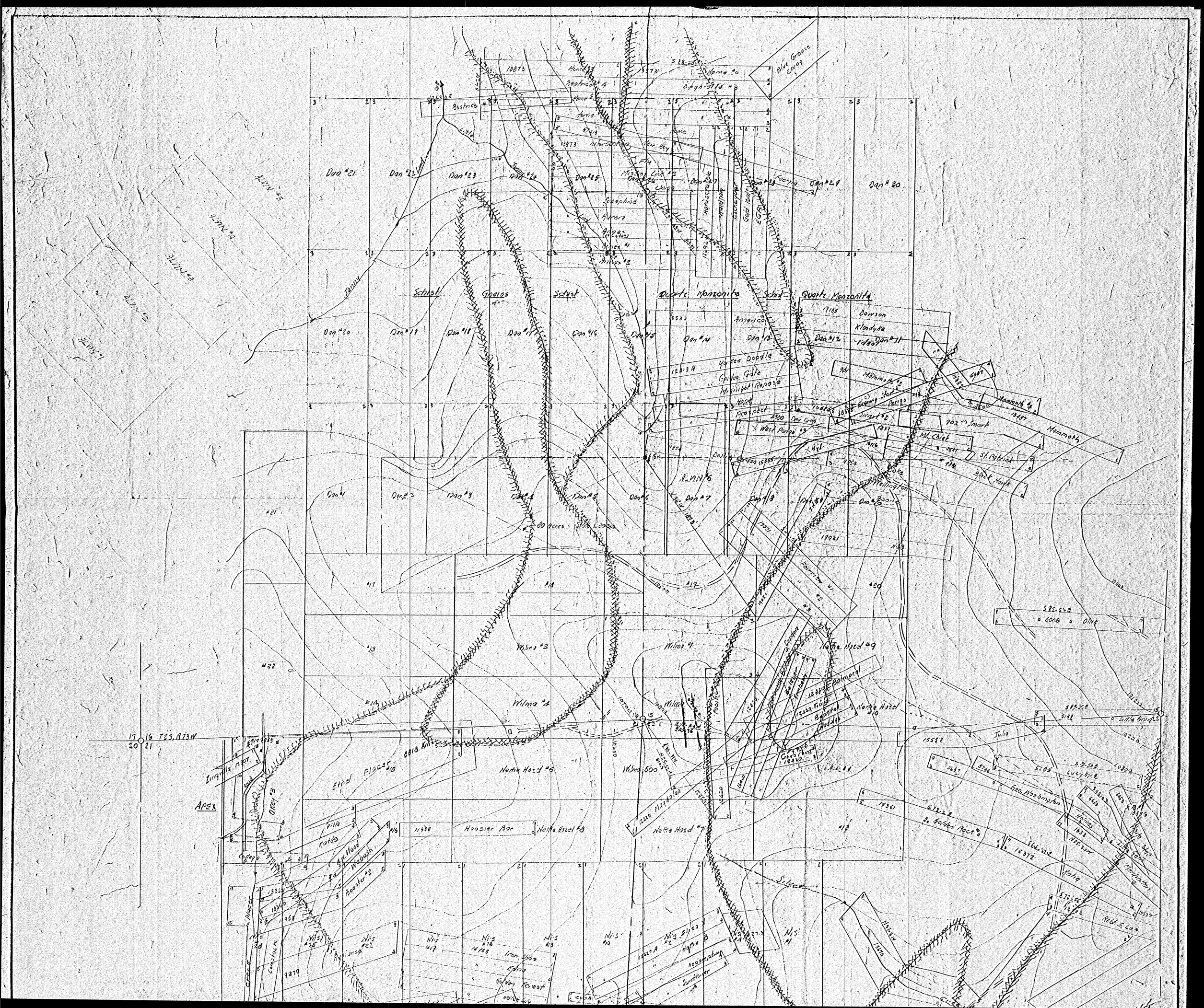


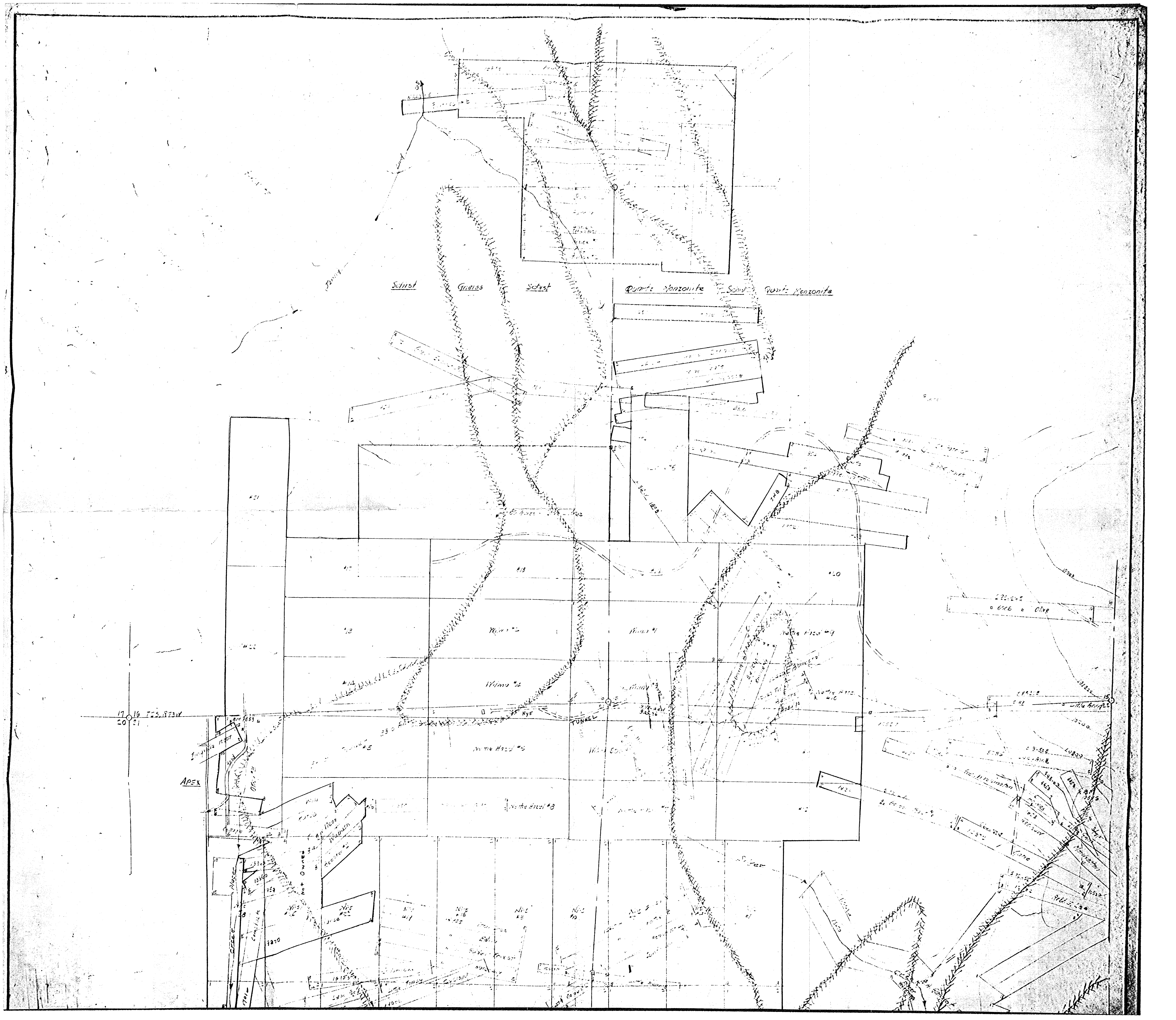
Charles Melbye
Geological Engineer



C.E. MELBYE, Geol. E.

PLATE 3


Schist
Gneiss
Schist
Quartz Monzonite
Schist
Quartz Monzonite
Blue Grouse
Beatrice
Home
Interstate
Fly
Chief
Aurora
Annex
Dan #21
Dan #22
Dan #23
Dan #24
Dan #25
Dan #26
Dan #27
Dan #28
Dan #29
Dan #30
Dan #20
Dan #19
Dan #18
Dan #17
Dan #16
Dan #15
Dan #14
Dan #13
Dan #12
Dan #11
Dan #1
Dan #2
Dan #3
Dan #4
Dan #5
Dan #6
Dan #7
Dan #8
Dan #9
Dawson
Klondyke
American
Yates Double
Golden Gate
Midnight Repose
Prospect
Mammoth
Mt. Chief
St. Patrick
Black Hawk
Ellington
Boone
Olive
Wilma #1
Wilma #2
Wilma #4
Wilma 500
Nettie Hazel #9
Nettie Hazel #10
Nettie Hazel #6
Nettie Hazel #7
Nettie Hazel #8
Hoosier Boy
Ethel Placer
Olney #3
Apex
Julia
Little Bright
Geo. Washington
Golden Pact
Valley View
Northstar
Red Lion
Silver
Nis
Iron Cross
Ethna
Golden Forest
Regenerator
Sunflower
Comstock
Placer
T25S, R23W
17
16
20
21


Schist
Gneiss
Schist
Quartz Monzonite
Schist
Quartz Monzonite
#31
#17
#18
#10
#13
Wilma #2
Wilma #4
Nettie Hazel #9
#14
Nettie Hazel #5
Nettie Hazel #8
NYE
TUNNEL
Olive
APEX
17 16 T2S, R73W
20 21
Placer
Comstock
Creek
Wabash
Not Owned
Nettie Hazel #10
JHB
Little Annie
Manhattan
Kane
Creek
1870
1701
13360
Rebel

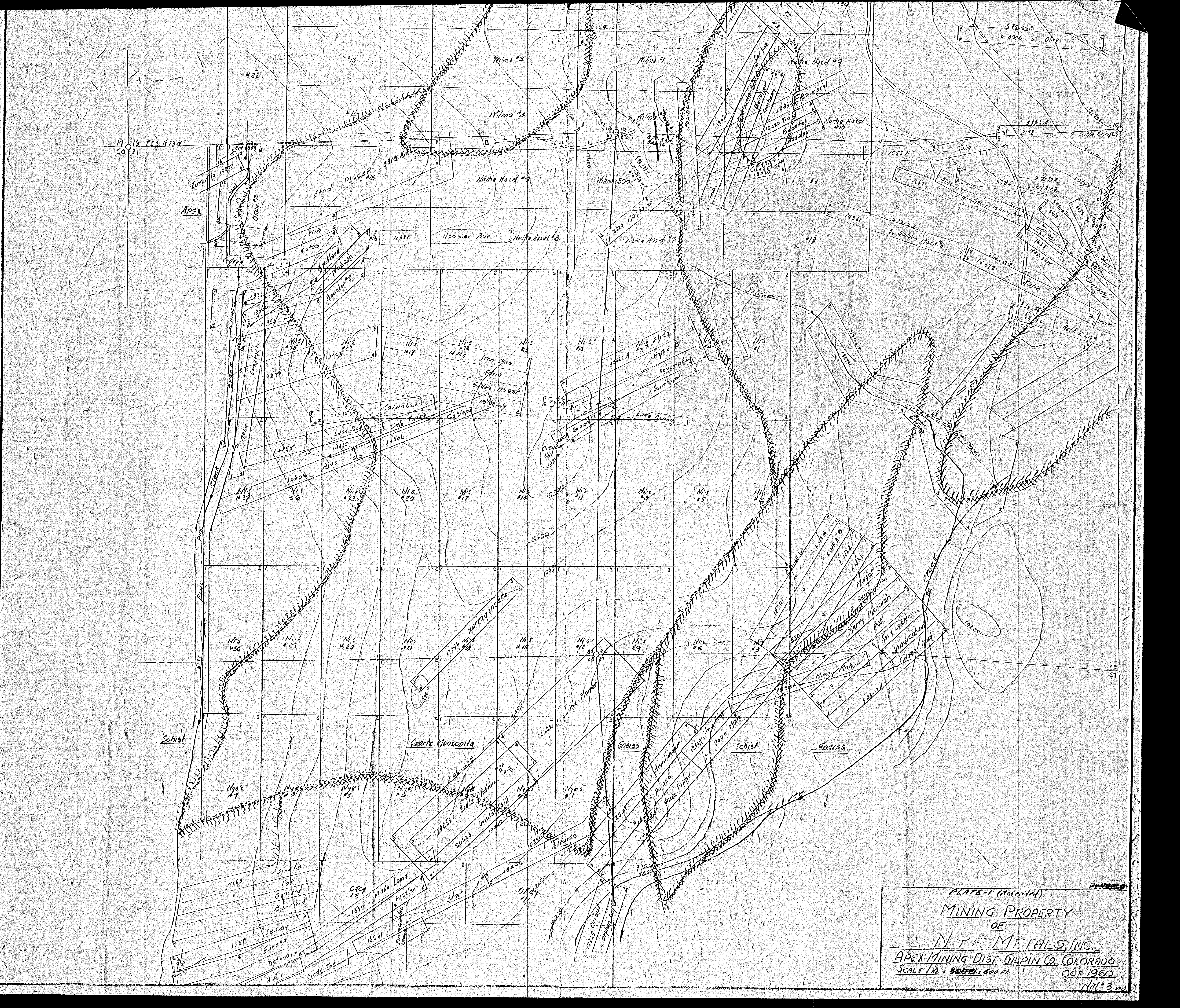
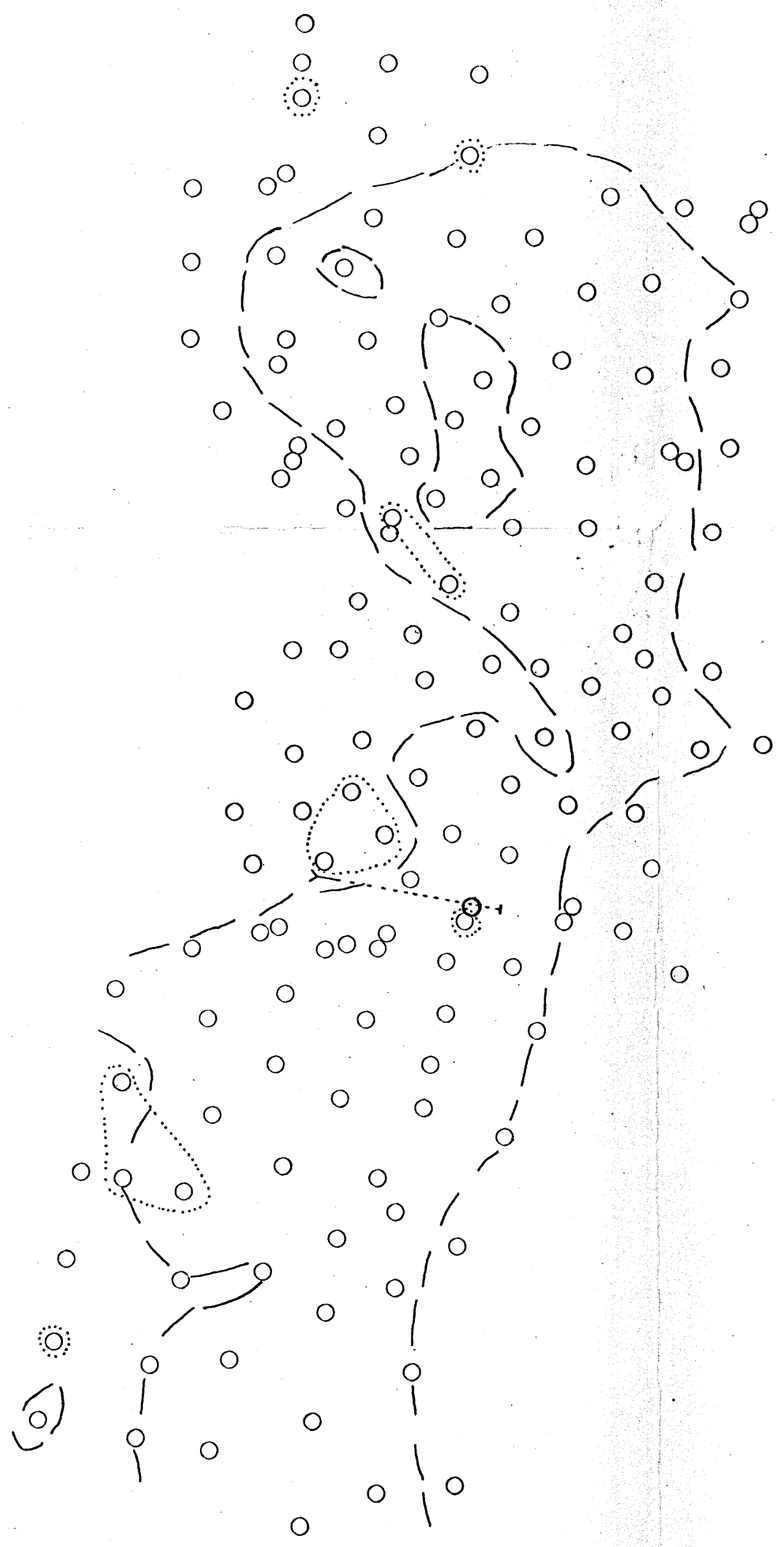


PLATE-1 (Amended)
MINING PROPERTY
OF
N T E METALS, INC.
APEX MINING DIST. GILPIN CO. COLORADO
SCALE 1 in. = 600 Ft.
OCT. 1960
NM #3
APEX
T2S, R73W
Zingvilla 12807
Okey #3
Ethel Placer #15
Nettie Hazel #6
Nettie Hazel #7
Nettie Hazel #8
Nettie Hazel #9
Nettie Hazel #10
Wilma #2
Wilma #4
Wilma 500
Hoosier Bar
Villa
Kates
A.W. Mead
Wabash
Booster #2
Placer
Comstock
Reliance
Columbine
Little Topsy
Cyclops
Ajax
Iron Shoe
Edna
Golden Forest
Nellie Lily
Golden
Oregon Hill
Little Beanie
Hattie B
Redemption
Sunflower
Eliza
Pacific
Magdalen
Balmoral
Bountiful
Cordova
Julia
Olive
Little Bridget
Lucy Wire
Geo. Washington
Golden Pact
Holmes
Katie
Little Gem
Manhattan
Robt. E. Lee
Silver
Creek
Pine Creek
Placer
Narragansetts
Little Flower
Quartz Monzonite
Gneiss
Schist
Highlander
Palace
Pied Piper
Poor Man
Merry Monarch
Midget
Redemption
Pet
Good Luck
Vindication
Golden
Money Maker
Side line
Pat
Garrard
Barnard
Sea Boy
Eureka
Defender
Little Joe
Malla Loma
Puzzler
Star
Okey #1
Okey #2
Orient
Orphan Boy
Altmas
Little Nelson
Silver



N

Weak Pyritic Alteration
(Oxidized)

BEAR CREEK MINING COMPANY, R. M. D.

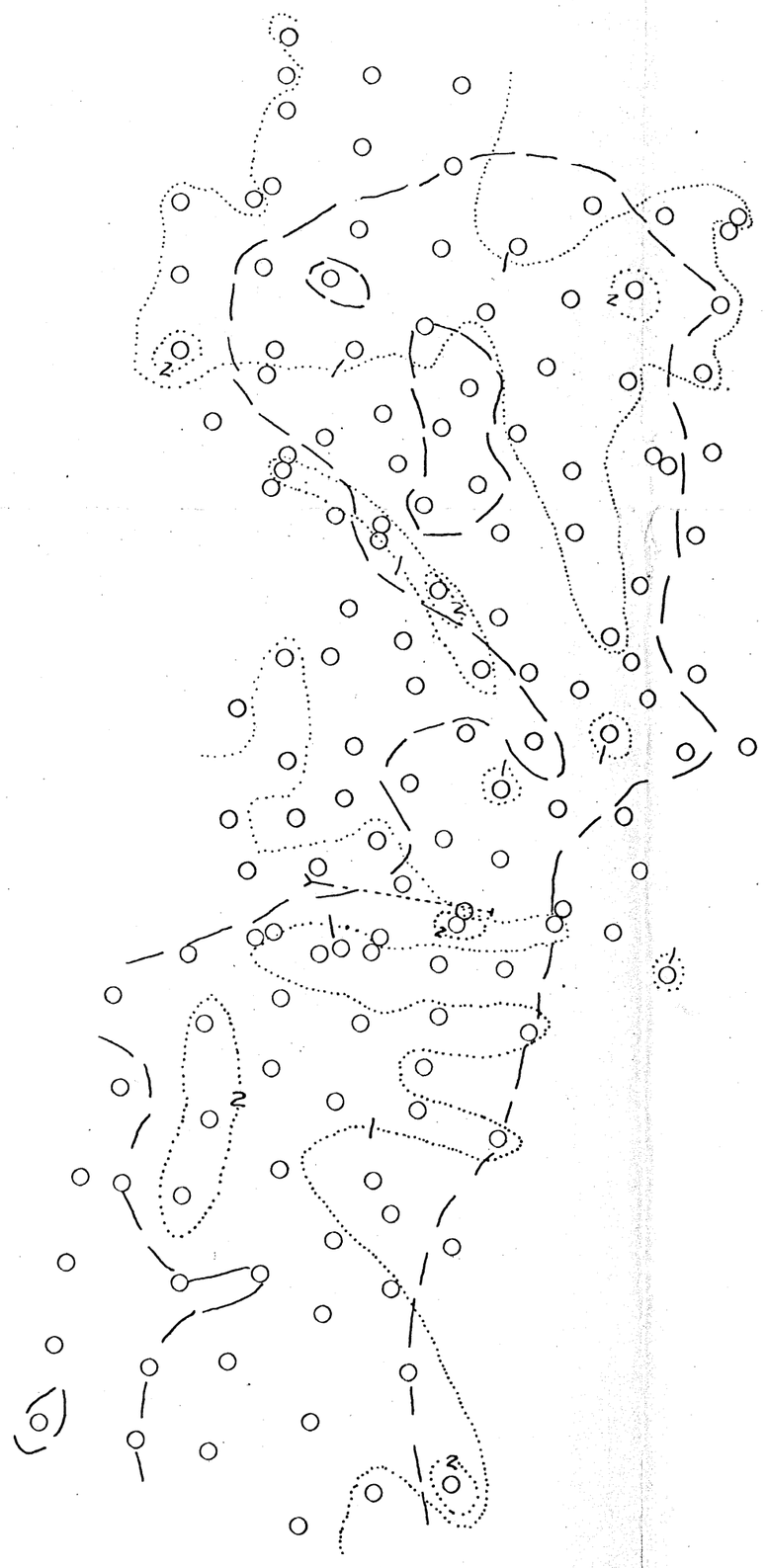
APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600'
DATE: 10/62
DRAWN BY: D. M. M.
MAP NO.:

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

STANPAT CO. WHITESTONE, N.Y. U.S.A.



N

Iron Staining
1 Weak
2 Moderate

BEAR CREEK MINING COMPANY, R. M. D.

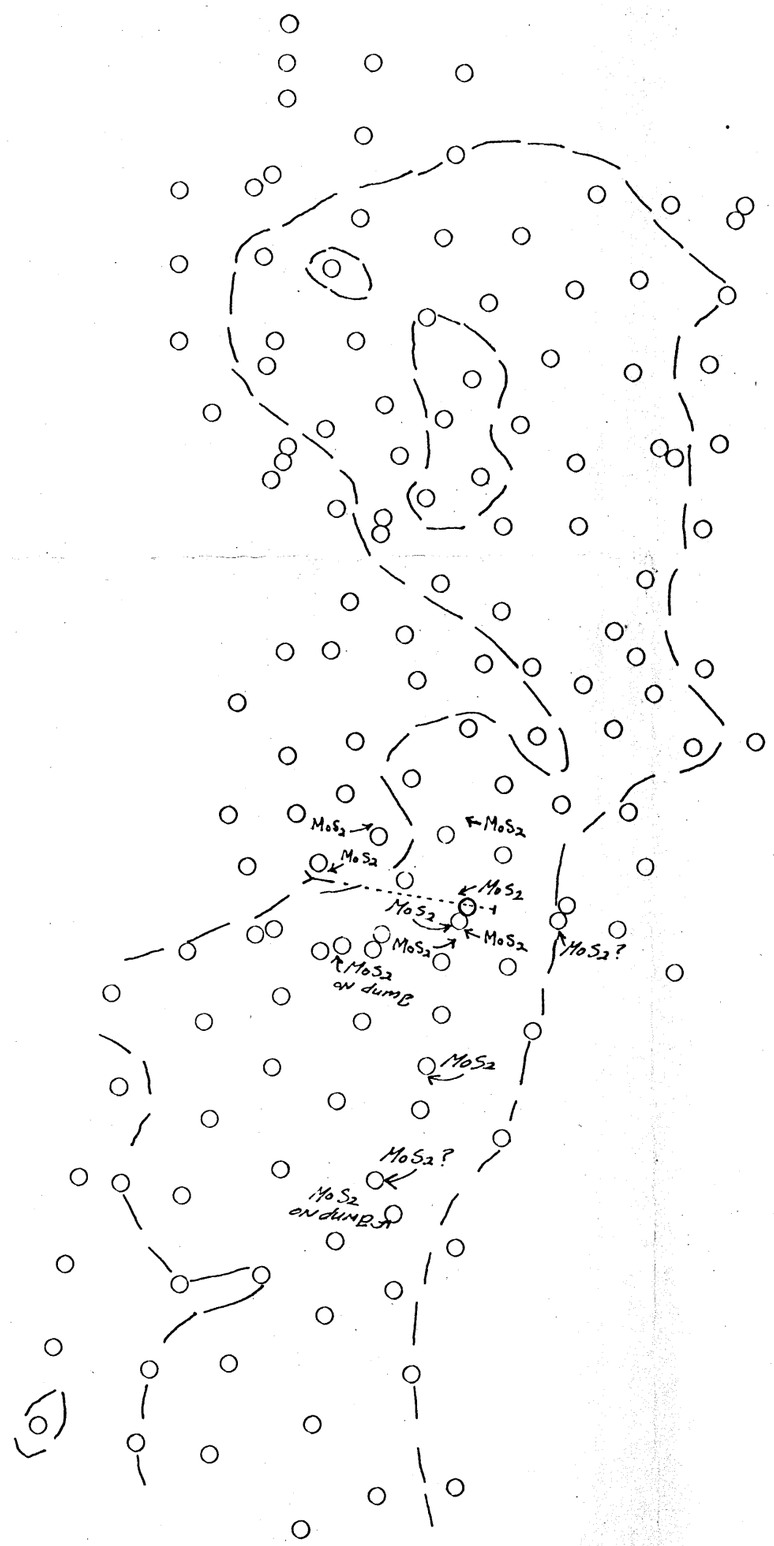
APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600'
DATE: 10/62
DRAWN BY: D. M. M.
MAP NO.:

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

STANPAT CO. ANTIESTONE, N.Y. U.S.A.



N

MoS_2 On Surface And Dumps

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

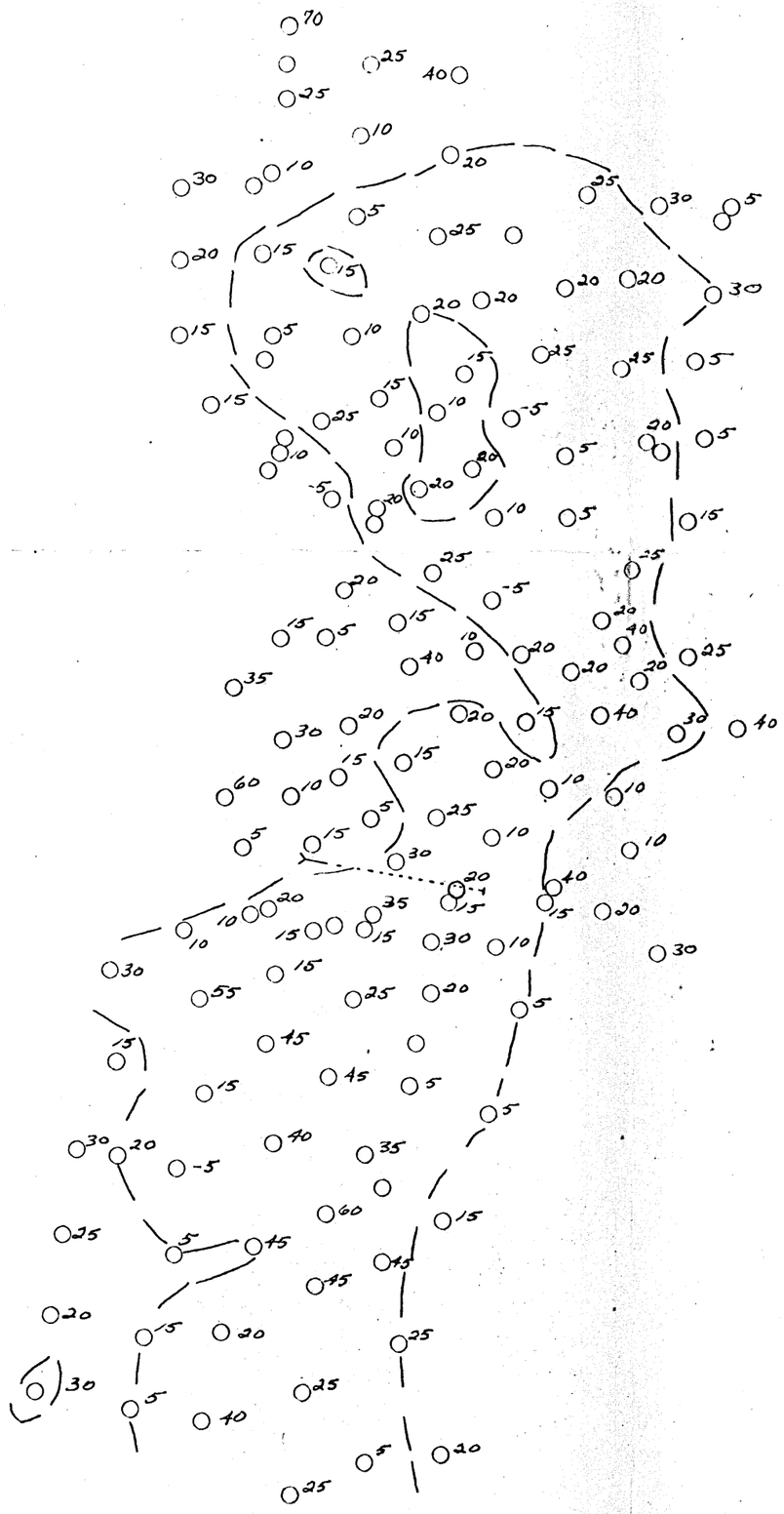
BEAR CREEK MINING COMPANY, R.M.D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600' DATE: 10/62
DRAWN BY: D.M.M. MAP NO.:

STANPAT CO WHITESTONE N.Y. U.S.A.



N

Ppm Zn In Rock

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

BEAR CREEK MINING COMPANY, R.M.D.

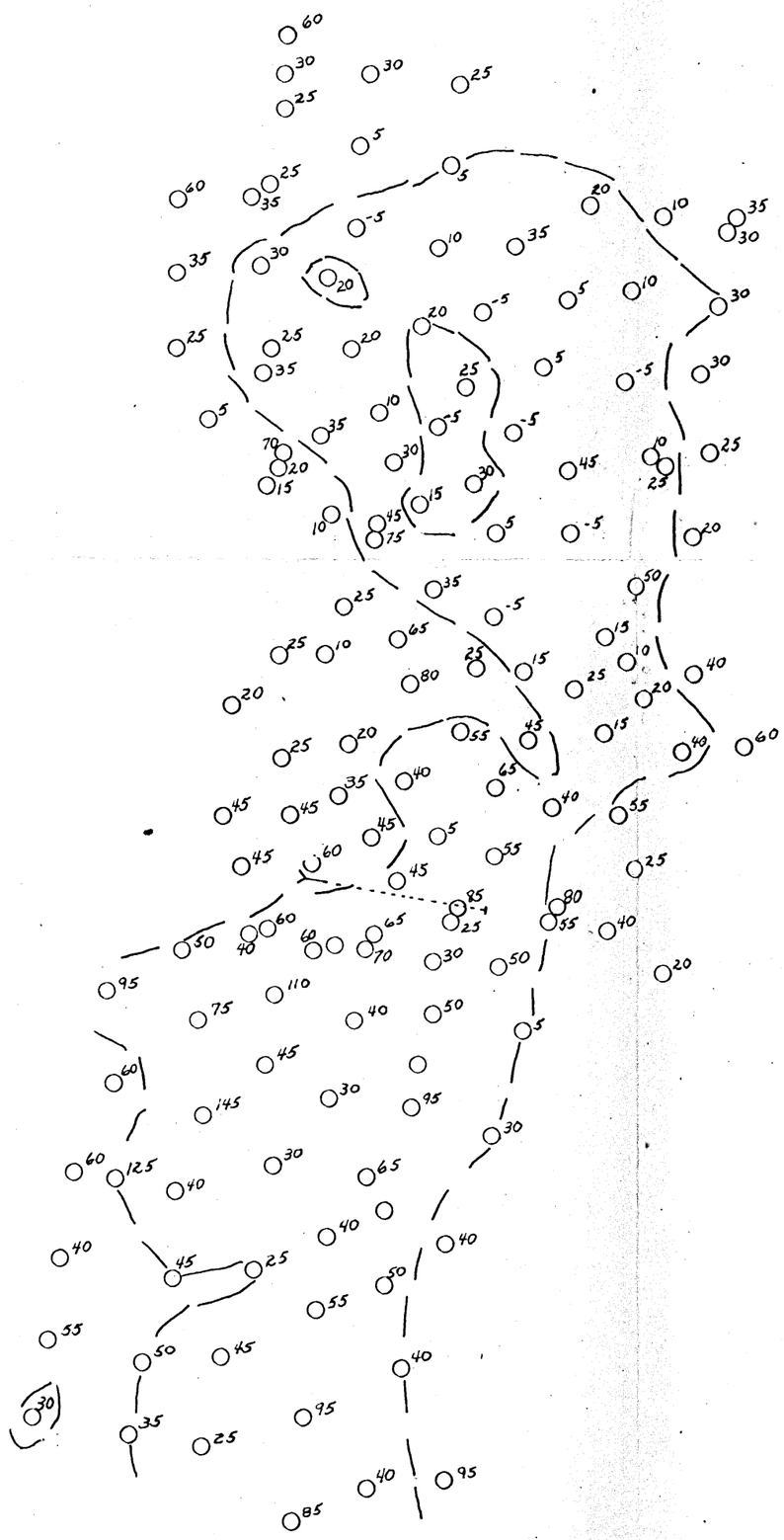
APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62

DRAWN BY D.M.M. MAP NO.

STANPAT CO. AMSTERDAM N.Y. U.S.A.



N

Ppm Zn In Soil

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

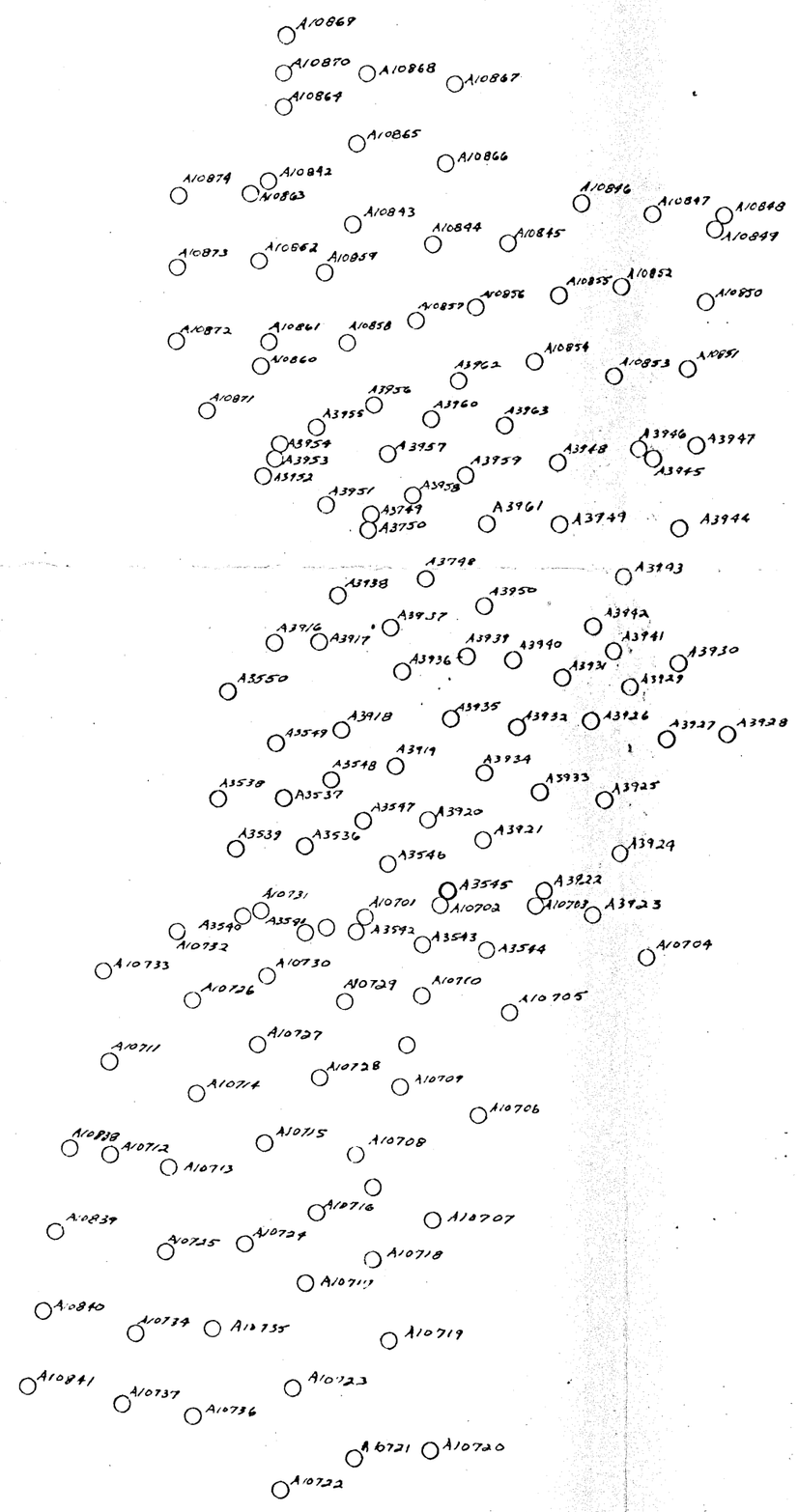
BEAR CREEK MINING COMPANY, R.M.D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600'	DATE: 10/62
DRAWN BY: D.M.M.	MAP NO.

STANDARD CO. WHITESTONE, N.Y. U.S.A.



N

Sample Numbers

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

BEAR CREEK MINING COMPANY, R. M. D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600'
DATE 10/62
DRAWN BY. D.M.M.
MAP NO.

N

Sample Types

- o Float And Soil
- ⊘ Outcrop And Soil
- ss Stream Sediment

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

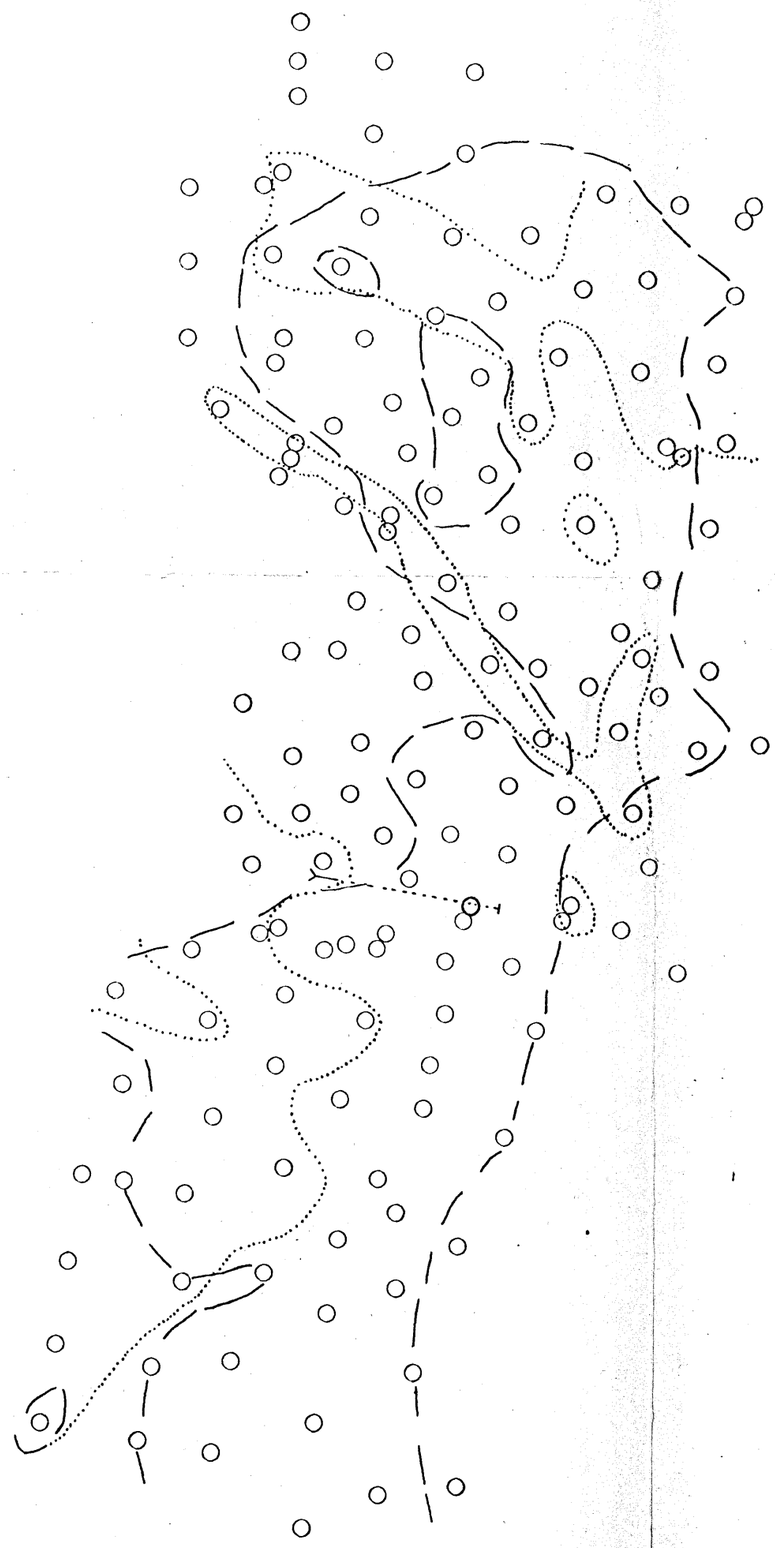
BEAR CREEK MINING COMPANY. R. M. D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62

DRAWN BY D.M.M. MAP NO



N

Weak Argillic Alteration

BEAR CREEK MINING COMPANY. R.M.D.

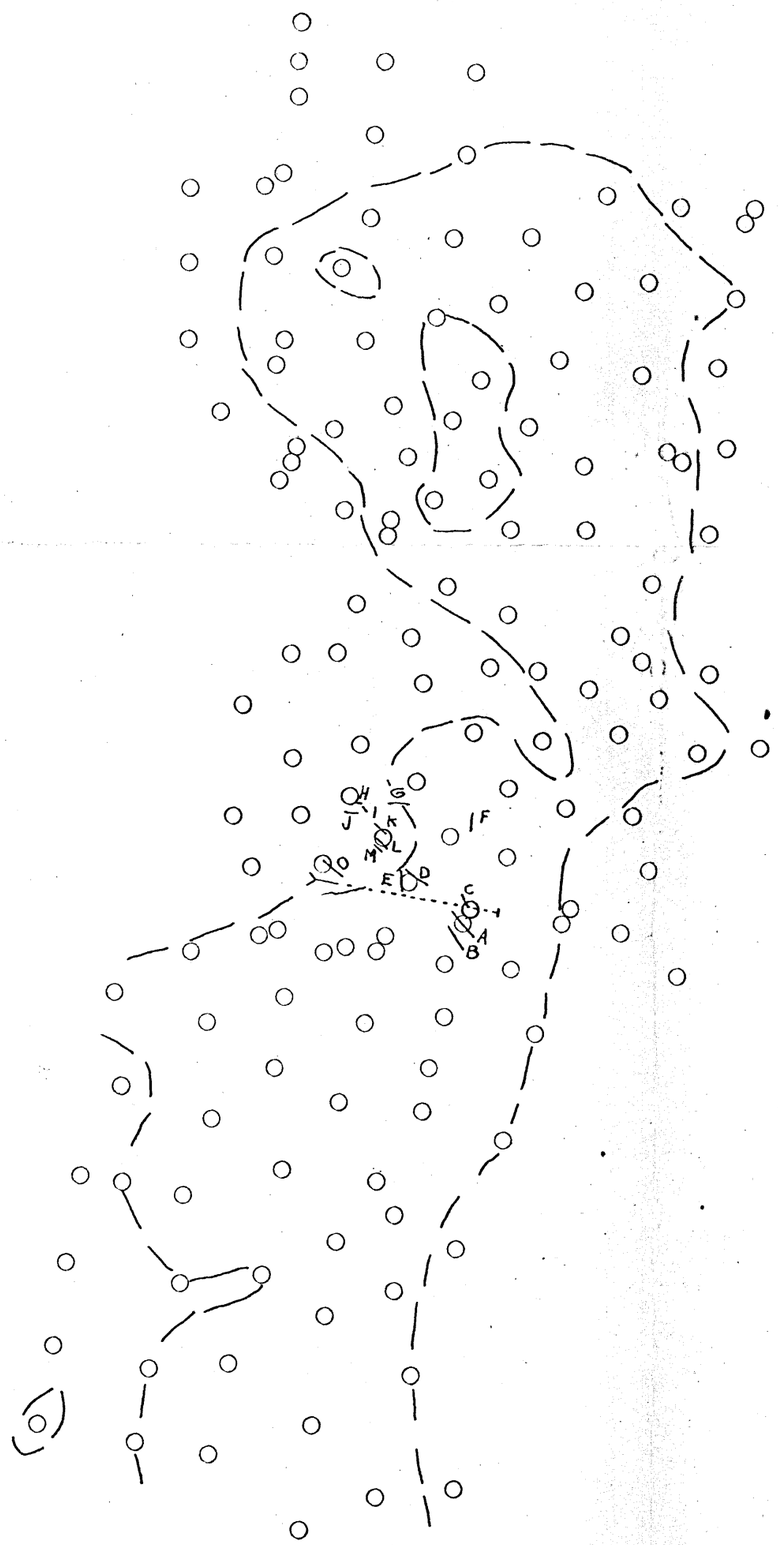
APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62

DRAWN BY D.M.M. MAP NO.

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160



N

Pit Locations

BEAR CREEK MINING COMPANY. R.M.D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

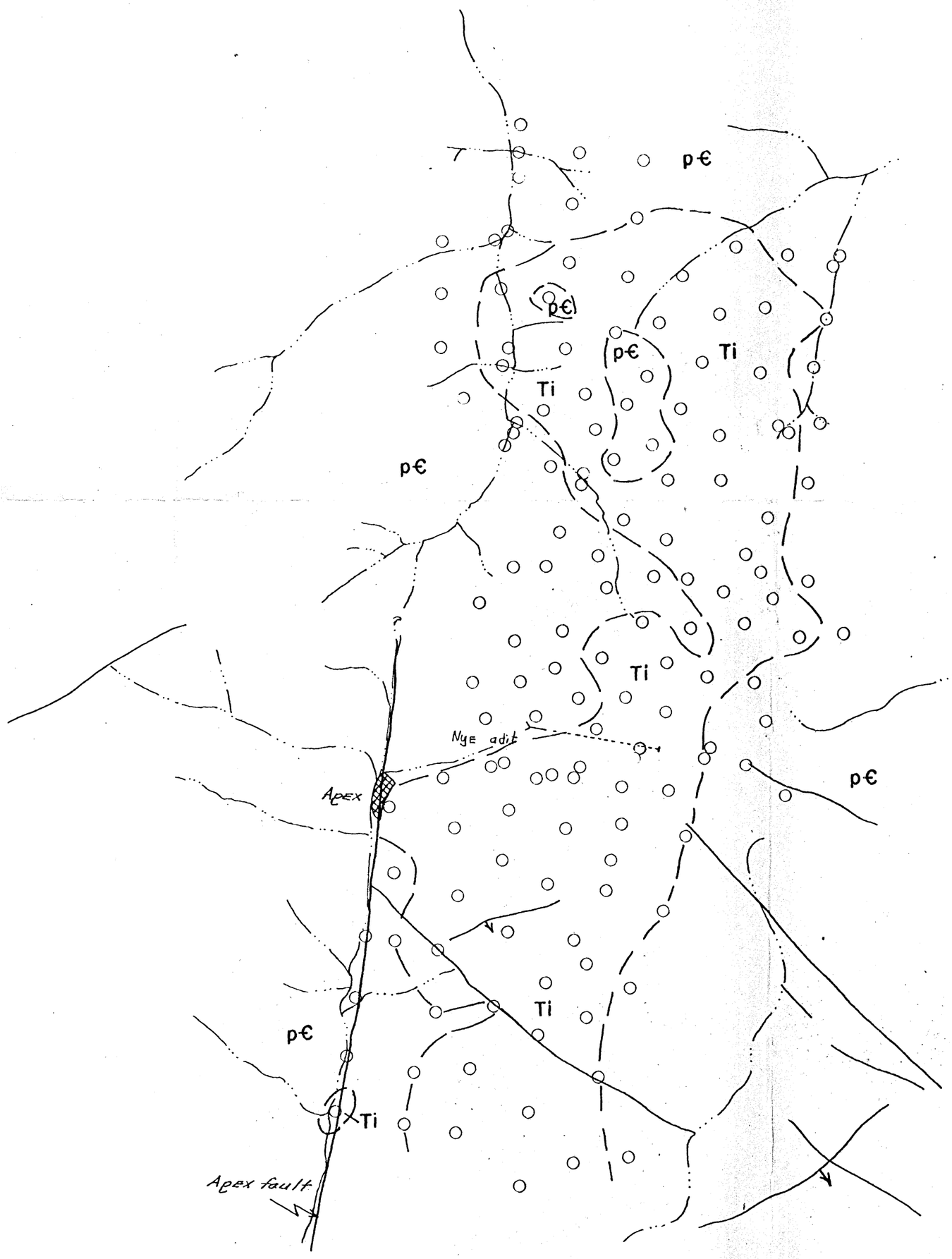
SCALE 1" = 1600'

DATE 10/62

DRAWN BY. D.M.M.

MAP NO

Analyses by: Rocky Mtn. Geochem. Labs. (colorometric), fall, 1962
Traced from aerial photos: ECB-8-159, 160



N

Ti Tertiary Intrusive
p€ Precambriam Rocks

Faults, Photo Lineaments
Formation Contacts

Sample Locations
Streams

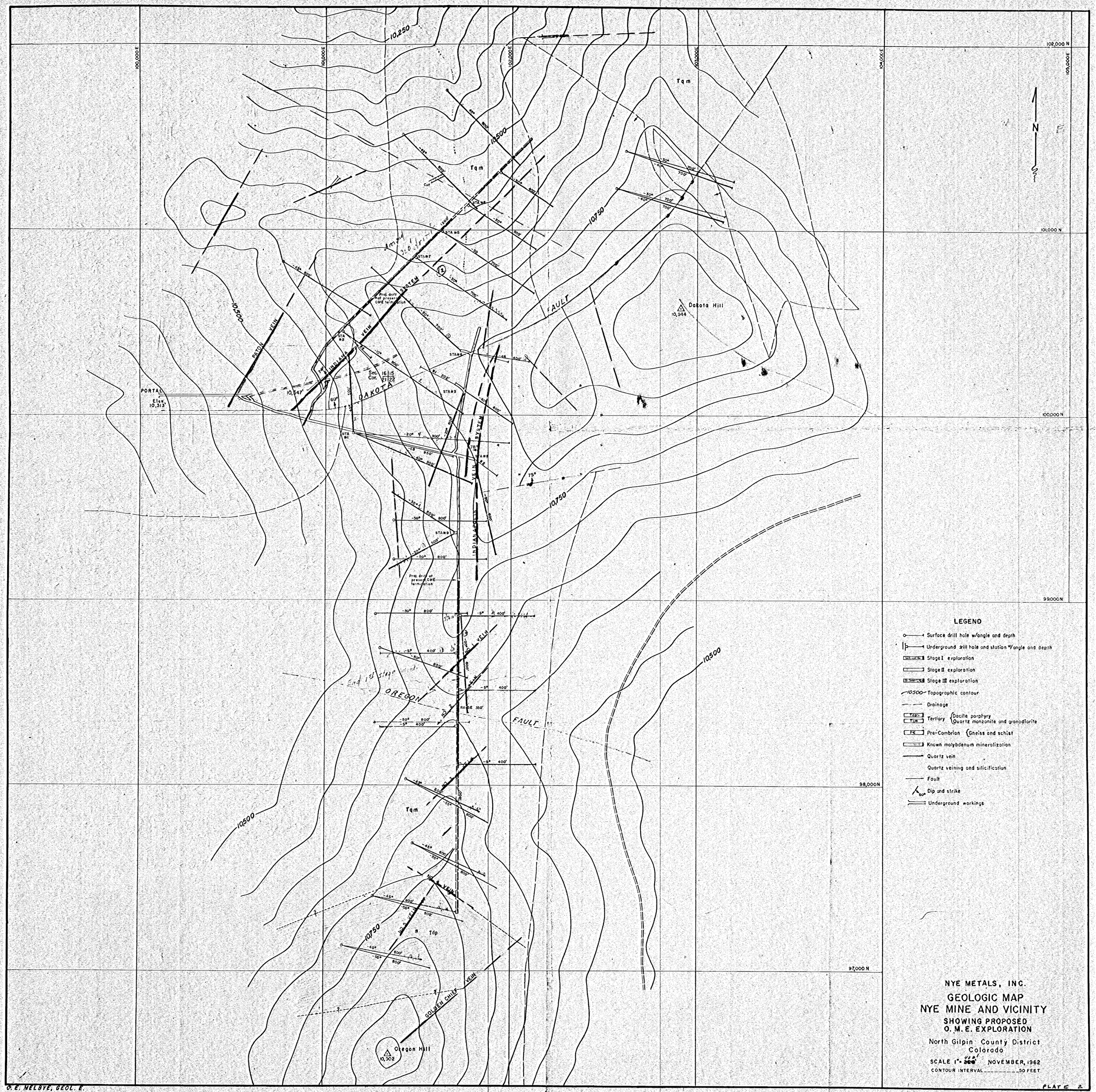
BEAR CREEK MINING COMPANY, R. M. D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62
DRAWN BY D.M.M. MAP NO.

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160


100,000 E
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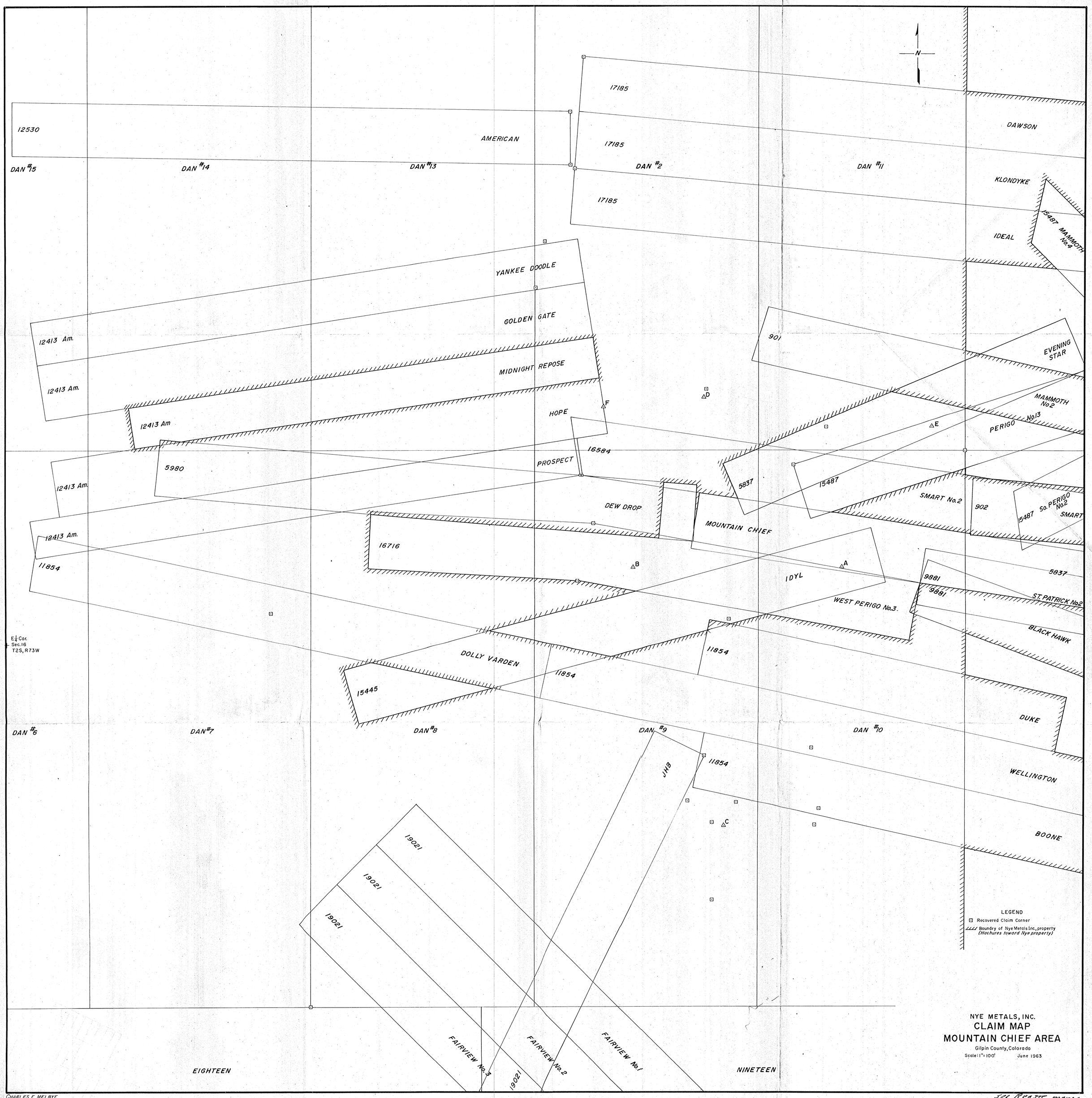
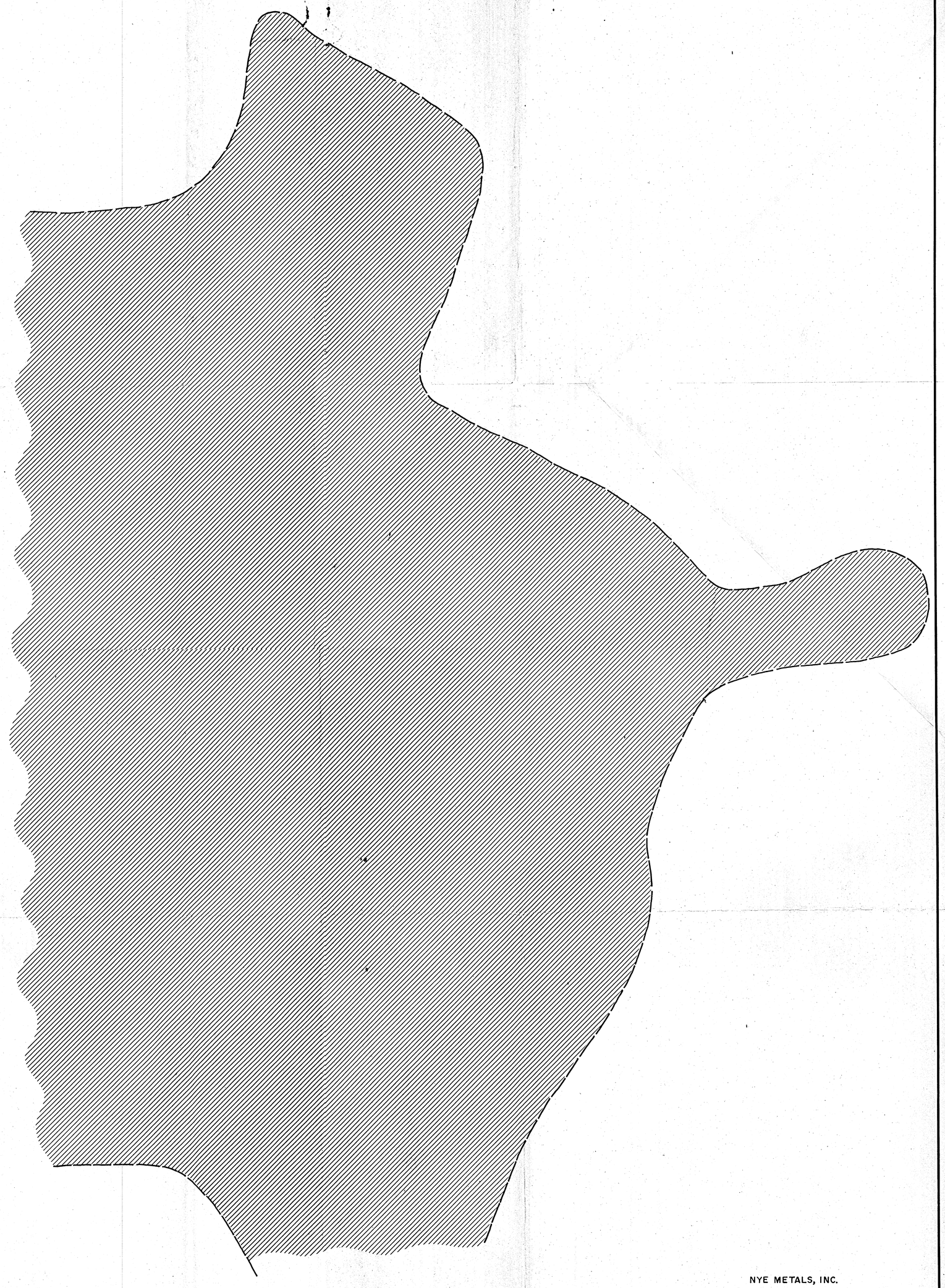
97,000 N
N
10,250
10,500
10,750
Tqm
Tdp
Dakota Hill
10,944
Oregon Hill
10,902
PATON VEIN
INDIANAPOLIS VEIN
DAKOTA
FAULT
OREGON
GOLDEN CHIEF VEIN
No. 2 VEIN
No. 3 VEIN
No. 4 VEIN
INDIANAPOLIS SYSTEM
PORTAL
Elev. 10,313'
10,547'
Sec. Cor. 16 15 21 22
Proj. drift at present CME termination
STA #1
STA #2
STA #3
STA #4
STA #5
STA #6
STA #7
STA #8
STA #9
RAISE 350'
End 1st stage limit
LEGEND
Surface drill hole w/angle and depth
Underground drill hole and station w/angle and depth
Stage I exploration
Stage II exploration
Stage III exploration
10500 Topographic contour
Drainage
Tertiary
Dacite porphyry
Quartz monzonite and granodiorite
Pre-Cambrian
Gneiss and schist
Known molybdenum mineralization
Quartz vein
Quartz veining and silicification
Fault
Dip and strike
Underground workings
NYE METALS, INC.
GEOLOGIC MAP
NYE MINE AND VICINITY
SHOWING PROPOSED
O. M. E. EXPLORATION
North Gilpin County District
Colorado
SCALE 1" = 200'
NOVEMBER, 1962
CONTOUR INTERVAL 50 FEET
O. E. MELBYE, GEOL. E.
PLATE 2



CHARLES E. MELBYE
Geological Engineer

See Reg III memos
July 12-19/63



NYE METALS, INC.

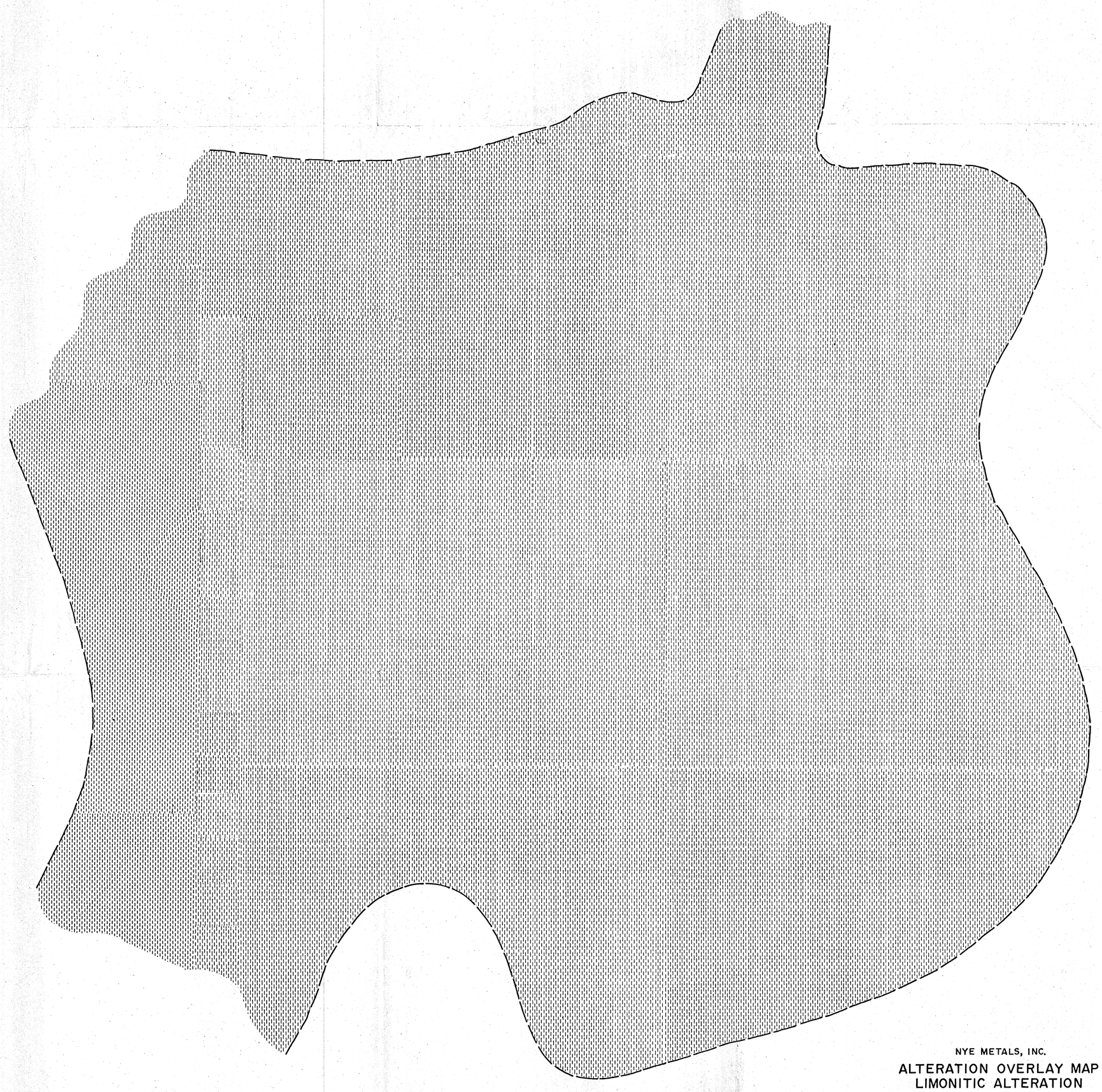
ALTERATION OVERLAY MAP
SILICIFICATION AND QUARTZ VEINING
(MODERATE TO STRONG)
MOUNTAIN CHIEF AREA

Gilpin County, Colorado

Scale: 1"=100' July 1963

CHARLES E. MELBYE
Geological Engineer

See Reg III Memos
July 12-19/63



NYE METALS, INC.

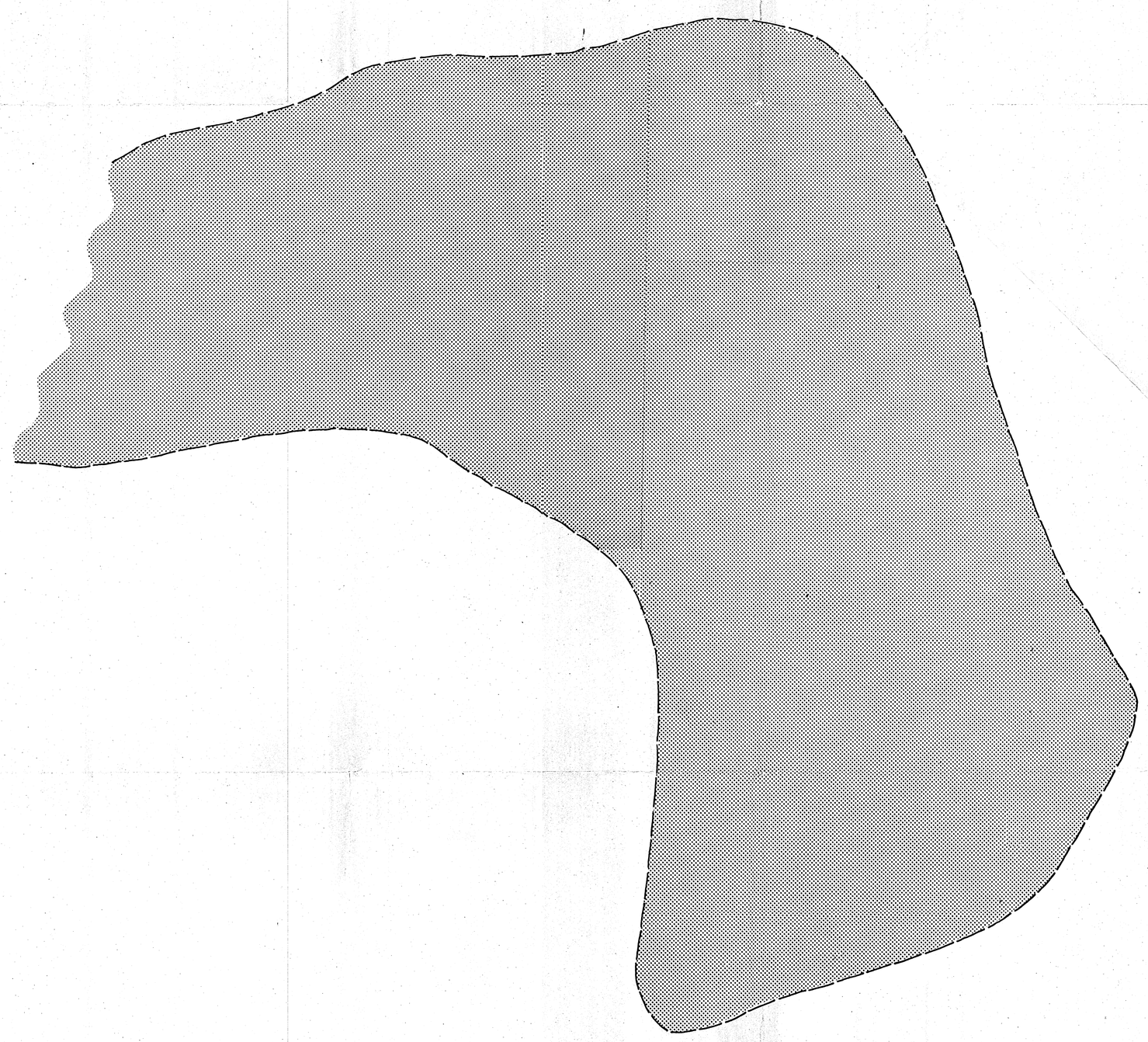
ALTERATION OVERLAY MAP
LIMONITIC ALTERATION
(MODERATE TO STRONG)

Gilpin County, Colorado

Scale: 1"=100' July 1963

CHARLES E. MELBYE
Geological Engineer

See Rep. III memo 3
July 12-19/63



NYE METALS, INC.

ALTERATION OVERLAY MAP
ARGILLIC ALTERATION
(WEAK TO MODERATE)

MOUNTAIN CHIEF AREA

Gilpin County, Colorado

Scale: 1" = 100' July 1963

CHARLES E. MELBYE
Geological Engineer

See Reg III memos
July 12-17/63

GEOCHEMICAL OVERLAY MAP

NYE METALS, INC. PROPERTY

NORTH GILPIN COUNTY DISTRICT
COLORADO

Scale: 1"=500' November 1962

200 — Molybdenum - ppm
50 — Copper - ppm
Geochemical sample location

Charles E. Melbye, Geol. E.

GEOCHEMICAL OVERLAY MAP

NYE METALS, INC. PROPERTY

NORTH GILPIN COUNTY DISTRICT
COLORADO

Scale: 1"=500' November 1962

200 — Molybdenum - ppm
50 — Copper - ppm
Geochemical sample location

PLATE 7

Charles E. Melbye, Geol. E.

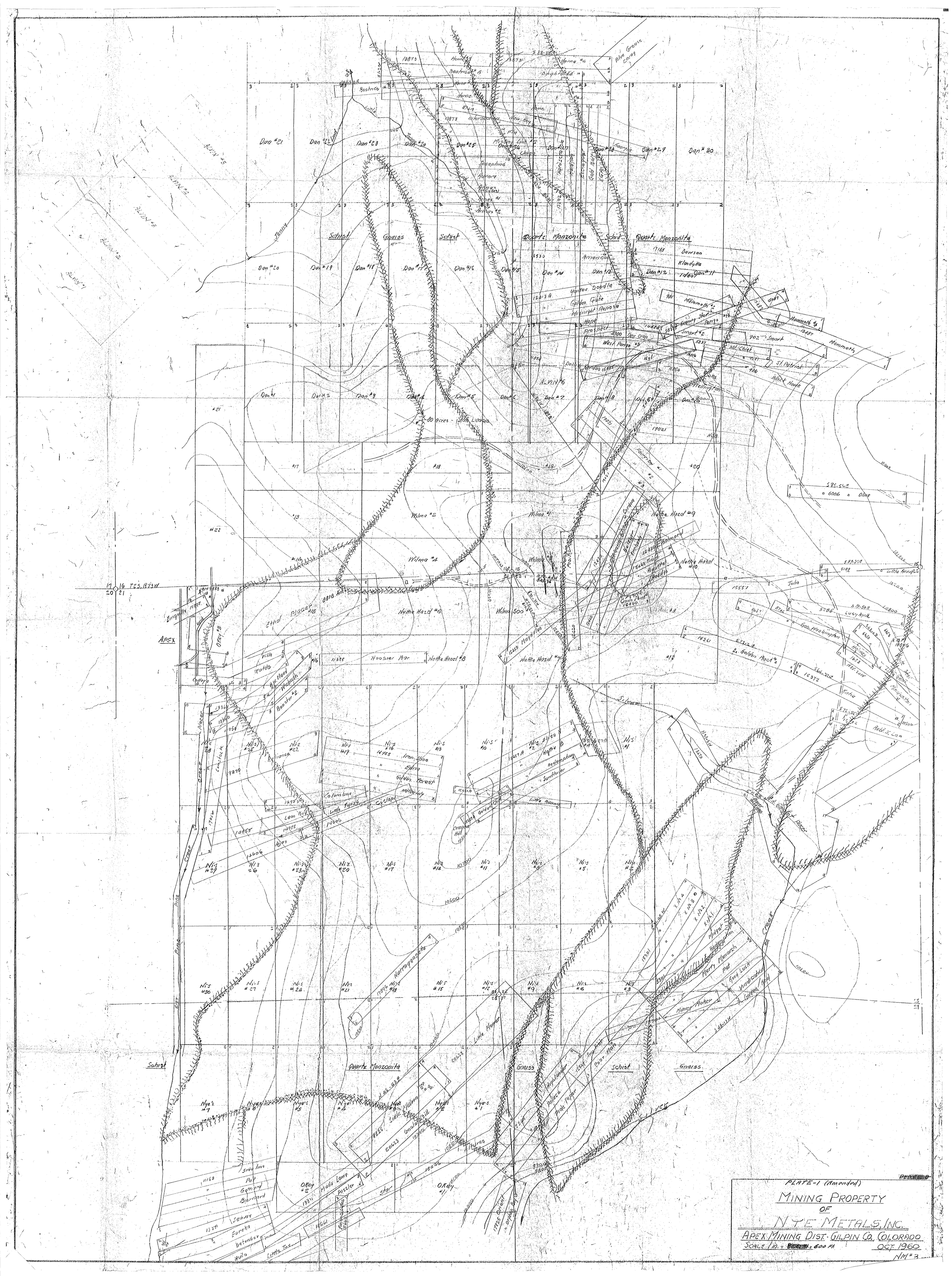
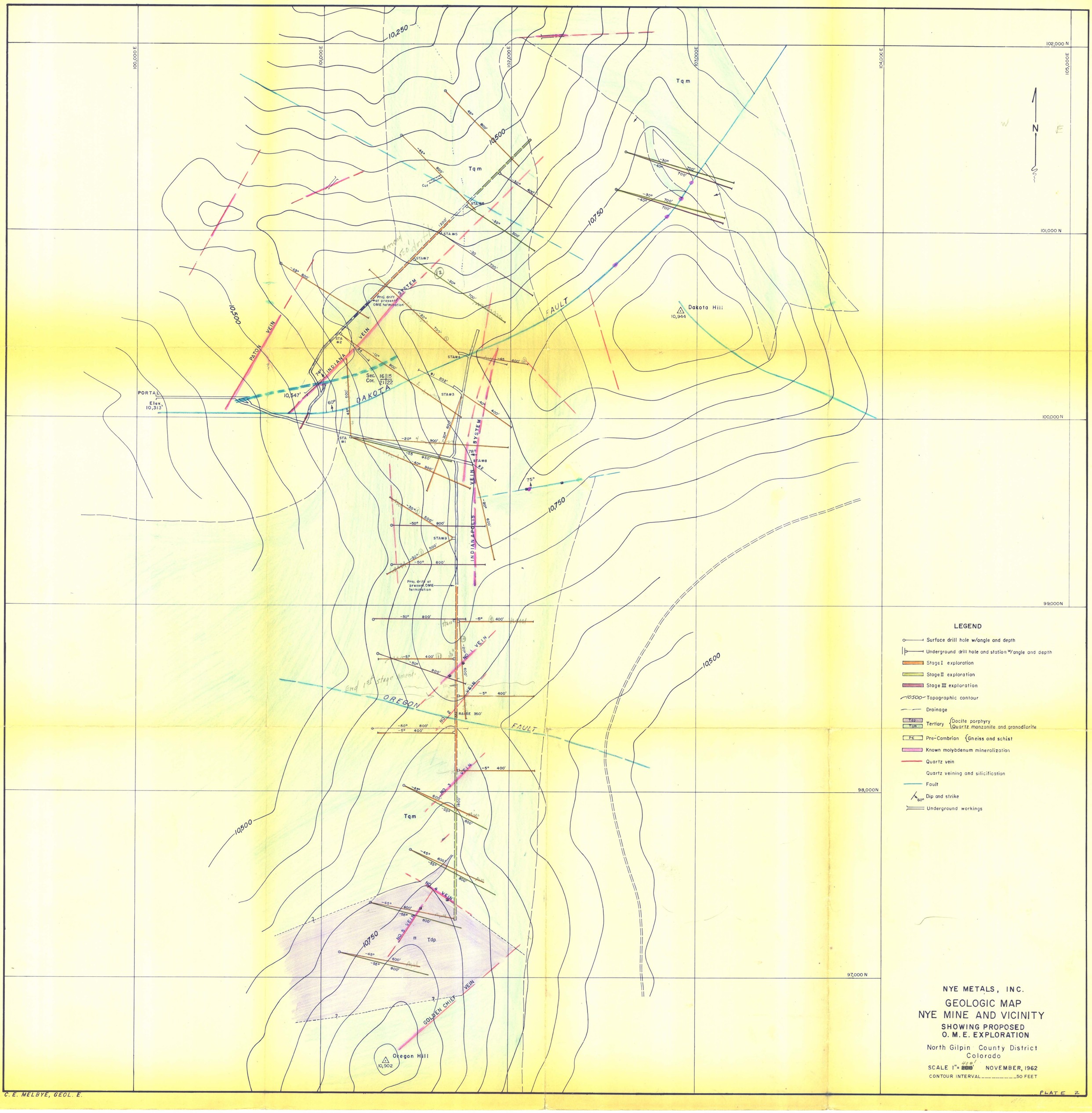
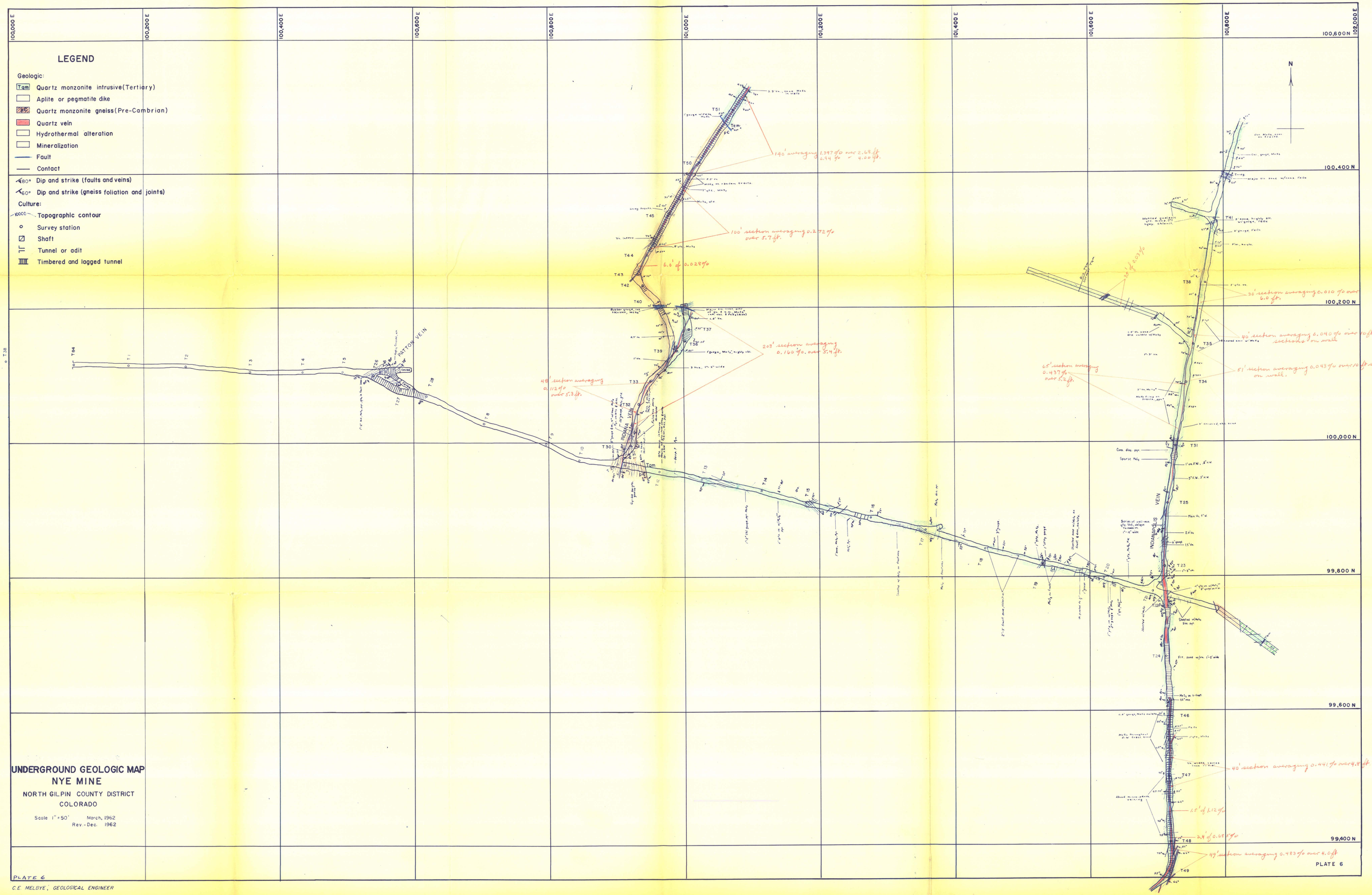
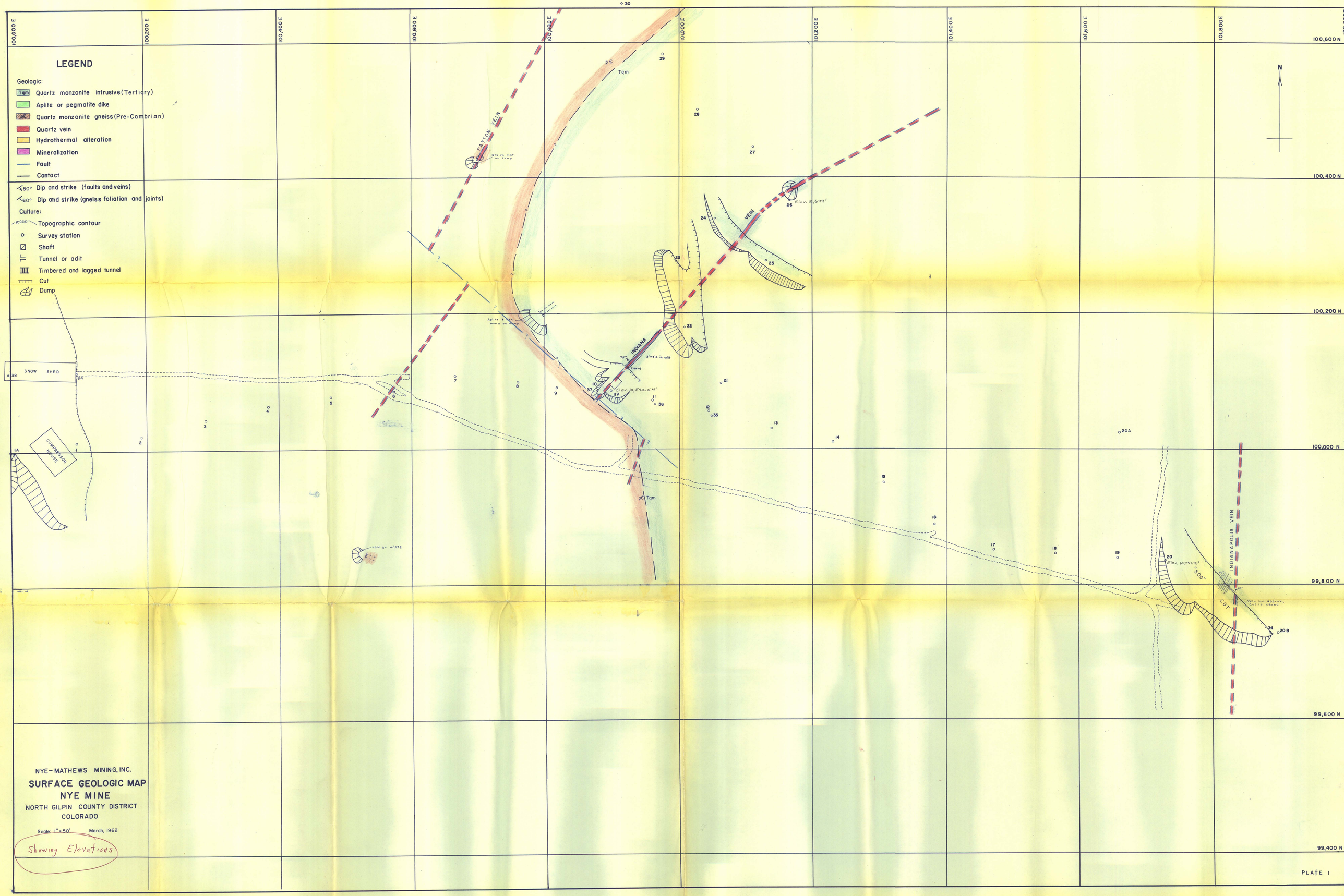


PLATE-1 (Amended)
MINING PROPERTY
OF
NYE METALS, INC.
APEX MINING DIST. GILPIN CO. COLORADO
SCALE 1 in. = 800 FT.
OCT. 1960
NM #3
Quartz Monzonite
Schist
Gneiss
APEX
T25S, R73W


100,000 E
101,000 E
102,000 E
103,000 E
104,000 E
105,000 E
102,000 N
101,000 N
100,000 N
99,000 N
98,000 N
97,000 N
N
10,250
10,500
10,750
Tqm
Tdp
Dakota Hill
10,944
Oregon Hill
10,902
PATON VEIN
INDIANA VEIN
DAKOTA
FAULT
INDIANAPOLIS VEIN SYSTEM
OREGON
FAULT
GOLDEN CHIEF VEIN
NO. 1 VEIN
NO. 2 VEIN
NO. 3 VEIN
NO. 4 VEIN
NO. 5 VEIN
PORTAL
Elev. 10,313'
10,547'
Sec. Cor. 16 15 21 22
STA #1
STA #2
STA #3
STA #4
STA #5
STA #6
STA #7
STA #8
STA #9
Proj. drift at present OME termination
RAISE 350'
Cut
End 1st stage
LEGEND
Surface drill hole w/angle and depth
Underground drill hole and station w/angle and depth
Stage I exploration
Stage II exploration
Stage III exploration
10500 Topographic contour
Drainage
Tdp Tqm Tertiary {Dacite porphyry / Quartz monzonite and granodiorite
PЄ Pre-Cambrian {Gneiss and schist
Known molybdenum mineralization
Quartz vein
Quartz veining and silicification
Fault
60° Dip and strike
Underground workings
NYE METALS, INC.
GEOLOGIC MAP
NYE MINE AND VICINITY
SHOWING PROPOSED
O. M. E. EXPLORATION
North Gilpin County District
Colorado
SCALE 1" = 400'
NOVEMBER, 1962
CONTOUR INTERVAL 50 FEET
C. E. MELBYE, GEOL. E.
PLATE 2



C.E. MELBYE, GEOLOGICAL ENGINEER


LEGEND
Geologic:
Tqm Quartz monzonite intrusive (Tertiary)
Aplite or pegmatite dike
pЄ Quartz monzonite gneiss (Pre-Cambrian)
Quartz vein
Hydrothermal alteration
Mineralization
Fault
Contact
80° Dip and strike (faults and veins)
60° Dip and strike (gneiss foliation and joints)
Culture:
10,000 Topographic contour
Survey station
Shaft
Tunnel or adit
Timbered and lagged tunnel
Cut
Dump
100,000 E
100,200 E
100,400 E
100,600 E
100,800 E
101,000 E
101,200 E
101,400 E
101,600 E
101,800 E
100,600 N
100,400 N
100,200 N
100,000 N
99,800 N
99,600 N
99,400 N
N
Elev. 10,648'
30
PATTON VEIN
Dump
pЄ
Tqm
29
28
27
26
Elev. 10,699'
VEIN
24
25
23
22
Aplite dike
INDIANA
3' vein in adit
75°
Caved
10
37
Elev. 10,543.5'
IIV
11
36
21
12
35
13
14
SNOW SHED
38
64
COMPRESSOR HOUSE
1A
1
2
3
4
5
6
7
8
9
15
16
17
18
19
20A
20
Elev. 10,741.9'
500'
INDIANAPOLIS VEIN
CUT
Vein too approx. Cut is dead
34
20B
NYE-MATHEWS MINING, INC.
SURFACE GEOLOGIC MAP
NYE MINE
NORTH GILPIN COUNTY DISTRICT
COLORADO
Scale: 1" = 50'
March, 1962
Showing Elevations
PLATE I
C.E. MELBYE, GEOLOGICAL ENGINEER

100,000 E | 100,200 E | 100,400 E | 100,600 E | 100,800 E | 101,000 E | 101,200 E | 101,400 E | 101,600 E | 101,800 E | 102,000 E

100,600 N

LEGEND

Geologic:

- Tqm — Quartz monzonite intrusive (Tertiary)
- Aplite or pegmatite dike
- Quartz monzonite gneiss (Pre-Cambrian)
- Quartz vein
- Hydrothermal alteration
- Mineralization
- Fault
- Contact

N

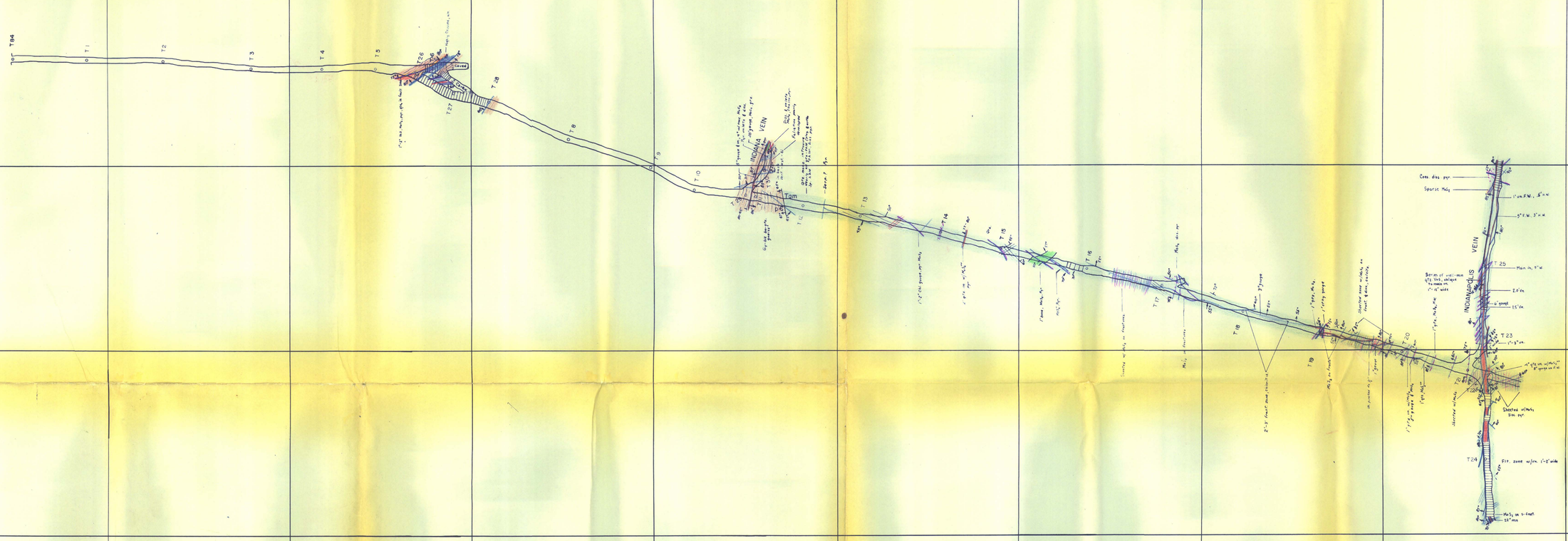
100,400 N

- 80° Dip and strike (faults and veins)
- 60° Dip and strike (gneiss foliation and joints)

Culture:

- 10000 Topographic contour
- Survey station
- Shaft
- Tunnel or adit
- Timbered and lagged tunnel

100,200 N



100,000 N

99,800 N

99,600 N

99,400 N

NYE- MATHEWS MINING, INC.

UNDERGROUND GEOLOGIC MAP

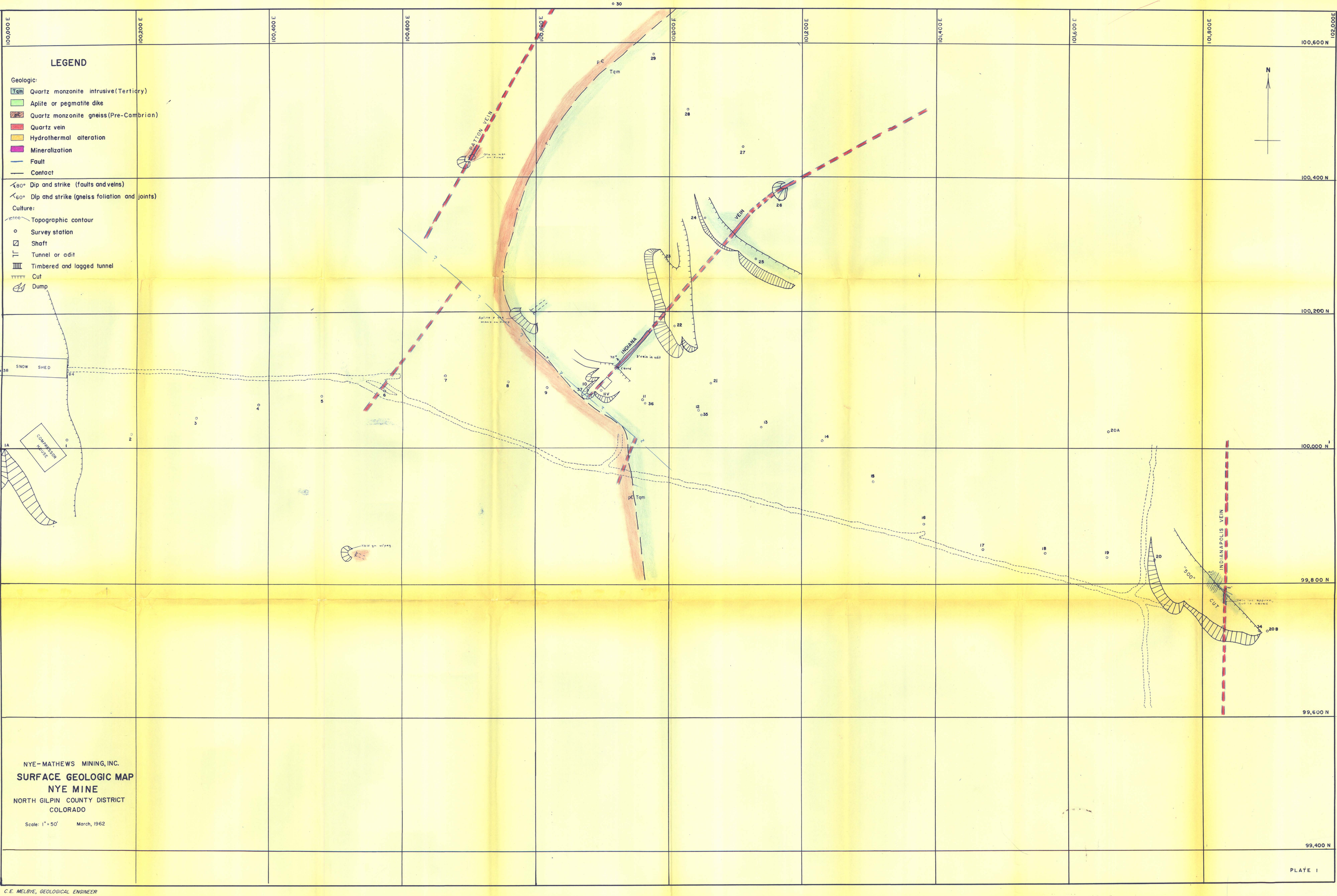
NYE MINE

NORTH GILPIN COUNTY DISTRICT

COLORADO

Scale 1" = 50' March, 1962

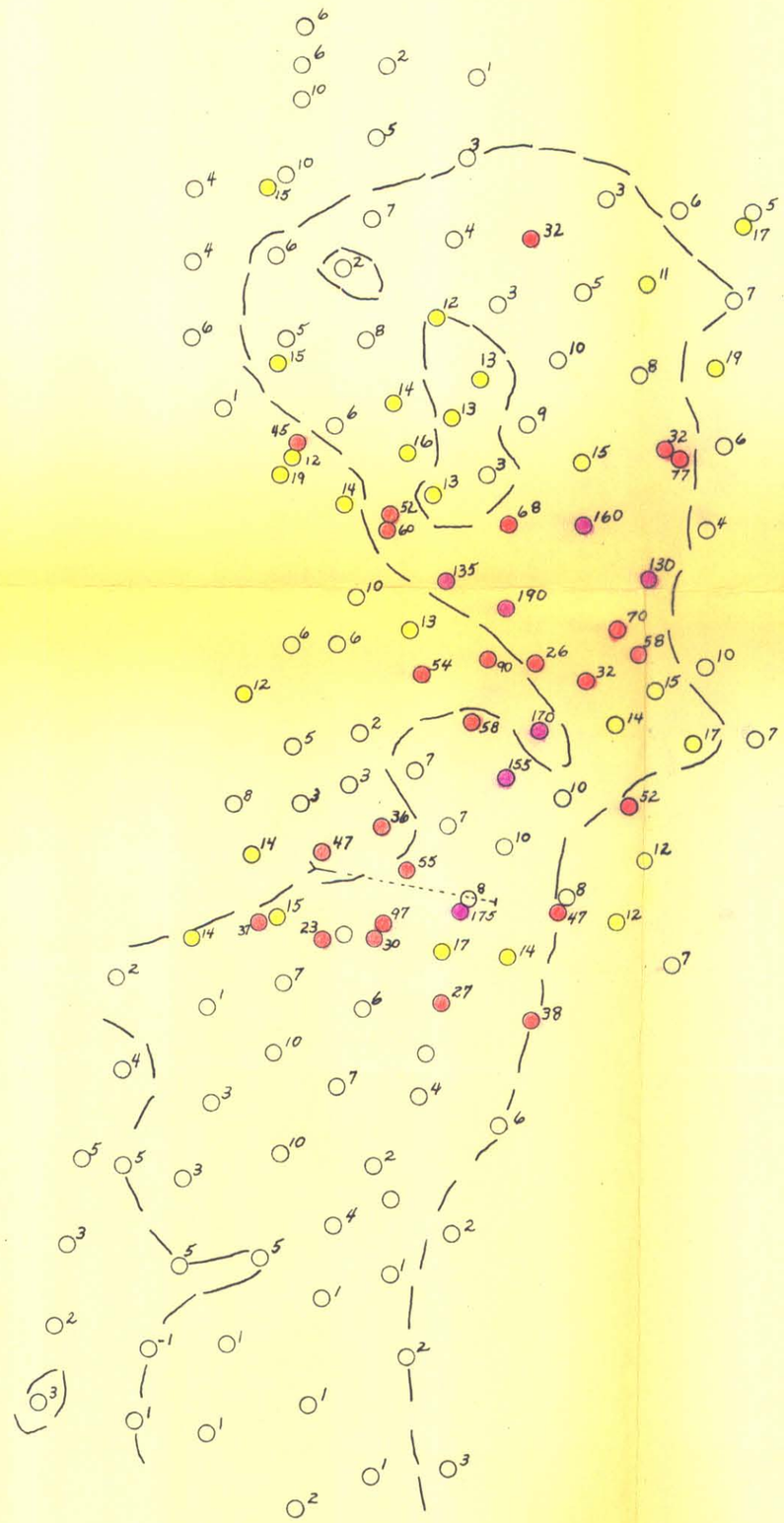
C.E. MELBYE, GEOLOGICAL ENGINEER



C.E. MELBYE, GEOLOGICAL ENGINEER

CHARLES E. MELBYE
Geological Engineer

See Reg III Memos
July 12-19/63



N

Ppm Mo In Soil

- 11 - 25
- 26 - 100
- 100+

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

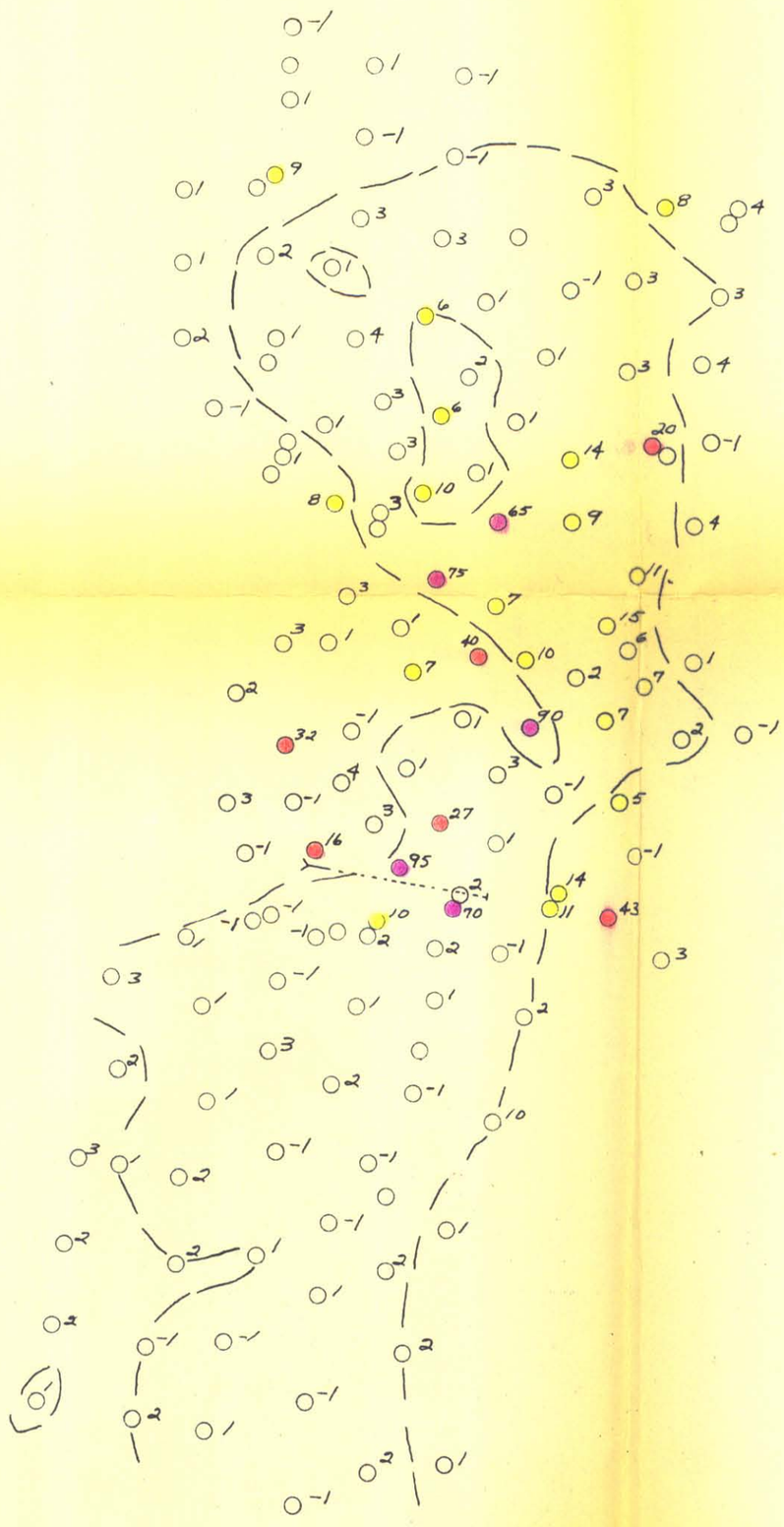
BEAR CREEK MINING COMPANY, R. M. D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600'
DATE: 10/62
DRAWN BY: D. M. M.
MAP NO.:

STANPAT CO. WHITESTONE, N.Y. U.S.A.



N

Ppm Mo In Rock

- 5-15
- 16-50
- 50 +

BEAR CREEK MINING COMPANY. R.M.D.

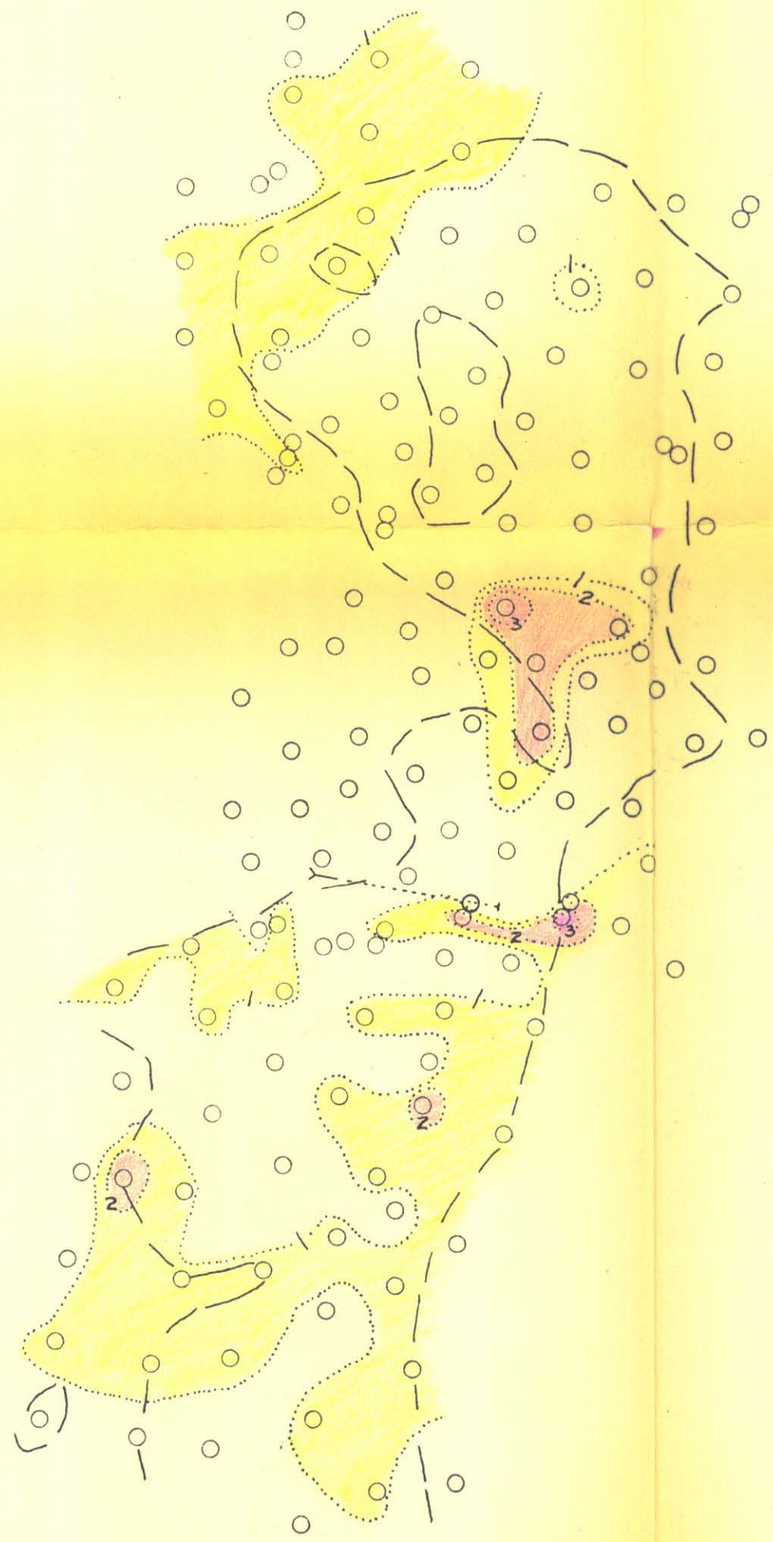
APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62

DRAWN BY D.M.M. MAP NO

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160



N

Silicification

- 1 Weak
- 2 Moderate
- 3 Strong

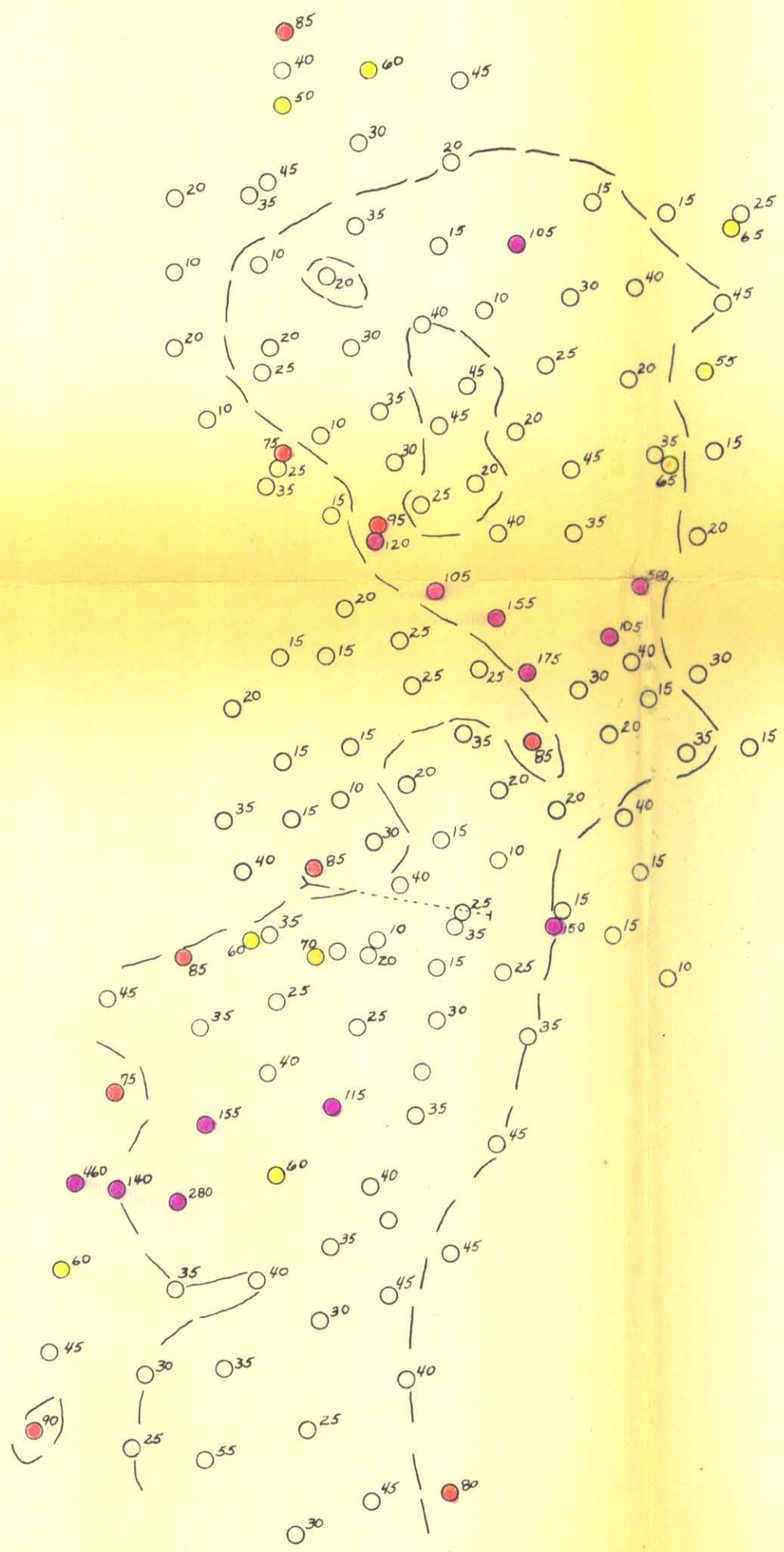
BEAR CREEK MINING COMPANY, R.M.D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600'
DATE 10/62
DRAWN BY D.M.M.
MAP NO.

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160



N

Ppm Cu In Soil

- 50-75
- 76-100
- 100+

BEAR CREEK MINING COMPANY, R. M. D.

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE: 1" = 1600'
DATE: 10/62
DRAWN BY: D.M.M.
MAP NO.:

Analyses by: Rocky Mtn. Geochem. Labs. (coloremetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

STANPAT CO. WHITESTONE, N.Y. U.S.A.

N

Ppm Cu In Rock

- 16-24
- 25-74
- 75+

BEAR CREEK MINING COMPANY R.M.D

APEX MOLYBDENUM PROSPECT

Gilpin County, Colorado

SCALE 1" = 1600' DATE 10/62

DRAWN BY D.M.M. MAP NO.

Analyses by: Rocky Mtn. Geochem. Labs. (colorimetric), fall, 1962
Traced from aerial photos: ECB-8-159, 160

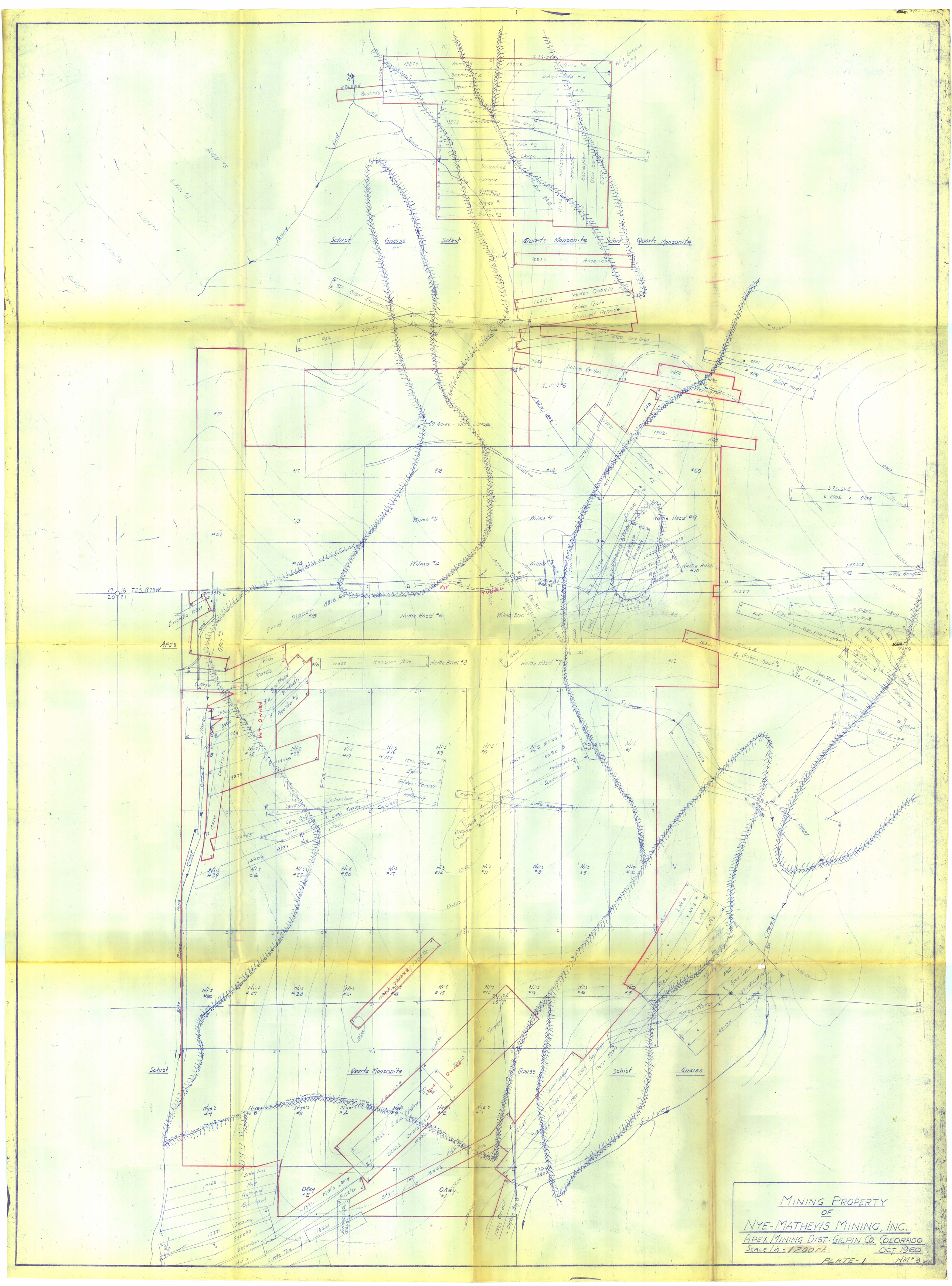

MINING PROPERTY
OF
NYE-MATHEWS MINING, INC.
APEX MINING DIST. - GILPIN CO. COLORADO
SCALE 1 in. = 1200 FT.
OCT. 1960
PLATE-1
NM-3
Schist
Gneiss
Quartz Monzonite
APEX
Wilma #1
Wilma #2
Wilma #4
Nettie Hazel #5
Nettie Hazel #6
Nettie Hazel #7
Nettie Hazel #8
Nettie Hazel #9
Nettie Hazel #10
Ethel Placer #15
Hoosier Bar
Not Owned
Nye's #1
Nye's #2
Nye's #4
Nye's #5
Nye's #6
Nye's #7
Okey #1
Okey #2
Okey #3
Nis #1
Nis #2
Nis #3
Nis #5
Nis #6
Nis #8
Nis #9
Nis #11
Nis #12
Nis #14
Nis #15
Nis #17
Nis #18
Nis #20
Nis #21
Nis #23
Nis #24
Nis #26
Nis #27
Nis #29
Nis #30
Nis #22
Nis #25
Nis #16
Nis #19
Nis #13
Nis #10
Nis #7
Nis #4
Nye TUNNEL
Silver
Pine Creek
Little Creek
American
Golden Gate
Miramar Repose
Hope
Prospect
Bolivar Garden
Wellington
Boom
St. Patriot
Black Hawk
Olive
Little Annie
Julia
Lucy Anne
Golden Rock
Vane
Rob Roy
Iron Cross
Edna
Golden Forest
Water Lily
Columbine
Little Topsy
Cyclops
Lean Boy
Ajax
Redemption
Sunflower
Little Beauty
Oregon Hill
Little Slower
Little Wonder
Goodale Gill
Colles
Atlanta
Hippolander
Palace
Pied Piper
Poor Man
Good Luck
Vindication
Golden Age
Merry Monarch
Money Maker
Malta Lama
Puzzler
Star
Emerald Mine
Slag Line
Pat
Gathard
Bernard
Seaby
Eureka
Defender
Julia
Little Joe
Orient
Opal Bay
80 Acres - State Lease

Plate 1
OME 6231
Note plate 3 attached to Field Team report