UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (~~or cancelled~~) without certification. DMEA No. 506

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

- ✓ Certificate of Audit (Final).
- ✓ Interim Audit(s).
- Report of Review.
- ✓ Termination Notice or Agreement.
- Recision Notice.
- Assignment of Contract.
- ✓ Contract Amendments (latest on top).
- ✓ Contract with all exhibits and annexes.
- Owner's Consent to Lien.
- Subordination Agreement.
- Leases and assignments of leases.
- Application and attachments.
- ✓ Schedule of Collections.
- ✓ Operator's monthly reports and all attachments (latest on top).

Right Side

- ✓ Project summary.
- ✓ Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

- ✓ Final Field Team Report. (Tab)
- Operator's Final Report.
- ✓ Interim Reports.
- ✓ On-site Exam Report(s). (Tab)
- Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

WNC
Reviewer's Initials

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of

Hermada Mining Company
Twin Springs, Idaho

pertaining to Exploration Project Contract No. Idm-522, Docket No. DMA-506, including Amendments Nos. 1 and 2, covering a project for the exploration of antimony, for the period of July 25, 1953 through August 5, 1953.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the contractor.

Total cost as billed by contractor		$39,812.00
Less: Proceeds of property disposition	$7,187.09	
Adjustment for disposition costs paid by the Government	148.53	7,038.56
Adjusted cost		32,773.44
Exceptions (See Audit Report for details)		
Prior to this audit	$165.84	
During this audit	27.72	193.56
Total accepted cost		$32,579.88

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Twenty Four Thousand Four Hundred Thirty Four and 91/100 Dollars

$24,434.91

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Robert M. Hull
Robert M. Hull
Auditor

August 18, 1953

AUDIT REPORT

During the month of August 1953, a final audit (covering operations for the period of July 25, 1951 through August 5, 1953) was made of the records and accounts pertaining to Exploration Contract No. Idm-222, Docket No. DMA 506, including Amendments Nos. 1 and 2 with the

Hermanda Mining Company
Twin Springs, Idaho

covering a project for the exploration of antimony.

An interim audit report and certificate had been previously issued on October 15, 1952 covering the period of July 25, 1951 through August 31, 1952. The final audit report covers work done during September 1952 and the disposition of property acquired for the exploration project. A further site audit was unnecessary as the forms MP-104 submitted for the final period were fully documented.

The Operator offered by letter dated April 10, 1953 $50.00 for the Jackleg and Drill. This offer was accepted by the Executive Officer, DMEA Field Team on May 4, 1953. The purchase cost of this piece of equipment was distributed, on the basis of monthly contributions, among the Operator's three projects as follows:

Contract Idm-222 Hermanda Mining Company	15.6%
Contract Idm-2132 G.O.P. Antimony (Queen Property)	37.4%
Contract Idm-2258 G.O.P. Antimony (Bales Property)	47.0%
	100.0%

Therefore, only 15.6% of the Operator's bid of $50.00 or $7.80 is applicable to this contract, of which the Government's 75 percent share is $5.85.

In a letter to the Executive Officer, DMEA Field Team, Region II dated August 1, 1953 the Operator made an offer for the remaining equipment which consisted of the following items:

1 TD 18A1 HC Tractor, Serial No. TDR-25725, with 18 WG-2 Bucyrus-Erie Hydraulic Bull Grader, Serial No. 38987.
1 Air Slusher, double drum with bucket, Serial No. 169723.

The Executive Officer accepted, in a letter dated August 5, 1953, the Operator's offer of $6,400.00 for the TD-18 Tractor with Hydraulic Bull Grader, and $779.29 for the Air Slusher.

In an attempt to dispose of the equipment the Government incurred the following costs:

Advertising - The Statesman Newspaper (Boise, Idaho)	January 10, 1953	$30.00
" " " " " "	February 15, 1953	5.88
" " " " " "	May 1, 1953	15.00
" " " " " "	May 14, 1953	15.00
" " " " " "	July 1, 1953	15.00
" " " " " "	July 13, 1953	45.00
" " " " " "	July 31, 1953	15.00
		$140.88
Freight charges to Department of Agriculture, (Forest Service) hauling tractor from Interior Department equipment yard to Boise, Idaho Shop of Forest Service	April 27, 1953	7.65
Total		$148.53

These charges have been deducted from the gross proceeds of the property disposition. The "net proceeds" from the property disposition are $7,038.56, of which the Government's 75 percent share is $5,278.92.

The DMEA Certifying Officer made disallowances totaling $265.22 as follows:

Labor	$200.00
Supervision	50.00
Payroll Taxes	10.50
Workmen's Compensation	4.72
	$265.22

The Labor in the amount of $200.00 was disallowed upon the recommendation of the Bureau of Mines' supervising engineer, who was under the impression the charge was for duplicate claim for "cat" operator's wages. The audit disclosed that it consisted of one-half of the wages paid during the month of February 1952

for transportation of materials and supplies and for snow removal.

The $50.00 for Supervision was disallowed by the Certifying Officer in error and was occasioned by a misinterpretation of the contract.

At the time wages and salaries totaling $250.00 were disallowed the applicable amounts of payroll taxes - $10.50, and Workmen's Compensation - $4.72, also were disallowed. These disallowances were not concurred in and their reinstatement was recommended. The Operator, therefore, with the approval of the DNEA Field Team, reclaimed the amount of $265.22.

The interim audit made disallowances of $165.84 and the Operator did not adjust his figures to reflect them. These items were $135.84 for fire and accident insurance, which was not provided for in the contract; and $30.00 for transportation. The latter item was for travel expense and was ex-contract.

The Operator claimed $159.60 for travel expense in connection with the disposition of the equipment. In a discussion with the Executive Officer it was decided to allow the Operator $9.00 a day per diem (which is the amount allowed by the Government), and mileage at 6 cents per mile. The Operator had claimed $20.00 per day for expenses and mileage at 6 cents. The amount of this disallowance is $27.72.

The total amount of disallowances is $193.56.

This audit disclosed that all costs charged to this project, with the exception of the disallowances, are reasonable and proper under the terms of the contract.

The adjustments between "Items of Cost" as shown on the Supplemental MP-104 for September 1952, the disallowances, and the accepted costs are summarized as follows:

	Totals to Date Supplemental MF-104 September 1952	Distribution Corrected	Disallowed by Audit	Allowed by Audit
(1) Independent Contracts				
Drifting	$ 1300.00	$ 1300.00		$ 1300.00
(2) Labor and Supervision				
Labor	9931.89	9265.22		9265.22
Supervision	2000.00	1550.00		1550.00
(3) Operating Materials & Supplies				
Timber	789.98	789.98		789.98
Explosives	513.51	513.51		513.51
Gas, Oil and Grease	4002.19	4002.19		4002.19
Tools - Drift	78.64	78.64		78.64
(4) Operating Equipment				
Rental	1831.50	1831.50		1831.50
Purchase	16890.92	16890.92		16890.92
(5) New Bldgs, Improvements, etc.	204.86	204.86		204.86
(6) Miscellaneous				
Repairs to Equipment	894.84	894.84		894.84
Payroll taxes	486.83	486.83		486.83
Workmens' Compensation	416.29	416.29		416.29
Transportation	30.00	30.00	$ 30.00	—
Insurance on TD-18	135.84	135.84	135.84	—
Accounting		1116.67		1116.67
(7) Contingencies (Specify)				
Expenses - Liquidation of Equip.	304.71	304.71	27.72	276.99
Totals	$39812.00	$39812.00	$193.56	$39618.44
Net Proceeds from property	7038.56	7038.56		7038.56
Adjusted totals	$32773.44	$32773.44	$193.56	$32579.88

The findings of this audit were discussed with the Executive Officer of the DMEA Field Team and have his concurrence.

Robert M. Hull

Robert M. Hull
Auditor

August 18, 1953

Rec'd Wash
(DMA or DMEA
Nov 10, 1952

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

We have examined the records and transactions of

Hermada Mining Company
614 East "C" Street
Kellogg, Idaho

pertaining to Exploration Project Contract No. Idm-322, Docket No. DMA 506, for the period of July 25, 1951 through August 31, 1952.

Our examination was made in accordance with generally accepted standards applicable in the circumstances.

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

Total cost as billed by contractor		$38,632.68
Exceptions (per Audit Report)	$165.84	
Reinstatements of previous exceptions	265.22	
Net reinstatements		99.38
Total accepted cost		$38,732.06

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, subject to liquidation of the Government's equity in Facilities and Equipment, payment to the contractor by the Government in the amount of Twenty nine thousand forty nine and 05/100 Dollars,

$29,049.05

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Donald T. Finch
Donald T. Finch, Auditor

Robert M. Hull
Robert M. Hull, Auditor

I INTRODUCTION

On October 7 to 10, 1952 an interim audit (covering the period of July 25, 1951 through August 31, 1952) was made of the records and accounts of operations pertaining to Contract No. Idm-E22, Docket No. DMA 506, dated June 26, 1951, and as subsequently amended on September 19, 1951 and February 11, 1952, with the

Hermada Mining Company
616 East "C" Street
Moscow, Idaho

covering a project for the exploration for antimony.

The Hermada Mining Company is an Idaho corporation. The exploration project is located near Twin Springs, Idaho. The books and records, however, are located in the company's office at the home of Mr. Ernest Oberbillig, President, 616 East "C" Street, Moscow, Idaho.

During the course of the audit the following officers of the company were consulted as required:

Mr. Ernest Oberbillig, President
Mrs. Carol Oberbillig, Secretary-Treasurer

Their cooperation and assistance greatly facilitated the audit. Mr. Donald T. Finch, DMEA Auditor, collaborated in this audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project consist of summary monthly statements supported by comprehensive payroll records, copies of purchase invoices or suppliers' statements, and cancelled bank checks. The general ledger accounts do not conform with the items of cost as shown on the monthly Form MF-104.

In some instances duplicate purchase invoices were not available for examination during the audit. The missing invoices had been attached to the monthly Form MF-104 and filed in compliance with the documentation requirements of the DMEA Finance Officer. The auditors, however, were able by examination of cancelled checks or monthly statements from suppliers to satisfy themselves concerning the propriety of such items. In addition, special confirmation concerning the complete documentation of the MF-104 forms filed was made by telephone conversation with Mr. W. Rulon Lee, DMEA Finance Officer with offices at Albany, Oregon.

At the time of the audit the Operator's MF-104 form for the months of July and August 1952 had been received in the Bureau of Mines office, Spokane, Washington, but they had not been processed for payment because of pending termination of the contract.

III SCOPE OF AUDIT AND FINDINGS

The audit consisted of a detailed examination of all accounting data as to accuracy, propriety, and validity of the costs as shown in the "Totals to Date" column of Form MF-104, "Operator's Monthly Report and Voucher" for August 1952. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts

During the month of February 1952 the sub-contract work authorized by Amendment No. 2 of the exploration contract was performed. This work, which consisted of crosscutting and drifting, amounted to $1,300.00 and

was paid for at rates authorized within the limits of subject amendment. This item was properly vouchered.

(2) Labor and Supervision

All charges under this item were checked against the payroll records. Daily time cards were examined as to labor time, rates and charges. They were checked to the payroll records for the entire period under audit, and all cancelled checks were also examined. The audit disclosed the following status of this item as of August 31, 1952:

	Charged	Disallowed by Finance Officer	Reinstated by Audit	Allowable Cost
Labor	$9,028.42	$ (200.00)	$200.00	$9,028.42
Supervision	1,400.00	(50.00)	50.00	1,400.00
Accounting	1,016.67			1,016.67
	$11,445.09	$ (250.00)	$250.00	$11,445.09

The foregoing tabulation reflects correction of distribution. The reinstatement of the $200.00 labor charge, previously disallowed, by the DMEA Finance Officer is based on a ruling by the Executive Officer on October 11, 1952 and as evidenced by a memorandum on file in audit work papers. This item was claimed by the Operator on his Form MF-104 for February 1952. It was disallowed by the Finance Officer upon the recommendation of the Supervising Engineer, who was under the impression the charge was for duplicate claim for "cat" operator's wages. The audit disclosed that it consisted of one-half of the wages paid during the month of February 1952 for transportation of materials and supplies and for snow removal. The Executive Officer's decision was

made during a conference with the Operator which will be described at the end of the report.

The $50.00 for supervision was also claimed in the month of February 1952. It was disallowed by the Finance Officer in error and was occasioned by a misinterpretation of the contract. Reference is made to Finance Officer's memorandum dated March 21, 1952.

On March 26, 1952 a letter was addressed to the Finance Officer over the signature of Glenn Reed, U. S. Bureau of Mines Engineer, advising him of the improper deletion of the item. On the same date a letter was addressed to the Operator, advising him to reclaim this amount. The amount was included on the MF-104 form for March 1952 with appropriate footnotes. It was, however, again disallowed by the DMEA Finance Officer.

All of the labor and supervision charges were at rates within the limits of the Exploration Contract and amendments.

(3) Operating Materials and Supplies (Timber, explosives, other supplies, gas, oil and grease, tools - drift)

All charges against this category were checked against the monthly summary; an analysis was made to determine the propriety of the items charged. All purchases for the period under audit were verified for adequate accounting support and were spot checked for proof of payment against cancelled bank checks.

The company does not maintain a stores system. The only items charged to the project which have been acquired by the company prior to the effective date of the contract consisted of diesel fuel, gasoline,

oil and grease. An inventory of these items was made by a Supervising Engineer of the U. S. Bureau of Mines on July 25, 1951. Subsequent withdrawals from this inventory were charged at the prevailing rates as evidenced by comparable current invoices.

(4) Operating Equipment

a. Purchases

Purchases of equipment consisted of the following items:

1 - TD 18A1 HC Tractor, Serial No. TDR-25725, with 18 WG-2 Bucyrus Erie Hydraulic Bull Grader, Serial No. 88987, at $15,769.10

1 - Air Slusher, double drum with bucket, Serial No. 169723 at $1,121.82

Copies of the invoices for equipment purchases are on file in the contract file at the Spokane office of the DMEA.

b. Rental

Exhibit "C" of the exploration contract provides for monthly rental allowances to the Operator for sundry equipment furnished. Charges for this item were made at the authorized contract rates when such equipment was indicated as being in use on the project. In only four months out of eleven months of operation were the maximum allowable rents claimed.

(5) Initial Rehabilitation and Repairs

Not applicable to this contract.

(6) New Buildings, Improvements, etc.

Exhibit "B" of the Exploration Contract shows an estimated authorized cost for new buildings in the amount of $1,000.00. Costs

claimed by the Operator for this item totaled $204.86. These items were adequately vouched.

(7) Miscellaneous

a. Repairs to Equipment

All charges for this item were examined, analyzed as to propriety and were found to be properly supported.

b. Payroll Taxes and Workmen's Compensation Insurance

All charges for payroll taxes and insurance were checked by computation at the rates shown by the company files to be in effect. These rates were:

Social Security Tax	1.5%	
Unemployment - Idaho	2.7%	4.2%

Workmen's Compensation Insurance	
Underground mining	7.50%
Surface mining	3.75%
Office	.05%
Welder	1.60%

At the time wages and salaries totaling $250.00 were disallowed by the Finance Officer the applicable amounts of payroll taxes and charges for Workmen's Compensation Insurance also were disallowed. These amounts should be reinstated because of the reinstatement of salaries and wages. The reinstatement of these items is tabulated as follows:

	Charged	Disallowed by Finance Officer	Reinstated by Audit	Allowable
Payroll taxes	$466.39	($10.50)	$10.50	$466.39
Workmen's Comp.	407.50	($ 4.72)	$ 4.72	$407.50

c. Transportation

Exception is taken to the charge of $30.00 captioned "Transportation." This item is for travel expense and is ex-contract.

d. Insurance

Exception is taken to tractor insurance in the amount of $135.84. This item was for fire and accident insurance, not provided for in the contract.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project as reflected in Exhibit "A" attached to this report are in accordance with the terms of the contract and amendments thereto.

A conference was held on October 11, 1952 at the Spokane office of the Bureau of Mines. Present at this conference were Mr. Oberbillig, President of the operation, the DMEA Executive Officer, two Bureau of Mines Engineers, two Geologists from the Geological Survey and two DMEA Auditors. At this conference the foregoing reinstatements and disallowances were discussed in detail. In addition to the disallowances by the DMEA Finance Officer referred to in the report, there were five other disallowances totaling $236.27 which had previously been made and which had been accepted by the Operator.

/s/ Robt. M. Hull

HERMADA MINING COMPANY
Contract Idm-E22

Exhibit "A"

	Totals August MF-104	Distrib. corrected	Reinstatement of previous disallow.	Disallowed by audit	Allowed by audit
Drifting Contract	$1,300.00	$1,300.00			$1,300.00
Labor	9,495.09	8,828.42	$200.00		9,028.42
Supervision	1,700.00	1,350.00	50.00		1,400.00
Accounting		1,016.67			1,016.67
Timber	789.98	789.98			789.98
Explosives	513.51	513.51			513.51
Gas, oil & grease	4,002.19	4,002.19			4,002.19
Tools - Drift	78.64	78.64			78.64
Operating Equipment					
Purchase	16,890.92	16,890.92			16,890.92
Rental	1,778.50	1,778.50			1,778.50
New Bldgs. & Improvements	204.86	204.86			204.86
Repairs to Equip.	854.48	854.48			854.48
Payroll Taxes	455.89	455.89	10.50		466.39
Workmen's Compen.	402.78	402.78	4.72		407.50
Transportation	30.00	30.00		$30.00	—
TD-18 Insurance	135.84	135.84		135.84	—
Totals	$38,632.68	$38,632.68	$265.22	$165.84	$38,732.06

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
[illegible]
No. 177 Normal Street
Spokane 4, Washington

October 17, 1952

Memorandum

To: Robert M. Hull, Auditor, DMEA, Region II

From: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

Subject: Docket No. WLM-206X (Anthony), Termination of Exploration Project Contract by Agreement After Commencement But Before Completion of the Work, Nevada Mining Company, Elmore County, Idaho, the Nevada Mine, Contract IM-822.

This memorandum was prepared following a conference between Mr. Ernest Oberbillig, Operator, DMEA Auditors, and the DMEA Field Team, Region II, at the U. S. Bureau of Mines Office, Spokane, Washington, on October 11, 1952. It was mutually agreed at this meeting that the subject contract should be terminated, contingent upon final audit of the Nevada account.

The Field Team, after conferring with Mr. Oberbillig, decided that the $200 in labor charges disallowed the Nevada contract for work performed during the month of February 1, 2 should be resubmitted by the Operator to be made payable under terms of the contract. The labor charge was originally disallowed because it was believed to represent duplicate wages paid for snow removal. Mr. Oberbillig, however, stated that the labor charge actually represented part-time salary of a cat operator and truck driver whose services were devoted to transporting supplies to the project for that month and that the charge had been improperly presented in the monthly progress report and not properly substantiated this earlier due to misinterpretation. Mr. Oberbillig was advised to submit a supplemental form IM-1.4 for the month of February 1952 in which he should properly present his labor charge of $200 so that final payment could be made.

The deletion of $50 for supervision performed on contract work during February 1952 was occasioned by a misinterpretation of the contract by the DMEA Fiscal Officer of Region II. This deletion should be made an allowable cost of the project.

A. E. Weissenborn
A. E. Weissenborn

cc: USBM (2)
Kirkeeo

STANDARD FORM NO. 64

COPY

Office Memorandum • UNITED STATES GOVERNMENT

Bureau of Mines - Albany, Oregon

TO : Mr. T. E. Howard (Thru: M. E. Volin)
Spokane, Washington

DATE: March 21, 1952

FROM : W. Rulon Lee, Fiscal Officer

SUBJECT: DMEA Contract E22, Hermada Mining Company

Operator's invoice for February has been approved for $2870.10, and he will be reimbursed to the amount of $2152.58.

Deductions from the amounts submitted by the operator are:

(1) Labor reduced by $200.00 per your approval.
(2) Supervision reduced by $50.00. The contract specified 1/3 of foreman's time. His rate is $300.00 per month, so accordingly I believe amount chargeable to the contract is $100.00.
(3) Gas, oil, grease, reduced by $26.00 per your approval.
(4) Payroll taxes allowed per copy of report attached. Adjustment's necessary due to adjusted figure for payroll.

I note your comment that salvage value of equipment purchased under the contract will very probably amount to the sum of $11,070.25, which is (approximately) the amount unexpended by the Government under the contract.

In view of this situation, I believe it advisable to not make any more payments to the operator until a final accounting is made and the contract terminated or completed.

S/W. Rulon Lee

Government Copy
Antimony

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 30th day of September, 1952, between the United States of America, acting through the Depatment of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Hermada Mining Company, Twin Springs, Idaho, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 22, Docket No. DMEA- 506X, dated June 26, 1951, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By A E Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II
(~~Operator~~)

~~By~~ HERMADA MINING COMPANY
(Operator)

By Ernest Oberbillig, Pres.

Rm 2612 Wash

Contracts & Audit
Dmea 506
Antimony

AMENDMENT NO. 2

It is agreed this 11th day of February 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Hermada Mining Company, an Idaho corporation, Twin Springs, Idaho

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E22 of June 26 1952 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be February 1 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

This amendment shall not be constued to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

HERMADA MINING COMPANY
(Operator)

By Ernest Ambelling

The United States of America

By M E Volin
M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II

Defense Minerals Administration

FEB 1 1952

Division reviewed
HB 2/21

HERMADA MINING COMPANY
Exploration Project Contract Idm-E22

Amendment No. 2

EXHIBIT "F"

Changes and modifications

In Exhibit "D" of the contract, under Labor and Supervision, add the following paragraph:

"Labor for the crosscutting and drifting described in Exhibit "A" of the contract may be paid at unit contract rates, as follows:

$10.00 per foot - untimbered
12.00 per foot - timbered (without spiling)
13.00 per foot - timbered (with spiling)"

AMENDMENT NO. 1

It is agreed this 19th day of September 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and The Hermada Mining Company, an Idaho Corporation of Twin Springs, Idaho

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract I-DMA-E22, 506X of June 26 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be June 26 1951.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

RECEIVED OCT 5 1951 G.A.O.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

Hermada Mining Company
(Operator)

By Ernest Charbillig

The United States of America

By A. E. Wernden

Executive Officer, DMA
Field Team, Region II

Chicago Office
Filed D.E.
Checked
12/21/51

The Hermada Mining Company
Twin Springs, Idaho

Contract I-DMA-522

EXHIBIT "F"

Changes and Modifications

1. On Exhibit "D" of the Exploration Project Contract under Labor and Supervision, add

Classification	Salary per month
Cat operator and welder	$350.00

RECEIVED
OCT 5 1951
C. A. O.

MF-506
(April 1951)

Indexed
No Card
Card
Reviewed

Docket No. DMA 506 X
Commodity Antimony

I-DMA-E22

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

67

It is agreed this 26th day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] The Hermada Mining Company, an Idaho Corporation.

JUL 12 1951

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Idaho, County of Elmore described as follows: [3] The Hermada group of unpatented claims secs. 11, 12, 13, and 14, T. 6 N., R. 9 E., Bm (see accompanying map for exact locations).

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

~~(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for [5] antimony; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 16 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

Supplement No. Amend 1 1, dated 9-19-51 Attached 10-23-51

16—64066-1

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 75 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $33,075, which is 75 percent of the agreed estimated total cost of this project, $44,100.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [signature]

Administrator
Defense Minerals Administration

Hermada Mining Company
(Operator)

By Ernest Chubbuck, Pres

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

Hermada Mining Company, Elmore County, Idaho

Exploration Project Contract

EXHIBIT "A"

Exploration project

1. Bulldoze the Hermade-vein outcrop in unpatented Hermada claims Nos. 4, 6, 7, 10, 12, 21, 24, 37, 43, 46, 47, 49, and the Carol Lee. Locations to be bulldozed are so marked on the claim map submitted herewith.

2. Drive South pit adit on claim No. 2, commencing at a point slightly below the collar of U. S. Bureau of Mines Diamond Drill Hole No. 5, and extending in a westerly direction for 150 feet; thence north for 150 feet. (See attached map for location of portal, marked T_2).

3. Drive North pit adit on claims Nos. 12 and 43, in a westerly direction for 120 feet, with two 40-foot drifts to be driven from the adit face; one to the north and one to the south. In the event the 120-foot adit intersects a more favorable structure, the aforementioned 80 feet of drifting may be diverted to the encountered structure. (See attached map for location of adit, marked T_1).

Estimated costs of this project are:

1.	Drifting Crosscutting 500 feet @ $30 per ft.	$15,000
2.	Bulldozing 1400 operating hours @ $8.00 per hr.	11,200
3.	Construction buildings	1,000
4.	Equipment to be purchased	16,900
	Total cost of project	$ 44,100

Hermada Mining Company, Elmore County, Idaho

Exploration Project Contract

EXHIBIT "B"

Additional facilities to be erected

2 - 10' x 10' tool sheds @ $500 each	$1,000.00

Hermada Mining Company, Elmore County, Idaho

Exploration Project Contract

EXHIBIT "C"

Operating equipment

To be rented ----------None

To be purchased

1 TD-18 International Crawler Tractor with Angledozer, complete	$16,000
1 Air slusher, double drum with bucket	900
Total cost of equipment to be purchased	$16,900

To be furnished by the Operator

	Value	Monthly Rental Allowance
1 - 210 cfm 1 R Air compressor, gas driven	$6,000.00	$ 186.00
1 - 12 cu. ft. ore car	150.00	3.00
1 - Jeep	750.00	42.00
1 - Welder mounted on Jeep	350.00	11.00
1 - G. D. Drifter hand-feed with column	500.00	16.00
1 - Jackhammer 35# Cleveland	250.00	10.00
Total monthly rental allowance		$ 268.00

Hermada Mining Company, Elmore County, Idaho

Exploration Project Contract

EXHIBIT "D"

Labor and supervision

Classification	Rate per shift
Miners (2)	$14.00
Muckers (2)	14.00
Bulldozer operator	14.00
	Salary per month
Foreman @ $450 per month (1/3 time)	$ 150.00
Bookkeeper @ $300 per month (1/3 time)	100.00

see Ex F

The above rates are subject to lawful overtime increases and revision of pay scales under union contracts.

Hermada Mining Company, Elmore County, Idaho

Exploration Project Contract

EXHIBIT "E"

Rehabilitation and repairs

None

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 506X

Date received 5-17-51

Participation

Hermada Mining Company
Twin Springs, Idaho

Name and address of applicant

Date May 9, 1951

FILL IN THIS BLOCK

Date of application Letter Applications dated January 5 and January 16, 1951

Estimated cost $40,000.00

Mineral or metal Antimony

Percentage of Government participation 75 percent

Location of mine Section 13, Township 6 N, Range 9 East.
Elmore County, Idaho

Date of filing MF-100 In the form of letters dated January 5 & January 16, 1951

DMA Docket Number, if available DMA-506X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

See Attached Sheets.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

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THE PROPERTY

*10. (a) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(b) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (b) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(a) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(b) State briefly the known history and production of adjoining and neighboring properties.

(c) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(a) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(a) Describe the ore or mineral deposits briefly.

(b) Submit available maps and assay data.

(c) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(a) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(b) Supervisors, by numbers and positions, with salaries of each.

(c) Cost of necessary repairs to existing facilities, structures, and buildings.

(d) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(e) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(f) Cost of rental for equipment which the operator proposes to rent.

(g) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(h) Cost of materials and supplies, including items of equipment costing less than $50 each.

(i) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Hermada Mining Company
(Name of company)

By Ernest Oberkellig
(Signature of authorized official)

May 9, 1951
(Date)

President.
(Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-103 (attachment)

THE APPLICANT

1. The applicant is an Idaho Corporation, filed December 20, 1947.
2. This is not a partnership.
3. The names and addresses of the officers of the Corporation are:

President	Ernest Oberbillig, Twin Springs, Idaho
Vice President	Joss Hawley, Jr., Eastman Building, Boise, Idaho
Superintendent	Gilbert Pearson, Twin Springs, Idaho
Secretary-Treasurer	Carol Oberbillig, Twin Springs, Idaho

The names and addresses of the directors of the Corporation are:
Ernest Oberbillig, Twin Springs, Idaho
Joss Hawley, Jr., Eastman Building, Boise, Idaho
Gilbert Pearson, Twin Springs, Idaho

The names and addresses of the the five largest stockholders are:
Ernest Oberbillig, Twin Springs, Idaho
Carol Oberbillig, Twin Springs, Idaho
Gilbert Pearson, Twin Springs, Idaho
Jess Hawley, Jr., Eastman Building, Boise, Idaho
Herman Miller, Stibnite, Idaho

The above five stockholders hold over 80% of the issued outstanding stock.

4. a. The applicant for this exploration project is the Hermada Mining Company which has been successfully engaged in antimony production from the Hermada Mine since June 13, 1947. The Hermada Mining Company has built a modern camp, paid for all equipment necessary to mine ore and has produced in excess of 600 tons of antimony metal with an initial cash outlay on which to start business of about $7,000.00.

   b. The persons who will manage this project will be Ernest Oberbillig, who is a graduate mining engineer and who has had 15 years' experience in the mining business. The Superintendent for the Hermada Project will be Gilbert Pearson, who is a practical mine operator with over 20 years' experience in the mining business, and who was one of the original partners and operators of the Hermada Mine. Mr. Pearson will carry out the proposed exploration program under the general supervision of Mr. Oberbillig.

5. The Hermada Mining Company owns all the property, a total of five patented claims and 55 unpatented claims. The Hermada Mining Company pays no royalty or lease payments.
6. There are absolutely no claims, liens, or encumberances against this property or the Hermada Mining Company, with the exception of, at this instant, a Note Payable of $2,500 with the First Security Bank of Idaho, Boise, Idaho. Said note is now covered entirely by profit to be made from shipment of ore now being mined and processed for which we have contracts for shipment and sale of concentrates.
7. We do not lease any part of our operation.
8. We supplied copies of our current financial statement with our original loan application on January 5, 1951 to Mr. M. E. Volin, Chief, Mining Division, Region II, U. S. Bureau of Mines. This financial statement was mailed to Washington from Albany, Oregon on January 18, 1951, and you, no doubt, have this statement in your docket on the Hermada Mine.
9. The Hermada Mining Company is prepared to invest either in cash, labor, or machinery rentals the $10,000 required for the Hermada Mining Company's 25 percent portion of the proposed $40,000 exploration loan. This will be sufficient to pay our part of the cost of the project.

Form MF-103 (attachment, cont'd)

THE PROPERTY

10. a. The Report of the U. S. B. M. Project No. 112, called the Hermada Project has a complete record of all the property with accompanying maps, of which we have no copies as yet. These copies of maps are in the Spokane Offices of the Bureau of Mines and Geological Survey, and said maps were available for the use of the DMA team of Engineers who recently visited the Hermada Mine, and no doubt their report will include copies of these maps with a full description of the properties involved and the existing real property at the Hermada Mine.

b. The legal description of the areas upon which the exploration is to be conducted is included in the report being submitted by the DMA team of Engineers.

Note.— The present Hermada Pit Area which is located right in the end lines of Hermada Claims 1 and 2 will be excluded from any part of this exploration project, and production made therefrom will not be subject to repayment of this exploration loan. Profits to be made from the ore exposed in this pit area will be used for our portion of the exploration project.

11. The present and former name of this property has always been the Hermada Antimony Mine.

12. Please see report of the U. S. B. M. Project No. 112, called the Hermada Project, by Mr. C. C. Popoff, Project Engineer.

13. Ample water is available for any type of operation anticipated, and the water is sufficient during all seasons of the year.
The power we use here on the property comes entirely from a small gasoline driven light plant. This power is used only for camp lighting and refrigeration. All mining equipment and machines such as bulldozers, compressors, trucks, etc., are engine-driven using either gasoline or Diesel fuel.

14. In our letter of January 16, 1951, to Mr. M. E. Volin (now in the DMA file in Washington, Docket No. DMA-506) we listed all existing facilities, equipment and buildings which are available for the use of this exploration project.

15. Any ore developed by the proposed exploration work can be handled and milled just exactly as we are doing at present -- which is, we truck the ore to Atlanta, a distance of 20 miles where it is custom milled by the Talache Mines, Inc. The concentrates are then trucked to Boise, a distance of 90 miles where they are loaded into boxcars and shipped.

16. The history of the Hermada Mine has been well covered in the U. S. Bureau of Mines Report of the Hermada Project No. 112.

17. See answer to Question 16.

18. We listed our ore and mineral reserves in our original application letter of January 16, 1951. Likewise, we refer you to the Hermada Report by Mr. Popoff.

19. This property has had the benefit of a complete and thorough investigation by the U. S. Bureau of Mines. Likewise, we are continuing to produce.

THE EXPLORATION

20. The proposed exploration will be conducted for antimony ores to be found in quartz vein types of deposits.

21. The proposed work for this exploration project will consist of the following:
1. a tunnel, 300 ft. long driven in a west direction close to U.S.B.M. Drill Hole No. 5 to open up ore indicated by that drill hole.
2. A tunnel, 200 ft. long to explore the extremely promising Yellow Tom Pit Area (we believe the Bureau refers to this area as "North Pit Area").
3. We wish to propose bulldozing in several places where commercial ore now outcrops. These areas are on our Hermada Claims No. 4 and 34.

Form MF-103 (attachment, cont'd)

21. (cont'd) The estimated time required to complete this exploration project will be five months for the tunnel work, and ten months for the bulldozing. However, buldozing work can be most effective and economically accomplished if done during the summer seasons, so it is our plan to start the bulldozing work immediately as soon as this project is approved, and then during this coming winter do the tunnel work, followed by completion of the bulldozer work next spring and summer. Therefore, this exploration project will be complete by November 1, 1952.

22. A very complete set of the geological maps are in the Spokane Offices of the Bureau of Mines, and it is understood that the DMA team of Engineers are submitting sets of these maps with their report on this exploration project.

THE REQUIREMENTS AND COSTS

23. Estimated requirements and costs of the project are:

Item	Time	Description	Total Cost
(a)	5 mo.	2 miners @ $400. per month	$ 4,000.00
	12 mo.	1 bulldozer operator @ $400 per month	4,800.00
(b)	17 mo.	1/3 time foreman @ $450. per month	2,550.00
	17 mo.	1/3 time bookkeeper @ $300. per month	1,700.00
(c)	17 mo.	Repairs to housing & camp buildings, power plant @ $50. per month	850.00
(d)		Construct two small tool sheds at each adit site at $500.00 each	1,000.00
(e)		Drifter Drill, slusher & bucket, & one ore car	1,200.00
(f)	12 mo.	TD-18 Bulldozer Rental (or purchase)	14,400.00
(g)	5 mo.	210 Cu.ft. Compressor Rental @ $320. per month	1,600.00
(h)		Powder, caps, fuse, track, pipe, timbers, hand tools, gasoline, Diesel fuel, dozer blades & repairs, grease, etc.	7,900.00
(i)		No costs this item	--
		T O T A L	40,000.00

24. Assuming the project can start July 1, 1951, we can accomplish four months of bulldozing before inclement weather sets in November 1, 1951. Tunnel work will start Nov. 1, 1951 and last until April 1, 1952. Then bulldozing work can start again March 1, 1952 and end Nov. 1, 1952.
Average monthly expense will be about $2,350.00 per month for the 17 months' time to accomplish the complete exploration project.

* * * * * * * * * *

dma - 506

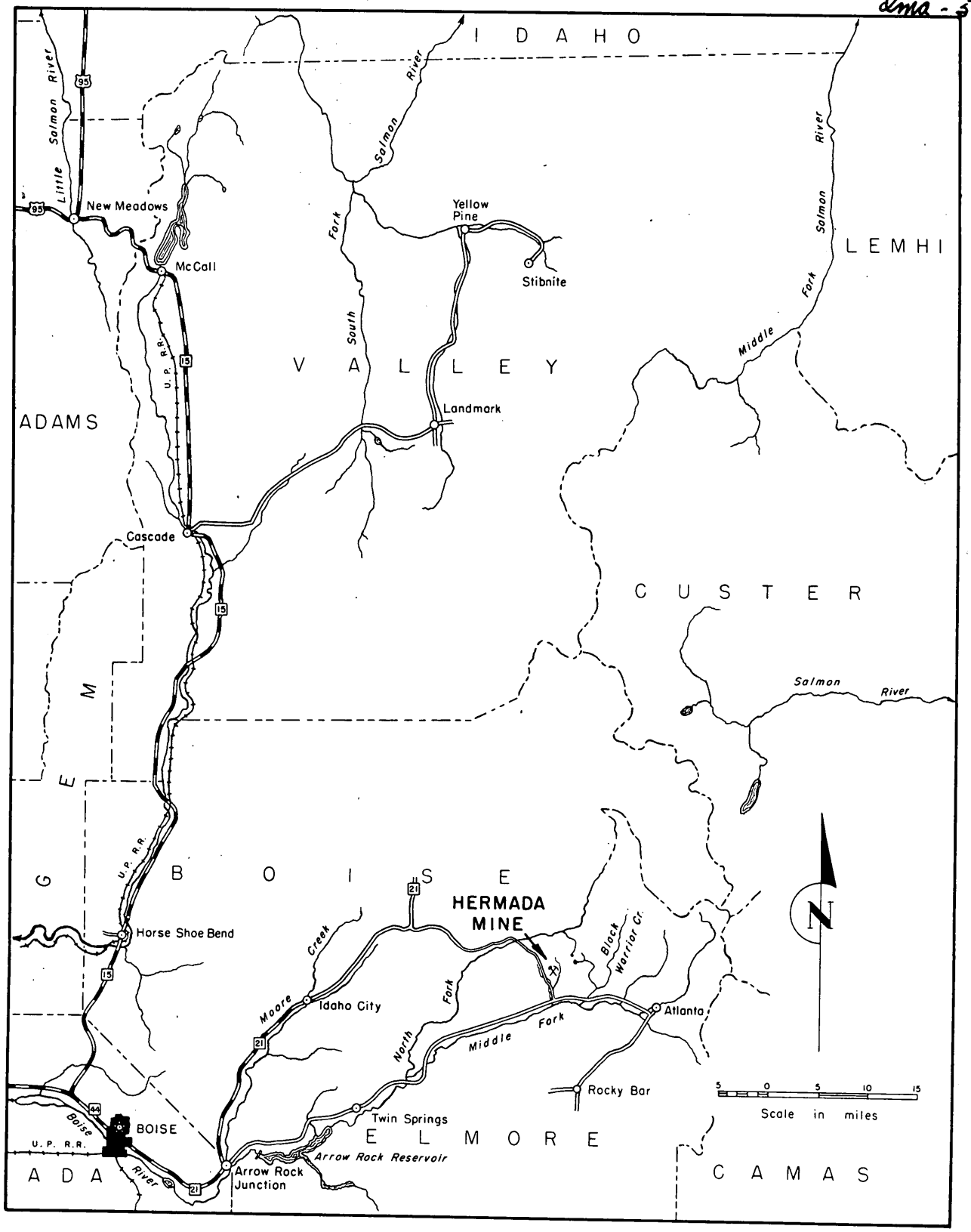


Figure 1. — Map showing the location of Hermada mine, Elmore County, Idaho.

dma-506

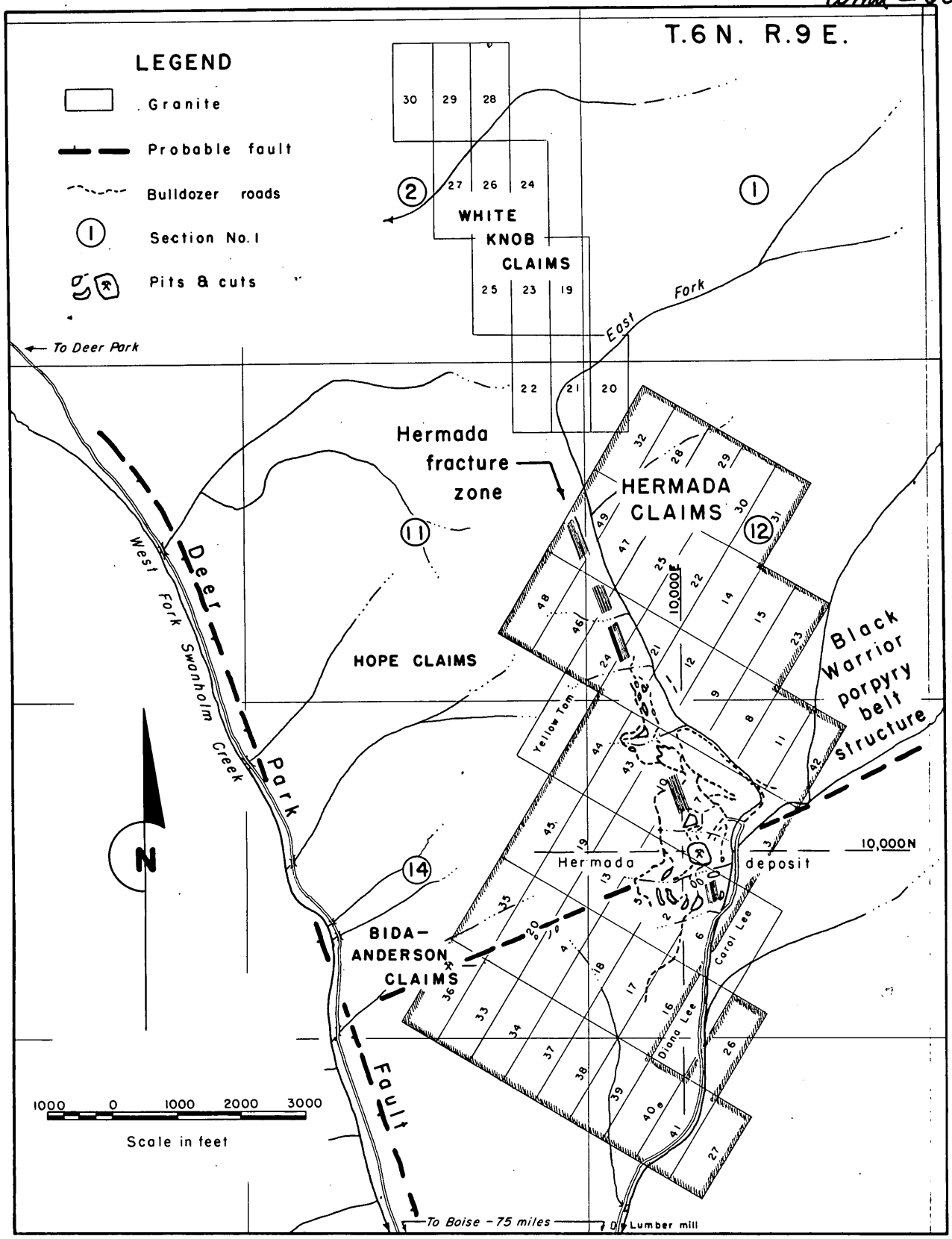
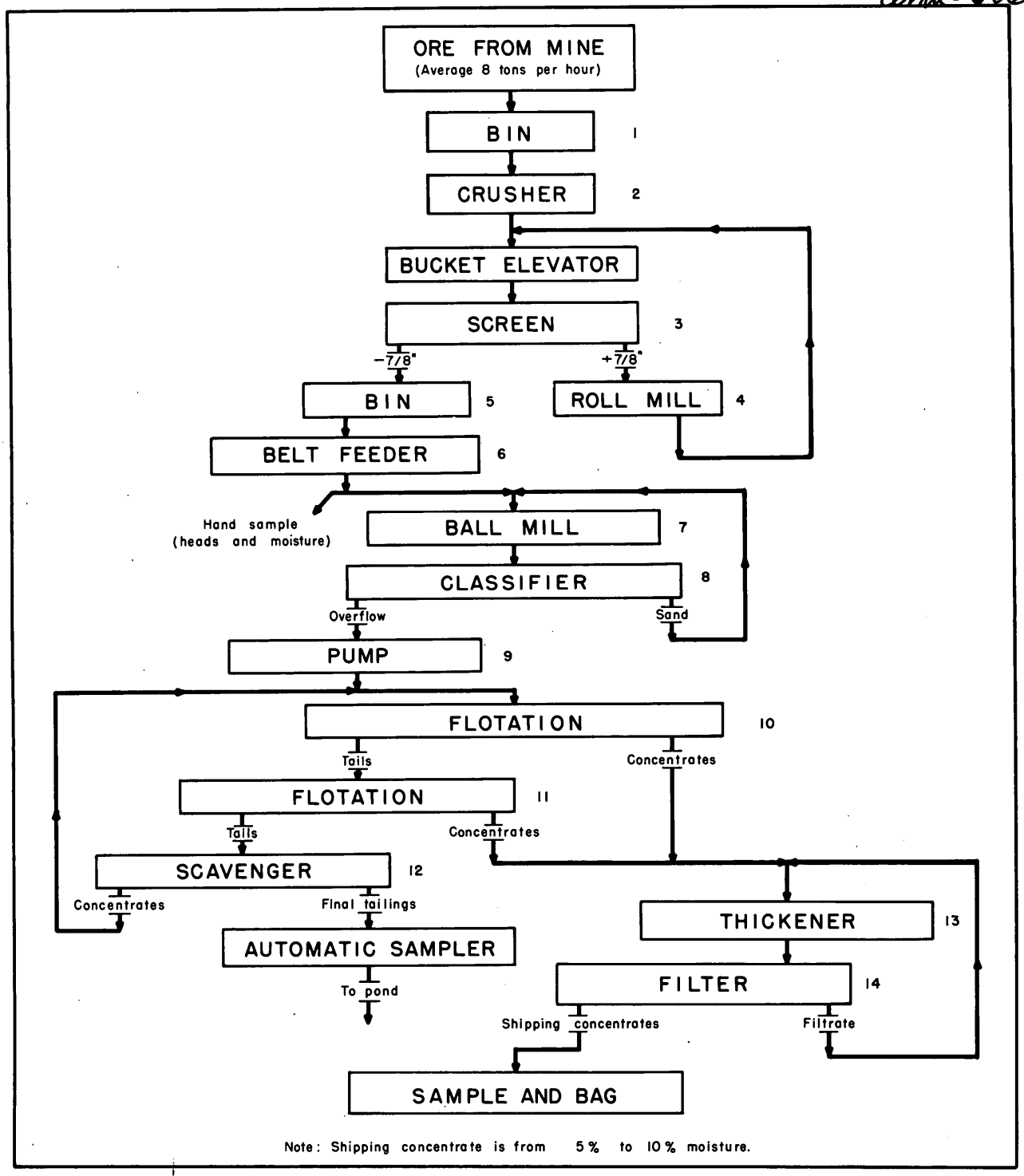


Figure 2.—Swanholm district, showing general geology and claims.

Dma-506



LEGEND

1 300 ton crude ore bin.
2 Traylor crusher (Blake type), 10" x 20".
3 Hummer screen, 4'x5', 7/8" slots.
4 Empire roll mill, 36" diameter x 16".
5 175 ton fine ore bin.
6 16" x 10" belt feeder.
7 8' x 22" Hardinge ball mill.
8 Dorr classifier, 4' x 30'.
9 Wilfley sand pump, 3".
10 Denver twin cells No. 21, 43" x 43".
11 2, 56" Fagergren No. 14 cells.
12 8, 44" Fagergren No. 11 cells.
13 Dorr thickener 16' and 12' diameter.
14 Leaf American type filter, 6' diameter.

Figure 3 — Flow sheet for antimony treatment, Talache Mines Inc., Atlanta, Idaho.

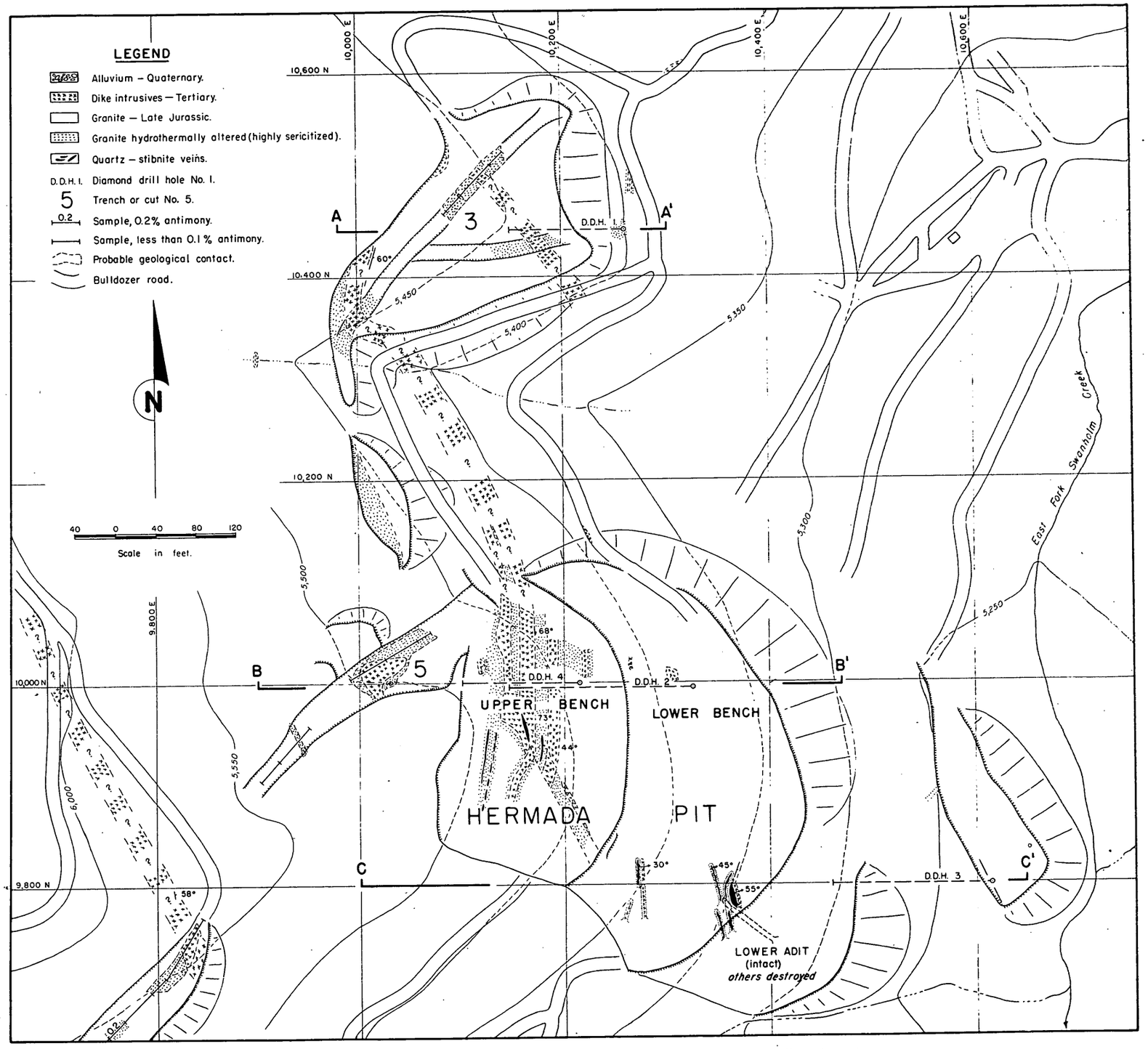
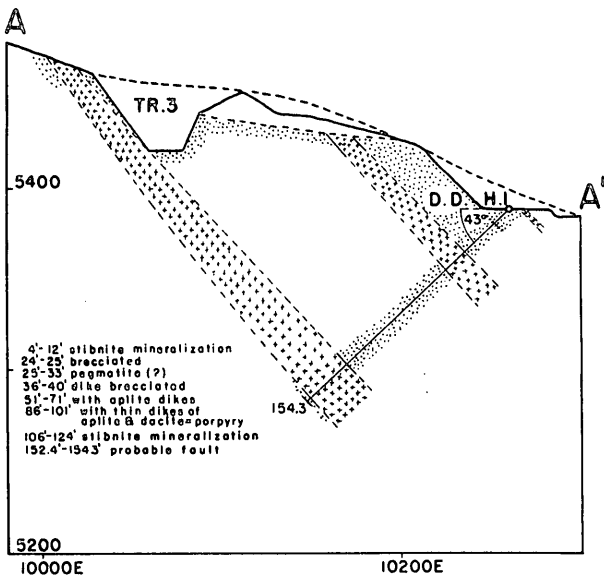
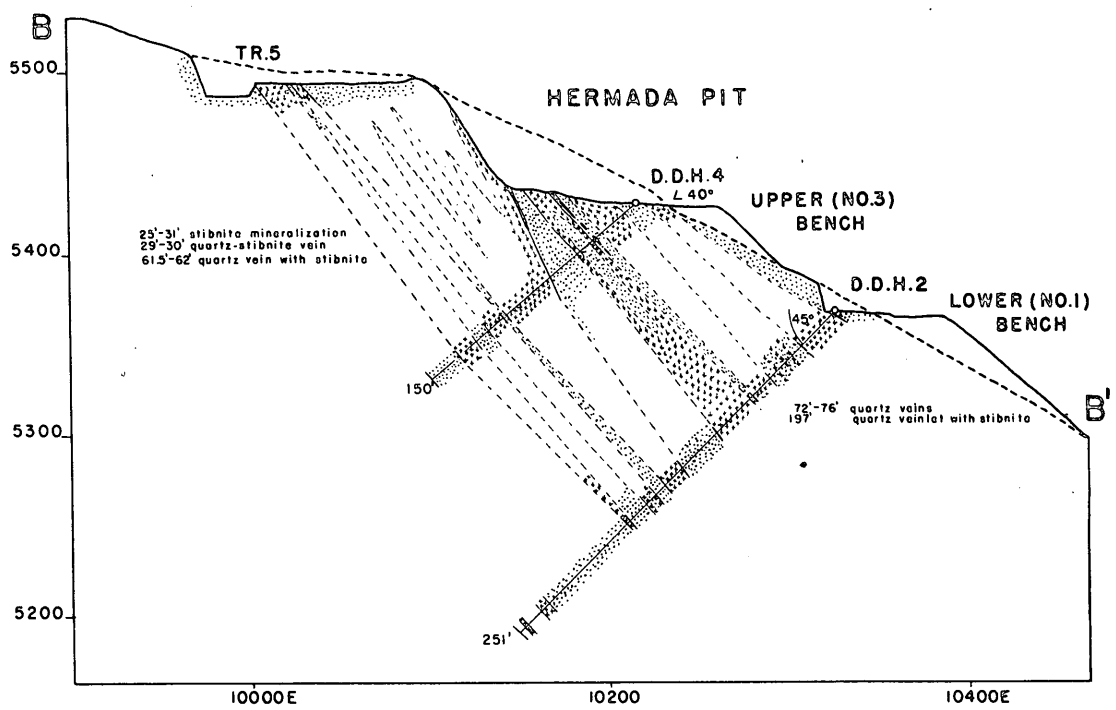


Figure 5. — Hermada pit area, Hermada antimony deposit, Elmore County, Idaho.

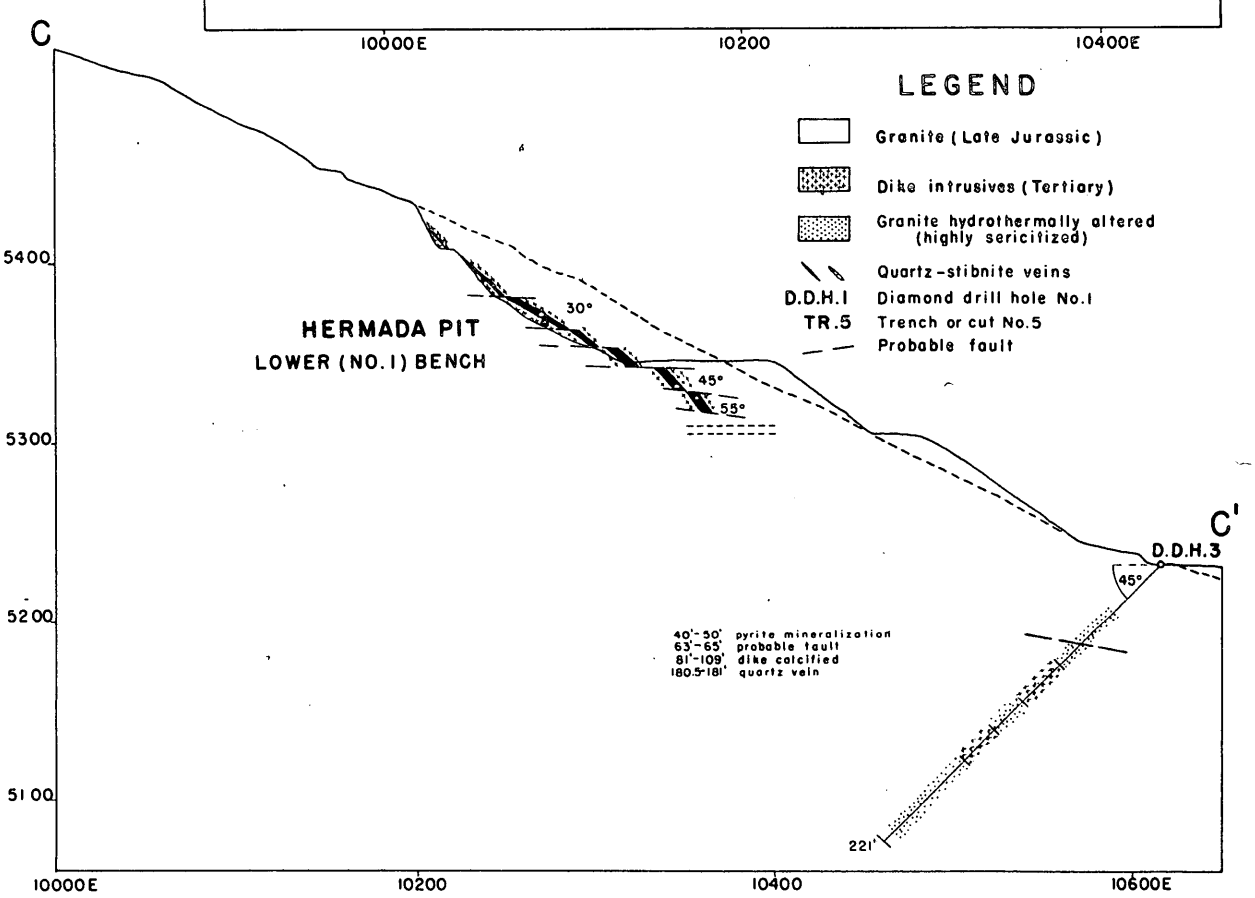




Record of Diamond Drill Hole Values
(sludge samples above 0.1 percent antimony)

Hole No	Footage Interval	Footage Total	Antimony percent Sludge	Antimony percent Core	Recovery core percent
1	4.0- 12.0	8.0	0.11		0
	106.0-124.0	18.0	0.11		50.0
2	All samples less than 0.05 % Sb				
3	" "	"	" "	"	
4	25.0- 30.0	5.0	0.13		
	29.0- 30.0	1.0		6.42	40.0
5	65.0- 70.0	5.0	0.34		2.0
	70.0- 75.0	5.0	0.28		8.0
	75.0- 80.0	5.0	0.30		2.0
	80.0-85.0	5.0	0.38	0.05*	18.0
	85.0- 90.0	5.0	0.38	0.05*	20.0
	90.0-95.0	5.0	0.24		12.0
	95.0-100.0	5.0	0.21		24.0
	100.0-105.0	5.0	0.27		24.0
	98.5 -105.0	0.5		0.05	24.6
	105.0-110.0	5.0	0.21		38.0
	110.0-115.0	5.0	0.32	0.06	32.0
	115.0-120.0	5.0	0.65		0
	120.0-125.0	5.0	0.32		2.0
	125.0-130.0	5.0	0.34	0.05*	32.0
	130.0-136.0	6.0	0.24		56.6
	136.0-141.0	5.0	0.23	0.05*	24.0
	141.0-146.0	5.0	0.22	0.05*	36.0
	146.0-151.0	5.0	0.16		22.0
	151.0-159.0	8.0	0.23		8.0
	159.0-164.0	5.0	0.22	0.05*	18.0
	164.0-169.0	5.0	0.22		14.0
	169.0-173.0	4.0	0.22	0.05*	27.5
	173.0-178.0	5.0	0.17		20.0
	178.0-183.0	5.0	0.22		22.0
	183.0-188.0	5.0	0.22	0.05*	34.0
	198.0-203.0	5.0	0.19		4.0
	203.0-208.0	5.0	0.13		14.0
	208.0-213.0	5.0	0.11		20.0
	213.0-218.0	5.0	0.11		20.0
	218.0-223.0	5.0	0.11		7.0
	223.0-228.0	5.0	0.11		7.0
	228.0-233.0	5.0	0.13	0.05*	30.0
	233.0-238.0	5.0	0.16	0.05*	22.0
	238.0-243.0	5.0	0.15	0.05*	28.0
	243.0-248.0	5.0	0.16		10.0
	248.0-253.0	5.0	0.25	0.05*	52.5
	253.0-258.0	5.0	0.43	0.05*	14.0
	258.0-263.0	5.0	0.48		0
	263.0-268.0	5.0	0.22		0
6	All samples less than 0.1 percent antimony				

* less than



LEGEND

- Granite (Late Jurassic)
- Dike intrusives (Tertiary)
- Granite hydrothermally altered (highly sericitized)
- Quartz-stibnite veins
- D.D.H.1 Diamond drill hole No.1
- TR.5 Trench or cut No.5
- Probable fault

Scale in feet
40 0 40 80 120

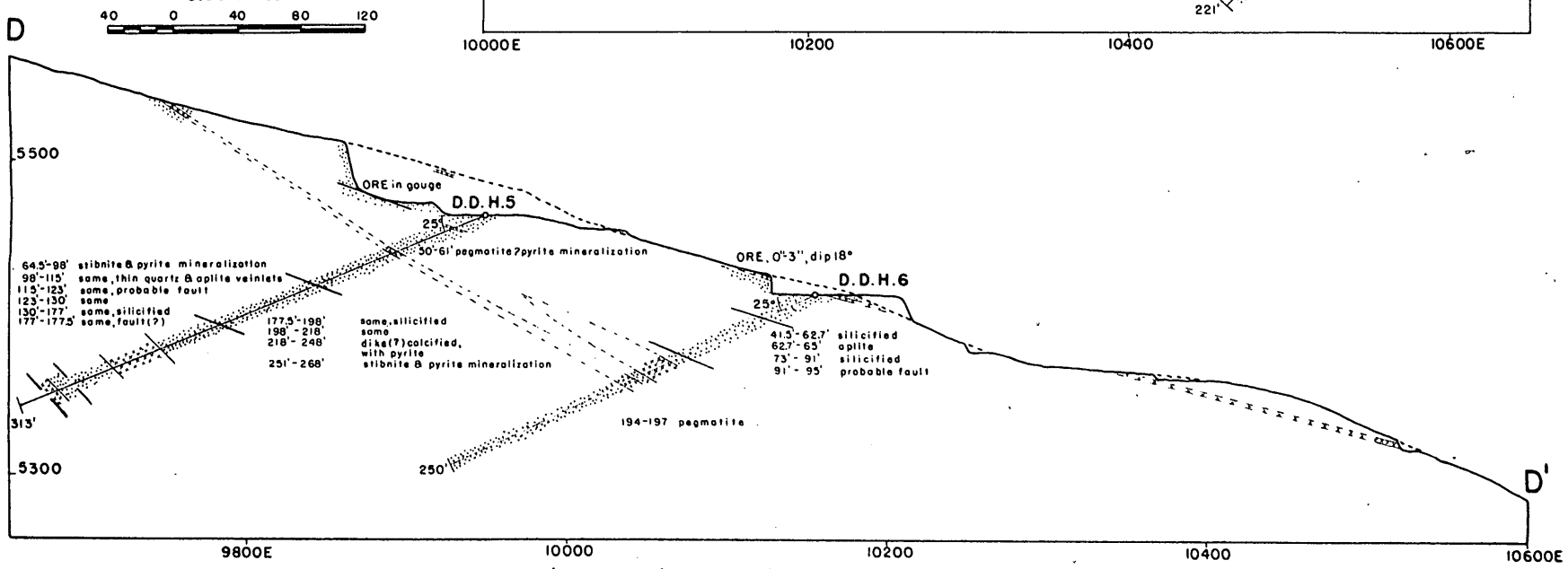


Figure 6.—Cross sections A–A', B–B', C–C', and D–D', Hermada antimony deposit.

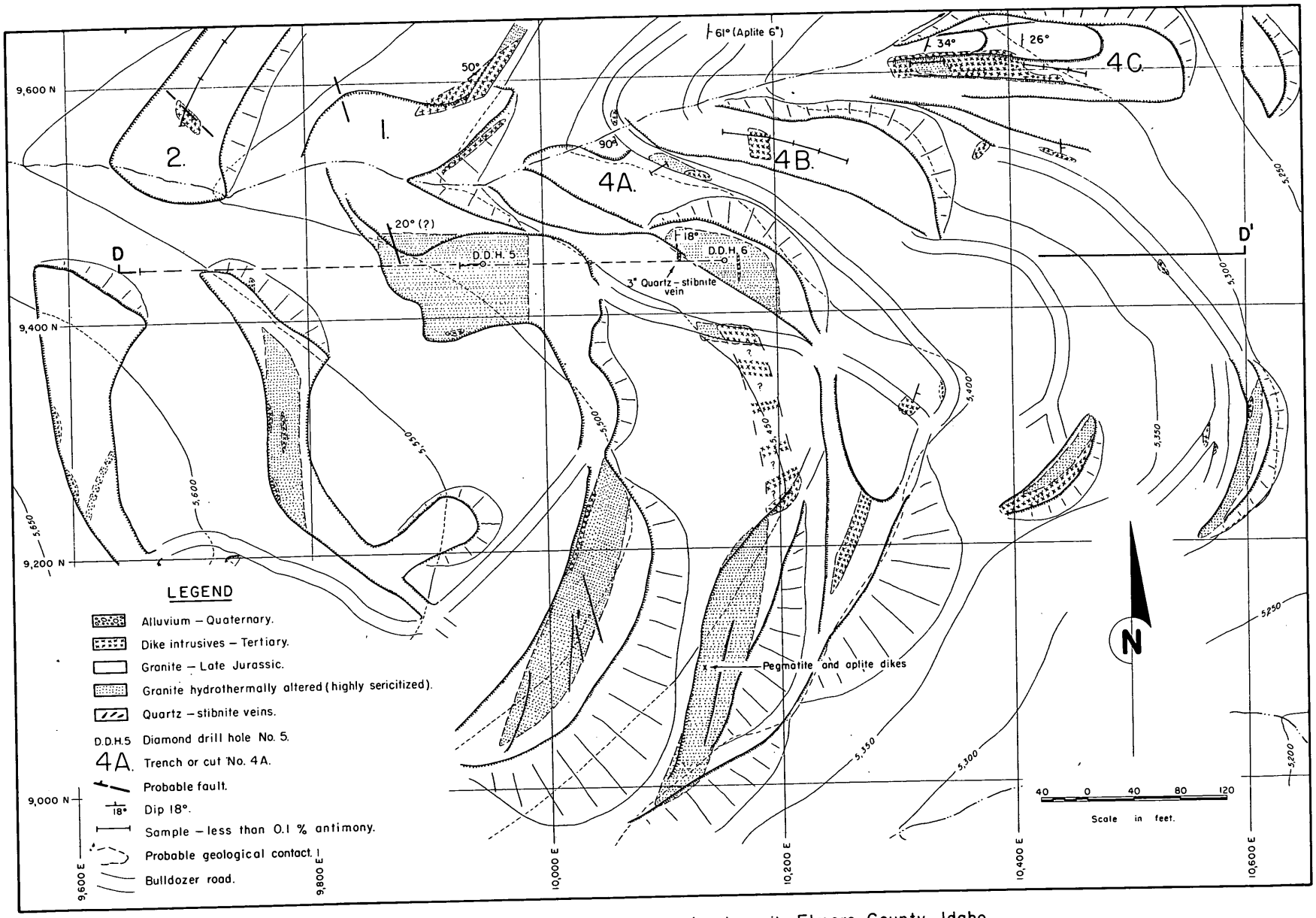


Figure 7.— South area of the Hermada deposit, Elmore County, Idaho.

dma-506

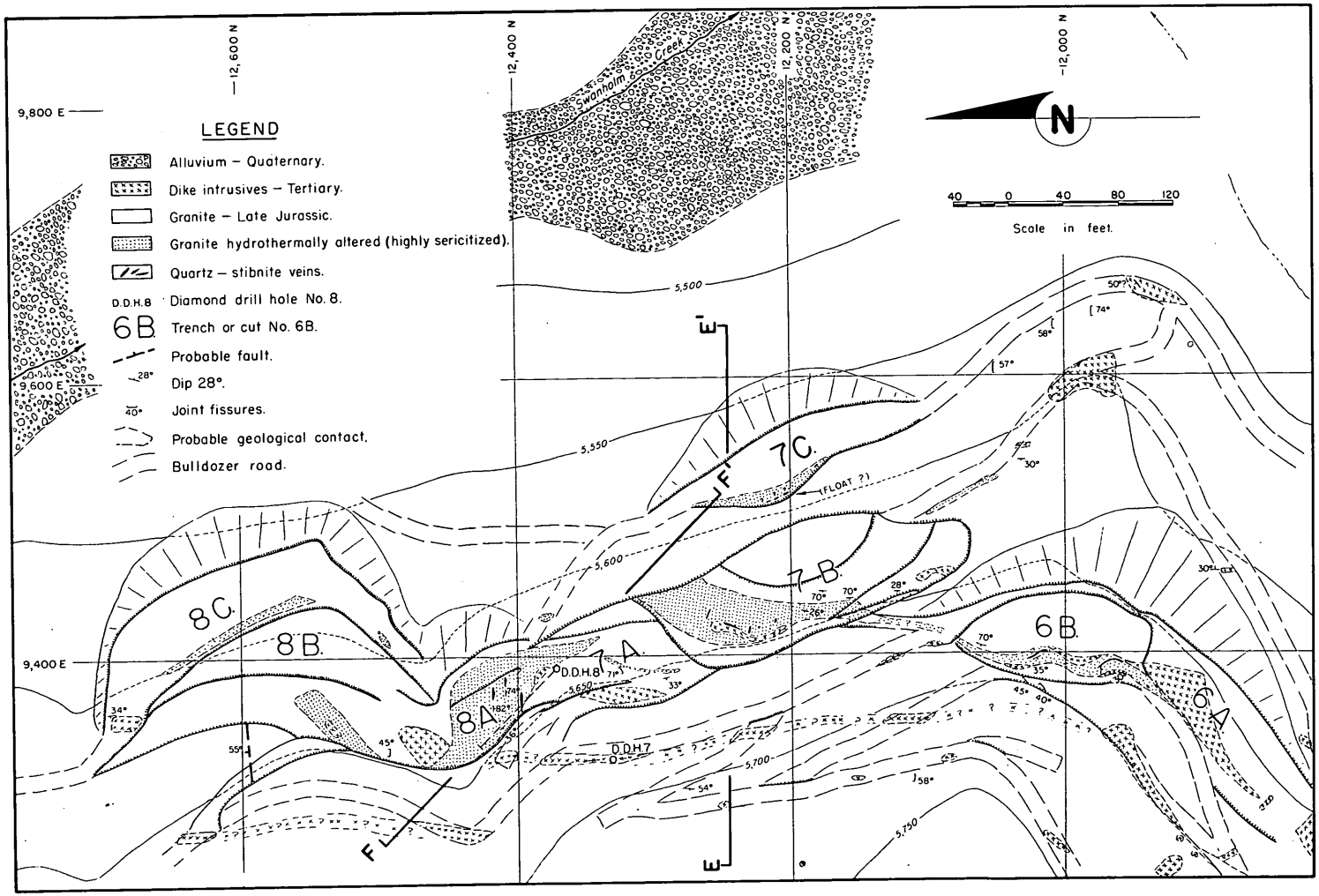
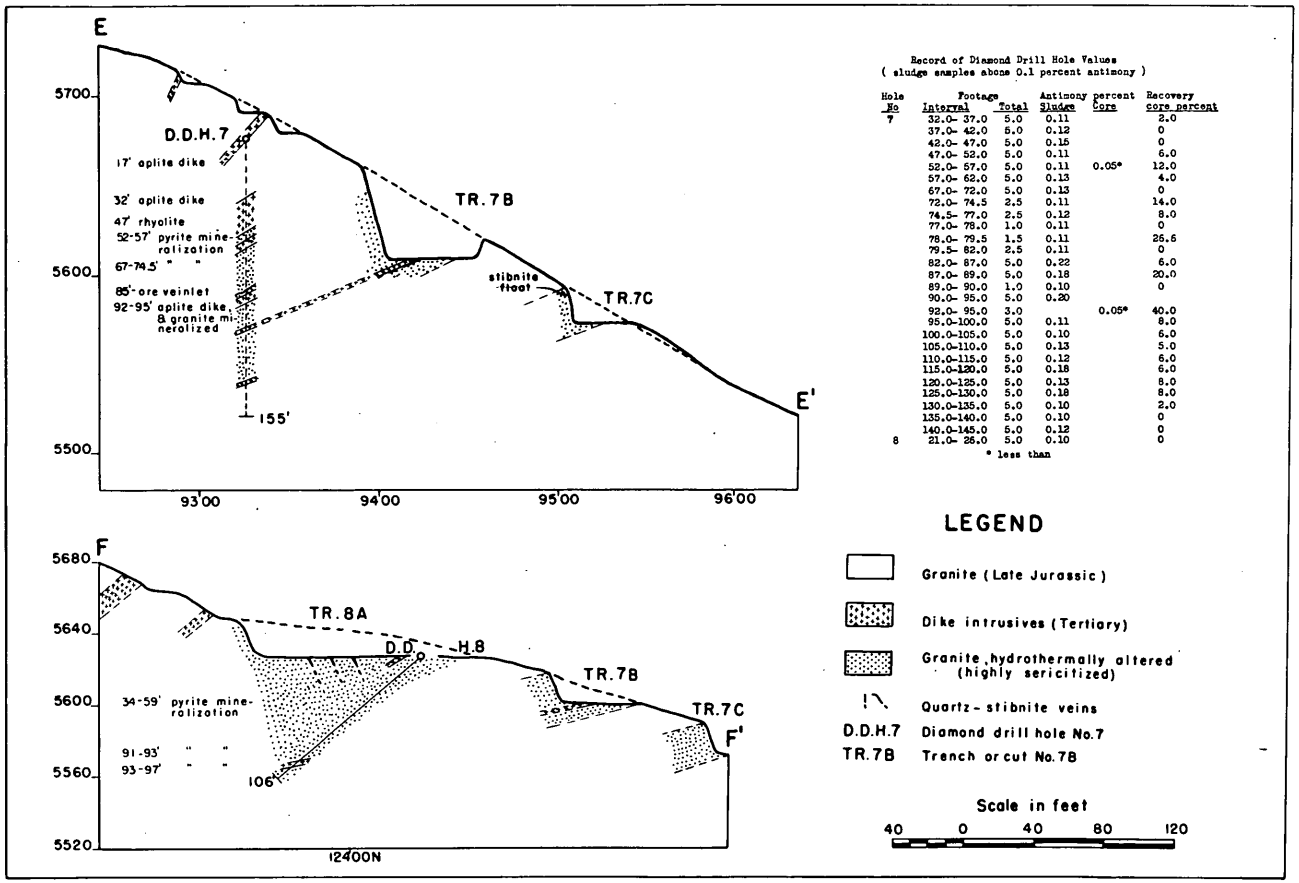


Figure 8 — North area of the Hermada antimony deposit, Elmore County, Idaho.



Record of Diamond Drill Hole Values
(sludge samples above 0.1 percent antimony)

Hole No	Footage Interval	Footage Total	Antimony percent Sludge	Antimony percent Core	Recovery core percent
7	32.0- 37.0	5.0	0.11		2.0
	37.0- 42.0	5.0	0.12		0
	42.0- 47.0	5.0	0.15		0
	47.0- 52.0	5.0	0.11		6.0
	52.0- 57.0	5.0	0.11	0.05*	12.0
	57.0- 62.0	5.0	0.13		4.0
	67.0- 72.0	5.0	0.13		0
	72.0- 74.5	2.5	0.11		14.0
	74.5- 77.0	2.5	0.12		8.0
	77.0- 78.0	1.0	0.11		0
	78.0- 79.5	1.5	0.11		26.6
	79.5- 82.0	2.5	0.11		0
	82.0- 87.0	5.0	0.22		6.0
	87.0- 89.0	5.0	0.18		20.0
	89.0- 90.0	1.0	0.10		0
	90.0- 95.0	5.0	0.20		
	92.0- 95.0	3.0		0.05*	40.0
	95.0-100.0	5.0	0.11		8.0
	100.0-105.0	5.0	0.10		6.0
	105.0-110.0	5.0	0.13		5.0
	110.0-115.0	5.0	0.12		6.0
	115.0-120.0	5.0	0.18		6.0
	120.0-125.0	5.0	0.13		8.0
	125.0-130.0	5.0	0.18		8.0
	130.0-135.0	5.0	0.10		2.0
	135.0-140.0	5.0	0.10		0
	140.0-145.0	5.0	0.12		0
8	21.0- 26.0	5.0	0.10		0

* less than

Figure 9.—Sections E—E' and F—F', Hermada antimony deposit, Elmore County, Idaho.

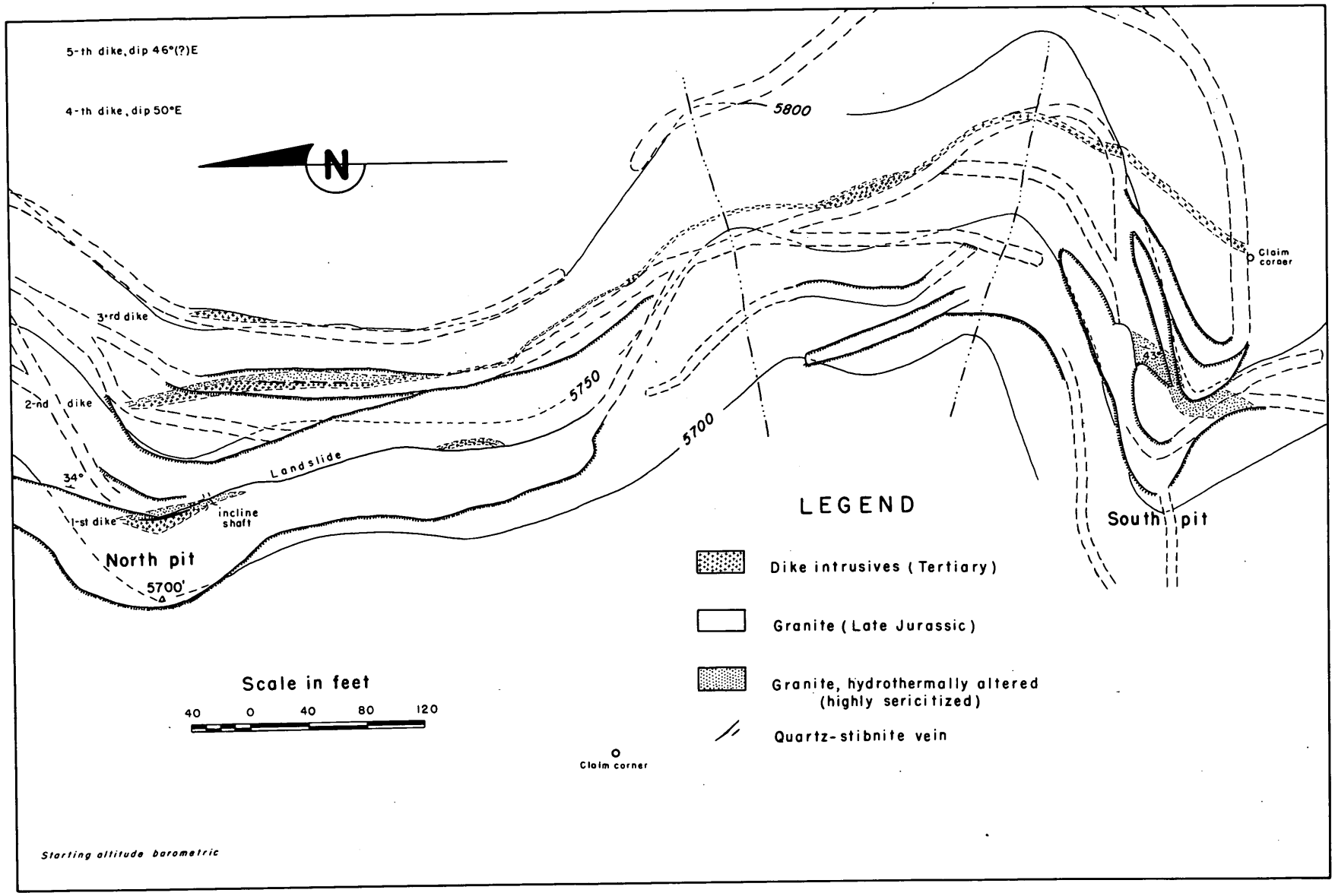


Figure 10—Bida-Anderson antimony prospects, Elmore county, Idaho

For Schedule of Collections No. DMA-79, dated September 9, 1953, giving purchase of Government's equity in TD-18 bulldozer, of $3,271.90, see E-246.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

September 4, 1953

Mr. Ernest Oberbillig, President
Hermada Mining Co.
215 N. 26th Street
Boise, Idaho

Dear Mr. Oberbillig:

We are in receipt of your letter of September 2, 1953, containing a check of $3,271.90, the amount owed the Government for the purchase of the TD-18 bulldozer, and the check of $232.28, the amount owed the Government under Contract Idm-E132. We have informed the Certifying Officer to release to you a check for $814.11, payable to you under terms of Contract Idm-E258. This check should reach you in the near future.

We are enclosing a notice of disposal of the Government's interest in property as pertaining to the Hermada mine. This notice formally releases to you the Government's equity in all machinery and equipment purchased for the Hermada project.

We are pleased that you concurred with the DMEA auditor's final settlement figures as pertaining to your various contracts, and that these contracts may now be considered as closed.

We wish you success in your mining ventures.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: DMEA (2) w/encl. 7 2nd N
USBM (2)
Kiilsgaard

COPY COPY

HERMADA MINING CO.
215 N. 26th Street
Boise, Idaho
September 2, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 8 - 1953

Re: Docket No. DMEA-506 (antimony)
Contract No. Idm-E22
Contract No. Idm-E132 (Queen)
Contract No. Idm-E258 (Bales)

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Attention: Mr. Thor H. Kiilsgaard

Dear Mr. Weissenborn:

In answer to your letter of August 27 regarding the above-mentioned Contracts, we are enclosing herewith the following Bank Money Orders:

Under the Hermada Contract No. Idm-E22, Bank Money Order No. 3-12170, dated September 2, 1953, for the amount of $3,271.90, which will cover the amount we owe the Government for the purchase of the TD-18 bulldozer.

Under the G-O-P Antimony contracts Idm-E132 and Idm-E258, we are enclosing Bank Money Order No. 3-12169, dated September 2, 1953, for the amount of $232.28, which, according to your letter is the amount we owe the Government for the purchase of the slusher and jackleg drill. We also understand from your letter that as soon as you receive this amount that you will release to us the amount of $814.11, which is still due us under Contract No. Idm-E258.

We trust that this will complete the records on these negotiations and want to thank you for your prompt attention to this matter.

Very truly yours,

/s/ ERNEST OBERBILLIG,
Ernest Oberbillig,
President.

EEO/co
Enclosures: Bank Money Orders Nos. 3-12170, and 3-12169.

P. S. Will you kindly note our new address at the top of this page for any further correspondence.

EEO

DOCKET COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
SEP 8 1953

DISPOSAL OF GOVERNMENT'S INTEREST IN PROPERTY

(FORM A)

1/ To: Ernest Oberbillig, President

Bermuda Mining Co.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, for a valuable consideration hereby sells, assigns, transfers and sets over to you all of its right, title and interest in all property acquired under Exploration Project Contract Idm-E 22, Docket No. DMEA 506, dated June 26, 1951.
([redacted]: 2/

Dated September 4, 1953 THE UNITED STATES OF AMERICA

By A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
Title

1/ Insert name of purchaser.

2/ If the Government's interest in all property is being transferred at one time, strike the words "which is listed below." If the Government's interest in less than all property is being transferred, list the property being transferred, in the space provided, or if there is insufficient space provided, write in the space on the form the words "See Exhibit 1, attached hereto and made a part hereof," and attach list entitled "Exhibit 1" to form.

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 809

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at 7/1/53
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E22

To Statesman Printing Company
(Payee)

Boise, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		As per attached invoice for advertising				15	00
		To be charged to contract Idm-E22, Hermada Mining Co.					
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	15	00

(Payee must NOT use this space)

Differences .....

Account verified; correct for 15 00

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or Project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
~~14X4401~~	~~Defense Production Act, Interior~~	~~$15.00~~	~~$15.00~~

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 776

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at 5/29/53
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E22

To Statesman Printing Company
(Payee)

Boise, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		As per attached invoice for advertising To be charged to contract Idm-E22, Hermada Mining Co.				15 00	
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	15 00	

(Payee must NOT use this space)

Differences .....

Account verified; correct for 15 00

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 2 1953

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Defense Production Act, Interior	$15.00	$15.00

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 750

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at 5/12/53
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E22

To Statesman Printing Company
(Payee)

Boise, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Attached invoice dated 5/1/53 covering advertising to sell TD-18 International tractor with Bucyrus Erie hydraulic angle dozer. Charge Hermada Mining Co. contract Idm-E22.				15.	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	15.	00

(Payee must NOT use this space)

Differences .....

Account verified; correct for 15. 00

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 15 1953

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense ~~XXXXXXXX~~ Production Act, Interior	15.00	15.00

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Standard Form No. 1080 as Revised
Form prescribed by
Comptroller General of the United States
October 7, 1948
(Gen. Regs. No. 53)

MAY 5 1953

Wash

VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS

(DISBURSEMENT)

D. O. Vou. No.
Bu. Vou. No. 741
Bill No. 26-3321

ACCOUNTS OF

U. S. Bureau of Mines, P. O. Box 1952, Boise, Idaho, Dr.,
(Department, establishment, bureau, or office billed)

To U. S. DEPARTMENT OF AGRICULTURE - FOREST SERVICE, Ogden, Ut.
(Department, establishment, bureau, or office billing)

ORDER No.	DATE OF DELIVERY	ARTICLES OR SERVICES	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cents
	2/9/53	Services rendered as per the attached Job Card No. H-75				7	65
		Charged to DMEA contract Idm-E22 Hermada Mining Co.					
		Authority: Sec. 601 Economy Act 6/30/32			TOTAL,	7	65

Remittance in payment hereof should be sent to—

H. R. Staten, Regional Disbursing Officer
411 Federal Building, Salt Lake City, Utah

Accountable officer in whose account collection will appear:

Name H. R. Staten
Symbol 426

E. C. CRARY
Authorized Certifying Officer

MAR 23 1953

ACCOUNTING CLASSIFICATION (for completion by the billing office)

SYMBOL	TITLE OF APPROPRIATION OR FUND TO BE CREDITED	LIMITATION Amount	APPROPRIATION Amount
	12X1100.023 Salaries and Expenses, Forest Service, National Forest Protection and Management, Rental of Equipment Reserved for Operation of Pool; Repair and Replacement of Equipment		7.65

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by the office billed)

SYMBOL	TITLE OF APPROPRIATION OR FUND TO BE CHARGED	LIMITATION Amount	APPROPRIATION Amount
14X4401	Defense Production Act, Interior	7.65	7.65

ALLOTMENT SYMBOL	AMOUNT	OBLIGATIONS LIQUIDATED	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by check drawn on Treasurer of the U. S., No. _____, dated _____

U. S. GOVERNMENT PRINTING OFFICE 16—37430-1

Form 97-R4
Revised Oct. 1950

JOB CARD

Job No. H-75
Authorized by Rose-Mr. Storch
Equip. No. 555
Make KW
Charge to
Year, Size & Type Transport
Bureau of Mines
Mileage or Hours Worked
Base Shop Boise
Date Assigned 2/9
Forest
Date Completed 2/9/53
Location
Shop Superintendent
D.G.Rose

COST SUMMARY

Labor	1½ hrs. @ 4.50 . . .	$ 6.75
Travel Time	hrs. @	
Parts, Materials, Outside Work		
Travel	3 Miles @ .30 . .	.90
Travel	Days @ . .	
	. .	
Sub-Total		
Operation Items.		
TOTAL COST.		$ 7.65

Description of Work

Haul TD 18 tractor Serial TD18-TBR25725
from Int. Equip. Co. Yard to Boise Shop U.S.F.S.

Charge to: Bureau of Mines
P.O. Box 1952
Boise, Idaho

Attn: Mr. Storch

P.O. _____

RECEIVED
MAR 9 - 1953
FISCAL CONTROL

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 684

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at ..... March 12, 1953
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E22

To Statesman Printing Co.
(Payee)

Boise, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Advertising in connection with equipment disposal Hermada Mining Co. Contract Idm-E22				5	88
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	5	88

(Payee must NOT use this space)

Differences .....

Account verified; correct for 5 88

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	$5.88	$5.88

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 677

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at March 5, 1953
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E22

To Statesman Printing Company
(Payee)

Boise, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Invoice for classified advertising dated Jan. 10, 1953 - charge to Hermada Mining Company, contract Idm-E22				30	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 30 00

(Payee must NOT use this space)

Differences .....

Account verified; correct for 30 00

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	$30.00	$30.00

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

For Schedule of Collections No. DMA-44, dated April 15, 1953, giving royalty repayment of $81.70, see E-9.

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

[redacted]

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

Wash

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

Supplemental for
Month of September, 195 3 Docket No. DMEA 506 I Contract No. Ida 8 22
Operator's Name Hermada Mining Company Minerals Antimony
Address c/o Atlanta Stage, Boise, Idaho
Contract Amount, $ 44,100.00 Government Participation: 75 % Amount, $ 33,075.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Contract Work		1,300.00	1,300.00		1300.00	1300.00
(2) Labor and Supervision:						
Labor		9951.89	9,951.89		9265.22	9265.22
Supervision		2,000.00	2,000.00		1550.00	1550.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		789.98	789.98		789.98	789.98
Explosives		513.51	513.51		513.51	513.51
Pipe						
Track						
Gas, Oil, Grease		4,002.19	4,002.19		4002.19	4002.19
Tools, Drill		78.64	78.64		78.64	78.64
(4) Operating Equipment:						
Rental		1,831.50	1,831.50		1831.50	1831.50
Purchase		16,890.92	16,890.92		16890.92	16890.92
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		204.86	204.86		204.86	204.86
(7) Miscellaneous:						
Repairs to Equipment		894.84	894.84		894.84	894.84
Sampling and Analysis		486.83	486.83		486.83	486.83
Payroll Taxes & Comp.		416.29	416.29		416.29	416.29
Liability Insurance						
Transportation		30.00	30.00		— 0 —	
FI IS Ins.		135.86	135.86		— 0 —	
Accounting					1116.67	1116.67
(8) Contingencies (specify):						
Exploration Expense						
See Schedule attached	304.72		304.72	276.99		425.52
Expenses paid by gov't				148.53		
TOTALS	304.72	39,907.29	39,912.00	425.52	39,341.45	39,766.97

Less estimate

I certify that the above bill is correct and just and that payment therefor has not been received.
Date August 1, 1953 Payee Hermada Mining Company
Per Ernest Ohmbdig Title President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 32,579.88

$ 507.19

Signature [illegible] (Authorized Certifying Officer) above 507.19 — 32,071.90

Date 9/15/53 Vou. No. 179994 (See other side) + 148.53 — 194.72

Totals changed to conform to audit. See letter.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-2 in accordance with the terms of the contract.

Signature S. W. Zoldok Title M. Eng. Date 8/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ T. E. Howard Title M. Eng. Date 8/5/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195 2 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible]
Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting				[illegible]				
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				[illegible]				
Test Pits								
Roads and Trails								
[illegible]				[illegible]				
TOTAL DISTRIBUTED COSTS				[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				[illegible]				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				[illegible]				
[illegible]		[illegible]		[illegible]				
TOTAL COSTS		[illegible]		[illegible]				

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

Date [illegible] Operator [illegible]

Per [illegible] Title President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

XXXXXXXXXXXXXXX

c/o Atlanta Stage
Boise, Idaho
August 1, 1953

FINAL REPORT

Subject: Project No. DMEA 306 X
Idn X 32, Hermada
September, 1952 Voucher
Supplemental February 1952
Supplemental September 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region XI
Rm. 177 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

In accordance with instructions we received from Mr. Hillegard, we are submitting the following reports:

MF 104	September, 1952, with supporting documents
MF 104	February, 1952, Supplemental
MF 104	September, 1952, Supplemental, FINAL, with supporting Documents.

With regard to the sale of machinery and equipment of the Hermada Project, we wish to advise you as follows:

1. The slusher, hoist and compressor bucket were sold to the Western Machinery Company at a price of $779.00. Enclosed with this letter is a copy of the sales slip.

2. In confirmation of our conversation with Mr. Hillegard we orally submitted a bid of $6,400.00 for the TD 1* Tractor and wish to confirm that figure here. Liquidations of the Hermada accounts due us from the DMEA can be used for partial payment of the Government's 75 percent portion of the two items listed here.

The exploration work at the Hermada Project did not disclose commercial quantities of antimony ore at any point. Work, however, outlined the hydrothermal alteration zones surrounding the known occurrences of ore which have to all appearances been mined out.

We wish to remind you at this time that you have in your office our reports for July and August, 1952 upon which payment had been withheld pending the disposal of the equipment.

RECEIVED
AUG 4 1953
U. S. G. S.
SPOKANE, WASH.

Very truly yours,

Ernest Oberbilling

Ernest Oberbilling,
President

EO/bo

Enclosures: MF 104 Vouchers (5 copies each) Sept., Feb. Sup., Sept. Sup., 1952
Sales Slip from Western Machinery Company

COPY

DMEA Field Team, Region II

September 15, 1953

R. J. Hindman, Certifying Officer

Hermada Mining Company, Contract Idm-E22, July 1952 through September 1952, MF-104s

The above MF-104s were processed this date. The approved totals on the final MF-104 are in agreement with Mr. Hull's audit report dated August 18, 1953. The approved expenditure is $32,579.88. The 75 percent participation in the exploration costs by the U. S. Government is $24,434.91. The total amount of money advanced by the Government is $27,706.81. This overpayment, which was due to the disposal of equipment of $3,271.90, was refunded by the Operator by his check received September 9, 1953. The Operator's copies of the above MF-104s are attached for his information.

R. J. Hindman

cc: Wash. (2)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Wash

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 1952 Docket No. DMEA 506 X Contract No. Idm E 22
Operator's Name Hermada Mining Company Minerals Antimony
Address 616 East C Street, Moscow, Idaho
Contract Amount, $ 44,100.00 Government Participation: 75 % Amount, $ 33,075.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Contract Work	—	1,300.00	1,300.00			
(2) Labor and Supervision:						
Labor	236.80	9,495.09	9,731.89	236.80	9028.42	9265.22
Supervision	250.00	1,700.00	1,950.00	150.00	1400.00	1550.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	—	789.98	789.98			
Explosives	—	513.51	513.51			
Pipe						
Track						
Gas, oil, grease	—	4,002.19	4,002.19			
Tools, Drift	—	78.64	78.64			
(4) Operating Equipment:						
Rental	53.00	1,778.50	1,831.50			
Purchase	—	16,890.92	16,890.92			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	—	204.86	204.86			
(7) Miscellaneous:						
Repairs to Equipment	40.36	854.48	894.84			
Sampling and Analysis						
Payroll Taxes	20.44	455.89	476.33			
Workmen's Comp. Liability Insurance	8.79	402.78	411.57	8.79	407.50	416.29
Transportation	—	30.00	30.00		-0-	-0-
TD 18 Ins.	—	135.84	135.84		-0-	-0-
(8) Contingencies (specify): Accounting				100.00	1016.67	1116.67
TOTALS	609.39	38,632.68	39,242.07	609.39	38,732.06	39341.45

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

Date Oct. 14, 1952 Payee Hermada Mining Company

Per Ernest Ohlhausen Title President

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

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

(Instructions on reverse)

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

$ 457.04

Signature [illegible]
(Authorized Certifying Officer)

Date 9/15/53 Vou. No. (See other side)

Not Paid. See letter.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 22 in accordance with the terms of the contract.

Signature S/ L. W. Zoldak Title M. Eng Date 8/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ L. E. Howard Title M. Eng. Date 8/5/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1952 Docket No. DMEA 506 X Contract No. Idn E 22
Operator's Name Hermada Mining Company Minerals Antimony
Address 616 East C Street, Moscow, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	0	-	12,545.05	400	31.36	500	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	hr.	609.39	78	9,450.03	1021	9.16	1400	
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		609.39		21,995.08				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		---		16,890.92				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		---		356.07				
TOTAL COSTS		609.39		39,242.07				

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

Date Oct. 14, 1952 Operator Hermada Mining Company

Per Ernest Oberbillig Title President

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

REMARKS: None

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

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

Wash.

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

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

Month of _____, 195__ Docket No. DMEA _____ Contract No. _____
Operator's Name _____ Minerals _____
Address _____
Contract Amount, $_____ Government Participation: ___% Amount, $_____

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor					9130.29	9028.42
Supervision					1450.00	1400.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis				36.32	430.07	466.39
Payroll Taxes				17.35	390.15	407.50
Liability Insurance					30.00	-0-
					135.84	-0-
(8) Contingencies (specify): Accounting				1016.67	-0-	1016.67
TOTALS				1248.78	37513.28	38732.06

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

Date _____ *Payee _____

Per Ernest Oberhill Title _____

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

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

(Instructions on reverse)

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

$ 914.08

Signature _____ (Authorized Certifying Officer)

Date 9/15/53 Vou. No. _____ (See other side)

Totals corrected to conform to audit. See letter.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 522 in accordance with the terms of the contract.

Signature S. W. Zobel Title M. Eng Date 8/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. P. E. Howard Title M. Eng Date 8/5/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of _____ 195_ Docket No. DMEA _____ Contract No. _____
Operator's Name _____ Minerals _____
Address _____

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date _____ Operator _____

Per _____ Title _____

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

REMARKS: _____

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

XXXXXXXXXXXXXXXX
September 1, 1957

616 E. 2 Street
Moscow, Idaho

Subject: Monthly Progress Report
Idaho 77, Docket No. 506
Month of August, 1957

Mr. Glenn E. Reed
Mining Engineer
U. S. Bureau of Mines
1201 N. Division Street
Spokane 7, Washington

Dear Mr. Reed:

Enclosed with this letter are 6 copies of the Monthly Progress Report, Form IP 104, for the Hercule Project for the month of August, 1957.

During last month we accomplished bulldozer trenching to the extent of 73 hours, meter time, and this bulldozing was divided up as follows:

1. On Claim No. 4, 36 hours,
2. Illinois, 36
3. North pit, 21 hours

In private Claim No. 4 small lenticular quartz alteration zones, and quite a bit of antimony ore was disclosed. However, further work will have to be done before to determine [illegible]

On the Illinois, thin quartz containing disseminated antimony is exposed up to a maximum of [illegible] inches and disclosed at out in three places along the strike. No commercial antimony showing in this vein, however.

In the North pit, just north of the mill building, a distance of about 40 feet, bulldozer work has exposed a very poor mineralized area in which 18 tons of poor mill ore was extracted during stripping operations. This antimony showing consolidated into a vein nearly three feet in width, with the vein strikes about N 78° W.

We trust you will find all the documents and invoices in order, and payment can be forwarded to the First Security Bank of Idaho, [illegible], to be deposited into the account of the Hercule Mining Company. We wish to call your attention to our new address, where all letters should be sent pertaining this project. However, payment should continue to be made direct to the bank in Boise.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President.

EO/co
Enc.

COPY

Form M
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	—	[illegible]	[illegible]			
Drifting						
(2) Labor and Supervision:	[illegible]	[illegible]	[illegible]			
Labor	[illegible]	[illegible]	[illegible]			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:	—	[illegible]	[illegible]			
Timber	—	[illegible]	[illegible]			
Explosives						
Pipe						
Track, [illegible]	[illegible]	[illegible]	[illegible]			
Coal, [illegible]	—	[illegible]	[illegible]			
(4) Operating Equipment:	[illegible]	[illegible]	[illegible]			
Rental	—	[illegible]	[illegible]			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	—	[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:	[illegible]	[illegible]	[illegible]			
Repairs to Equipment						
Sampling and Analysis	[illegible]	[illegible]	[illegible]			
Payroll Taxes	[illegible]	[illegible]	[illegible]			
Liability Insurance	—	30.00	30.00			
[illegible]	—	[illegible]	[illegible]			
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	768.93	36744.35	37513.28

I certify that the above bill is correct and just and that payment therefor has not been received. [illegible] 1953 [illegible]
Date [illegible] *Payee [illegible]
Per [illegible] Title [illegible]

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

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

(Instructions on reverse)

See letter.

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

$ 576.70

Signature [illegible]
(Authorized Certifying Officer)

Date 9/15/53 Vou. No. [illegible]
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E22 in accordance with the terms of the contract.

Signature /s/ Eroc G. Erickson Title Mining Engineer Date 9/15/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engineer Date 9/15/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	[illegible]	—	—	[illegible]	[illegible]	[illegible]	[illegible]	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				[illegible]				
Initial Rehabilitation and Repairs				[illegible]				
New Buildings, Improvements, etc.				350.07				
TOTAL COSTS		[illegible]		[illegible]				

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

Date Oct. 6, 1953 Operator [illegible]

Per Carol Oberbillig Title [illegible]

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

REMARKS: [illegible]

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

August 6, 1952

Mr. [illegible]
Mining Engineer
U. S. Bureau of Mines
1200 [illegible] Division
Spokane 2, Washington

Subject: Monthly progress report, July, 1952
Contract: [illegible], Serial No. 5[illegible]

Dear Mr. [illegible]:

[illegible] monthly progress report, [illegible] in 6 copies, covering the exploration work on the [illegible] project for the month of July, 1952. We suspended work on this project during May and June in order to wait for the roads to be opened for equipment hauling during [illegible].

[illegible] data on the 325 [illegible] on our [illegible] claims, we [illegible] will correlate the good [illegible] of the [illegible] hollow hollow cuts. Those cuts [illegible] points indicate the [illegible] more [illegible] now shows the location of two points where [illegible] and indicate the need for further work. It might be [illegible] date at point No. 1 good quality ore is [illegible].

We [illegible] that [illegible] Idaho, [illegible], Idaho, to be [illegible] into the [illegible] Mining Bureau.

Very truly yours,

Ernest Ohnsberg

Ernest Ohnsberg,
President.

[illegible]/ao
Enclosures

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. 22
Idm-E

Name of Operator
Docket No. DMA
Total Contract Amount $
Government Participation: % Amount, $
Distribution of Expenditures for Month of

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

JUN 20 1952

CERTIFICATION

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

(Name of Company)

By
(Signature of Authorized Official)

(Date)

(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

May 6, 1952

Subject: Monthly Progress Report, [illegible]
[illegible]
April, 1952

Mr. [illegible]
District Engineer
U. S. Bureau of Mines
[illegible] Division Street
Spokane [illegible], Washington

Dear Mr. [illegible]:

We are submitting herewith Monthly Progress Report [illegible] the exploration work on the [illegible] Project for the month of April, 1952.

During the month of April we [illegible] feet of [illegible], and did no raise work. [illegible]

[illegible]

[illegible]

[illegible]

Very truly yours,

[illegible]

By [signature]
President

[illegible]
[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Signed: Carl Reimi

[illegible]

[illegible]

[illegible]

[illegible]

Signed: Robert A. Fuller

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]	[illegible]	[illegible]	[illegible]			
5. Supervision	—	[illegible]	[illegible]			
6. Supplies						
(a) Timber	[illegible]	[illegible]	[illegible]			
(b) Explosives	—	[illegible]	[illegible]			
(c) Repair Parts	—	776.00	776.00			
(d) Other	[illegible]	[illegible]	3,775.[illegible]	76.88		
7. Power	—	10.00	10.00			
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability	[illegible]	[illegible]	[illegible]			
(c) Workmen's Compensation	—	[illegible]	[illegible]			
10. Contract Work	—	[illegible]	[illegible]			
11. Other (specify)						
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	—	[illegible]	[illegible]			
Total	[illegible]					
Deletions						
Adjusted totals		[illegible]				
Totals previously reported			[illegible]	899.82	35,844.53	36,744.35
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W R Lee
Entered by
Approved by Thomas E Howard
Amount approved for payment $ 674.87
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF April 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	652.95	91.50	249.15	71.49 *	1065.09	foot	0	400	400	500
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching						hour	0	755	755	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
			165.00		165.00					
Totals	652.95	91.50	249.15	71.49	1065.09					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

* Other Includes:

Workmen's Comp.	44.06
Unemp. Comp.	17.63
Social Security	9.80
	71.49

** Timbering bad ground spots.

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. [illegible]
Idm-E _____

Name of Operator [illegible]
Docket No. DMA [illegible]
Total Contract Amount $ [illegible]
Government Participation: [illegible] % Amount, $ [illegible]
Distribution of Expenditures for Month of [illegible]

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

[illegible]
(Name of Company)

By [signature]
(Signature of Authorized Official)

[illegible]
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
[illegible]	—	[illegible]	[illegible]			
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]	—	[illegible]	[illegible]			
(b) Rented[2]						
(c) Furnished by operator	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MO[illegible] SUMMARY COST STATEMENT [illegible]nued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	[illegible]	[illegible]	[illegible]			
5. Supervision	[illegible]	[illegible]	[illegible]			
6. Supplies						
(a) Timber	—	[illegible]	[illegible]			
(b) Explosives	[illegible]	[illegible]	[illegible]			
(c) Repair Parts	[illegible]	[illegible]	[illegible]			
(d) Other [illegible]	[illegible]	[illegible]	[illegible]			
7. Power						
8. Transportation	—	[illegible]	[illegible]			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	[illegible]	[illegible]	[illegible]			
[illegible]	—	[illegible]	[illegible]			
	—	[illegible]	[illegible]			
10. Contract Work						
11. Other (specify)						
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]			
[illegible]	—	[illegible]	[illegible]			
Total	[illegible]					
Deletions						
Adjusted totals						
Totals previously reported		[illegible]				
Totals to date			[illegible]			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.
[illegible] ($[illegible]) which was collected by crew on last month's report in Spokane Office.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E. Howard
Amount approved for payment
Remarks

3,896.66
3,844.59
52.1
2920.79
2868.60

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF March, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	1836.10	268.00	643.44	173.19*	2920.73	foot	85	315	400	500
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching						hour	0	755	755	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	1836.10	268.00	643.44	173.19*	2920.73					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

* Other includes:

Accident Ins.	96.08
Unemp. Comp.	49.57
Social Sec.	27.54
	173.19

HERMADA MINING CO.
ATLANTA, IDAHO

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

We wish to point out that the last 60 feet in the tunnel are through soft, altered granite with increasing grite, and the granite is accompanied with considerable quartz stringers as much as four or five inches thick. The granite contains considerable green chlorite — presumable an alteration product of the feldspar. This is the largest alteration zone cut by the tunnel and with the alteration increasing in intensity toward the end of the work.

Payment to the miners was made on an hourly basis because a large part of the month was spent in catching up ground which had turned bad. The labor contract calls for $17.00 per foot for timbered drift where it is timbered as the drift is advanced, but does not provide any payment for work where it is necessary to double back and retimber the bad portions. In view of the fact that all of the advance made last month will have to be timbered, it is our opinion that payment to the men should be made on the hourly basis and they were in agreement with this.

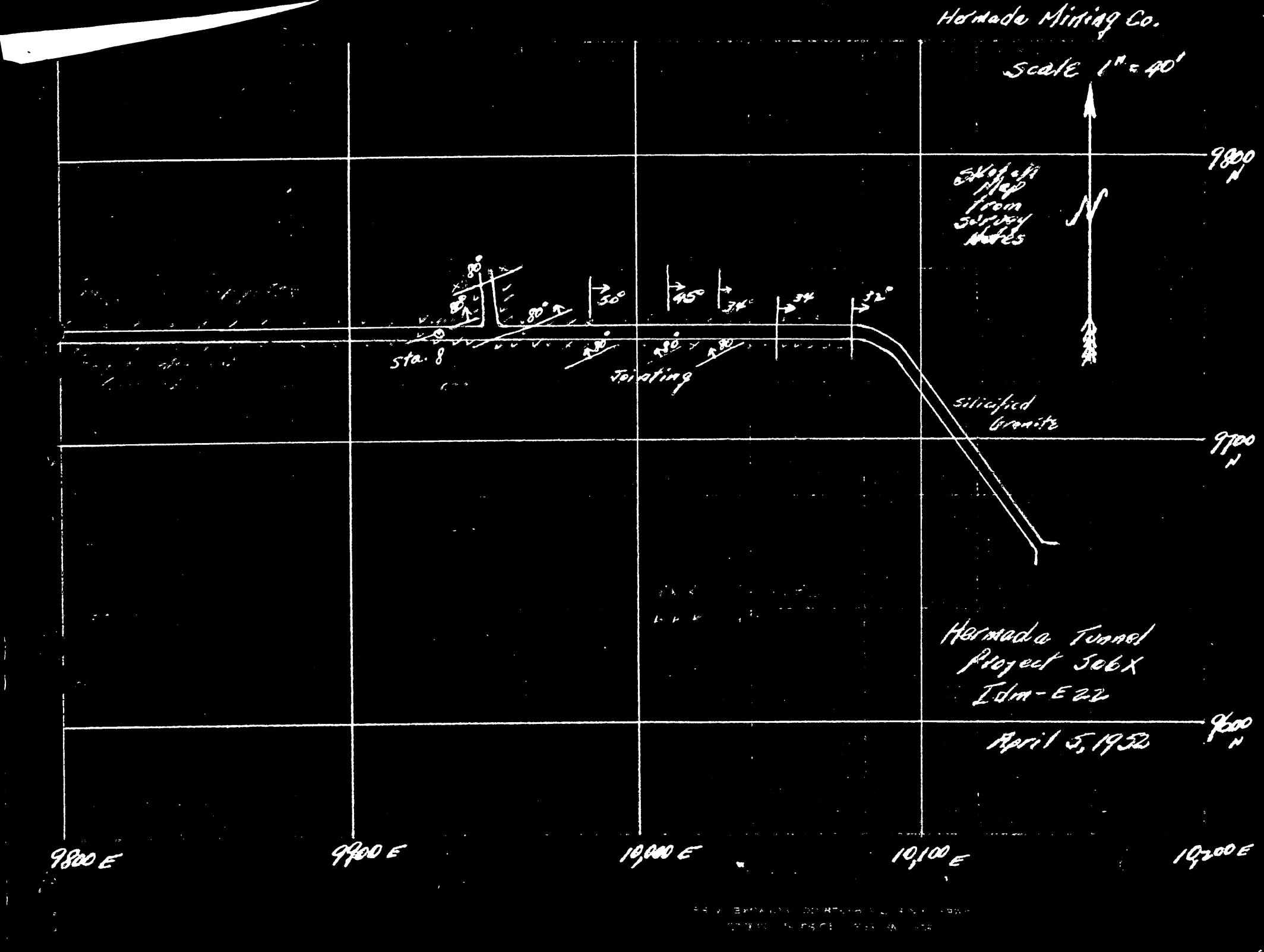
We trust that you will find all of the documents and supplementary information in order, so that the payment for work accomplished in March can be forwarded promptly to the First Security Bank of Idaho, N. A., Boise, Idaho, to be deposited into the account of the Bernada Mining Company.

Very truly yours,

INTERMOUNTAIN MINING SERVICES

By Ernest Oberbilling
President

EO/bc
Enclosures


Hornada Mining Co.
Scale 1" = 40'
Sketch Map from Survey Notes
N
9800 N
9700 N
9600 N
80°
80°
80°
30°
45°
34°
34
32°
Sta. 8
Jointing
Silicified Granite
Hornada Tunnel
Project 506X
Idm-E 22
April 5, 1952
9800 E
9900 E
10,000 E
10,100 E
10,200 E

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Wash

OPERATOR'S MONTHLY REPORT AND VOUCHER

SUPPLEMENTAL FOR
Month of February, 1952 Docket No. DMEA 506 I Contract No. Idm E 22
Operator's Name Hermada Mining Company Minerals Antimony
Address c/o Atlanta Stage, Boise, Idaho
Contract Amount, $ 44,100.00 Government Participation: 75 % Amount, $ 33,075.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Contract Work		1,300.00	1,300.00			
(2) Labor and Supervision:						
Labor	200.00	9,731.89	9,931.89	-0-		9265.22
Supervision	50.00	1,950.00	2,000.00	-0-		1550.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		789.98	789.98			
Explosives		513.51	513.51			
Pipe						
Track						
Gas, Oil, Grease		4,002.19	4,002.19			
Tools, Drift		78.64	78.64			
(4) Operating Equipment:						
Rental		1,831.50	1,831.50			
Purchase		16,890.92	16,890.92			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		204.86	204.86			
(7) Miscellaneous:						
Repairs to Equipment		894.84	894.84			
Sampling and Analysis						
Payroll Taxes	10.50	476.33	486.83	-0-		486.83
Liability Insurance Workmens Comp.	4.72	411.57	416.29	-0-		416.29
Transportation		30.00	30.00			-0-
TD 18 Insurance		135.84	135.84			0-
(8) Contingencies (specify): Accounting					1116.67	1116.67
TOTALS	265.22	39,242.07	39,507.29	-0-	39,341.45	39341.45

I certify that the above bill is correct and just and that payment therefor has not been received.
Date August 1, 1953 Payee Hermada Mining Company
Per Ernest Olmstead Title President

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

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

(Instructions on reverse)

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

$ -0-

Signature (Authorized Certifying Officer)

Date 9/15/53 Vou. No. (See other side)

Above amounts reinstated by audit on Aug. MF-104.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E22 in accordance with the terms of the contract.

Signature S/ S. W. Zoldak Title M. Eng Date 8/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ T. E. Howard Title M. Eng Date 8/5/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

SUPPLEMENTAL FOR:

Month of February 1952 Docket No. DMEA 506 X Contract No. Idm E 22

Operator's Name Hermada Mining Company Minerals Antimony

Address c/o Atlanta Stage, Boise, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	52.13		12,597.18				
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	hr			9,450.03				
Test Pits								
Roads and Trails								
Snow Removal		213.09		213.09				
TOTAL DISTRIBUTED COSTS		265.22		22,260.30				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				16,890.92				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				356.07				
TOTAL COSTS		265.22		39,507.29				

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

Date August 1, 1953 Operator Hermada Mining Company

Per Ernest Oberbillig Title President

REMARKS: We have been authorized by the DMEA to reclaim the costs herein listed which were deleted from our February 1952 voucher.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 22

Name of Operator Hermada Mining Co.
Docket No. DMA 506-X
Total Contract Amount $ 44,100
Government Participation: 75 % Amount, $ 33075.00
Distribution of Expenditures for Month of FEBRUARY 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 25 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Hermada Mining Co.
(Name of Company)

By Ernest Oberfelder
(Signature of Authorized Official)

March 4, 1952
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
Portal Shed	—	204.86	204.86			
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]	—	16,890.92	16,890.92			
(b) Rented[2]						
Jeep	42.00	258.00	300.00			
Welder	11.00	68.00	79.00			
Jackhammer	10.00	30.00	40.00			
compressor	186.00	558.00	744.00			
ore car	3.00	6.00	9.00			
Drifter	16.00	32.00	48.00			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

[illegible]: Twin Springs, Idaho
March 5, 1952

Mr. Glen C. Rood
Mining Engineer, U. S. Bureau of Mines
1201 N. Division St.
Spokane, 2, Wash.

Subject:- Monthly progress report
John-[illegible] 22, Claim no 50[illegible] [illegible]
February, 1952

Dear Mr. Rood:-

Enclosed herewith monthly progress report in quintuplet covering the Hornade Project for the month of February 1952.

The [illegible]-cut was advanced 130 foot in February all untimbered but a stretch of 15 foot will be timbered where the drift crosses the dike shown on the accompanying map. The mineralization next to the dike is interesting and could mean the ore zone cut by drill hole # 5 is 50-60 ft. further.

The bulldozing was done in the same cut as last month and amounted to 30 hours. This cut is still in altered material but work here will be suspended until it is examined by Mr. Hillegeard. We will suspend all bulldozer cut work until about April 15 when work can continue on the very likely location around NE corner of Claim # 4 where weather stopped us last fall.

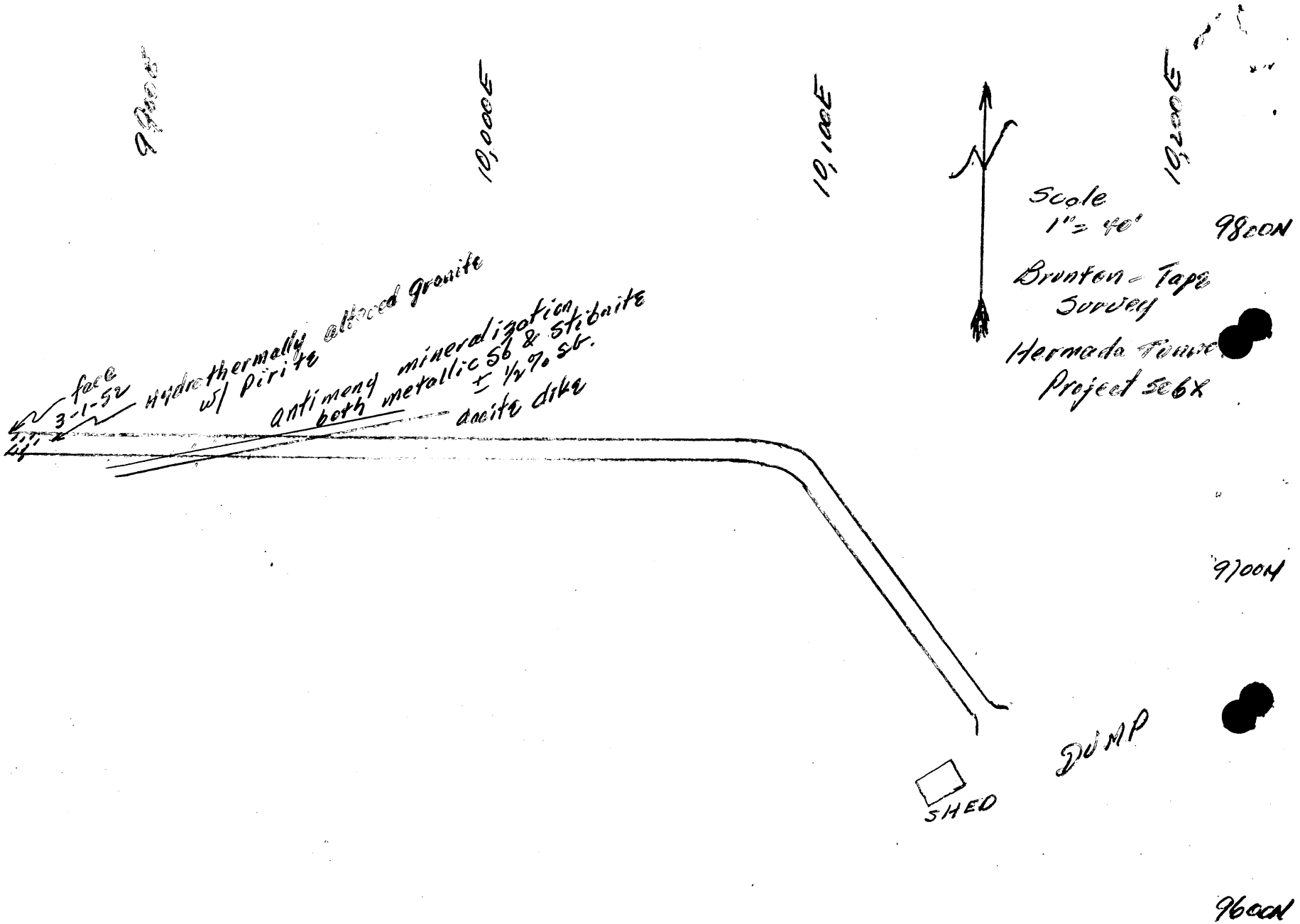
We had no great difficulty last month except the 71 hours time spent on snow removal and were forced to haul diesel oil and gas by pickup as the road was too bad for an oil truck to come in.

We trust that you will find this report correct so that payment for work done in February can be forwarded promptly to the First Security Bank of Idaho, N. A. Boise, Idaho, to be deposited into the account of the Hornade Mining Company.

Very Truly Yours,

Hornade Mining Company

By:- Ernest Oberbeck
President


9,900E
10,000E
10,100E
10,200E
Scale
1" = 40'
9800N
Brunton - Tape
Survey
Hermada Tunnel
Project 56X
face
3-1-52
Hydrothermally altered granite
w/ pirite
antimony mineralization
both metallic Sb & stibnite
± 1/2% Sb.
dacite dike
9700N
DUMP
SHED
9600N

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
			6685.24			
4. Labor[3] -200.00	500.00	6385.24	6885.24			
5. Supervision	250.00	750.00	1000.00			
6. Supplies						
(a) Timber	—	782.98	782.98			
(b) Explosives	111.70	325.31	437.01			
(c) Repair Parts	51.77	663.41	715.18			
(d) Other gas, oil, grease	605.45	2418.66	3024.11			
7. Power			2998.11			
8. Transportation	—	30.00	30.00			
9. Insurance						
(a) Fire						
(b) Public Liability			242.49			
(c) Workmen's Compensation	19.46	226.03	245.49			
TO-18	—	135.84	135.84			
10. Contract Work	1300.00	—	1300.00			
11. Other (specify)			109.21			
1½% SS	11.25	100.96	112.21			
Unemp. Comp.	20.25	184.42	204.67			
Tools-drift	23.44	55.20	78.64			
Total	3161.32					
Deletions	292.32					
Adjusted totals						
Totals previously reported	2870.10	30,105.83	33,029.25	22,975.93		
Totals to date			33,267.15			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

10—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF February 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3] *	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting (1)	1830.00	236.00	696.06	74.40	2836.46	ft	130	185	315	500.00
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	220.00	32.00	72.86	—	324.86	hr.	30	725	755	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	2050.00	268.00	768.92	74.40	3161.32					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

(1) Drifting includes 71. hrs TD-18 Tractor Time plowing snow but cost per foot of drift was only $21.82 including this. without snow plowing drift cost $18.50/ft.

* other includes:-
19.46 Ins. accdt.
20.25 Unemp Comp.
11.25 SS Tax 1½%
23.44 Tools.
$74.40 TOTAL.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 22

Name of Operator: Hernado Mining Company
Docket No. DMA: 506 X
Total Contract Amount $: 44,100.00
Government Participation: 75 % Amount, $ 33,075.00
Distribution of Expenditures for Month of: January 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

Hernado Mining Company
(Name of Company)

By Ernest Oberbillig
(Signature of Authorized Official)

February 5, 1952
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(Rental Shed)	—	204.56	204.56			
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]	—	16,590.92	16,590.92			
(b) Rented[2]						
(c) Furnished by operator						
Jeep rental	42.00	216.00	258.00			
Welder rental	11.00	57.00	68.00			
Jackhammer rental	10.00	20.00	30.00			
Compressor rental	186.00	372.00	558.00			
Ore Car rental	3.00	3.00	6.00			
Drifter rental	16.00	16.00	32.00			
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	1227.87	4557.37	5,385.24			
5. Supervision	250.00	500.00	750.00			
6. Supplies						
(a) Timber	—	722.96	722.96			
(b) Explosives	62.50	262.81	325.31			
(c) Repair Parts	165.10	498.31	663.41			
(d) Other & gas, oil, grease	639.76	1806.90	2,445.66			
7. Power						
8. Transportation	—	30.00	30.00			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	89.43	136.60	226.03			
Equip. Ins. SD-10	—	135.84	135.84			
10. Contract Work						
11. Other (specify)						
1½ % S.S.	31.17	69.79	100.96			
Unemp. Comp.	56.10	128.32	184.42			
Tools (Drift)	55.20	—	55.20			
Total	3,444.13					
Deletions						
Adjusted totals						
Totals previously reported		26,687.70				
Totals to date			30,132.83			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E. Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF January, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3] *	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting (1)	1856.40	236.00	799.13	231.90	3123.42	foot	125	60	185	500
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	221.47	32.00	67.23	—	320.70	hour	30	695	725	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	2077.87	268.00	866.36	231.90	3444.13					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

(1) Drifting includes 90 hours "cat" time plowing snow on 35 miles of Boise road to get drifting supplies gas, oil, & food; and six trips over 5 miles of our road to mail box.

*Other Includes:

Accident Ins.	89.43
Unemp. Comp.	56.10
Soc. Sec.	31.17
Drift Tools	55.20

ADMINISTRATION
WASHINGTON, D. C.

FEB 25 8 48 PM '52

HERMADA MINING CO.
SATANTAI IDAHO
Twin Springs, Idaho
February 5, 1952

Subject: Monthly Progress Report
Adit No. 1, Tunnel No. 500 S.
January, 1952

Mr. Glenn E. Reed
Mining Engineer
U. S. Bureau of Mines
1333 N. Division Street
Spokane 2, Washington

Dear Mr. Reed:

We are submitting herewith monthly progress report form M 104 in compliance covering the exploration work on the Hermada Project for the month of January 1952.

Last month the drift was advanced a total of 125 feet; 25 ft. was timbered and 100 ft. was not timbered. A map enclosed herewith shows the tunnel and locations.

We accomplished 20 hours of bulldozing on a cut N of the main pit at a location authorized by Mr. Thor Hillegard on his last visit. This cut was in overburden and loose rock so no geological interpretation can be given yet.

Last month we had almost continuous snow storms until the end of the month. We spent 90 hours of bulldozer time with the TD-18 tractor on the road running east. Most of the total tractor time for this was charged against tunneling as it was done to keep the road open for tunnel supplies and fuel. Over 140 hours' time was spent with the small Hermada TD-9 bulldozer in either tunnel portal work or snow plowing. Very times the small tractor was able to remove snow as it was used. No charges for use of this machine have been made to compensate for the far hours so how used the large machine on strictly company work.

We are using a Thor Jubley Drill with the integral tungsten carbide chisel bit cutting steel with very good results. However, it has been necessary for us to obtain a grinder for sharpening the steel here on the ground. This is Item 9 in our list of receipts and will not be depreciated much at the end of this job, but will save us many expensive trips to town with steel or bits.

Item No. 4 is some long repair parts for three Ingersoll electric mine lamps belonging to Harrison and on which we are providing the tunnel crew at no cost to the project, but which are far better than carbide lamps.

We would like to point out that the Hermada has furnished all the hand tools and shop facilities at no charge to the project. We feel Items 3, 14, and 23 hammer and drifter repair parts compensate for the hand tools provided.

At this time we would like to inquire about the wages of the cook. We have charged against the project no costs of the cookhouse. The $3.50 per day per man deducted

against water only during the part of the year, so under my so could not change the cost to water against the project. He would not ask for this except that we are under the [illegible] per foot charge for building originally contracted.

We trust that you will find all of the concrete and supplementary items in order, so that the payment for work accomplished in January can be forwarded promptly to the First Security Bank of Idaho, N. A., Boise, Idaho, to be deposited into the account of the Lemuria Mining Company.

Very truly yours,

LEMURIA MINING COMPANY

By: Ernest Chubbuck
President

[illegible]/ec

Enclosures

STIBNITE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E _____

Name of Operator _____
Docket No. DMA _____
Total Contract Amount $_____
Government Participation: _____% Amount, $_____
Distribution of Expenditures for Month of _____

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

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Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

_____ (Name of Company)

By _____ (Signature of Authorized Official)

_____ (Date)

_____ (Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

HERMADA MINING CO.

ATLANTA, IDAHO

Ernest Oberbeck

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E .....

Name of Operator .....
Docket No. DMA .....
Total Contract Amount $.....
Government Participation: ..... % Amount, $.....
Distribution of Expenditures for Month of .....

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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

..... (Name of Company)

By ..... (Signature of Authorized Official)

..... (Date)

..... (Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor[3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Thomas E Howard
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF [illegible]

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting			[illegible]		[illegible]	[illegible]	0	0	0	[illegible]
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) [illegible]			[illegible]		[illegible]					
Totals	[illegible]	[illegible]	[illegible]		[illegible]					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

[illegible]

MF-104
(April 1951)

Budget Bureau No. 42-[illegible]
Approval expires 8-31-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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

Hornado Mining Company
(Name of Company)

By Ernest Oberbillig
(Signature of Authorized Official)

November 5, 1951
(Date)

President
(Title)

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

16—64068-2

U. S. BUREAU OF MINES
RECEIVED
NOV 16 1951
ALBANY, OREGON

MONTHLY SUMMARY COST STATEMENT

Name of operator: Hermada Mining Company
Project No. DMA: 506 X I-DMA-E22
Total contract amount: $44,100.00
Government participation percent: 75 percent

Distribution of Expenditures for Month of October, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	890.00 ~~890.00~~	1,815.81	2,705.81 ~~2,705.81~~			
Equipment purchase [1]	1,121.82	15,769.10	16,890.92			
Equipment rental [2]	53.00	114.00	167.00			
Buildings						
Explosives						
Repair parts	58.32	215.49	273.81			
Other supplies *	1,252.17	606.77	1,858.94			
Power						
Transportation		30.00	30.00			
Withholding taxes	13.35	27.24	40.59			
Compensation insurance	24.03	49.03	73.06			
Other insurance Work. Comp.	**	45.15	45.15			
Contract work						
Other (specify)						
Equip. Ins. TD-18		135.84	135.84			
Total	3392.69 ~~3,412.69~~					
Totals previously reported		18,808.43				
Totals to date			22,201.12 ~~22,221.12~~	3392.69	18,808.43	22,201.12

* Including $1,056.00 cross-cutting supplies (lumber and rail)
** We will include the workmen's compensation at the end of the quarter since our rates may change.

FOR GOVERNMENT USE ONLY

Checked by: W R Lee
Entered by:
Approved by: Glenn A Reed
Amount approved for payment: 2544.52
Remarks:

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

HERMADA MINING CO.
~~XXXXXXXXXXXX~~
Twin Springs, Idaho
November 4, 1951

Mr. Glenn Reed
U. S. Bureau of Mines
DMA Field Team, Region II
1201 North Division Street
Spokane 2, Washington

Subject: Monthly progress report
I-DMA-E22
Docket No. 506 X

Dear Mr. Reed:

We are submitting herewith monthly progress report (Form MF 104) in quadruplicate covering the exploration work on the Hermada Project for the month of October, 1951.

A total of 160 hours of bulldozing was accomplished and it is estimated that about 11,000 cubic yards of rock and overburden were moved. The clutch wore out on the TD-18 and was replaced by the sales dealer free of charge as it was no doubt defective. This clutch job delayed the work four days. We consider bulldozer Cuts 6A, 7A, and 6 complete, and Cut B-16 half-complete. We will slow down now on bulldozing work until next spring when it can be accomplished with more efficiency and we plan to start cross-cut work this month.

In cutting a road down the hill from B-16 Cut a quartz zone and antimony ore was opened up at the point marked (Sb) on the map, just west of the NE corner of Claim # 4. Prospecting to the west from this point showed up considerable brown, silicified granite and quartz - a likely sign for ore. This ore found at point (Sb) is merely one more point in a line along which seven occurrences of antimony have been found. This must indicate some sort of zone, so we suggest the road cut be completed from (Sb) to point (E) which will give two cuts along the line (shown by red dotted line), and further work is indicated wherever likely signs are encountered on this line.

We have now purchased the slusher for drift work and the price of it is $1,121.82, a sum of $221.82 more than the estimated price of $900.00. However, the TD-18A bulldozer was $230.90 less than the estimated price, so the total of new equipment purchased totals slightly under the estimated price.

We have also included mine rail and timber for the cross-cut work as it was necessary to have the timber on hand before winter in order to save hauling it from Boise at a much greater cost.

We hope you will find the progress report correct and will you kindly have the payment thereon mailed to the First Security Bank of Idaho, N. A., Boise, Idaho, just as you have done in the past.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President.

EEO/co
Encl.

U. S. BUREAU OF MINES
RECEIVED
NOV 16 1951
ALBANY, OREGON

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October, 1951

Name of operator Hermada Mining Company
Project No. DMA 506 X I-DMA-E22
Total contract amount $44,100.00
Government participation percent 75 %

Type	Number	Man-Shifts	Rate	Total
Miners, cat operator & welder	1	1 month	$ 350.00	$ 350.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper	1	1/3 month	$300.00	100.00
Foreman	1	~~11~~ 1/3 days	$15.00/day	~~170.00~~ 150.00
Clerks				
Stenographers				
Other Cat operator	1	144 hrs ~~24 hrs~~	1.50/hr ~~2.25/hr~~	270.00
Total	4			~~890.00~~ 870.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn A. Reed
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

Name of operator: Hermada Mining Company
Project No. DMA: 506 X I-DMA-E22
Total contract amount: $44,100.00
Government participation, percent: 75 percent

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting	—	1,121.82	1,056.00	—	2,177.82	feet	0	0	0	500
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	~~890.00~~ 870.00	53.00	254.49	37.38	~~1,234.87~~ 1214.87	Bulldozer hrs.	160	318	478	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	~~890.00~~ 870.00	1,174.82	1,310.49	37.38	~~3,412.69~~ 3392.69		160	318	478	1900

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

U. S. BUREAU OF MINES
RECEIVED
NOV 16 1951
ALBANY, OREGON

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn C. Reed
Remarks

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-27

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Dept. Interior, Bureau of Mines,
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 10/18/51
(Give place and date)

THE UNITED STATES, Dr.,

To Hermada Mining Company
(Payee)

Address First Security Bank of Idaho, N.A., Boise, Idaho

Payee's Account No. Idm-E22

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	9/1-30/51	Per certified form MF-104, dated 10/6/51				1,191	70

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 1,191 70

(Payee must NOT use this space)
Differences _____
Account verified; correct for 1,191 70
(Signature or initials) _____

Contract No. Idm-E22 Date 6/26/51 Req. No. _____ Date _____ Invoice Rec'd _____

1,191.71

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,191.70	1,191.70

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.
2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*) (*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with _____
5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U. S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(August 1951)
April

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 22

Name of Operator Hermada Mining Company
Docket No. DMA 506 X I-DMA-E22
Total Contract Amount $ 44,100.00
Government Participation: 75 % Amount, $
Distribution of Expenditures for Month of September, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

RECEIVED
MAR 10 1952

CERTIFICATION

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

Hermada Mining Company
(Name of Company)

By /S/ Ernest Oberbillig
(Signature of Authorized Official)

October 6, 1951
(Date)

President
(Title)

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

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT

Distribution of Expenditures for Month of September, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date
Wages and salaries	758.00	1,057.81	1,815.81
Equipment purchase	- -	15,769.10	15,769.10
Equipment rental	53.00	61.00	114.00
Buildings			
Explosives			
Repair parts	166.13	49.36	215.49
Other supplies	398.97	207.80	606.77
Power			
Transportation	- -	30.00	30.00
Withholding taxes 1/2 percent S. S.	11.37	15.87	27.24
Compensation insurance	20.47	28.56	49.03
Other insurance Workmen's*	45.15	- -	45.15
Contract work			
Other (specify) Equipment Ins. TD-18	135.84	- -	135.84
TOTAL	1,588.93		
Totals previously reported		17,219.50	
Totals to date			18,808.43

* This includes Workmen's Compensation for 1/6 of July, and August, 1951.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF

Type	Number	Man-Shifts	Rate	Total
Miners welder & cat operator	1	1 month	$350.00	$350.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper				
Foreman	1	1/3 month	$300.00	$100.00
Clerks				
Stenographers				
Other Cat Operator	1	160 hrs. St. T. 40 hrs. Ov. T.	1.40/hr. 2.10/hr.	$308.00
TOTAL				$758.00

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor [3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by _____

Entered by _____

Approved by _____

Amount approved for payment _____

Remarks _____

_____

_____

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics	758.00	53.00	565.10	212.83	1,588.93	Bulldozer Hours	168	150	318	1,400
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	758.00	53.00	565.10	212.83	1,588.93	Bulldozer Hours	168	150	318	1,400

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

HERCULES MINING CO.
Hot Springs, Idaho.
October 6, 1951.

Mr. Glenn Rand
U. S. Bureau of Mines
Mine Field Team, Region II
Spokane, Washington

Dear Mr. Rand:

We are submitting herewith monthly progress report (Form [illegible]) in triplicate covering the exploration job here at the Hercules Mine for the month of September. Also enclosed is a sketch map of the exploration work done in Pit No. 4A.

The new [illegible] is operating quite well, although a loss of operating time of four days for adjustment and changes caused some delay. This month's adjustment, however, will no doubt insure longer efficient operation of the machine.

In September the 104 hours of machine operation (meter time) moved 14,000 yards of rock and decomposed material. No blasting was needed. In the course of this exploration doing work 40 tons of 15 % Sb ore was saved and added to the mill. Some ore was mined from stringers as much as two feet thick in places and was all good ore. The one man's wages for what to save this ore was not charged against the exploration job, but we paid it.

About 20 tons of the ore was mined from the spur carried (?) on the map and further work on this vein is indicated as it is bounded by brown dike on both sides. One occurrence in the past has been that the stringers holding of ore are broad behind dike and are bounded by the dike. The other thick stringers are what we call regular stringers and in close association with diabase are very irregular, [illegible], much branched and in no pattern or direction. They are very high-grade ore, however, and are saved if large enough without holding up bulldozer work.

We trust you will find the enclosed progress report in order, and will you kindly send the payment thereon to the account of Hercules Mining Company, First Security Bank of Idaho, N. A., Boise, Idaho.

Very truly yours,

Signed: Robert Oberbillig,
President.

U. S. BUREAU OF MINES
RECEIVED
OCT 1 5 1951
SPOKANE, WASHINGTON

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. DMA-14

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Dept. Interior, Bureau of Mines,
(Department, bureau, or establishment)
Voucher prepared at Albany, Oregon 10/2/51
(Give place and date)
THE UNITED STATES, Dr.,
To Hermada Mining Company
(Payee)
Address First Security Bank of Idaho, N.A., Boise, Idaho
Payee's Account No. Idm-E22

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	July 25-August 31, 1951	Per Certified Form MF-104, dated 9/8/51				12,914	62

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 12,914 62

(Payee must NOT use this space)
Differences _____
Account verified; correct for 12,914 62
(Signature or initials) _____

Contract No. Idm-E22 Date 6/26/51 Req. No. _____ Date _____ Invoice Rec'd _____

12,914.62

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	12,914.62	12,914.62

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

Per _____
Title _____

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U.S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]						
5. Supervision						
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by _____
Entered by _____
Approved by Thomas E. Howard
Amount approved for payment _____
Remarks _____

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF [illegible]

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Trenching										
Sampling and assaying										
Roads and trails										
Test pits	[illegible]		[illegible]	[illegible]	[illegible]					
Other (specify)										
Totals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]					

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

[illegible]

MF-104
(August 1951)
April

14

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 22

Name of Operator Hermada Mining Company
Docket No. DMA E-22 Docket No. 506 X (Antimony)
Total Contract Amount $ $44,100.00
Government Participation: 75 % Amount, $
Distribution of Expenditures for Month of 1/6th of July, & August, 1951.

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

Hermada Mining Company
(Name of Company)

By /S/ Ernest Oberbillig
(Signature of Authorized Official)

September 8, 1951
(Date)

President
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEME

Distribution of Expenditures for Month of 1/6th of July, & August, 1951.

Item	Monthly Total	Totals Previously Reported	Totals to Date
Wages and salaries 1/6th July 161.01 August	896.80	---	1,057.81
Equipment purchase *	15,769.10		15,769.10
Equipment rental **	61.00		61.00
Buildings			
Explosives			
Repair parts	49.36		49.36
Other supplies Gas, Oil, Grease	207.80		207.80
Power			
Transportation July	30.00		30.00
Withholding taxes Aug.	2.42		
Compensation insurance July	13.45		15.87
Compensation insurance Aug.	4.35		28.56
Other insurance	24.21		
Contract work	Will report at end of quarter		
Other (specify)			
TOTAL	17,219.50		17,219.50
Totals previously reported	--		—
Totals to date	17,219.50		17,219.50

* This includes $65.00, the cost of transporting TD-18 from Boise to Hermada.
** Welder and Jeep rental, 1 1/6 months.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF

Type	Number	Man-Shifts	Rate	Total
Miners --cat operator &	Welder 1	1 1/6 months	$350.00/mo	408.34
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper	1	1/3 of 1 1/6 mos.	$300.00	116.67
Foreman	1	1/3 of 1 mo. + 6 days	450.00 *	180.00
Clerks				
Stenographers				
Other Cat Operator	1	216 hrs. S.T. 24 hrs. O.T.	$1.40/hr. $2.10/hr.	352.80
TOTAL	4			1,057.81

* at the rate of $5.00 per day, chargeable against DMA Project.

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor [3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by _____

Entered by _____

Approved by _____

Amount approved for payment _____

Remarks _____

_____

_____

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF 1/6th of July and August 1951.

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching	1057.81	15,830.10	257.16	74.43	17,219.50	Bulldozer Hrs	150	-0-	150	1400
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	1057.81	15,830.10	257.16	74.43	17,219.50	Bulldozer Hrs	150	-0-	150	1400

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Twin Springs, Idaho
September 8, 1951

Mr. A. E. Weissenborn
Executive Officer
D.M.A. Field Team, Region II
South 157 Howard Street
Spokane, Washington

Re: Docket No. D.M.A.-506X

Dear Mr. Weissenborn:

We are submitting herewith monthly Progress Report (Form MF-104) in quadruplicate covering the exploration job here at the Hermada Mine for five days in July (July 25 through July 31), and for the month of August. We are also enclosing vouchers for the purchase of the TD-18 Tractor with bulldozer, and its transportation from Boise. We are also submitting a sketch map of the exploration pits in the north area where bulldozer work was done during the above mentioned period of time.

The new TD-18 bulldozer was not delivered here on the property until the last day of August. After five hours' operation with this new dozer we found that the oil pump for the hydraulic dozer was defective so we made a trip to Boise Saturday night September 1 and managed to get a new pump from them on Sunday and now have it installed with the dozer in operation again. Until this new Tractor was delivered, we had been carrying on exploration work with our old TD-14 Tractor. The work we accomplished with the old TD-14 Tractor amounted to 200 clock hours (motor meter). We estimate this 200 TD-14 hours to be equivalent to 150 TD-18 hours. We turned in the old TD-14 Tractor as a deposit on the TD-18. This deposit will take care of our percentage of the purchase price of the new TD-18. In effect, we were allowed the use of the TD-14 Tractor until the new one could be delivered.

Bulldozer cut B-7A has been completed and it was found that the mineralization in this pit consisted of three stringers of stibnite varying from two inches to 12 inches in thickness. These stringers dip to the west at an angle of 30 degrees. These stringers, however, continued to the north for over 100 feet, and seem to have a rake in that direction of about 20 degrees. The appearance of these stibnite veinlets greatly resembles what we call "granite stringers", and while they may have a trend paralleling a larger body of ore, they usually keep the direction of the joints in the granite, and their presence seems to indicate a good possibility for ore to the west. At least, this is the basis for the work we are doing now in pit B-6A. Bulldozer cut No. B-7 requires about 30 hours more for completion and cut No. B-6A requires about 75 hours more.

We trust you will find the enclosed Progress Report, vouchers, etc. in order, and will you kindly send the payment theron to the account of Hermada Mining Company, First Security Bank of Idaho, N. A., Boise, Idaho. In case you have any questions or corrections to this report, would you kindly com-

municate with us directly here in Omak, Washington, c/o General Delivery, and send a copy to the Hermada Mining Company, Twin Springs, Idaho.

Very truly yours,

/s/ Ernest Oberbillig,

Ernest Oberbillig,
President

EEO/co
Enclosures (4)

R E C E I P T

Twin Springs, Idaho
August 31, 1951

RECEIVED OF Hermada Mining Company

Twin Springs, Idaho, the sum of

Sixty-five Dollars ($65.00), for transporting

TD-18 Tractor from Boise, Idaho to the Hermada Mine, on the East Fork of Swanholm Creek, Elmore County, Idaho.

Signed: _____

FORM NO. 1-A BOISE

ALL PRICES SUBJECT TO CHANGE WITH NOTICE

INV

INTERMOUNTAIN EQUIPME

CONTRACTOR'S EQUIPMENT ROAD MAC

GOODS MUST NOT BE RETURNED WITHOUT OUR CONSENT

BROADWAY AT MYRTLE STREET PHONE 9000

BOISE, IDAHO

INVOICE DA

SOLD TO [illegible], INC.,
[illegible], IDAHO

OUR ORDER

YOUR ORDER

SALESMAN

TERMS: NET CASH

DATE SHIPPED	SHIPPED FROM	F.O.B.	DESTINATION	HOW SHIPPED	FOB
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	TD-18A IND TRACTOR WITH THE FOLLOWING EQUIPMENT 22" TRACK SHOES, 74" TREAD FRONT POWER TA 82 CUT COUPLER, SPECIAL ROCK RIPPER, TRANSAXLE GUARD, [illegible] FRONT IDLER, ELECTRIC LIGHTING ATTACHMENT, HOLA METER, MUFFLER, FRONT PULL HOOK, RE-CLEANER, ROCK GUARD SHIELD, RADIATOR SHUTTER FOB BOISE		11459.10
1	[illegible]-2 DATE UP [illegible] BULLDOZER, HYDRAULIC POWER UNIT PTO, FRONT BLADE, R.O. & PUMP CO. 10 F.O.B. FACTORY, [illegible] BATTERY FREIGHT	3520.00 225.00	3745.00
			15204.10
	S/B TRACTOR TDR-25725 S/B BULLDOZER 67907		

COPY

DOCKET COPY

Murphy
Chrisg

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

Project Summary Report

By: F. M. Murphy July 12, 1955

1. Docket No. DMEA-506 (Antimony)
Contract No.I-DMA-E22

Operator: Hermada Mining Company
Ernest Oberbillig, President
215 N. 26th Street,
Boise, Idaho

Property: Hermada Group of lode claims in Secs. 11, 12, 13, 14, 23, and 24, T. 6 N., R. 9 E., Boise M., in the Black Warrior Mining District, Elmore County, Utah.

Operator's Property Rights - Owner

2. Contract - June 26, 1951

Work authorized:

1. Bulldoze trenches on 13 claims
2. Drive South Pit adit on claim No. 2, 150 feet in a westerly direction, thence north for 150 feet.
3. Drive North Pit adit on claims Nos. 12 and 43, 120 feet and two 40-foot drifts on veins encountered.

Estimated Cost:

1.	Crosscutting 500 feet @ $30.00/ft.	$15,000.00
2.	Bulldozing 1400 hours @ $8.00/hr.	11,200.00
3.	Construction buildings	1,000.00
4.	Equipment to be purchased	16,900.00
	Total estimated cost of project	$44,100.00
	Government participation @ 75%	$33,075.00

Amendments:

No. 1, September 19, 1951 (effective June 26, 1951), added a tractor operator-welder to the labor item.

No. 2, February 11, 1952 (effective February 1, 1952), provided that labor for the tunnels be paid for at unit contract rates.

Contract terminated: September 30, 1952, by mutual agreement.

Work completed:

405 feet of drifting and crosscutting	$12,597.18
1047 hours bulldozing	9,774.67
Equipment purchased	16,890.52
New buildings, etc.	356.07
Total cost	$39,618.44
Less proceeds of property disposal	$ 7,038.56
Total net cost	$32,579.88

3. Audit certificate, August 18, 1953

Total cost billed by contractor	$39,812.00
Less: property salvage	7,038.56
Adjusted cost	$32,773.44
Less audit exceptions	193.56
Total accepted cost	$32,579.88
75% Government participation	$24,434.91

4. Certification - None

5. Final Field Team Report - June, 1955

Received in Washington July 1, 1955, quoted below in part:

Recommendations:

"In times of high antimony prices the property would merit further exploration; however, Government participation in another exploration project is not recommended at this time."

Geology (excerpts)

The region is underlain by granitic rocks of the Idaho batholith, which at the mine are chiefly quartz-monzonite and granodiorite. These rocks have been fractured by numerous faults, most of which may be placed in two systems: (1) northeast trending faults, and (2), faults striking north to northwest which appear to be the older. Numerous dikes

intrude the fault zones.

While most of the quartz-stibnite veins in the Hermada pit conform to the north-south fault and dike pattern, there are veins on the property that conform with the northeast pattern.

Generally speaking, the quartz-stibnite veins . . . seem to be confined to areas where the following geologic conditions exist:

1. Areas that have been intensely affected by hydro-thermal alteration, and which are transversed by intersecting north-south and northeast-southwest fault and dike zones.

2. Areas of alteration in and along the fault and dike systems in which the host rock has been strongly silicified.

The Project:

The work started in July, 1951. The initial work was bulldozing various trenches in the North-pit area. One stibnite vein was exposed by this work. Further bulldozing continued all summer.

During the winter 1951-52 an adit was driven from the Hermada pit for a distance of about 105 feet N. 38° W. direction, then due west for 300 feet. The purpose of this adit was to explore at a lower level the southern continuation of the quartz-stibnite veins in the Upper Hermada pit and also to test the area between the pit and the trenches to the southwest. Adit work was discontinued in May, 1952. A request by the Operator for an amendment to allow him to diamond drill from the face of the adit was denied, because of the poor mineralization encountered by the adit and also the high cost of installing the drill.

Bulldozing new trenches was again resumed in June, 1952, and continued till September without exposing minable stibnite ore.

Note: The delay in closing this docket was partially due to the fact that no cash bids could be obtained for the bulldozer and other equipment purchased under the contract. Finally, in August, 1953, the Government accepted the Operator's bid. Net salvage proceeds were $7,038.56.

Michael Ching

Michael Ching
For: Ernest Wm. Ellis, Chief
Rare and Miscellaneous
Metals Division

[x] Audited

[ ] Certified

RK ANALYSIS SHEET - DMEA PROJE

Analysis as of Dec. 2, 1954
Incl. Voucher for Sept. 1952

[x] Actual Cost

[ ] Agreed Unit Costs

Name The Hermada Mining Company

Docket No. DMEA-506

State Idaho

Commodity Antimony

Idm-E No. 22

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	500	$15,000.00	400	$13,072.63	$13,072.63
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		11,200.00		9,450.03	9,450.03
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		16,900.00		16,890.92	9,852.36
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		1,000.00		204.86	204.86
Other (Specify)					
Totals		$44,100.00		$39,618.44	$32,579.88

Prepared by /s/ Ellis

71626

IN REPLY REFER TO:

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

September 29, 1955

Re: DMEA 506X, Idm-E22
Hermada Mining Co.
Hermada Mine
Elmore County, Idaho
$32,579.88 - Antimony

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

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

Subject: Review of Field Team Final report.

The purpose of the project was to explore for quartz-stibnite veins in the Hermada fracture and alteration zone.

Work done consisted of 1,047 hours of bulldozing and 400 feet of adit.

The contract was approved for $44,100.00 and the total cost was $32,579.88.

The project was unsuccessful and no discovery was recommended.

The mine is credited with a production of about 5,000 tons of ore. Reserves, at termination of the contract, were:--

Developed - Nil

Inferred - A few hundred tons

The conclusions of the examiners are considered sound and I concur with the recommendation of the Field Team that no certification should be issued.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
JUL - 1 1955

June 24, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-506X (antimony)
Hermada Mining Company
Hermada Mine
Elmore County, Idaho
Contract No. Idm-E22

Dear Mr. Selfridge:

Enclosed are four copies of the Field Team final report on the above-captioned contract which has been prepared by Thor H. Kiilsgaard, Geological Survey, and Stephen W. Zoldok, Bureau of Mines.

The authors state that Government participation in another exploration project is not recommended at this time; however, in times of high antimony prices the property would merit further exploration. The project was unsuccessful, and no discovery was recommended.

The Field Team concurs with the recommendations of the authors.

By Field Team, Region I, NW District

A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

Wing G. Agnew
Wing G. Agnew, Member
(U. S. Bureau of Mines)

Enclosures
cc: USBM(2)
Kiilsgaard

Reviewed by
DMEA OPERATING COMMITTEE
7-8-55
(date)

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I
Northwest District

RECEIVED
JUL - 1 1955

FINAL REPORT

Contract No. Idm-E22

FINAL
F.T. Rpt.

by

Stephen W. Zoldok
Mining Engineer
U. S. Bureau of Mines

Thor H. Killsgaard
Geologist
U. S. Geological Survey

HERMADA MINING COMPANY
Twin Springs, Idaho

Docket No.:	DMA-506X
Commodity:	Antimony
Contract date:	June 26, 1951
Termination date:	September 30, 1952

Reviewed by
DMEA OPERATING COMMITTEE
7-8-55
(date)

HERMADA MINE
Black Warrior Mining District
Elmore County, Idaho

Spokane, Washington

June 1955

FINAL REPORT

HERMADA MINING COMPANY
Hermada Mine
Black Warrior Mining District
Elmore County, Idaho

Contract Idm-E22

* * * *

INTRODUCTION

This final report describes an antimony exploration project conducted jointly by the Defense Minerals Exploration Administration and the Hermada Mining Company at the Hermada claims in Elmore County, Idaho.

Summary

The purpose of the project was to explore for quartz-stibnite veins in the Hermada fracture and alteration zone. Surface exploration was to consist of a maximum of 1,400 hours of bulldozing in 16 trenches and underground exploration by 500 feet of crosscutting and drifting in two adits.

A total of 1,047 hours of bulldozing was done in the North pit, Hermada pit, and in the area southwest of the Hermada pit. A 400-foot exploratory adit was driven southwest of the Hermada pit. Much of the bulldozing was of questionable value from an exploration standpoint and actually consisted of mining known ore occurrences. Some of the trenching, while in a favorable area, was strategically located to facilitate future logging operations on the Operator's patented claims.

Recommendations

In times of high antimony prices the property would merit further exploration; however, Government participation in another exploration project is not recommended at this time.

The project was unsuccessful, and no discovery was recommended by the Field Team.

LOCATION AND ACCESSIBILITY

The Hermada mine is in the mountainous section of south-central Idaho, approximately 77 miles northeast of Boise. From Boise, the property is 73 miles distant via the Boise-Atlanta road, then half a mile via the Deer Park Forest Service road to the mouth of the East Fork of Swanholm Creek, then 3.5 miles up that creek to the mine. The nearest town is Atlanta, Idaho, approximately 20 miles to the east. The mining claims are on the East Fork of Swanholm Creek in secs. 11, 12, 13, 14, 23, and 24, T. 6 N., R. 9 E., B.M., Black Warrior Mining District (also known locally as the Swanholm District), Elmore County, Idaho.

The topography is of sharp relief, and the area is heavily forested. Altitudes at the property range from 5,300 to more than 6,000 feet. Drainage is by numerous small streams emptying into the Middle Fork of the Boise River. The climate is moderate during the summer but with severe winters accompanied by heavy snowfall.

PROPERTY

The property covered by the exploration contract comprises the Diana Lee, Carol Lee, Yellow Tom, Hermada, Hermada Nos. 1 and 2, and Hermada Nos. 4 to 49 inclusive, lode mining claims owned by the Hermada Mining Company, an Idaho corporation. The Hermada and Hermada Nos. 1, 2, 4 to 8, and 18 are patented claims (Mineral Survey No. 3442). All other claims are unpatented.

Exploration was conducted on the Hermada, Hermada Nos. 1, 2, 4 to 7, 10, 12, 13, 16 to 20, and 43 claims (see attached map).

Officers of the Hermada Mining Company are Ernest Oberbillig, president, Carol Oberbillig, secretary, and Gilbert Pearson, manager, all of Twin Springs, Idaho.

The Hermada deposit was originally explored by numerous bulldozer cuts and by a number of short adits which were subsequently obliterated by open-pit mining operations. The Bureau of Mines conducted an exploration project 1/ at the Hermada mine during 1949 and 1950.

The property was staked in 1947 and, since that time, has been operated by the Hermada Mining Company. Practically all of the antimony production from the property has been from the main Hermada pit. The pit is irregular in outline, being about 250 feet long with two benches at altitudes of 5,340 and 5,410 feet.

1/ Popoff, Constantine C., Hermada Antimony Deposit, Elmore County, Idaho: Bureau of Mines, R.I. 4950, Feb. 1953.

Equipment at the property includes a TD-18 crawler tractor with angle dozer, a 210 cu. ft. gasoline-powered compressor, a light jackhammer, and a dump truck. Camp facilities include a two-story cookhouse and bunkhouse, two residences, a shop, and a small light-plant house.

All underground workings, including the 400-foot DMEA adit were either caved or had been obliterated by open-pit operations when project work was terminated.

GEOLOGY

The geology of the Hermada mine and surrounding area has been described in part by Ballard 2/, and in considerably more detail by Popoff 3/.

The region is underlain by granitic rocks of the Idaho batholith, which at the mine are chiefly quartz monzonite and granodiorite. These rocks have been intensely fractured by numerous faults, most of which may be placed in two systems: (1) northeast-trending faults, and (2) faults striking northerly to northwest.

The northeast-trending fault system appears to be dominant. This fault pattern has served as a zone of weakness in the granitic country rock that has been intruded by a swarm of dikes ranging in composition from granite to lamprophyre. The dike swarm may be traced intermittently from a point north of Boise to points east of Atlanta, a distance in excess of 70 miles. Individual dikes within the swarm range in thickness from a few inches to several hundred feet; in strike length the dikes range from a few feet to several thousand feet. The dikes are described by Anderson 4/ as Tertiary, probably Miocene in age.

The northerly to northwest fault pattern appears to be older than the northeast pattern. In at least three places in the Hermada pit north-striking faults have been cut by northeast-trending dikes. The older pattern is quite possibly associated with regional block faulting characteristic of western Idaho, and more characteristic of the region to the south in Nevada and Utah. Two major faults belonging to this pattern may be recognized near the Hermada. The westernmost or Deer Park fault follows along the West Fork of Swanholm Creek; a similar fault to the east follows the East Fork of Swanholm Creek. In places dikes have intruded along this fault pattern.

2/ Ballard, S. M., Geology and Ore Deposits of the Rocky Bar Quadrangle, Elmore County, Idaho: Idaho Bureau of Mines and Geology, Pamphlet 26, 1928.

3/ Popoff, C. C., op. cit.

4/ Anderson, A. L., Geology and Ore Deposits of the Atlanta District, Elmore County, Idaho: Idaho Bureau of Mines and Geology, Pamphlet 49.

In all places that were observed, where the two fault systems intersect, the granitic host rock and many of the dikes, particularly those striking northwest, have been intensely hydrothermally altered.

The Hermada property lies along the northeast-trending dike swarm, between the Deer Park fault on the west and the fault to the east which follows the East Fork of the Swanholm Creek. The following description of the geology of the Hermada pit has been taken from the DMEA application report submitted by the Field Team:

> "The face of the pit is composed of intensely hydrothermally-altered granite, with some exposures of altered dacite dikes. The dikes occur in two general patterns: one set striking roughly north-south; the other in a northeast-southwest direction. The north-south-trending dikes appear to be older in age; in at least three instances within the pit area they are transversed by northeast-trending dikes. Both dike systems are composed chiefly of dacite, although there are gradations in lithology to lamprophyres in some instances, and to those with more acidic compositions in others. The dikes are hydrothermally altered, particularly along the contact with granite. At places of maximum alteration, dikes are decomposed to a brownish, unconsolidated aggregate in which it is impossible to recognize the original character of the rock.
>
> "Antimony occurs in quartz-stibnite veins that more or less conform in trend to the north-south dike system. Individual veins are as much as 100 feet in length, but are lenslike and range from mere stringers to as much as 5 feet in thickness. According to Popoff***the quartz-stibnite veins are clustered together in a zone that does not exceed 100 feet in width. The veins appear to be surrounded by zones in which quartz has replaced most of the host rock. Near the stibnite, the rock is almost entirely quartz. The quartz has been broken by faulting and also affected by alteration so that it is now largely granulated or sugary in texture and is easily moved by a bulldozer. The siliceous zones surrounding the quartz-stibnite veins are parallel to, and in areas between, the north-south dikes. They commonly adhere to the walls of the dikes.***"

While most of the quartz-stibnite veins in the Hermada pit conform to the north-south fault and dike pattern, there are veins on the property that conform with the northeast pattern. This is especially true in the North pit and in the area southwest of the Hermada pit.

Generally speaking, the quartz-stibnite veins, while conforming with either fault system, seem to be confined to areas affected by the following geologic conditions:

1. Areas that have been intensely affected by hydrothermal alteration, and which are transversed by intersecting north-south and northeast-southwest fault and dike zones.

2. Areas of alteration in and along the fault and dike systems in which the host rock has been strongly silicified.

THE PROJECT

The exploration program proposed exploring the Hermada fracture zone and other nearby stibnite outcrops by a maximum of 1,400 hours of bulldozing in 16 trenches. It was further proposed to explore southwest of the Hermada pit by a 300-foot adit on the Hermada No. 2 claim, and also in the North pit area by a 120-foot crosscut and 80 feet of drifts.

The contract was amended twice. Amendment No. 1 dated September 19, 1951 (effective June 26, 1951) added a tractor operator/welder to the labor classification. Amendment No. 2 dated February 11, 1952 (effective February 1, 1952) provided that labor for the tunnels be paid for at unit contract rates. There were no other changes or modifications to the contract.

Under the exploration project a total of 1,047 meter hours of bulldozing was done on the Hermada property. The effective date of the contract was June 26, 1951, and project work started in July 1951, the initial bulldozing being in the North pit area. During the autumn months, the Operator continued to bulldoze in the North pit area, over 150 hours being in one trench. This trench eventually developed pitlike proportions. One stibnite vein was exposed by this work, and 40 to 50 tons of ore were mined and stockpiled. The practice of excessive bulldozing in one place was finally discontinued after strong objections had been made to the Operator by the Field Team.

Bulldozing was discontinued during the winter and spring months but resumed in June 1952. From June until August, an estimated 2 miles of dozer trenching was done between the Hermada No. 4 claim and the Hermada pit. Most of the trenching was in the area transversed by the northeast fault and dike system and while it exposed areas of altered and silicified rock, much of it appeared to be advantageously located as logging roads. Minor amounts of quartz and stibnite were located in an altered zone on the northwestern side of the Hermada No. 4 claim, and some native antimony was found in a basic dike on the Hermada No. 2 claim, but otherwise the trenching was barren.

On August 13, 1952, the bulldozing was inspected by the Operator and a DMEA examiner, following which it was decided that although dozing to that date had been discouraging, another 100 hours of dozing was needed to test the targets adequately. It was also decided that if this additional dozing did not prove more encouraging the contract should be terminated by mutual agreement.

On September 30, 1952, the project was again visited by DMEA examiners. At that time the hour meter on the bulldozer showed that 122 hours of dozing had been done since the previous examination; however, inspection of the trenches dozed during the intervening time failed to show any stibnite. Consequently, the field examiners recommended termination and a termination agreement was signed by the Operator and theGovernment, effective September 30, 1952.

During the winter of 1951-52, an exploration adit was driven southwest of the Hermada pit from coordinates N 9,660, E 10,137, at an altitude of about 5,400 feet (see accompanying map). The adit bears N. 38° W. for about 105 feet, then due west for 300 feet. The purpose of the adit was to explore at a lower level the southern continuation of quartz-stibnite veins mined in the Upper Hermada pit and also to test the area between the Hermada pit and the trenches to the southwest, referred to by Popoff 5/ as the South pit. Sparse pyrite mineralization and flecks of stibnite were found in the adit 260 feet from the portal in an altered zone associated with a northeast-striking dike. The final 60 feet of the adit was in highly altered granite in which there were numerous 4- to 5-inch quartz stringers and considerable pyrite but no stibnite.

Adit work was discontinued in May 1952. At that time the Operator requested an amendment that would allow him to diamond drill from the face of the adit; however, because of the poor findings in the adit and the cost of installing a drill, this request was denied by the Field Team.

Exploitation Possibilities

The short lateral and vertical dimensions of the quartz-stibnite veins in the wide Hermada fracture zone, as well as in other occurrences on the property, preclude economic exploitation by underground methods. In the past, surface exploration and mining has been a concurrent operation carried on by means of a bulldozer. Pods of ore, when mined by the bulldozer, have been hand sorted and stockpiled for subsequent milling.

There are no developed ore reserves at the mine. Potential reserves can be inferred only on the basis of past mining experience in productive areas. Reserves computed on this basis would, at best, be on the order of only a few hundred tons.

5/ Popoff, C. C., op. cit.

Important factors affecting ore recovery are dilution and loss of small pods of high-grade ore during mining operations. Mining under existing conditions would be economic only during periods of high antimony prices.

During 1947-48 the Hermada Mining Company shipped 207.65 tons of crude ore having an average antimony content of 32.05 percent. From 1947 to 1950 the mine produced and shipped 4,600 tons of ore averaging 11.7 percent antimony to the Talache mill at Atlanta, Idaho. The mill produced 776 tons of concentrates averaging 59.92 percent antimony and an over-all recovery of 86.4 percent.

Summary of Factual Data

Under the exploration project 405 feet of adit was driven at a cost of $32.40 per foot. About 150 feet or 37 percent of the adit was timbered. A total of 1,047 hours of bulldozing was done at a cost of $18.39 per hour.

A small tool shed costing $204.86 was constructed at the adit portal.

The total contract amount approved was $44,100.00, of which the Government participation was 75 percent of $33,075.00. The total cost of the exploration was $32,579.88, and the Government's share was $24,434.91.

Factors affecting the cost of exploration were excessive size of trenches in formerly productive areas of the mine and the fact that the adit was driven through ravelly ground without timber necessitating subsequent widening and timbering, thus adding to the cost.

A small tonnage of ore, estimated at 40 to 50 tons, was hand sorted and stockpiled from exploration in the North pit. The exact grade of this ore is estimated to be 10 to 15 percent antimony. The ore was too low grade to ship crude, and there was not enough mined to warrant concentration.

Equipment purchased for use on the project is listed below:

	Item	Cost	Total cost
1	TD-18A International Harvester Co. crawler tractor, Ser. #TDR-25725	$11,859.10	
1	18WG-2 Buckyrus-Erie hydraulic bull grader, Serial #88987	3,845.00	
	Transportation, Boise, Idaho, to mine	65.00	
			$15,769.10
1	Model HEE, Gardner-Denver DD air slusher, Ser. No. 169723	894.50	
1	8C Pacific sheave block	32.57	
1	Model 2A-26-inch Pacific scraper	194.75	
			1,121.82
	Total		$16,890.92

Following termination of the contract, the bulldozer was brought to Boise and advertised for sale over a period of several months. Several offers to purchase were received, one for more than $10,000.00, but the deals could not be closed because the Government demanded cash settlement. Finally, in August 1953, the Government accepted the Operator's bid, believing it was the best that could be obtained under the conditions. Sale price was $6,400.00 for the dozer and $779.29 for the slusher and scraper bucket. The net proceeds from the sale of both items was $7,038.56 after deducting selling expense.

Conclusions

DMEA exploration at the Hermada property disclosed large areas of intensely altered granitic rock with occasional sporadic, narrow, quartz-stibnite veins of short strike length and of short vertical extent. These veins were always enclosed by crushed, sugary quartz and hydrothermally altered granitic and/or dike rock. There was not enough ore found to constitute a discovery.

It is believed the Hermada will never be profitably operated as an underground mine because of the irregularities of the veins and the characteristics of the wall rock, but there is a possibility of maintaining open-pit operations at times of extremely high antimony prices at the Hermada and the North pit.

No operational difficulties were encountered during the project work, although the contract was difficult to administer because the Operator, at times, did not follow the exploration program as outlined in the contract. The Operator also tended to bulldoze large open cuts in formerly productive areas which were more in the nature of mining than exploration. Some of the shallow exploration trenches bulldozed between the No. 4 claim and the Hermada pit were of little benefit to the program.

The project work was poorly done from an exploration standpoint. Consequently, little new geological or sampling data was added to that obtained in previous work.

Enclosure
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 29 1954

November 23, 1954

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Chambers:

We have checked the royalty receipts listed in your letter of November 18, 1954. As of October 31, 1954, the items listed agree with our records with the exception of the following:

Idm-E22, Docket No. 506, Hermada Mining Company, $81.70. This check was received from Hermada Mining Company and was credited to that contract in error. The collection covered royalties due under Contract Idm-E258, G.O.P. Antimony, Inc., which is another property owned by the same company. The payment was transferred to that contract on our books in April 1953.

Idm-E152, Docket No. 1635, Silver Star-Queens Mines, Inc. According to our records the correct amount of royalty payments received is $4,143.49 not the $3,971.99 your records show.

Idm-E177, Docket No. 652, South Mountain Mining Company. The correct amount of royalty collected is $1,012.54, not $1,184.04. The reason for this discrepancy is that a check for $171.50, shown on Schedule of Collections No. 67, dated July 27, 1953, received from United States Smelting Refining and Mining Company was credited to South Mountain Mining Company, Contract Idm-E177, in error. It should have been credited to Silver Star-Queens Mines, Inc. This error was discovered and the correction was made on our records October 13, 1953.

We think some of the confusion may be the result of listing the name of the maker of the check and the contract number only on the reverse side of the Schedule of Collection forms. Quite often the maker of a check and the contract it is to be credited to are different and unless the name, as well as the number, of the contract is shown it is perhaps a little confusing. In the future the name of the operator and the contract number will both be shown. In addition, we will make sure that you are informed of any corrections we make in our records.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew

Wing G. Agnew, Member
U. S. Bureau of Mines

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : R. J. Hindman, USBM

DATE: September 4, 1953

FROM : A. E. Weissenborn, USGS

SUBJECT: Transmittal of Bank Money Orders received from Ernest Oberbillig, president of the Hermada Mining Co.

Attached is Bank Money Order No. 3-12169 in the amount of $232.28 received from the subject Operator in payment of amount due the Government under his Contract Idm-~~E120~~- Also attached is Bank Money Order No. 3-12170 in the amount of $3,271.90 , the amount owed the Government for the purchase of a TD-18 bulldozer in connection with subject Operator's Contract Idm-~~E22~~. DOR Anthony

In a letter to the Operator dated September 4, 1953, acknowledgment was made of the receipt of these money orders.

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Received attachments _____
date

RB

R. J. Hindman

Enclosures 2

cc: DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

August 27, 1953

Mr. Ernest Oberbillig
c/o Hermada Mine
Twin Springs, Idaho

Re: Contract Idm-122 - Hermada Mining Co.
Contract Idm-131 - Antimony (Hales property)
Contract Idm-250 - Antimony (Queen property)

Dear Mr. Oberbillig:

Reference is made to our letter to you of August 27, 1953, with which we submitted a memorandum from the Certifying Officer detailing funds either owed to you by the Government or that you owed to the Government.

Since forwarding that letter, we have received copies of the DMEA Auditor's Final Audit and are enclosing copies of these audits with this letter.

By study of these audits, you will be able to understand how the final audit figures were calculated.

We hope that the final audit figures are satisfactory to you and that we may quickly close out all three contracts.

Very truly yours,

Thor H. Hillesgaard
Acting Executive Officer
DMEA Field Team, Region II

enclosures(3)
cc: DMEA
F (2)
Co. Fil

913

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4, Washington

August 27, 1953

Mr. Ernest Oberbillig
c/o Hermada Mine
Twin Springs, Idaho

Re: Docket No. DMEA-506 (antimony)
Hermada mine
Elmore County, Idaho
Contract No. Idm-E22

Dear Mr. Oberbillig:

Enclosed is a copy of a memorandum from the Certifying Officer pertaining to the final audits on the three DMEA contracts with which you have been associated.

Please note that under the Hermada contract you owe the Government $3,271.90. A check from you for that amount, payable to the U. S. Treasurer, should be sent to the Executive Officer at this address. As soon as you have mailed that check you may take possession of the TD-18 bulldozer now in Boise. Upon receipt of the check we will forward to you a document officially releasing all Government interest in the dozer.

Concerning Contract Idm-E132, we suggest you send the Executive Officer a check, payable to the U. S. Treasurer, for the amount of $232.28. Upon receipt of this check we will release to you $814.11, payable to you under Contract Idm-E258. It is recognized that it would be easier for you to have $232.28 deleted from $814.11, the remainder payable to you; however, our Certifying Officer requests that each contract be treated as a separate account in order to keep the audits clear.

The corrected NF-104's will be returned to you by the Certifying Officer; however, we are sending this in advance as we realize you are anxious to close the contracts.

We hope the final audit figures meet with your approval.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Kiilsgaard

FILE COPY
SURNAME:

Chambers

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

Contract Administration & Audit Div.
Defense Minerals Exploration Admin.
14X3923.970 Working Fund, DMEA

August 26, 1953

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

DMEA 506 DMEA 979 DMEA 2193

Audit Report for Hermada, E22, G.O.P. Antimony Contracts E132 and E258 accepted. Project accounts may be closed.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
August 26, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

HHR 8-25-53

8/24/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 21 1953

August 18, 1953

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 North Division Street
Spokane 2, Washington

Re: Docket No. DMEA-506 (Antimony)
Bermuda Mine
Elmore County, Idaho
Contract No. Idm-R22

Dear Mr. Hindman:

The subject contract was terminated by mutual agreement before completion of the work. The Operator has not submitted a final report, but as the project has been inactive for almost a year and as the Operator's monthly reports are adequate, his final report is hereby waived.

A previous audit of the Operator's accounts, by DMEA auditors, was inclusive to September 1952. Since then, the Operator has submitted his final invoice covering work done in September 1952 and also his expenses pertinent to closing out the contract. These expenses are valid, as discussed in a letter to the Operator from the Executive Officer, dated August 5, 1953, and should be paid as discussed in that letter.

The Operator has made a firm bid of $6,400 for the TD-18 bulldozer in which the Government has an equity. This offer is hereby accepted by the Executive Officer, under direction from the Administrator. The Operator's offer of $779.29 for slusher and scraper bucket is also accepted.

It is requested that Mr. Robert Hull, DMEA auditor, immediately check the contract account and determine how much money is payable to the Operator for work completed. With this figure we can inform the Operator of the difference between his offer for the bulldozer and the amount owed him by DMEA. He has agreed to pay this difference in cash. Once this cash settlement is received, all contract obligations will have been met and it is hoped that the account can be closed as quickly as possible.

Sincerely yours,

AEW

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
DMEA (2)
Auditor, Region II
Kiilsgaard
Con. Adm. & Aud. Div.,
Wash., D. C.

FILE COPY
SURNAME:

Chambers

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

Contract Admin. & Audit Division
Defense Minerals Exploration Admin.
14X3923.970 Working Fund, DMEA

August 18, 1953

Mr. Robert M. Hall
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Reurtel 8-14-53. Not necessary to make new audit reports on contracts for September. Prepare new certificates and brief amendment to the last report.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
August 18, 1953

cc: Mails & Files
Admr. Reading File
Mr. Chambers

8-18-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 17 1953

RECEIVED
AUG 14 6 34 PM '53
OFFICE OF DEF. MINERALS ADMIN.
PUBLIC RELATIONS SERVICE
EMD - COMMUNICATIONS

253 WA SP /I-GS-G/

SPOKANE 8-14-53 252P

JAY L. CHAMBERS

CHIEF CONTRACT ADMINISTRATION AND AUDIT DIVISION

DMEA DEPARTMENT OF INTERIOR

WA

REF URLET MAY 18, 1953 OPERATOR SUBMITTED MF-104-S COVERING ADDITIONAL WORK AS WELL AS COSTS RELATED TO DISPOSITION OF PROJECT PROPERTY ON HERMADA MINING COMPANY, DMA-506, IDM-E22 AND G.O.P. ANTIMONY, INC., /BALES/, DMA-2193, IDM-E258 AS FOLLOWS COLON-. CONTRACT IDM-E22 HERMADA MINING COMPANY. ADDITIONAL WORK $609.39 COVERING SEPTEMBER 1952 COSTS OF DISPOSITION OF EQUIPMENT $304.71 CONTRACT IDM E-258 G.O.P. ANTIMONY INC., /BALES/ ADDITIONAL WORK $1,009.83 COVERING SEPTEMBER 1952. ADDITIONAL MF-104-S COMPLETELY DOCUMENTED MAKING SIGHT AUDIT UNNECESSARY FOR THE FINAL PERIOD OF CONTRACTS. THE INTERIM AUDIT OF THESE ACCOUNTS INCLUDED COSTS THROUGH AUG. 31, 1952. IN VIEW OF THESE CIRCUMSTANCES IS IT NECESSARY TO WRITE A COMPLETE REPORT DIVIDED INTO SECTIONS /QM/ IF THE ANSWER IS YES THEN THE AUDIT REPORT WILL BE MERELY A RE-COPY OF THE INTERIM REPORTS WITH REVISED DATES AND FIGURES.

ROBERT. M. HULL, DMEA AUDITOR.

18 1953 MF-104-S DMA-506 IDM-E22 G.O.P. DMA-2193 IDM E258 IDM-E22 $609.39 1952 $304.71 IDM E-258 G.O.P. $1,009.83 1952 MF-104-S 31 1952

VA 254P

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

xxxxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

913

August 5, 1953

Mr. Ernest Oberbillig
c/o Hermada Mine
Twin Springs, Idaho

Re: Docket No. DMEA-506 (Antimony)
Hermada Mine
Elmore County, Idaho
Contract No. Idm-E22

Dear Mr. Oberbillig:

This will acknowledge receipt of your letter of August 1, 1953, in which you make a firm offer of $6,400.00 for the TD-18 bulldozer and in which you note the sale of the slusher (Serial No. 169723) with scraper bucket for $779.29.

Your offer of $6,400.00 for the bulldozer is hereby accepted by the Executive Officer, DMEA Field Team, Region II, and your sale of the slusher with scraper bucket is approved.

At the present time we are processing your recently submitted invoices and hope in the near future to advise you of the exact amount of money owed you by the Government under DMEA Hermada contract terms.

We wish to call your attention to the $20 per day expense items you have submitted as pertaining to the business of closing out the contract and disposing of the bulldozer. We cannot allow a flat rate of $20 per day for expenses unless you can produce receipts for hotel rooms, meals, etc., and a description of the purpose of the trip, dates, etc. Instead, we will allow 6 cents per mile for travel and $9.00 per diem, which is the maximum amount allowed for per diem by the Government. Using these figures, we calculate your expenses as:

Gib Pearson, 2 trips from Hermada to Boise--distance 77 miles one way.

77 x 2 x 2 = 308 miles @ .06	$18.48
4 days at $9.00	36.00
	$54.48

Ernie Oberbillig, 2-day trip from Moscow to Boise.

660 miles @ .06	$39.60
2 days @ $9.00	18.00
	$57.60

Ernie Oberbillig, trip from Moscow to Spokane at request of DMEA. On this matter, we can remember only one day in October in which we requested you to come to Spokane; therefore, we will participate in only one day's expenses. Distance--Moscow to Spokane--90 miles.

180 miles @ .06	$10.80
1 day at $9.00	9.00
	$19.80

If an answer is not received from you questioning these calculations we shall assume they are acceptable and shall continue processing the voucher. If, on the other hand, you are not in agreement, please state your objections and be prepared to justify all expenses with proper receipts as mentioned above, if you wish your objections to be sustained.

When the information on the amount due you by DMEA is available we shall immediately inform you and shall at that time expect a cash settlement from you for the difference between the amount owed you under contract terms and your purchase offer for the bulldozer. When this cash settlement has been received at this office we shall assign to you all Government interest in the bulldozer and shall consider the contract closed.

Hoping that the aforementioned business may be completed in the minimum of time, I remain,

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)
Finance Officer, Region II
Con. Adm. & Audit Div.
Auditor, Region II
Kiilsgaard

FILE COPY 813
SURNAME:

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

Defense Minerals Exploration Administration
C. O. Mittendorf
5371 4624

14X3923, Working Fund, Interior, DMEA
July 28, 1953

JUL 28 1953

Mr. A. E. Weissenborn, Executive Officer, Field Team, Region II, Defense Minerals Exploration Administration, South 157 Howard St., Spokane 4, Washington.

DMEA-506, Hermada Mining Co.

Reference our phone conversation this date concerning sale of Oberbillig bulldozer. It appears that you have fully satisfied all regulations concerning disposal of equipment and that the interests of Government would be best served by accepting the highest offer at this time, which you indicate will be between $6200 and $6400. Authority to consummate sale hereby granted.

C. O. Mittendorf (for)
C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

MDB
7-28-53

COMittendorf/fw

cc: Admr Reading File
Mails & Files
Rare Metals Division
Audit and Contract Admin. Div.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

July 7, 1953

Mr. Ernest Oberbillig
Hermada Mining Company
Twin Springs, Idaho

Re: Docket No. DMEA-506X
Hermada Mine
Contract Idm-E22

DMEA

Dear Mr. Oberbillig:

In reply to your letter concerning the offer of $5,000 for the tractor, we are only too aware of the difficulties in disposing of the tractor; nevertheless, the price that you offer is very low. We have, at present, one interested person bidding on the machine, and we think it likely at the Sun Valley meetings Thor Kiilsgaard and I may be able to find some other interested purchasers. We therefore wish to wait for a short time in the hopes that we will be able to obtain an offer which would be of benefit both to you and to the Government.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(Geological Survey)

Thomas E. Howard, Acting Member
(Bureau of Mines)

cc: DMEA (2)
USBM (2)

C
O
P
Y

HERMADA MINING CO.
Twin Springs, Idaho
June 21, 1953

Re: Docket No. 506 X
Hermada Mine
Contract Idm-E22

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

With reference to the TD-18 Tractor which still remains unsold, I would like to mention to you that I have been checking in around Boise and find no less than eight used TD-18 Tractors on the market. Since there are so many of this size tractor in the Boise area, it appears unlikely that we will be able to sell this machine very soon. The objectionable features of this particular TD-18 sale seem to be that we require cash, and that the tractor does not have rear end cable winches for pulling a "can".

In view of the fact that this tractor is doing none of us any good where it is at, we wish to inform you that we (Pearson and myself) wish to buy the machine for a road building contract. We are prepared to offer $5,000.00 for the machine (75 percent of which will go to the DMEA, and 25 percent to the Hermada Mining Company). We hope you will give this offer prompt consideration because we would like to get started on the road building job.

The antimony business still seems to be scraping bottom and we do not plan to mine or market any antimony from the Bales, or from here, for that matter during this season.

Very truly yours,

/s/ Ernest Oberbillig

EEO/co

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
1201 Washington Building
Spokane 2, Washington
April 28, 1953

Defense Minerals
RECEIVED
MAY 4 1953

First Security Bank, N. A.
Boise, Idaho

Attention: Mr. Gale McAtee

Subject: Docket No. DMEA 506X
Hermada Mining Company
Contract Idm-E22
TD 18 Tractor and bulldozer

Dear Mr. McAtee:

Reference is made to a letter dated March 20, 1953, written by Thor Kiilsgaard for A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, regarding the proposed sale of the subject tractor in which the Government has an interest, and enclosing a notice of disposal of the Government's interest in the property.

The prospective purchaser has notified us that he was unable to finance the tractor and has withdrawn his offer. It is requested, therefore, that the above mentioned "Notice of Disposal" be returned to this office.

We regret any inconvenience this matter may have caused you.

Sincerely yours,

M. E. Volin
Acting Executive Officer
DMEA Field Team, Region II

cc: Mr. Ernest Oberbilli
DMEA, Wash. (2)
USGS (2)
DMEA
AD
DF

TEH/he

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

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAIL
MAR 23 1953

March 20, 1953
Special Delivery

First Security Bank, N.A.
Boise,
Idaho

Attention: Mr. Gale McAtee

Re: Docket No. 506X
Hermada Mine
Contract Idm-822

Dear Mr. McAtee:

Mr. Ernest Oberbillig of the Hermada Mining Company has instructed us to notify you of the forthcoming sale of a TD-18 bulldozer owned by the Hermada Mining Company but in which the U. S. Government has a 75 percent equity. Purchaser of the bulldozer will be the Owyhee Truck and Implement Company of Nyssa, Oregon, the purchase price to be $9,500.00 cash. The bulldozer is now in Boise and we have been advised that purchase will be made on March 23, 1953.

The purchaser of the bulldozer has been instructed to make payment to the Hermada Mining Company, the payment to be presented at the First Security Bank. Your name has been referred to him, and we understand you will be contacted at the time of the transaction. Inasmuch as the Government has an equity in the bulldozer, we are enclosing a notice of disposal of the Government's interest in the property, which is to be presented to the purchaser after payment is made. This notice should accompany a bill of sale, signed by Oberbillig, which we are informed is being forwarded to you.

We have instructed Mr. Oberbillig as to the way in which payment of the Government's equity in the bulldozer should be made payable to the Government. Of the $9,500.00, 75 percent or $7,125.00, should be made payable to the Treasurer of the United States, the check forwarded to the Executive Officer, D.M.E.A., 157 South Howard Street, Spokane 4, Washington. Mr. Oberbillig will no doubt give you further instructions on this transaction.

DMEA

Your attention to the above discussed transaction will be appreciated.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DNEA
Field Team, Region II

Enclosure

cc: Mr. Ernest Oberbillig

DNEA (2)
USNN (2)
Finance Officer

DEFENSE MINERALS EXPLORATION ADMINISTRATION

C. O. Mittendorf
5371 1624

Ilx3923, Working Fund, Interior, DMEA
March 18, 1953

RE HERMADA MINING C.
DMA-506

Mr. A. M. Weissenborn, Executive Officer, DMEA Field Team, Region II,
South 157 Howard St., Spokane, Washington

Phone conversation March 17 subject disposal of Oberbillig caterpillar.

1. Hereby approve sale price $9500.

2. Government cannot accept offer or sell without concurrence operator. Therefore first necessary confer with Oberbillig.

3. Have Oberbillig sign ordinary Bill of Sale and you attach Government release accordance Form A, Circular 30, Supplement 1, dated March 6, 1953. Payment ordinarily made favor Oberbillig who must account to Government.

4. If necessary in your opinion, withhold signature Form A until Government share sale passed to you by purchaser on split check basis with purchaser making two checks, one to Treasurer of the United States for 75 percent of sales value plus selling expense if Government is to pay same and second check payable to operator for balance. If necessary to expedite transaction deduction can be made from Government share to offset amount due operator on project.

5. If Oberbillig refuses join in sale then be responsible for ultimate sale equivalent price and personally liable for any lesser amount.

C. O. Mittendorf

C. O. Mittendorf, Administrator

COMittendorf/fw

cc: Admr Reading File
Mails & Files
Rare Metals Div.
Mr. Mittendorf

DEPARTMENT OF THE INTERIOR
Defense Mineral Administration
RECEIVED
JAN 12 1953

R. H. Storch, Engineer in Charge, Special Minerals Invest. Branch, Boise, Idaho

Jan. 7, 1953

Thomas E. Howard, Chief, DMEA Section, Bureau of Mines, Reg. II, Spokane, Wash.

Sale of jointly-owned tractor and dozer purchased under DMEA contract Idm-E22, Hermada Mining Co., Elmore County, Idaho, Docket No. DMEA 506 (antimony)

Reference is made to our recent discussions with you regarding handling of the sale of the subject tractor owned jointly by the Government and the Hermada Mining Co.

In a phone conversation on January 5, 1953, with Thor Kiilsgaard, USGS, Mr. Oberbillig, President of the Hermada Mining Co., gave his permission for us to proceed with the disposal. He informed Kiilsgaard that the tractor is now in the storage yard of the Intermountain Equipment Co. in Boise.

Mr. Oberbillig suggested that if it is agreeable with that firm the tractor may be shown there and the expense of moving it thereby saved. If, in your opinion, however, it can be shown to better advantage in the Forest Service yard as we had originally planned, go ahead and move it.

It is suggested an ad be placed in both the morning and evening Boise papers to run daily. Suggested wording is:

Under Machinery - For Sale

TD-18 International tractor with Bucyrus Erie hydraulic angle dozer, used 1050 hours, very good condition. Phone 40101, Monday to Friday, Office hours 8 to 5.

For your information, data on the tractor is given below.

Date of purchase:	8/31/51
Serial No. (tractor):	TDR 25725
Serial No. (dozer):	88987
Cost:	$15,515.10
Hours used:	1050
Purchased from:	Intermountain Equipment Co.

The Field Team feels that a minimum acceptable offer would be $10,000. Try to get a firm offer, in writing if possible, that will be good for 10 days. Wire or phone us when you get such an offer and we will immediately submit the bid to the Washington office and to Oberbillig for approval. Ten days should be ample time for this. You should make no commitment to offerer except that his bid will be submitted for consideration of joint owners.

Bids should be for cash. Financing will have to be arranged from private sources.

Thomas E. Howard

cc: DMEA, Wash. (2)
USGS (2)
DMEA
A/D
R/O
DF
R. M. Hull

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
[redacted]
So. 157 Howard Street
Spokane 4, Washington

December 19, 1952

Omer

506

Mr. Ernest Oberbillig
616 East C Street
Moscow, Idaho

Re: Terminated Contract No. Idm-522

Dear Ernie:

I have your letter of December 1 relative to the disposal of the jointly-owned tractor and dozer on Contract Idm-522. In this connection I would like to point out that in considering the offer you transmitted we acted about as promptly as it was humanly possible to do. You will recall that you called me at my home on Friday evening, November 14, advising me that you had received an offer of $10,000 for the bulldozer. I immediately contacted Mr. Volin and called you back in a few minutes to advise you that although we considered the offer a little low we would agree to accept it, if this was your wish. I also told you that I was leaving for Washington the following day and that on my arrival there I would immediately ascertain from the DMEA what procedure was necessary to formally accept the offer. As a matter of fact, I went to the DMEA office on Monday morning, November 17, before even going to the Geological Survey office and talked to Mr. Mittendorf, the Administrator of DMEA. Mr. Mittendorf, after consultation with his staff, wired Spokane that same day instructing this office in how to proceed. This wire was received here on November 18, and that same day Messrs. Volin and Kiilsgaard wrote you telling you of the simple procedures that had to be followed, i.e., merely that you should furnish copies of advertisement concerning the sale of the equipment, a written statement from you of the response to these ads, and copies of correspondence you may have had with machinery dealers and others relative to the sale of the equipment. This is merely to establish that the offer is a bona fide one and is for your protection as well as ours. It does not seem to me that the procedure outlined is unduly complicated, nor did we waste much time in advising you what should be done before we could accept the offer. I am sorry to learn from your letter of December 1 that the offer was withdrawn. I do not know how we could have functioned any faster in the matter.

This being the case, I would like to make the following suggestion which has the approval of our Washington office, and which I believe will facilitate disposal of the equipment with the minimum of trouble to you.

DMEA

If you will have the tractor and bulldozer--plus any other equipment such as scrapers, etc., in which the government has an equity--at the parking area of the Forest Service in Boise, the Boise field office of the Bureau of Mines will take care of all the details of the disposal of the equipment for you. They will take care of advertising, receiving bids, showing the equipment to interested persons, etc. The direct cost of advertising the equipment will be deducted from the sale of the equipment and the net receipts will be credited to the contract and the appropriate proportion of the sale value apportioned to you in the final settlement of the contract. There will be no other charge for this service, and no binding commitment for the sale of the equipment will be made without your approval.

If this procedure is agreeable to you please let us know immediately and also inform us when the equipment will be delivered to the Forest Service repair shop. The repair shop, incidentally, is open any week day--except Saturdays and holidays--from about 8:00 A.M. to 5:00 P.M.

Sincerely yours,

A. E. Weissenborn
Executive Officer
DMEA Field Team
Region II

cc: USBM(2)
DMEA(2)

FILE COPY
SURNAME:

Ellis
Chambers
Arkane
Kunkel
Hedges
Ellis

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

BN

DMEA

Ernest Wm. Ellis
5295 4640

14X3923.970 Working Fund, Interior, DMEA
December 12, 1952

A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II,
South 157 Howard Street, Spokane 8, Washington
Docket No. DMA-506X, Hermada Mining Co.

REURLET DECEMBER 4, DOCKET DMA-506X, CONTRACT IDM-E22, THE HERMADA MINING CO., YOU ARE AUTHORIZED TO ARRANGE FOR DISPOSAL BY BUREAU OF MINES OF JOINTLY-OWNED EQUIPMENT AS YOU SUGGEST.

C. O. Mittendorf (for)

C. O. MITTENDORF, ADMINISTRATOR

cc to: Adm. Reading File
Docket
Operating Committee
Mr. Ellis
Mr. Chambers
Confirmation to DMEA FT, Region II

12-12-52

12/10/52 gla

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

1201 N. Division St.
Spokane 2, Wash.
December 4, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA 506 (antimony)
Contract Idm-E22
Hermada Mining Co., Elmore County, Idaho
Disposal of jointly-owned tractor and dozer

Dear Mr. Mittendorf:

Enclosed is a copy of a letter from the Operator under the subject contract, together with copies of documents he has submitted as evidence of his compliance with Section 4 of DMEA Circular No. 10. The letter illustrates very well Mr. Oberbillig's attitude towards the Field Team and shows the type of cooperation we have experienced in the administration of his three antimony contracts.

Though his letter is not entirely clear, we assume that the offer of $10,000 for the tractor and dozer, previously discussed with you by Mr. Weissenborn, was not a firm offer and has been withdrawn.

In any event, it does not seem to us that the Operator has made a really genuine effort to obtain the highest possible price for the jointly-owned equipment. You will note that the ads were run for only three days and were shown in the "Miscellaneous For Sale" column rather than under "Used Machinery." Possibly this amount of advertising is enough to comply with DMEA Circular No. 10, but we would hesitate to approve the price as the best obtainable on the basis of these ads and the one letter to a machinery dealer.

A possible solution to this problem has occurred to us. The Bureau of Mines has a field office in Boise. In this one case, for the sake of concluding a difficult situation, Bureau personnel could attend to the disposal of the tractor and dozer and other jointly-owned equipment. By this means the equipment could be

advertised and shown all winter if necessary, whereas if it is left at the Hermada mine, which will become inaccessible in a short time, it cannot be shown to interested people.

It is suggested that the Field Team be authorized to require the Operator to deliver all jointly-owned equipment to the Boise office for disposal by our representatives.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Thomas E Howard

Acting for M. E. Volin, Member
U. S. Bureau of Mines

Enclosures

P. S. At the latest meeting of the Field Team with Mr. Oberbillig, held in early October, he was informed that payments for the closing months of contract work could not be made until jointly-owned equipment had been disposed of. He was also informed at that time to submit copies of correspondence or advertisements relating to his attempts at disposing of the equipment, and that if offers to buy were made, we would immediately notify Washington for a decision. Our next contact with Mr. Oberbillig was by telephone conversation on November 14, when he discussed the offer made for the bulldozer. Al Weissenborn discussed this offer with you on November 17. We received your telegram advising of required information on November 18 and wrote Mr. Oberbillig on that day, forwarding your instructions. Oberbillig should have received our letter on November 19. He did not answer our letter until December 1, at which time he criticized us for slowness in securing permission to sell the dozer. This criticism is not warranted.

We have been informed that the bulldozer is now at Boise.

XXXXXXXXXXXXXXXXX
616 East C Street
Moscow, Idaho
December 1, 1952

Mr. M. E. Volin
Acting Exec. Officer
U. S. Bureau of Mines
1201 N. Division Street
Spokane, Washington

Re: Disposal of jointly-owned tractor and dozer, Contract Idm-E22

Dear Mr. Volin:

In reply to your letter of November 13, 1952 in which you requested certain information regarding the disposal of the jointly-owned tractor and dozer, Contract Idm-E22, I wish to advise you of the following information:

1. On page 2, attached to this letter you will find the copies of the advertisement which we placed in the Idaho Daily and Sunday Statesman, circulation 34,000 Sunday, and 31,000 Daily.

2. Enclosed is a letter that we received from the dealer where this machine was purchased.

3. This page contains copies of the correspondence relative to the only offer to buy which we have had. We now understand that owing to delay encountered in securing permission to sell the machine, this buyer is no longer interested.

In view of the fact that we were assured by the DMEA office that our exploration costs were to be paid for the months of July, August and September without being help up until we sold the equipment we find ourselves unusually short of cash and were unable to run the advertisement for more than three days. However, this is only another one of the many times that the DMEA has not made any effort to keep their promises.

Very truly yours,

EO

Ernest Oberhillig,
President

COPY

DEC 3 - 1952

EEO/co

P. S. We find that prospective buyers of this machine are not interested the minute that they learn we must get permission from Washington before the transaction can be completed.

U. S. BUREAU OF MINES
RECEIVED
DEC 3 - 1952
SPOKANE, WASHINGTON

I hereby certify that the following advertisement appeared in the Boise, Idaho Daily Statesman on October 17, 18, and 19, 1952. The Statesman Office were unable to supply us with copies of their paper for October 17, since they had sold out, therefore we can only supply copies of the ad for October 18 and 19.

Signed: Carl O. Shubiller
Sec-Treas. Hornada Mining Co.

Boise, Idaho, Saturday Morning, October 18, 1952

For Sale—Miscellaneous 37

GYPSUM, 14.7% sulphur, 79% gypsum, 2% phosphate. Delivered, $9 per ton. Dial 8-2592, Meridian.

LEAVING. MUST sacrifice for quick sale. Westinghouse refrigerator, perfect condition. $95. 1112 Washington.

SPECIAL OFFER: American, Women's Home Companion, Collier's club. 1 year each $7. Carpenter Agency. Dial 3-5697.

CLOSE OUT: New Norge appliances. Apartment range, regular $169.95, now $120; refrigerator, regular $319.95, now $220; some used merchandise, cheap. 913 S. Roosevelt. Dial 2-0289.

WHITE ENAMEL coal range. Good condition. 2810 W. Jefferson. 4-3883.

NEW 1- and 2-row corn pickers, $450; new E4 Coop tractor, $2600. Call 7-1505; Kuna, 8-2572.

ROLLAWAY BED, innerspring mattress, good condition. 308 Bannock. 2-1306.

BALED HAY for sale. Dial 3-9983.

MUST SELL five rooms of furniture. 1317 Grove. Dial 3-2051.

1953 WESTINGHOUSE Laundromat, never uncrated. $50 discount. 3-0569.

GET YOUR red and white spuds for winter now. Hawthorne drive, Collister district.

FRIGIDAIRE RANGE, new $349.75, now $179.75.
Laundromat washer, only $149 and your old washer.
One only, home freezer, 22 cubic foot, save $153 on this.
Damaged Frigidaire washer, new, save $50.
All steel cabinet sinks, $89.50 and up.
One only, de luxe cabinet sewing machine, save $65.

FIFER'S INC.
Phone 4-5591 1102 Main

BLACK TOPSOIL
Fill and sand. 4-1185, 3-0313.

SEWING MACHINE SPECIALS
Singer treadle machine.....$18.50
Reverse stitch, cabinet electric, perfect sewing condition.....$57.50
SINGER SEWING MACHINE CO.
824 Main Dial 2-6546

APPLES
Romes and Delicious. Bring containers. Mile north Cole school, 1⅞ west.

15 ACRES very good field corn. 4-7252. Also baled straw.

NEW SPARK OIL HEATER, never has been fired. Phone 2-8308 or see 2906 Good.

VERY GOOD DAVENO, nearly new, half price. Clean single innerspring, springs, single bed. Cheap. 2-1738.

BUESCHER TENOR saxaphone, $90. Good condition. With case. 6-2061, Nampa.

WASHING MACHINES, one Bendix automatic, $60; one agitator type Easy, $25. Dial 4-5714.

WOOD RANGE with built-in oil burner and water coils. Also water tank, oil barrel. All $40. 4-0225.

BABY BATHINETTE and buggy. Phone 3-1259.

GRAIN FED BEEF, half or quarter. Reasonable. Phone 4-6677.

STILL peaches, prunes, tomatoes, pears, spuds and apples. Riverside Produce, 42nd and State.

JONATHAN and Delicious apples by the bushel or truckload. Riverside Produce, 42nd and State.

OIL FLOOR FURNACE, grate and thermostate; good condition. Dial 4-1294.

MERCURY-10 Hurricane outboard motor. Like new. 611 Hays.

DAVENPORT and chair set. Excellent condition. Not worn or torn. Lawson design. Phone 3-8638.

WRINGER TYPE WASHER, nearly new. Will sacrifice. Call 2-1460.

BARGAINS in oil heaters, $5 up. Electric range and 8 ft. refrigerator. Complete toilet $10. Chrome dinette set, 9x12 wool rugs, good bicycle. 12-gauge pump gun, will trade. 4-3951. 4402 Emerald.

WINE KROHLER living room suite, perfect condition. Dial 4-1855 after 6 p. m. or all day Sunday.

TD-18 International Bershires Angle Dozer, 1050 hours used. Good condition. Statesman, Box XX-686.

CHROME DINETTE SET, small mahogany Duncan Phyfe dinette set, like new; also public address system, cheap. 2-6484.

SMALL HOUSE, 12x16½. Dial 4-0944.

$800. COMPLETE FURNITURE for 2-bedroom house. Must be out Monday. See 206 Bacon drive.

DELICIOUS APPLES, Jonathans, no

Boise, Idaho, Sunday Morning, October 19, 1952

For Sale—Miscellaneous 37

MODIFIED SPOOL bed, coil springs, Sealy tuftless mattress. Dial 4-5257.

ROTO-TILLING, Saturdays. Leroy Lawwill. Buick chassis; apples, Damsons. Dial 3-3163.

APPLES: JONATHANS, Romes, Winesaps. R. D. Williams, cement house ¼ mile east Ustick.

LARGE COAL circulating heater, stoveboard, pipe. Good condition. 1305 Boise avenue.

EXCELLENT NEW 18-ft. upright freezer, daveno, four-piece bedroom set. Dial 4-3176.

LAWSON DAVENPORT, slip-covered chair, occasional table. Dial 4-2973.

NORGE FAST-TEMP furnace. Excellent condition. Call 2-8058.

TWO MATTRESSES, twin size. Not been used. 1308 N. 21st. 3-9626.

COMMERCIAL PANSY growers. One bed, approximately 3000 plants. Dial 4-0046.

FOLDING WHEEL chair. May be seen at 615 First National bank building. Dial 2-3658.

TWO CIRCULATING oil heaters. Cheap. Dial 2-2422.

SLABWOOD and sawdust. Producers Lumber company. Dial 4-2573.

TAXIDERMY
Tanning, game heads, rugs. Bert Koll. 1909 State.

APPLES
Delicious and Jonathans. Goodwin Orchard, 4 miles west Boise on Highway 20; ½ mile north. Dial 4-0075.

TOP SOIL
Mike Tyler, 4-3967, evenings.

DUCK HUNTERS SPECIAL
One five-man rubber boat, pump and paddles, small Evenrude motor. All in excellent condition, for fence posts. 2-2774.

DICTAPHONE, cameo model, 2 units complete, $250. Call 3-3651.

40 TONS wire-tied baled alfalfa hay, $35 per ton. Call 3-7418.

GOLD SLIPPERS, size 5EE; neck fur, apartment washing machine. 3-4056.

FULL SIZE coil spring and mattress; two twin size coil springs, one with frame and mattress; 5 2½-yards lined pull drapes, green neutral design, $25; dining table, play pen, drawer, reasonably priced. 1613 N. 20th. 2-8435.

GYPSUM, 14.7% sulphur, 79% gypsum, 2% phosphate. Delivered, $9 per ton. Dial 8-2592, Meridian.

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One only, home freezer, 22 cubic foot, save $153 on this.
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SMALL HOUSE, 12x16½. Dial 4-0944.

$800. COMPLETE FURNITURE for 2-bedroom house. Must be out Monday. See 206 Bacon drive.

$7000 handles.

120 acres. Grandview. All irrigated. Good buildings. $15,000 handles.

40 acres, Eagle bench. Highly improved.

34 acres, improved, river bottom. Will row crop.

2½ acres. New home, Eagle district. $7350. Half down.

½ acre. Two-bedroom home. On paving. $4950.

EAGLE REALTY

Office 4-6466. Res. 3-0044

WANT A GOOD FARM

80 acres, lays like you want it, 6-room modern home, nicely landscaped, 15-cow barn, shelter shed, good feed lots, garage, new machine shed, and other good buildings, equipped with 2 tractors and all nearly new equipment. 54 cattle, 120 tons hay, all ensilage and grain. This farm made $17,000 this year. Is in a good row crop district. You can't go wrong on a good farm. $76,000 for everything.

14 acres, oiled road, near town. 2-bedroom home, bath. A dandy for $10,500. $3000 down.

Do you want a cattle ranch? We have some nice ones, and many good farms for sale.

ROBISON REALTY

Kuna, Ph. 7-1341
Meridian S. Curve, 8-2301
Nampa, 2 West on 30, 0208

BEAUTIFUL OZARKS

160 acres, improved spring watered farm. Price $3750. $750 down, $25 monthly. Free bargain list. Baker Land Co., Doniphan, Mo.

Real Estate Dealers 16

GET IT DONE WITH DUNN

RANCH, BRICK AND FRAME

On second bench with spacious 14x23 living room, 11x12 dining room, and 15x20 kitchen and breakfast nook. 3 large bedrooms, bath and one-half, 2½-car garage, large patio in a choice exclusive area with 2300 sq. ft. besides the patio. A real buy at only $26,500. Appointment only.

2⅝ ACRES

With large 3-bedroom family home, plus a separate home renting for $40 a month. Here is just the thing for a family. For only $15,000.

BRICK 4-BEDROOM

In east end location. Only 1 year old. Has 2 bedrooms and bath on main floor, 2 bedrooms and bath upstairs. Any reasonable offer on terms.

$500 DOWN

Here is a 100x175-ft. lot with a nice 2-bedroom home, double garage, fenced yard and can be had immediately. Don't pass it by.

CHAS. O. DUNN

204 N. 9th Dial 4-3566
Res: 3-1733; 3-7603; 3-6337

2½ ACRES

With spacious 2-bdrm. home. Modern except heat. Very desirable location, close to town. This is a real buy at $7750 and reasonable terms.

SMALL DOWN PAYMENT

We have a number of good 1 and 2-bdrm. homes in good res. areas for sm. total and sm. dwn. pymts. This is your chance to own your home without too much invested.

CLOSE TO TOWN

Is this 3-bdrm., 1½ baths, older home. Walking distance to school, town and stores. Sacrifice at $9950.

BRICK

Utah.

The following FFA members, not part of state gold emblem teams, won individual gold medals:

Don Heithecker, Meridian; Idaho; Stanley Stokes, Tremonton, Utah.

State gold emblem winners in meats identification:

Utah—Ross Bradford, Glen Huff and Sherald James, all of Spanish Fork.

Bronze emblem winners: Idaho, Montana.

Oct. 30, 1952

Hecla Mines
Boise, Idaho

Gentlemen:

Thank you for coming in and offering to sell us your TD-18 International Crawler tractor.

We are not in a position to make you an offer at this time. We are dealers in new equipment and our policy of taking in used equipment is only as a trade on purchase of new equipment.

Yours very truly,

INTERMOUNTAIN EQUIPMENT COMPANY

A. Aldeson

A. Aldeson
Branch Manager

mr

Box XX 686
Boise Statesman:

Box 86,
Notus, Ida

Please call me. I am interested in your TD 18.

You may reach me at 96L11 - Parma.

Signed: Bob Eaton

COPY

I hereby certify that the above is an exact, absolute true copy of the letter we received from Mr. Eaton.

C Ahrbling
Secretary-Treasurer,
Hermada Mining Company

XXXXXXXXXXXXXXXXXXXX
616 East C Street
Moscow, Idaho
October 28, 1952

Mr. Bob Eaton
Box 86
Notus, Idaho

Dear Mr. Eaton:

We have received your letter in which you express an interest in the purchase of the TD 18 Tractor. You can examine this machine at the Hermada Mine which is located 35 miles east of Twin Springs. You turn to the left off the Atlanta Road at the Weatherby Sawmill.

I would suggest that you examine the machine and then make an offer for the machine. This tractor is owned three-fourths by the U. S. Government and one-fourth by us. However, we have the responsibility for selling the machine at the highest price we can get for it.

Very truly yours,

Signed: Ernest Oberbillig
Ernest Oberbillig,
President

EEO/co

COPY

I hereby certify that the above is an absolute, exact, true copy of the letter which we sent to Mr. Eaton in answer to his note regarding the ad.

Carol Oberbillig
Carol Oberbillig,
Secretary-Treasurer,
Hermada Mining Company

Box 86
Notus, Ida.
Nov. 13 - 52

Mr. Overbillig:

We arranged to give you $10,000 cash for the TD 18 tractor you have. Your partner called me and wanted to know if we could do that. As late in the year as it is, and sales will be slow until late Spring, we figured, that is all we can go on the tractor.

If you wish to accept this amount, please call when you receive this letter. The tractor might be worth more money by late Spring, but I have checked and that is all its worth at the present time.

Sincerely yours,

Signed: Bob B. Eaton

My phone - 96111
Address - Box 86,
Notus, Ida.

I hereby certify that the above letter is a true, exact copy of the signed original.

Carol Oberbillig

Carol Oberbillig,
Secretary-Treasurer,
Hermada Mining Company

COPY

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

1201 N. Division St.
Spokane 2, Washington
November 18, 1952

MEMORANDUM

To: C. O. Mittendorf, Administrator, DMEA, Washington, D. C.

From: M. E. Volin, Acting Executive Officer, DMEA Field Team, Region II

Subject: Disposal of jointly-owned tractor, Contract Idm-E22 Hermada Mining Co., Docket No. DMEA 506X (antimony)

This will acknowledge receipt of your telegram of November 18, 1952, regarding disposal of the subject equipment. The Operator has been informed of the requirements outlined therein.

M. E. Volin

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 24 1952

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

Spokane, Washington
November 18, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 24 1952

Mr. Ernest Oberbillig
Hermada Mining Company
616 East "C" Street
Moscow, Idaho

Subject: Disposal of jointly-owned tractor and dozer, Contract Idm-E22

Dear Mr. Oberbillig:

Your proposal to sell the subject tractor for $10,000 was referred to the Washington, D.C. office of the Defense Minerals Exploration Administration by Mr. Weissenborn. Instructions received today from that office indicate that the following information and/or documents must be submitted before the transaction will be approved by that office.

1. Copies of advertisements for sale of the tractor-dozer, giving names of newspapers, locations, estimated circulation, and period during which ads appeared; also, a written statement from you detailing response to such advertisements.

2. Copies of correspondence, regarding sale of the machine, between you and the original seller and other machinery dealers, if any others were contacted.

The same procedure should be followed in disposing of other jointly-owned equipment or property.

We realize that this is an additional burden to you, but it is required for the Washington office approval necessary for consummation of the sale.

By the Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines
1201 N. Division St.

cc: DMEA, Wash. (2)
USGS (2)

For: A. E. Weissenborn
U. S. Geological Survey
South 157 Howard Street

FILE COPY
SURNAME:

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

4624

5372

14X3923, Working Fund, Interior, DMEA

NOV 18 1952

506

Mr. M. E. Velin, Acting Executive Officer, Defense Minerals Exploration Administration
1207 North Division Street, Spokane, Washington.

Hermada Mine, contract Idm-822, disposal of equipment.

Weissenborn reports that operator offers $10,000 for caterpillar and requests method procedure. Accordance Order 2684, section 3, paragraph (b) (1), Washington office has final responsibility disposition this item. Before acceptance operator's offer we desire evidence of compliance with section 4 of DMEA Circular 10, such evidence to consist of copy of advertisement giving names of newspapers, locations, estimated circulation, and period during which ad appeared and a written statement from operator detailing response to such advertisement. Also require copies interchange correspondence between operator and seller of equipment and

(Continued)

likewise between operator and other machinery dealers, if any. Upon the receipt by the field team of such evidence and a determination by the field team that operator's offer of $10,000 is reasonable, you are authorized to accept the offer. Submission of evidence by you and confirmation by this office can follow.

Needlegun Mine reopened as DMEA 2747. Please furnish copy of Quinlan and McNabb maps with assays.

C. O. Mittendorf (fw)

Authorized:

C. O. Mittendorf
Administrator

fH.
11-18-52

COMittendorf/fw
11-17-52

cc: Admr Reading File
Mails & Files
Contract and Audit Div.
~~Rare Metals Div.~~
Mr. Renick, Rm. 3061
Mr. McKnight, 4704 GSA Bldg.
Mr. Mittendorf
Rare Metals Div.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1952

DMEA

November 6, 1952

Memorandum:

To: DMEA Field Team, Region II

From: Thor H. Killsgaard, Geologist, U. S. Geological Survey

Subject: Docket 506, antimony. Routine examination of the Hermada mine, Contract Idm-E22.

The Hermada property was examined with Mr. Horace Reno, USBM on September 30, 1952. Neither Mr. Oberbillig nor Mr. Pierson, officials of the Hermada Mining Company, were present at the time of the examination. The bulldozer operator was interviewed and he conducted us to those sites that had been dozed since my previous examination.

On August 26, 1952 the writer met with Mr. Oberbillig and reviewed dozing that had been completed during the summer months. These results were found to be discouraging. At that time it was decided to bulldoze a total of 100 additional hours following which the project would be reevaluated. If this dozing proved encouraging additional work would be considered, otherwise the project would be terminated by mutual agreement. The four areas to be dozed included the following:

1. Elkhide prospect.
2. Further dozing of favorable zones uncovered by dozing during the summer months.
3. Area on the northern side of the Hermada pit.
4. Area north of the North pit.

At the time of our visit we found that the Elkhide prospect had been tested by 3 bulldozed cuts which represented an estimated 20 hours of bulldozing time. These cuts exposed altered and bleached granite and some quartz but no stibnite.

No additional bulldozing had been done in those cuts

made earlier in the summer which had exposed stibnite showings.

Bulldozing in the North pit area had extended the North pit face further into the hill; no dozing had been done north of the pit in that area which had originally been considered. The greater bulk of dozing time had been devoted to this area, perhaps 60 to 80 hours. Some stringers of stibnite were reported to have been encountered but none were in evidence at the time of the examination.

Bulldozing had been started in the area north of the Hermada pit but had not advanced far enough to expose any mineralization. As the hour meter on the bulldozer indicated 122 operating hours had been expended since our agreement on August 26, 1952, we advised the bulldozer operator to cease further work. We told him we were recommending that the Field Team inform Mr. Oberbillig that further Government participation in the project would not be forthcoming. Inasmuch as we were recommending termination of the contract Reno and I reasoned we should participate in the 122 hours of bulldozing time even though the intended time had been exceeded by 22 hours, and some of the dozing was improperly used and accomplished but little. We thought it would be wiser to pay the Government's pro-rated share of the costs without haggling with Oberbillig and becoming embroiled in ceasless correspondence and interviews which would prolong final settlement of the contract.

Mr. Oberbillig was subsequently advised by letter from the Field Team that Government participation on the Hermada project would cease as of September 30, 1952. The termination by mutual agreement notice was signed by Oberbillig and final steps are now being taken to close the contract.

Thor H. Kiilsgaard
Geologist

Dist: DMEA- Orig. & 3
USBM (2)
Kiilsgaard
Docket

FILE COPY
SURNAME:

Aps

500

Talbot

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

OCT 24 1952

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane, Washington

Subj: E-22, DMEA-306, Bonanza Mining
E-132, DMEA-979, G.O.P. Antimony
E-258, DMEA-2193, G.O.P. Antimony

Dear Bob:

Returned herewith are the audit reports and certificates covering your recent interim audits of the subject projects. These certificates were forwarded for my consideration by Mr. Finch's letter of October 20, 1952.

It appears that you and Don did a very good audit job and I am returning the reports only for correction of a few "technicalities" as follows:

Idn-E22:

(a) The first sentence, second paragraph, page 4 refers to a letter "to the Operator"--advising the DMEA Finance Officer". Please correct.

(b) The last sentence, first paragraph, page 4 directs reference to Finance Officers memorandum of March 21, 1952. Please furnish copy for our files.

(c) Signature on the audit report. Don's signature is not necessary since the body of the report indicates his collaboration.

(d) Dating of audit certificate.

Idn E-132:

(a) The audit certificate should be restated to show:

Exceptions (see Audit Report for details):		
Prior to this audit	$110.24	
Less: Reinstatements	109.00	1.24

(b) Signature on the audit report.

(c) Dating of audit certificate.

Identical:

(a) The audit certificate should be restated to show:

Exceptions (see Audit Report for details):			
During this audit		$39.52	
Prior to this audit	$1,296.21		
Less: Reinstatements	1,296.21	-0-	39.52

(b) Signature on the audit report.

(c) Dating of audit certificate.

In connection with the audit reports covering E22 and E132 reference possibly should be made to the concurrent charges for depreciation and rental of a jackhammer and the consideration thereof in connection with the rental-purchase under E256. This was discussed in my letter to you under date of October 22.

Since it appears that you have submitted extra copies of the reports and certificates, I am retaining one copy of each for reference in any discussion of the "Oberdillig" case that may arise in Washington. All other copies are returned for the minor corrections indicated, after which the regular distribution may be effected by you.

Sincerely yours,

(Signed) E. D. Talbert

BL 10-24

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

Enclosure

EDTalbert/wb
October 24, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Finch
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON XXXX~~
So. 157 Howard Street
Spokane 4, Washington

C C
O O
P P
Y

October 23, 1952

Mr. W. Rulon Lee
Certifying Officer, DMEA
U. S. Bureau of Mines
Albany, Oregon

Dear Mr. Lee:

Enclosed is a copy of the rescission agreement concerning DMEA Docket No. 2076, Contract Idm-E174, Berrett and Ricks property, Bear Lake County, Idaho. This copy is for your files.

Also enclosed is a copy of a termination agreement concerning the Hermada Mining Company, Docket No. DMEA 506X, Contract Idm-E22, Elmore County, Idaho. This copy also is for your files.

Sincerely yours,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: DMEA (2)
USBM (2)

C C
O O
P P
Y

10/30/52 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

October 23, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Washington 25, D. C.

Re: DMEA Docket 506X (Antimony)
Hermada Mining Company
Elmore County, Idaho
Contract Idm-E22

Dear Mr. Johnson:

Enclosed are the original and two signed copies of Termination of Exploration Project Contract by Agreement After Commencement but Before Completion of the Work. One copy of this agreement has been forwarded to the Certifying Officer, Albany, Oregon.

The Operator of the Hermada property has been notified to dispose of all equipment owned jointly by himself and the Government to the best interests of the Government. He has also been advised that final settlement concerning this contract cannot be made until the equipment is properly disposed of.

The exploration work on the project was unsuccessful and did not discover any significant amount of commercial ore. A more detailed final report concerning the project is in preparation and will be forwarded when it is completed.

Sincerely yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

RECEIVED
OCT 31 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Enclosure

cc: USBM (2)
Kiilsgaard

cal 10-27

FILE COPY
SURNAME:
[illegible]

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

[illegible]52

Mr. Robert M. Hall
DMEA Auditor
1201 North Division Street
Spokane, Washington

Subj: DMEA-906, E-22, Hermada Mining
DMEA-979, E-132, G.O.P. Antimony
DMEA-2193, E-255, G.O.P. Antimony

Dear Bob:

Reference is made to your letter of October 14, 1952, requesting advice as to the Government's equity in a "jack hammer and sinker leg" acquired by the Hermada Mining Company for use on the subject projects.

A review of the contracts reveals the following pertinent facts:

(a) Contract E-22, dated June 26, 1951, provides for a jackhammer "to be furnished by the Operator" at a "Monthly Rental Allowance" of $10.00;

(b) Contract E-132, dated September 4, 1951, provides for a drifter "to be rented" at $50.00 per month; and

(c) Contract E-255, dated February 19, 1952, provides for a jackhammer and a jack-leg "to be purchased", but Amendment No. 1, dated June 9, 1952 and effective May 1, 1952, substituted a drill with pusher leg "to be rented" at $50.00 per month under a rental-purchase agreement.

The Forms MP-104 submitted under these contracts indicate applicable charges as follows:

(a) Contract E-22, November, 1951 to March, 1952, incl.
Jackhammer @ $10.00 per mo. ..... $ 50.00

(b) Contract E-132, October to December 1951, incl.
Drifter @ $50.00 per mo. 119.38

(c) Contract E-255, May to July, 1952, incl.
Drill and Jack-leg @ $50.00 per mo. 150.00

Total Charges..... $319.38

Assuming that the equipment cited in the foregoing paragraphs is the same item of equipment, i.e., a "jack hammer and sinker leg", which you state was acquired by the Operator during October, 1951, under a rental-purchase agreement, it appears that the Government has contributed concurrently under Contracts E-22 and E-132 to a rental (depreciation) allowance and rental rate, respectively. At a later date the Government contributed under Contract E-25[illegible] to a rental rate with the provision that "After the purchase option is exercised the rental arrangement will be terminated automatically and the Government will acquire an appropriate pro-rata equity in the machine and pusher leg."

Considering these facts <u>from an audit viewpoint</u> the equitable answers to your specific questions appear to be:

1. Yes. The Government does have an equity in the described equipment by virtue of its contributions to the costs thereof.

2. 36.5%. This is computed in the following manner, with the assumptions that the amounts of contributions listed above are correct and that the list price of $590.19 was the actual purchase price:

Costs charged to IMA projects.....	$319.38
Less: 10% not applicable to purchase price.....	31.94
Costs applicable to purchase price.....	$287.44
Less: 25% Operator's share of purchase price.....	71.86
Government's contribution (75%) to purchase price.....	$215.58
Percentage of Government's equity in purchase price ($590.19).....	36.5%

3. The allocation of the Government's equity by projects is computed as follows:

Contract E-22	$ 90.00	15.6%
" E-132	119.38	37.4%
" E-25[illegible]	150.00	47.0%
	$319.38	100.0%

All of the above figures, of course, are subject to such changes as the results of your audits may dictate, but regardless of your findings the basic formula appears applicable upon the liquidation of the projects and the disposition of the equipment.

In the event the Executive Officer of the IMA Field Team should waive the Government's interest in this particular equipment, it appears from an audit viewpoint that the rental (depreciation)

allowance charged under Contract R-22 should be disallowed. This action would be justified for either of two reasons, i.e., the Government should not contribute to the depreciation of equipment in which it has an equity or for which it is contributing concurrently on a rental basis.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

EDTalbert/wb
October 22, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Finch
Mr. Ellis
Mr. Chambers (3)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

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

1201 N. Division St.
Spokane 2, Washington

October 17, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: H. T. Reno, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Contract Idm-E22, Hermada mine, Docket 506 (antimony)

The work was inspected with T. H. Kiilsgaard, USGS, September 30, 1952.

Kiilsgaard inspected this project August 26, and at that time agreed on a program involving 100 hours of bulldozing with the jointly owned TD-18 tractor. At that time the hour meter read 925 hours.

At the time of our visit part of the work agreed on was complete and the tractor hour meter read 1047 hours. The Operator had confined most of the work to one trench in the north area.

Inasmuch as the Operator has exceeded the agreed on tractor time by 22 hours without finding significant mineralization, and evidently has no intention of distributing the bulldozing over a larger area, the contract should be terminated.

H. T. Reno

H. T. Reno

CC: 3-Wash
2-USGS
DMEA
M/D
HTR

HTR:kt

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

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1952

October 14, 1952

Mr. E. Dallas Talbert, Assistant Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: Liquidation Contracts E-22 Hermada Mining
E-132 GOP Antimony Queen
E-258 GOP Antimony Bales

Dear Dal:

With further reference to our telephone conversation of October 13, 1952, the following statement of facts is submitted with a request for a ruling.

In October 1951 the G.O.P. Antimony, Inc. entered into a Rental Purchase Agreement with the Western Machinery Company. This contract was subsequently transferred to the Hermada Mining Company, a corporation. The equipment involved was a "jack hammer and sinker leg" having a total list price of $590.19. The contract provided for a monthly rental of $50.00 with the provision that 30 percent of rents paid could be applied against the list price upon the exercise of the option to purchase.

The following tabulation reflects the acquisition of the equipment by the Hermada Mining Company.

Total List Price		590.19
Monthly Rentals:		
Hermada Mining Co. E-22 (not charged to DMEA)	$180.62	
GOP Antimony, Inc. (Queen) E132 (charged to DMEA)	69.38	
GOP Antimony (Bales) E-258 (charged to DMEA)	150.00	
Total Rentals Paid	$400.00	
30 percent of rents paid applied on purchase price		30.00
Balance of Purchase Price Paid by Hermada Mining Co. and not charged to DMEA.		173.12

Title to Equipment vested in the Hermada Mining Co.

Members of the DMEA Field Team have requested a clarification as to the following questions:

1. Does the Government have, upon liquidation of all three of the Exploration Contracts listed above, any equity in the described equipment by virtue of the contribution in connection with Contracts E-132 and E-2?8?

2. If the answer to question 1 is "yes" please advise the amount of equity in the original purchase price (subject of course to liquidation realization).

3. Also, if the answer to question 1 is "yes" please advise the allocation of such equity to the applicable contract.

Don Finch and I are of the opinion that because of the corporate status of the Bermuda Mining Company there might be some doubt that any equity exists. We are further of the opinion that should any such equity exist its depreciated value is negligible in amount. There is, however, a question of the legality of any action and of the procedure that should be followed in this and similar cases where the equity might be larger.

This letter has been coordinated with the DMEA Executive Officer.

Don joins me in sending best regards.

Sincerely yours,

Robert M. Hull

cc: Exec. Officer, Reg. II (2)
UMBM (2)
Finch
Hull

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

Spokane, Washington
October 9, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 17 1952

Mr. Ernest Oberbillig
Hermada Mining Company
616 East C Street
Moscow, Idaho

Subject: Docket No. DMEA 506X (antimony)
Contract Idm-E22

Dear Mr. Oberbillig:

As you indicated in your letter of September 28, 1952 a desire to cancel the subject contract, we are enclosing 6 copies of an agreement by which it may be terminated by mutual consent. The agreement has been signed for the Government by A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II. If it meets with your approval, please sign all copies, retain one for your files, and return the original and 4 copies to this office.

You will note that the date of the agreement is September 30, 1952 rather than October 10, 1952 as you suggested in your letter. Our field engineers visited the property on the earlier date and have informed us that the work outlined in your discussion with Mr. Kiilsgaard and in our letter of August 27 had been completed with essentially negative results. We regret that the project was not more successful.

It is emphasized that any costs after September 30, 1952, except for any necessary and reasonable costs incurred in preserving and disposing of jointly-owned facilities, buildings, equipment, etc. and the cost of any reports, accounts, and settlement actions provided for in the contract, shall be for your own account.

Regarding payment on your July and August 1952 vouchers, regulations require that we withhold from the last voucher or vouchers 10 percent of the maximum total of the Government's contribution toward the cost of the project, pending the disposal of jointly-owned property and receipt of the final engineering report. We have been obliged, therefore, to instruct the fiscal office to hold payment on the July and August vouchers. We have asked the Washington office of DMEA if this rule might be suspended in your case because of the considerable amount involved, but the initial

decision was that an exception could not be made. The Washington office is giving your case further consideration, but we cannot go ahead with the payments without their authorization.

In this connection we urge that necessary steps be taken to dispose of the equipment immediately. It will be advantageous to move it to Boise so that the approaching winter season will not delay disposal and your final settlement of the account.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)
So. 157 Howard Street

M. E. Volin, Member
(U. S. Bureau of Mines)
1201 N. Division St.

cc: DMEA, Wash. (2)
USGS (2)

HERMADA MINING CO.
616 East C Street
Moscow, Idaho
September 28, 1952

Mr. M. E. Volin
Member, Field Team, Region II
U. S. Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Hermada Project, Contract Idm E22
Docket No. 506 X.

Dear Mr. Volin:

This is to advise you that on or about October 10 we will complete a small phase of work on the Hermada Project outlined by Mr. Kiilsgaard of the DMEA staff. On that date we are hereby advising you that we are cancelling the Hermada contract.

Judging from the treatment we have received on our Washington projects we are probably correctly afraid that we will suffer future abuse and discrimination as we did on our Washington properties. However, we wish to state that to this date, in contrast to the Washington operations we received cooperation and understanding help and advice from both Mr. Kiilsgaard and Mr. Howard of your office.

As soon as we can make the best deal possible for both the Government and for us, we will dispose of the tractor and liquidate the project.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President

EEO/co

P. S. Incidentally, we have not received any payments on work done on this project for July and August.

cc: Senator William Langer, Senate Office Building, Washington, D. C.

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

1201 N. Division St.
Spokane 2, Wash.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 18 1952

September 10, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: T. E. Howard, Mining Engineer, Bureau of Mines

Subject: Docket No. DMEA 506X, Hermada Mining Co., Exploration Project Contract Idm-E22 (Antimony)

The following summary of difficulties encountered to date in the administration of the subject contract has been prepared for your information so that you may be fully informed regarding the attitude and competence of the Operator. As the project is nearing completion no action is recommended at this time. However, if the Operator should request an extension of the existing contract or request aid for another project it is recommended that it be denied.

1. It was evident at the start of the project that the Operator regarded the program as an aid to mining rather than purely exploration. The first cuts were very large, more on the order of open pits than trenches. As was noted in my inspection report of September 26, 1951, more than 150 hours of dozing were spent in one trench, in the "north area". A small amount of ore was mined from this trench and stockpiled. This practice was discontinued after strong recommendations from Mr. Kiilsgaard, USGS, and myself.

2. Incompetent supervision was indicated by the performance in driving the adit crosscut south of the main Hermada pit. As indicated in my inspection reports of March 28 and May 7, 1952, the ground was bad and required timbering. This was pointed out to the Operator during both inspections. Some timber was put in but it was either insufficient or improperly installed as the crosscut is now caved and inaccessible.

3. The Operator requested in November, 1951, that he be allowed to use the jointly-owned dozer for mining. He indicated at that time that he would pay rental to the Government for their equity in the machine. A rental rate was established but no rental was paid and it is impossible now to establish the amount of time that the machine was actually used for purposes other than exploration.

Mr. Pierson, an official of the company, indicated to me during an inspection on December 9, 1951, that it had been used for 20 hours during November. In his narrative of progress, the Operator states that he has used his own TD-9 tractor on project work to compensate for the "few" hours he has used the TD-18, jointly-owned tractor on company work.

4. On April 18, 1952, I met the Operator in Boise, Idaho. At that time he asked if it would be possible to move the slusher purchased for the Hermada project to the Bales property in Washington where he had another project (Idm-E258) just starting. I was aware that the Government had contributed to the purchase of another slusher for still a third project (Antimony Queen - Idm-E132) and suggested he use it, as operations under that contract were suspended. I told him not to move the Hermada slusher out of Idaho without permission from the Field Team. He did not request permission but moved the Hermada slusher as well as the one from the Antimony Queen project to the Bales.

5. Some monthly invoices for costs incurred under the contract have been "padded". This is difficult to document. Without fulltime supervision it is obviously impossible to check the amounts charged for labor and supplies, except in a general way. Some deletions made from past invoices which were obviously "padding" are listed below:

(1) January and February, 1952, $26.00 Pro--gas

This charge was included as part of the cost of "gas, oil and grease" and was cooking gas used in the cookhouse and Operator's residence.

(2) February, 1952, $200.00, Labor

One full-time and one half-time cat-operators were charged for 101 hours of dozing.

(3) April, 1952, $57.62 - long-hole steel
53.55 - drill steel
54.10 - 1 doz. drift picks and other misc. supplies.

No long-hole drilling was specified in the contract. The Operator stated previously that he intended to do some and was informed that he would have to absorb the cost himself. The drill steel and miscellaneous mine supplies were invoiced and delivered in April when timbering was the only activity.

The amounts involved have been small; however, any deletion or change in a monthly invoice requires a certain amount of correspondence and increases the administrative burden. No matter how thoroughly an invoice is checked it is impossible to be sure that all charges are proper. To assure that would require full time inspection of the project.

T E Howard

T. E. Howard

CC: 3-Wash.
2-USGS
DMEA
M/D
D/F
TEH

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

August 27, 1952

Mr. Ernest Oberbillig
Hermada Mining Company
University of Idaho
School of Mines
Moscow, Idaho

Re: Contract Idm-E22, Hermada Mine,
Docket No. DMEA-506X, Antimony

Dear Mr. Oberbillig:

This will refer to a recent discussion you had with Mr. Thor Killsgaard during his latest examination of your Hermada property.

The Field Team does not favor Government participation in any long hole or diamond drilling to be done from the face of the DMEA adit driven during the past winter. It has been reported that the face of the adit shows considerable rock-alteration and pyrite mineralization; however, the cost of moving a drilling rig to the drill site, the costs of cleaning out the adit, and the actual drilling costs would probably amount to more than the job warrants. The fact that the adit was not properly timbered and kept open until it could be thoroughly examined by DMEA representatives raises some question as to the validity of further exploration from this adit.

Your attention is directed to that part of the discussion dealing with continued bulldozing at the Hermada. It is our understanding that 100 hours of dozing was suggested, the dozing to be distributed among the following places:

1. Elkhide prospect.
2. Further dozing of the more favorable zones uncovered by dozing during the recent summer months.
3. The area on the northern side of the Hermada pit.
4. The area north of the North pit.

We have been informed that at the time of this discussion the hour meter on the TD-18 dozer read 925 hours. The Field Team favors this understanding and recommends that when the 100 hours of dozing has been done in the four areas listed above, the project be re-examined to determine whether further dozing is warranted. If dozing in these areas proves to be fruitless it will be recommended that the Exploration Project Contract be terminated by mutual agreement.

We have been informed that you will be unable to buy the Government's equity in the TD-18 dozer at the termination of the contract and that you wish to be informed of a proper way of disposing it. We do not know of anyone interested in buying a TD-18 at the present time; furthermore, we would be unable to recommend direct disposal as we have been advised that the disposal of any piece of machinery owned jointly by the Government and the Operator costing more than $10,000 must be approved in Washington, D. C. We therefore recommend that you contact several machinery firms or operators interested in dozers and obtain bids on the machine. These bids could then be transmitted to this office and we will forward them to Washington, D. C., for the approval of that bid which would be to the best interest of the Government. Any cost incurred for disposal of the dozer is an allowable cost of the contract, but the dozer must be disposed of before final settlement may be made on the contract.

By DMEA Field Team, Region II

M. Z. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

Thor H. Killagaard, Member
(U. S. Geological Survey)

cc: DMEA (2)
USBM

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

No. 157 Howard Street
Spokane 4, Washington

August 20, 1952

Memorandum

To: A. [illegible] Salesbury, Executive Officer, DMA Field Team, Region II

From: Thor [illegible]. Fillsgaard, Geologist, U. S. Geological Survey

Subject: Routine examination of the Hermada mine, Docket No. [illegible]-3064, Contract No. Ida-22, Shoshone County, Idaho.

I examined the Hermada mine on August 13, 1952, in company with Mr. Ernest Berbillig, Operator.

Building operations ceased at the Hermada mine during the spring months because of weather conditions. In June 13, 1952, Mr. Berbillig informed this office that building would commence in the near future and that primary attention would be given to mineralized occurrences in the Hermada claim No. 4 and to that area between the No. 4 claim and the Hermada pit as it was believed that the same mineralized structure connected these two places. At that time it was suggested to Mr. Berbillig that building be distributed over a wider range than it was during the earlier stages and that less time be devoted to individual trenches.

In the interval between the June meeting [illegible] and August [illegible], 1952, an estimated 2 miles of bulldozer trenching had been done, the bulk of it in the area between the No. 4 claim and the Hermada pit. Most of this trenching is done on the order of road cuts which in many places do not reach bedrock; however, the cuts uncover the altered areas of granitic rock and give a partial picture of regional lithology. In this respect Berbillig was following our suggestion in that he intended to return to the more promising [illegible] and do further work. Also the wider areas where [illegible] of [illegible] and quartz along the northeastern side of the Hermada No. 4 claim and this area was being further explored at the time of the visit; however, the rest of the trenches were very disappointing.

Following the examination the Hermada exploration program was discussed in detail with Mr. Berbillig. It was decided that the bulk of the drilling had been fruitless even though the more favorable areas had been tested. The one in which neither anthracite nor been

found, in a basic [illegible], that warrant [illegible] of testing, and an outcrop known as the [illegible] prospect that warrant testing. In additions to these, some testing seems to be warranted in the area east of the Barnada pit and some testing north of the North pit. It was estimated that 100 hours of testing [illegible] required to test these four areas, and it was suggested to Bertelling that the work be done following when the property would be re-examined. If favorable occurrences of antimony ore are encountered in this work additional exploration could be discussed, otherwise the contract would be terminated by mutual agreement. Mr. Bertelling was in accord with this proposal, pointing out that the present price of antimony made contract exploration feasibility. At the time of the conversation with Mr. Bertelling, the hour meter on the M-18 dozer, owned jointly by the Government and Bertelling, read 735 hours.

Mr. Bertelling stated that he would be unable to buy the Government's equity in the M-18 dozer when the contract terminated and asked that the field team give some thought as to its disposal.

[illegible] Hilsgard
Geologist

cc: [illegible] (4)
[illegible] (2)
[illegible] (1)
T. [illegible] Hilsgard

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

So. 157 Howard Street
Spokane 4, Washington

July 21, 1952

Air Mail

Dmea-506
Dmea-979
Dmea 2193

Mr. Ernest Oberbillig
c/o The Hornada Mining Company
Twin Springs, Idaho

Dear Mr. Oberbillig:

I expect to be in the vicinity of Boise about the 28th of July and would like to make an audit of the records pertaining to DMEA Contract No. E-22, Hornada Mining Company, Contract E-132, Antimony Queen, and Contract E-258, Bales Antimony.

Please advise me whether it would be more convenient for you to bring all of the records and supporting data to Boise or for me to come to the mine's site.

Sincerely,

Robert W. Hall, Auditor
Defense Minerals Exploration
Administration

cc: DMEA
DMEA

M. N. Volin, Member, DMEA Field Team, Region II May 7, 1952

T. E. Howard, Mining Engineer, Mining Division, Region II

Routine Inspection, Contract Idm-E22, Docket No. 506 (antimony)
Hermada Mining Company, Elmore County, Idaho.

The subject inspection was made April 19, 1952 in company with Gib Pearson, an official of the company.

The project was inactive except for timbering some unsafe portions of the adit, driven southwest of the main Hermada pit. The adit had been advanced 94 feet since the date of my last inspection and its total length was 373 feet. Total crosscutting to date under the contract is 405 feet, including 32 feet driven north from a point about 230 feet in from the portal in the hanging wall of a northeast-striking dike.

Except for the first 86 feet the heading was driven untimbered. After standing a short time the ground began to spall, making some timber necessary. A section about 50 feet long had been timbered with 14 sets on the date of my inspection and at least another 40 feet will require timber. The last 50 feet of the adit is in soft altered granite and timber should have been installed as it was driven. This would have been much less expensive than the present method of enlarging and timbering with day's pay labor.

The Operator stated that he planned to suspend all operations on the Hermada project, after the timbering is completed, until June 1. At that time the season should be far enough advanced to permit them to continue the exploratory dozing phase of the contract.

T. E. Howard

Orig. to files
cc: U. S. G. S.
2 Washington
TEH

DMEA-506X ~~Mr. Ellis~~
~~Mr. Keller~~
Contract File

M. E. Volin, Member, DMEA Field Team, Region II March 28, 1952

T. E. Howard, Mining Engineer, Bureau of Mines

Routine Inspection, Hermada Mining Company, Contract Idm-E22 DMEA-506 (Antimony)

The subject inspection was made February 26, 1952, in company with Gib Pierson, an official of the company. This was the first time since December 9, 1951, that weather conditions have permitted a visit to the project.

Though some bulldozer trenching has been done during the winter, this phase of the program was not active at the time of my inspection. The dozing has been done in a trench about 150 feet long west of the main Hermada pit. The cut is in altered material, but no mineralization was evident. Dozer time in this pit has been excessive for work accomplished. The Operator indicated that dozing would be suspended until the middle of April when the weather should be better.

Work was in progress on the crosscut being driven northwest from a point west of the main Hermada Pit. A measure point was established at the portal and a brunton tape survey of the adit was made. Its total length on the date of the inspection was 279 feet. The initial 46 feet had been driven with top spiling and the first 86 feet was timbered with 7-foot posts, 5-foot 4 inch caps, and 4-foot 6 inch girts and tight lagged. The remainder, averaging about 5 feet by 6 feet in cross section was driven without timber. This section is beginning to spall and will probably require timber at some future date. Some portions of it that required immediate timbering were pointed out to Mr. Pierson.

Drilling is done with a Thor jackhammer on a jackleg and the average round of from 12 to 16 holes pulls 5 feet. The round is mucked with Gardner-Denner double drum slusher with a 26 inch scraper. Cars are loaded from a timber ramp which is moved often enough to keep it within 60 feet of the face. Labor is being contracted at $10.00 per foot. Average advance has been near 5 feet per day.

Sparse sulphide mineralization associated with a southwest striking, north dipping dike was encountered at 260 feet in the adit.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1952

Orig. to files
cc: USGS
2 Washington
TEH
DMEA files

T. E. Howard

C. O. MITTENDORF, ACTING ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMIN.

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

MR. A. E. WEISSENBORN
EXECUTIVE OFFICER
DEFENSE MINERALS EXPLORATION ADMINISTRATION
SOUTH 157 HOWARD STREET
SPOKANE, WASHINGTON

DMA 5064

March 19, 1952

RE CONTRACT E-22, HERMADA MINING, YOU ARE HEREBY AUTHORIZED RELAX STIPULATION PARAGRAPH 5, DMEA CIRCULAR 10. OUR STIPULATION NEW CONTRACT FORMS, WHICH AGREED AFTER CONFERENCES GENERAL ACCOUNTING OFFICE, PROVIDE MAXIMUM 10 PERCENT OF GOVERNMENT CONTRIBUTION TOWARD COST OF PROJECT SHOULD BE WITHHELD PENDING RECEIPT FINAL REPORT FROM OPERATOR. UNDER NEW POLICY YOU HAVE AUTHORITY TO CONTINUE DISBURSEMENTS FOR APPROVED WORK UNTIL THE RESIDUAL BALANCE GOVERNMENT FUNDS REACHES 3308 DOLLARS.

C. O. Mittendorf (fw) 3/19

C. O. MITTENDORF, ACTING ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COMittendorf/fw

cc: Admr. Reading File
Mails & Files
Rare Metals Division

FILE COPY 700
SURNAME:

Ellis
Holland
Renick
McKnight
Thayer

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FEB 14 1952

AIR MAIL

Mr. A. F. Weissenborn
Executive Officer, Region II
DMEA Field Team
Room 157 Howard Street
Spokane 8, Washington

Re: Docket DMA-506X (Antimony)
Contract No. I-DMA-422
The Hermada Mining Company
Elmore County, Idaho

Dear Mr. Weissenborn:

With reference to your letter dated January 16, 1952, appertaining to the Hermada Mining Company's private use of the TD-18 International tractor and dozer this is your authority to enter into such an agreement with said company.

It is not clear from Mr. Howard's memorandum of January 7th, wherein it is stated "this purpose would be confined to the winter season and night shifts", whether it is more practical to rent the equipment by the month, day or hour. Basing our figures on the Contractors' Equipment Ownership Expense schedule we arrive at the figure $683.13 per month or a daily figure of $22.77 per 8 hour day, based on a 30 day month. An additional daily shift, in any one day, would increase this figure by 50 percent. It is the consensus of opinion that the equipment be rented by the 8 hour day, with part days to be counted as full days, the charge to be $22.77 (or $22.80 if that makes calculations easier). If the equipment is used an extra shift the same work day, the charge for the extra shift, or part thereof, will be 50 percent of the full day charge.

Checking the account on rented time may prove difficult. Much will depend on the integrity of the Contractor. However, the rental amount may be shown on the reimbursement voucher and deducted from the contract project costs.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

F.H.
2-14-52

EWEllis/jem 2/7/52
cc to: Adm. Reading File
Docket
Messrs. Renick, A Rm. 3061
McKnight, ET Rm. 4204 GS
Ellis
Field Team, Reg. II

APPROVED:

J. H. Hedges
Member, Bureau of Mines

L. P. Thayer
Member, Geological Survey

506

IDAHO

ELMORE COUNTY

February 1, 1952

Hermada Mining Company, I-DMA-E22, Sb

75-25 of $44,100.00

16 months

The contract calls for a series of bulldozed cuts to explore several stibnite bearing outcrops located along a major dike zone which cuts the granite country rock. Two short adits are to be driven under the more favorable outcrops.

High-grade ore has been recoverd during the first few months of operation. A discovery will be certified.

FILE COPY
SURNAME:

140

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

February 1, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: Equipment in which the Government has an equity, used by the Operator for purposes other than exploration

Reference is made to memorandum dated January 7, Howard to Volin, re Hermada Mining Co., Contract Idm-E22; to memorandum dated January 16, Field Team, Region II, to Chairman, Operating Committee; and to memorandum dated January 25, Operating Committee to Acting Administrator.

The proposal to permit an Operator under an Exploration Project Contract to use equipment in which the Government has an equity for purposes other than exploration, raises two questions: (1) Is it lawful to permit such use; and (2) if such use is permitted how should the charge for the use be computed?

1. It is my opinion that it is proper and lawful for the Government to reduce the costs of an exploration project in any suitable manner. Obviously, it may be more economical to permit the use of equipment in which the Government has an interest than to let it stand idle and exposed to the weather. The question to determine is: Will it be more beneficial to the Government to permit the use of the equipment at a reasonable charge, or to forbid the use of it (assuming that the Government has a right to forbid it) and rely on what recovery can be made by way of salvage? The determination is administrative rather than legal. If the administrative officers in the field determine that the allowance which the Operator is willing to make for the use of the equipment outside of the exploration project will provide the most beneficial results for the Government, I think there is no legal obstacle to prevent such use of the equipment.

2. I do not agree with the method of computing the allowance which was suggested by Mr. Howard. Mr. Howard uses the "Contractors' Equipment Ownership Expense" (revised 1949) for computing the allowance. He comes out with an hourly rate for the

Not Stripped R.R.

Government's interest, of $2.60. The publication which he cites does not contemplate any such hourly rate. On the contrary, under this publication the monthly rate would be 5.8 percent of the Government's interest, or $683.00 per month. The daily rate would be 1/30 of $683.00 or $22.80 per day. This is based on one 8-hour shift per day and would be 50 percent higher for an additional shift.

It seems altogether impracticable to me to base the allowance to the Government on hourly use of the equipment. The contractor should be required to pay or allow a reasonable amount per day or per month that he is permitted to have the equipment available for his own use.

Mr. Howard's computation is further erroneous in that no deduction would be made because "there will be no storage expense." The rate would remain the same on the theory that if there is no storage there is correspondingly a greater depreciation.

I am not attempting to say what the daily or monthly rate of charge should be, but I am pointing out that it should be daily or monthly and not hourly.

In my opinion it is preferable that the allowance should be credited to the Government's contribution to the exploration work rather than actual payments to the Government, with the express written undertaking of the Operator to pay to the Government any amounts not offset by future exploration work.

I think that any arrangement under which the Operator is permitted to use equipment for his own account should be embodied in a written supplement to the Exploration Project Contract.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

JLHofflund/bjl

Copy to : Repts. & Records
Mr. Frank Johnson
J. L. Hofflund
Opinion File
Chron.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

DATE: January 30, 1952

FROM : Jay L. Chambers, Director
Contract Administration and Audit Division

SUBJECT: Memoranda from Operating Committee, January 25, 1952, in Regard to the use of a Joint-Ownership Equipment by the Hermada Mining Co., Contract E-22.

The Defense Act apparently preovides that we can dispose of property purchased for the Mineral Exploration Program and cover the proceeds into the revolving fund. This being the case there is no reason why, so far as I can see, that we can not rent the equipment and either cover the proceeds into the revolving fund or follow the suggestion of the Operating Committee to deduct it from the contract project costs on the contractor's reimbursement voucher.

Since the Field Team has recommended the latter procedure, I think you would do well to go along with it.

RECEIVED
JAN 30 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION 110
WASHINGTON 25, D. C.

January 25, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, DMEA

From: Operating Committee, DMEA

Subject: Memorandum from Region II concerning reimbursement for private use of jointly owned equipment, Hermada Mining Co., Contract Idm-E22, DMA-506.

It is the opinion of this Committee that the method set forth in the memorandum by T. E. Howard, dated January 7, 1952, is a reasonable way of handling and taking care of the government's interests, and it is recommended that you concur.

N.S R&R

(signed) FRANK E. JOHNSON
HB
Chairman, Operating Committee

APPROVED:

J. H. Hedges, [illegible]
For Bureau of Mines HB

/s/ J P Thayer
For Geological Survey HB

Op. Com./hb
Copy to: ✓DMEA Mails & Files Br.
DMEA Operating Comm. File
Frank Johnson
T. P. Thayer, Rm. 5216 GSA
J. H. Hedges, Rm. 4604

BL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1201 N. Division St.
Spokane 2, Wash.
January 16, 1952

DEFENSE MINERALS ADMINISTRATION WASHINGTON D. C.
JAN 21 10 24 PM '52

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington 25, D. C.

From: Field Team, Region II

Subject: Memorandum concerning reimbursement for private use of jointly owned equipment, Hermada Mining Co., Contract Idm-E22

A memorandum addressed to M. E. Volin, Field Team member, concerning the above subject is forwarded herewith for consideration by the Operating Committee.

The Operator already has been advised that reimbursement based on a schedule developed in the subject memorandum will be required. An opinion from the Operating Committee regarding method and rate of reimbursement is requested.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF MINES

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
JAN 21 10 25 PM '52

1201 N. Division St.
Spokane 2, Wash.
January 7, 1952

MEMORANDUM

To: M. E. Volin, Member, DMEA Field Team, Region II

From: T. E. Howard, Mining Engineer, U. S. Bureau of Mines

Subject: Private use of jointly-owned equipment by the Hermada Mining Company, Contract Idm-E22

The Hermada Mining Company has indicated informally that it wishes to use for its mining operations at the Hermada mine the TD-18 International tractor and dozer purchased for the exploration project currently being conducted on the property under Contract Idm-E22. Its use for this purpose would be confined to the winter season and night shifts when exploratory dozing would be impractical.

Since such extra use of the machine would reduce the value of the Government's equity, it is considered that the Operator should be required to reimburse the Government in the amount of the reduction. A method for determining the amount and a procedure for collection is suggested for your consideration.

According to the equipment ownership expense schedule published by the Associated General Contractors of America, Inc., the average annual expense of owning a tractor of this type is 46 percent of the capital investment.

Expenses included are as follows:

Depreciation	20 percent
Overhauling, major repairs, and painting	15
Interest	5
Storage	3.5
Insurance	1
Taxes	1.5
Total	46.0 percent

In this case there will be no storage expense; thus, 3.5 percent can be deducted from the total shown. All the other expenses are considered applicable.

Subject: Private use of jointly-owned equipment by the Hermada Mining Co., Contract Idm-E22

The total cost of the tractor and dozer, including freight, was $15,704.10; of this amount 75 percent was paid by the Government. Multiplying this amount by 42.5 percent a yearly ownership expense of $6,674.24 is obtained. By assuming 160 working hours per month, this yearly rate can be reduced to an hourly rate of $3.47.

Payment could be made each month at 75 percent of this rate or $2.60 for each hour the tractor is used on extra work. A deduction made in the amount due the Operator under the exploration contract as shown on his monthly operating report would make unnecessary any actual transfer of funds.

Under this plan the Operator would be responsible for all operating costs including minor repairs and maintenance during the periods the machine is used for his own work. He would be only under moral obligation to see that these minor repairs are taken care of as they develop, and not let them accumulate to be done when the equipment is returned to contract service.

T. E. Howard

T. E. Howard

400

FILE COPY
SURNAME:

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

a.e.e. Mittendorf

Contract Service Section
General Accounting Office
Washington 25, D. C.

OCT 4 1951

Re: Docket No. DMA-506A
Bermuda Mining Company
Exploration Project Contract
Idm-522
Amended June 26, 1951

Gentlemen:

Enclosed for recording in your office is the original of an amendment to the Exploration Project Contract between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf (J.H.) J.G. 10-4

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

EWEllis/jem
10-2-51

cc to: Adm. Reading File
Reports & Records
Messrs. Mittendorf, Olund
Mr. Ellis
Field Team, Reg. II
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 1 1951
Defense Minerals Administration,
Production Expansion Division.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
OCT 1 8 40 AM

September 26, 1951

OFFICIAL FILE COPY

To	Init.	Date
400	G EC	10-1-51
210		

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Re: DMA Docket 506X
Hermada Mining Company
Elmore County, Idaho

Dear Mr. Mittendorf:

Enclosed are three signed copies of an amendment to the Exploration Project Contract of the subject property. One copy has been sent to the Regional Fiscal Officer.

Sincerely yours,

A. E. Weissenborn KG

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

FILE COPY
SURNAME:

Bourret.

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

July 25, 1951

Mr. Ernest Oberbillig
GUP Antimony Inc.
Omak, Washington

Re: Hermanda Antimony Mine
DMA docket No. 506

Dear Mr.OBerbillig:

Thank you very much for your telegram of July 17, addressed to Mr. Tom Lyon in reply to our request for information about antimony ore prices. The Defense Minerals Administration is hopeful that the price situation will be clarified in the very near future and has made definite recommendations to the OPS. I regret to learn it has been necessary for you to suspend operations at Hermanda, but am of course pleased that you have been successful in transferring your operation to the Lucky Knock Mine and expect to produce three or four thousand units of antimony per month.

Yours very truly,

Weston Bourret

Weston Bourret, Chief
Minor and Rare Metals Branch

WBourret/mh
cc: Adm. Read. File
Reports and Records
Lyon
Parsons
Renick
Bourret
Mittendorf
Field Team II
Files

SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYM

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

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PR WEA166 202 COLLECT NL=OMAK WASH 17

TOM LYON DIRECTOR SUPPLY DIVN=

DEFENSE MINERALS ADMINISTRATION DEPT=OF INTERIOR=

34 WASHDC=

RETEL TO MY KNOWLEDGE NO OTHER PRODUCER IN NORTHWEST PRODUCING OR COULD PRODUCE CHEMICAL GRADE ANTIMONY CONCENTRATES OTHER THAN HERMADA AND GD G O P ANTIMONY HERE IN OMAK BRADLEY OPERATION AT STIBNITE HELLH OXIDE AND METAL AT A PRICE EQUIVALENT TO $7.00 PER UNIT FOR CHEMICAL GRADE CONCENTRATE WE HAVE NO CEILING PRICE NOR DID WE APPLY FOR ONE AS WE HAD BEEN ADVISED BY DEFENSE

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SE

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.
JUL 18 8 00 AM '51

RECEIVED
JUL 18 1951
9:30
LANDON F. STROBEL
Executive Secretary

SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

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The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

PR.WEA16612

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SUPPLY THAT ANTIMONY DID NOT COME UNDER A CEILING PRICE AFTER SELLING A CARLOAD AT $7.00 PER UNIT OPH BIOSE OFFICE ADVISED US WE HAD TO SELL AT $4.00 PER UNIT SAME AS ONLY I PREVIOUS SALES MADE IN JANUARY BUT CONTRACTED FOR IN OCTOBER THEREFORE WE IMMEDIATELY SUSPENDED HERMADA PRODUCTION TO START OPERATIONS HERE AT GREAT FINANCIAL SACRIFICE WHERE WE UNDERSTAND NO CEILING PRICE IS APPLICABLE SINCE THIS IS A NEW OPERATION WE HAVE MILL IM OPERATION NOW AT OMAK TREATING LUCKY KMOCK DUMP ORE WITH I RECOVERY ONE TOD CONCENTRATE POR SHIFT FOUR MILE ROAD JUST COMPLETED AT BALEH WITH GOOD VEIN EXPOSED AT THREE HRIMTH

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SE

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

JUL 18 8 00 AM '51

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WESTERN UNION

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W. P. MARSHALL, PRESIDENT

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The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

1951 JUL 17 PM 9 59

PR. WEA166/3

ALONG 3000 FEET IF WE HAVE NO GOVERNMENT INTERFERENCE ON PRICES OR SALES AT $7.00 PER UNIT WE CAN STRADILY PRODUCE THREE OR FOUR THOUSAND UNITS ANTIMONY PER MONTH HERE ALONE=

:ERNEST OBERBILLIG G O P ANTIMONY INC.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SE

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.
JUL 18 8 00 AM '51

Minor and Rare Metals Branch

Supply Division, DMA

Washington, D. C.
July 13, 1951

MR. ERNEST OBERBILLIG
OMAR, WASHINGTON

RE: HERMADA MINING COMPANY

APPRECIATE TELEGRAPHIC REPLY GIVING PRICE AT WHICH YOU ARE SELLING ANTIMONY ORE AND CONCENTRATES UNDER GENERAL PRICE REGULATIONS. ALSO PRICES AT WHICH THE PRODUCERS IN AREA ARE SELLING.

Tom Lyon

TOM LYON, DIRECTOR
SUPPLY DIVISION

/Bourret/bf
cc: Adm. Reading File
Reports & Records
Lyon
Field Team II
Renick
R. T. McKnight
Bourret
Files

FILE COPY
SURNAME:

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

June 26, 1951

Mr. Ernest Oberbillig, President
Hermada Mining Company
Twin Springs, Idaho

Re: Docket No. D.M.A.-506X

Dear Mr. Oberbillig:

Enclosed find executed Exploration Project Contract No. I-DMA-E22 dated June 26, 1951 with attached Exhibits and maps; also a set of monthly Progress Reports (Form MF-104). A progress report is to be submitted monthly in quadruplicate to the D.M.A. field representative in your area where additional copies may be obtained.

Any questions appertaining to this project should be referred to Mr. A. E. Weissenborn, Executive Officer, D.M.A. Field Team, Region II, South 157 Howard Street, Spokane, Washington. Please notify Mr. Weissenborn when you begin work on this project.

A press release dated May 14, 1951 on "Questions and Answers on the Minerals Exploration Program" is enclosed for your information.

Sincerely yours,

SIGNED

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

EWEllis/ecl

cc to: Messrs. Mittendorf - Olund
Lyon — A. E. Weissenborn, Region II
Strobel — Field Finance Sec., Bureau of Mines
Bourret — Contract Service Sec. - GAO
Ellis — F I L E S

FILE COPY
SURNAME:

Koontz

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

June 25, 1951

Memorandum

To: C. O. Mittendorf

From: J. L. Hofflund

Subject: The Hermada Mining Company, an Idaho Corporation
exploration contract -- Docket No. DMA-506 X

This office has reviewed the proposed contract in the above case and finds it to be in satisfactory form for execution and dating.

Your file in this case is returned.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachments

CJKoontz/ema

Copy to: L. F. Strobel
C. J. Koontz
J. L. Hofflund
Chron.
Files

Docket 506

B

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

So. 157 Howard Street
Spokane 4, Washington

June 18, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

DMA-566 x
I-DMA-E22

Dear Mr. Strobel:

Enclosed herewith are six copies of an Exploration Project Contract on the Hermada Mines, Inc., Elmore County, Idaho.

Please note that the original application submitted by this company was for $40,000, but that the present contract calls for $44,100. This increase in cost is because the $16,000 bulldozer is needed for the exploration operation. However, it is estimated that this bulldozer will have a salvage value of $8,000 at the close of the contract, which will lessen the over-all contract price to $36,100.

Yours very truly,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

FILE COPY
SURNAME:
Bourret.

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

June 15, 1951

Memorandum

To: Production Expansion Division Committee

From: Minor and Rare Metals Branch

Subject: Hermanda Mine DMA docket - 506x

With reference to the subject docket and our memorandum of May 28, we are attaching hereto three copies of Exhibit "A", the development program map.

Weston Bourret M.H.

Weston Bourret, Chief
Minor and Rare Metals

WBourret/mh
cc: Adm. Reading File
Strobel
Lyon
Field Team, II
Bourret
Files

FILE COPY
SURNAME:

Bourret.

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

June 12, 1951

Mr. Ernest Oberbillig
Hermada Mining Co.
Twin Springs, Idaho

Re: Hermada Mining Co.
DMA-docket-506x

Dear Mr. Oberbillig:

Thank you very kindly for your letter of June 2, enclosing copy of Union Assay Office certificate covering 265 sacks of 64.25% antimony ore. The concentrator surely does appear to be doing a good job of recovering a high grade concentrate. Sometime when you have a chance I would appreciate your telling us a little bit about this mill and if the owners would be interested in buying custom ore from other districts.

I trust you are not having too much difficulty in getting together the various exhibits which will become a part of the Hermada contract with the Defense Minerals Administration.

Yours very truly,

Weston Bourret
Acting Chief
Minor and Rare Metals

WBourret/mh
cc: Adm. Reading File
Mr. Strobel
Mr. Bourret
Files
Field Team II

FILE COPY
SURNAME:

Bourret

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

June 4, 1951

Mailed - JUN 6 1951

Mr. A. E. Weissenborn
Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane, Washington

Re: Hermada Antimony
DMA Docket No. 506X
Twin Springs, Idaho

Dear Mr. Weissenborn:

With reference to the subject docket, I am enclosing six copies of Exploration Contract Form MF-200. Will you please contact Mr. Overbillig and have him execute all six copies? The five exhibits referred to, A to E inclusive, must be prepared in detail and attached to each contract. In the instance of Exhibit A, please ask Mr. Overbillig to indicate the number and name of each claim on the map; also he must "pinpoint" each specific item of the proposed exploration work.

Since Mr. Overbillig has two more exploration projects in the mill, it would be well for him to commence preparing the various exhibits required for these projects as well.

Sincerely yours,

Tom Lyon, Director
Supply Division

Enclosures

WBourret/af

Copy to: Files
Adm. Reading File
Mr. Strobel
Mr. Lyon
Mr. Mittendorf
Mr. Bourret (2)

Bourret

Air Mail

June 2-1951

HERMADA MINING CO.
ATLANTA, IDAHO

Twin Springs,

Re: DMA-506X

Mr. Weston Bourret, acting chief
Minor & Rare Metals, DMA.
Dept. of Interior
Washington, 25, D.C.

Dear Mr. Bourret:—

In accordance with your letter of May 23, 1951 I am enclosing a copy of the assay of ½ of our Carload # 26. The remainder of the concentrates produced during that last "Mill run" will assay about the same. We produced 52 tons of concentrates containing 64% Sb & 12% moisture from 189 tons Mill feed, or a antimony metal production of 2920 S.T.U. (29.2 short tons Sb.) We are continuing to strip & Mine in the pit.

We are also getting a shipment ready from the "Bales Antimony" near Twisp, Wash, and reports from there indicate it is showing up good.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 1951
LANDON F. STROBEL
Executive Secretary

Very Truly Yours,

Ernest Oberbillig

Telephone 3-3302

Con. Serial 16311

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
A. C. SELBY, Vice-Pres. & Treas.
A. C. SELBY, Jr., Secretary

Salt Lake City 11, Utah

Mine Hermada Mining Company

RESULTS PER TON OF 2000 POUNDS

May 29,1951

LOT	GOLD Ozs. per Ton	SILVER Ozs. per Ton	LEAD Wet on Ore	~~COPPER~~ Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	TUNGSTIC OXIDE Per Cent	IRON Per Cent	LIME Per Cent	Per Cent
				Antimony							
265 Sacks Car #26				64.25							

Remarks 2 Sacks Mixed - Duplicate

Sampled By

Charges $ 3.00

Dep[illegible] of Interior
Defense Minerals Administration
Supply Divisio[illegible]

FILE COPY
Surname:

Washington, D. C.
May 29, 1951

Mr. Ernest Oberbilling, President
Hermada Mining Co.
Twin Springs, Idaho

Application received. You should hear from us shortly.

Tom Lyon
eh

Tom Lyon
Defense Minerals Administration

TLyon:eh

cc: Mr. Strobel
A. E. Weissenborn, Reg. II
Files

FILE COPY
SURNAME:

Barnett.

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

May 28, 1951

Memorandum

Confidential

To: Director, Production Expansion Division

From: Director, Supply Division

Subject: Hermada Antimony - DMA-506X
Twin Springs, Idaho

Under date of May 9, 1951, the Hermada Mining Company resubmitted as an exploration project DMA-506; the request is for a $40,000 project, of which the Hermada Mining Company will put up 25 percent in the form of cash, labor or machinery rentals.

The following factors have been considered and weighed in reviewing this application:

(a) Hermada owns the property outright, and there are no liens or encumbrances. Consists of 5 patented and 55 unpatented claims.

(b) Under date of April 30, 1951, the Field Team, Region II, reported on the property and recommend that the exploration loan be granted. The chances of developing a commercial orebody are regarded as favorable.

(c) Sufficient labor for the proposed project is available in Atlanta and the surrounding area.

(d) The estimated dollar requirements for the project, including rental of equipment, schedule of wages and salaries, are as follows:

Item	Time	Description	Total Cost
(a)	5 mo.	2 miners @ $400 per mo.	$ 4,000.00
	12 mo.	1 bulldozer operator @ $400 per mo.	4,800.00
(b)	17 mo.	1/3 time foreman @ $450 per mo.	2,550.00
	17 mo.	1/3 time bookkeeper @ $300 per mo.	1,700.00
(c)	17 mo.	Repairs to housing & camp buildings, power plant @ $50 per mo.	850.00

Item	Time	Description	Total Cost
(d)		Construct two small tool sheds at each adit site at $500 each.	$ 1,000.00
(e)		Drifter Drill, slusher & bucket, & one ore car	1,200.00
(f)	12 mo.	TD-18 Bulldozer Rental (or purchase)	14,400.00
(g)	5 mo.	210 Cu.ft. Compressor Rental @ $320 per mo.	1,600.00
(h)		Powder, caps, fuse, track, pipe, timbers, hand tools, gasoline, Diesel fuel, dozer blades & repairs, grease, etc.	7,900.00
(i)		No costs this item	---
		T O T A L	$40,000.00

(e) The program can be completed in two years or less. No electric power is available but will be generated by Diesel or gasoline units. Ore will be trucked from the Hermada Mine to the Talache mill at Atlanta; cost will vary from $2.00 to $2.50 per ton; concentrates trucked 75 miles from Atlanta to the railhead at Boise at a cost of $7.00 per ton.

(f) In the opinion of the DMA Field Team the applicant is competent to carry out the program. Mr. Oberbillig is a reputable mining engineer with some 15 or 20 years of operating experience.

It is recommended, therefore, that the Production Expansion Division negotiate a formal contract (MF-200) with the Hermada Mining Company, which will permit the applicant to undertake the following specific exploration:

1.	A 300 ft. adit near the collar of No. 5 D.D. hole at an approximate cost of	$ 9,000.00
2.	A 300 ft. adit under the north pit area, at an approximate cost of	9,000.00
3.	Approximately $22,000 to be spent in exploring with a bulldozer the north pit area mining claims, No. 45 -- the Yellowtown outcrop and the Elkhide outcrop.	22,000.00
	T O T A L	$40,000.00

Attached hereto are one copy each of Form NF-103 and Field Team Report, Region II, dated April 30, 1951.

Tom Lyon, Director
Supply Division

Attachments

WBourret/ad

cc: Adm.Read.File
Deputy Administrator
Executive Secretary
Field Team, Region II
Mr. Bourret
Mr. Merrill - Room 3619
Mr. McKnight - U.S.G.S.
Files

Mr Strobel

SENDER IS AWAITING A SPEEDY answer

PLEASE GIVE IT TO THE MESSENGER OR TELEPHONE WESTERN UNION

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1220

SYMBOLS
DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

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PRA 258 SSA 641

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TOM LYON DIR SUPPLY DIVN DEFENSE MINERALS ADMN DEPT OF INTERIOR WASHDC=

REGARDING HERMADA MINE ANTIMONY, DMA-506. IN REPLY YOUR LETTER MAY 21, 1951, WE MAILED ON MAY9, COMPLETED APPLICATION ON FORMS MF-103 TO MR WESTON BOURRET, ACTING CHIEF MINOR AND RARE METALS BRANCH, DEFENSE MINERALS ADMINISTRATION, WASHINGTON 25, D.C. BUT RECEIVED NO ACKNOWLEDGMENT. IF YOU DO NOT FIND THIS APPLICATION PLEASE ADVISE US BY TELEGRAM COLLECT AND WE WILL SEND PHOTOSTATIC COPIES OF OUR COPY=

ERNEST OBERBILLING PRES HERMADA MINING CO
TWIN SPRINGS IDAHO=

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 2 9 1951
8:25 AM
LANDON F. STROBEL
Executive Secretary

DMA-506 21 1951 9 MF-103 25=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

FILE COPY
SURNAME:

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

May 24, 1951

Mr. Ernest Oberbillig, President
Hermada Mining Company
Twin Springs, Idaho

Subject: DMA-506X
Re: Exploration Loan
Hermada Antimony

My dear Mr. Oberbillig:

Receipt is acknowledged of your application and attachments of May 9, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-506X and was referred to Mr. Weston G. Bourret, Chief, Antimony Branch on May 18, 1951.

In any future correspondence relating to your application, kindly refer to DMA-506X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:mab
cc: Strobel-2
Bourret
Files
Lyon

FILE COPY
SURNAME:

Bourret.

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

May 23, 1951

Mr. Ernest Oberbillig, President
Hercules Mining Company
Twin Springs, Idaho

Dear Mr. Oberbillig:

Thank you very much for your letter of May 16 with the good news that you are all ready to ship; would appreciate learning from you something about the grade of concentrates and to what smelter they will go.

You no doubt already have my letter of May 21. When you have completed the 103's we will make every effort to give your application prompt consideration.

Yours very truly,

Weston Bourret
ah

Weston Bourret
Acting Chief
Minor and Rare Metals

Copy to: Administrator's Reading File
Mr. Strobel
Deputy Administrator
Mr. Bourret
Files

WBourret:lt

FILE COPY
SURNAME:

Bourret

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

May 21, 1951

Mr. Ernest Oberbillig
The Hermanda Mine
Twin Springs, Idaho

Re: The Hermanda Mine, Antimony
DMA - 506

Dear Mr. Oberbillig:

We have just learned from Mr. A. E. Weissenborn, Executive Officer of Region II, that following a recent examination of your property you would now like to revise your original application of January 5, 1951 in order to qualify on a participating basis for under the DMA exploration program. Accordingly we will withhold action on your application until we have received your completed form MF-103. We would appreciate your including maps showing the location of the proposed development openings, diamond drill holes, trenches, and so forth, with this application.

Yours very truly,

Tom Lyon

Tom Lyon, Director
Supply Division

MBourret/mh
cc: Adm. Reading File
Strobel
McKnight
Lyon
Bourret
Files

Bourret
Airmail

HERMADA MINING CO.

Twin Springs, Idaho
May 16, 1951

Subject: Hermada Mine
Docket: DMA-506

Mr. Weston Bourret
Acting Chief
Minor and Rare Metals Branch
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Bourret:

With reference to our exploration loan for the Hermada Mine, we wish to advise you that since the DMA Team of Engineers visited the Hermada Mine (April 15, 1951) we have produced enough ore to fill a contract for a carload of concentrates, 2400 units or 24 tons of metallic antimony.

We not only have the above production mined, but also several carloads more in sight from the same location. Therefore, our stripping work done in February, March, and half of April has not been in vain.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President.

EEO/co

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1951
LANDON F. STROBEL
Executive Secretary

HERMADA MINING CO.
~~ATLANTA, IDAHO~~
Twin Springs, Idaho
May 9, 1951

Subject: DMA-506 X
Re: Loan
Hermada Mining Company

Mr. Weston Bourret
Acting Chief
Minor and Rare Metals Branch
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Bourret:

We have received a letter from Mr. A. E. Weissenborn, Executive Officer, DMA, Field Team, Region II, in which he advised us that we should fill out Forms MF-103 and resubmit our mine loan application in the form of a DMA mine exploration project. The Field Team of DMA Engineers, Messrs. Thor Kiilsgaard and Elwin Magill, were here at the Hermada Mine April 14 and 15 at which time they set up a mine exploration loan proposal, which we understand has been submitted to you from Spokane. Therefore, we are submitting herewith Forms MF-103 with accompanying data in quadruplicate as a resubmittal for our mine loan application which was originally made January 18, 1951.

We wish to refer you especially to the work done here at the Hermada Mine by the U. S. Bureau of Mines on an exploration project supervised by Mr. C. C. Popoff, Project Engineer. His report and accompanying maps have not been released to us yet, but were available for the use of the DMA Field Engineers. Upon consultation with Mr. Popoff, we have made this application for a DMA exploration loan to supplement and complete work started by the Bureau of Mines under their project.

We are continuing to produce and have just opened up a very nice ore body in the Hermada pit area.

We trust that the information supplied you with this letter as well as Mr. Popoff's report and the DMA Engineers' reports will give you sufficient information to authorize approval of this loan proposal, so that we can start work on it immediately.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President.

EEO/co
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1207 N. Division
Spokane, Wash.

May 1, 1951

MEMORANDUM

TO: A. E. Weissenborn

FROM: Glenn C. Reed

SUBJECT: Confidential Section, Hermada Report

carbon copy retained here GCR

Enclosed herewith is the original and one copy of the subject report together with illustrations.

This report has been hurriedly edited and probably is not in its final form. However, I feel that the sense of the report is clear enough. I do not believe that I have changed its meaning or intent in any way.

Glenn C. Reed
Glenn C. Reed

Enclosures

~~TANDON F. STROBEL~~
Mr. Barnett
DMA-506

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 8, Washington

April 27, 1951

Mr. L. F. Strobel
Executive Secretary
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed herewith is a ~~carbon~~ copy of a report from Constantine Popoff concerning the Hermada Mining Co., Twin Springs, Idaho, docket DMA-506. Also included are four copies of a memo from the Field Team, Region II, and four copies of a field report prepared by a Bureau of Mines-Geological Survey examining team. Would you please forward this information to the Nonferrous Metals Committee.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

cc: Glenn Reed-USBM
M. E. Volin-USBM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington

April 27, 1951

MEMORANDUM

TO : Nonferrous Metals Committee, Defense Minerals Administration

FROM : Field Team, Region II

SUBJECT: Docket DMA-506, Application of the Hermada Mining Company, Twin Springs, Idaho

In accordance with a request from the Nonferrous Metals Committee, a preliminary draft copy of a report of investigations on the Hermada mine, Elmore County, Idaho, by Constantine C. Popoff of the Bureau of Mines, is attached. In addition, Mr. Oberbillig, the applicant, was contacted in the field by a Bureau of Mines-Geological Survey examination team, and at that time the exploration program was discussed with Mr. Oberbillig. Mr. Oberbillig would like to change his application, therefore, for an exploration contract.

The examination team worked out with Mr. Oberbillig an exploration program, which is described in the attached memorandum.

Although it may not be necessary, we are sending Mr. Oberbillig the required number of copies of Form MF-103 with the request that he resubmit his application on this form. However, to save time, a request that the proposition be given preliminary consideration as it is herewith submitted.

By FIELD TEAM, REGION II

A. E. Weissenborn

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

I concur with field team's recommendation of $30,000 loan for this project.
E. T. McKnight

Glenn O. Reed

For: M. E. Volin, Chief, Mining Division
Region II, U. S. Bureau of Mines

Enclosure

cc: U. S. Bureau of Mines
Spokane, Wash.

CONFIDENTIAL SECTION

HERMADA ANTIMONY DEPOSIT, ELMORE COUNTY, IDAHO

By

Constantine C. Popoff 1/

SUMMARY

The Hermada antimony deposit is in southwestern Idaho in the Sawtooth Mountains. It is about 20 miles west of Atlanta, the nearest town, and 77 miles northeast of Boise, the State Capital.

Stibnite mineralization occurs within an area lying between the West Fork and East Fork of Swanholm Creek. This area locally is known as the Swanholm district. The Hermada mine, the district's only producer of stibnite, has yielded more than 5,000 tons of ore averaging 12.74 percent antimony since 1947.

The region is underlain by a granitic batholith of late Jurassic age which has been sheared, fractured, and faulted during several periods of diastrophism. Older zones of crustal weaknesses guided and localized the younger structures and dike intrusions of Tertiary age.

The earliest structures trend northeasterly and north-northwesterly. The northeast structural system is marked by wide fracture and fault zones which later have been intruded by Tertiary porphyritic dikes (fig. 1 C). One such structure, the Black Warrior porphyry belt, crosses the Swanholm district at the Hermada mine.

The early Tertiary north-northwest trending structural system is disturbed by late Tertiary regional block faulting extending from the Great Basin of Utah and Nevada to the northern Rocky Mountains and Columbia Plateau.

1/ Mining engineer, Region II, Mining Division, Bureau of Mines

One of the elements of this system, the Deer Park fault, forms the western boundary of the Swanholm district.

The productive ore bodies of the Hermada pit area are at the intersection of the Black Warrior porphyry belt and a zone of hydrothermally altered and mineralized rocks about 6,000 feet east and parallel to the Deer Park fault. It appears that a set of short fissures striking N. 10°-20° E. and dipping easterly from moderate to flat angles controlled both the intrusion of the lower Miocene dikes and the ore deposition.

Outside of the Hermada zone scattered short and thin quartz-stibnite veins and stringers in granite are not uncommon in the district. In general they strike north and dip easterly at angles close to 45°.

At the Hermada pit the quartz-stibnite veins are clustered together in a zone up to 100 feet wide. Individual veins as much as 100 feet in length range from 1 inch to 5 feet in thickness. Minable ore shoots typically contain from a few hundreds to 2,000 tons.

Strike extensions of the Hermada structural zone have been indicated by explorations for a distance of 4,000 feet. Mineralization in the explored areas indicates the possibility of ore shoots similar to those mined in the pit. The inferred ore reserves are estimated at about 7,000 tons in the Hermada pit area and 5,000 tons for the south area. Additional reserves can be anticipated in the large remaining unexplored areas. The chances of finding new small ore shoots are considered favorable.

ORE RESERVES

Systematic development at the Hermada of small ore bodies in advance of extraction is a difficult mining problem. The presence or continuity of ore shoots can be determined only by a close net of workings, a costly, if not a prohibitively expensive, operation. Mining usually follows the disclosure of ore; ore reserves estimates in advance of mining are limited to a small tonnage. As in other deposits of "extramensurate" type, estimates are based on geological interpretation rather than on accurate ore measurements 2/. The reserves, in general, are computed by assuming extensions of known ore bodies for a reasonable distance, or by anticipating repetition of ore shoots in similar geologic environment.

Hermada pit area

Ore reserves in the Hermada pit area can be computed by making assumptions based on previous production data and the expected continuity of ore exposed.

The main ore shoots mined during the period 1947-48 produced 4,050 tons of ore. This operation, confined to the interval between 5,340- and 5,440-foot levels, was productive at a rate of about 40 tons of ore per foot of depth. These ore shoots now are presumably mined out.

During the years 1949 and 1950 other ore shoots were excavated; they produced 450 tons of ore between the 5,480- and the 5,435-foot levels, and 550 tons between the 5,435- and 5,400-foot levels. This is equivalent to 10 and 16 tons of ore per foot of depth. If these ore shoots continue downward without diminution, at least 16 tons of ore can be expected for each foot of depth. Assuming extension of ore shoots 60 feet vertically to the 5,340-foot level, reserves of 1,000 tons may be inferred.

2/ McLaughlin, D. H., Geological factors in the valuation of mine, Economic Geology, vol. 34, 1939, pp. 589-621.

Two or three narrow quartz-stibnite veins have been disclosed on the 5,480-foot level on the west side of the dacite porphyry dike in the pit. These veins have not been explored. New ore shoots on these veins, if similar in size to those partly mined out east of the dike, may produce 2,000 tons. The total inferred reserves for the present length of the Hermada pit are estimated to equal 3,000 tons.

No exploration work was done in the promising area between the pit and the Hermada Creek. Additional reserves amounting to about 4,000 tons can be anticipated above and on both sides of the dacite porphyry dike.

Thus, the inferred reserves of the Hermada pit area are estimated at about 7,000 tons of stibnite ore averaging 12.5 percent antimony.

South area

Several thin quartz-stibnite veins were penetrated by drill hole No. 5. Minable ore shoots may be found on these veins. Similarity of geology with the Hermada pit area warrants an estimate of inferred reserves of at least the same tonnage as extracted from the pit, or 5,000 tons.

North area

Mineralization in the north area is confined to erratic and irregular ore bodies. None of these ore bodies had shown continuity for a distance of more than 10 or 15 feet along strike or dip. Although additional exploration may discover minable ore in this area, no attempt was made to estimate reserves.

RECOMMENDATIONS

Hermada pit area

Available geological information warrants further exploration of the Hermada pit area. Most promising are the strips of land adjoining the pit on the west and south. Recent mining operations followed the ore shoots on the east or hanging wall side of a steep-dipping dacite porphyry dike. Similar ore shoots may be found in the footwall country rock. Several narrow quartz-stibnite veins have been uncovered by bulldozing on the 5,480-foot level. These have not been explored. Both strips can be explored by starting a new bench above bench No. 3 and by continuation of this bench to the south. It is recommended, however, that both walls of the dike be probed by a series of short adits or by a set of short drill holes from the pit face and from the old road south of the pit. Drilling appears preferable.

The total drilling program amounting to about 600 feet is estimated to cost about $2,000. This work could be completed with one drill in 6 weeks. Driving 250 feet of adits would require about $5,000 and a substantial labor force to complete in the same time. The program will permit intelligent planning of mining.

The study of the area north of the Hermada pit should be continued. The following inclined diamond drill hole would comprise another step in this exploration:

Hole No.	Approximate coordinates North	East	Altitude feet	Dip angle	Bearing	Length feet
A	10,540	10,160	5,415	-25°	west	300

This hole is designed to penetrate the possible intersection of dacite porphyry and several thin lamprophyre dikes. It may indicate the possibility of commercial mineralization in the western part of the Hermada zone unexplored by hole No. 1.

South area

This area offers much promise for discovery of new ore shoots comparable to those mined in the pit. The presence of the Hermada zone has been proved by numerous trenches. At hole No. 5 this zone has shown a higher intensity of mineralization at depth than in any of the other holes drilled.

Further exploration to the south should be continued. Diamond drilling for the southward extension of the mineralized zone is recommended. Two surface holes located 150 and 300 feet south-southeast from hole No. 5 will be adequate for initial investigation. The coordinates of the suggested holes are as follows:

Hole Nos.	Approximate coordinates North	East	Altitude feet	Dip angle	Bearing	Length feet
B	9,315	10,030	5,490	-25°	west	300
C	9,170	10,070	5,480	-25°	west	300

If this drilling is successful, underground exploration for productive ore shoots would be warranted.

At the present time, the program of underground work in the south area is limited to detailed exploration of that portion of the mineralized zone found by hole No. 5. This hole encountered several thin quartz-stibnite veins at 65 feet, 80 feet, 115 feet, and 253 feet. No core was recovered from these veins because of extensive alteration. The following sludge samples taken at 5-foot intervals showed an antimony content above 0.30 percent:

65.0-70.0	0.34	percent	Sb	110.0-115.0	0.34	percent	Sb	253.0-258.0	0.43% Sb
80.0-85.0	0.38	"	"	115.0-120.0	0.65	"	"	258.0-263.0	0.48% Sb
85.0-90.0	0.38	"	"	120.0-125.0	0.32	"	"		
				125.0-130.0	0.34	"	"		

It is believed that the antimony in sludges from 110.0 to 130.0 feet resulted from the penetration of two or three quartz-stibnite veins of several inches in thickness.

The probable ore shoots between 65.0 and 130.0 feet of hole No. 5 may be explored by 150 feet of adit driven from trench No. 4 A at an approximate altitude of 5,380 feet. The adit, when under the collar of hole No. 5, will be about 80 feet below the surface.

North area

The eastern part of the Hermada structural zone is adequately explored by trenching. Short quartz-stibnite veins and irregular pods of ore have been uncovered. The most promising mineralization is in trench No. 8 A, where three short veins are clustered in the zone about 50 feet in width. The veins strike N. 40° E. and dip steeply to the north. The area has better possibilities for ore than others, and underground work for its exploration on a small scale is justified. An adit 120 feet long with crosscuts 40 feet on each side would comprise the initial exploration program. The approximate coordinates of the adit are as follows: N - 12,420-12,400; E - 9,940, altitude - 5,580 feet, bearing due west.

Additional bulldozer trenching west of the area explored by the Bureau of Mines would complete the surface exploration of the north area.

CONCLUSIONS

The work of the Bureau of Mines has demonstrated that:

(1) structure controlling the mineralization and the location of minable ore shoots is complex. The bodies of high-grade stibnite ore are apparently small in size, ranging in contents from several hundred to two thousand tons. The development of new ore shoots in advance of extraction is the principal mining problem.

(2) mineralization is accompanied by intensive and extensive hydrothermal alteration of rocks. The zone of alteration extends in both directions north-northwesterly and south-southeasterly from the pit area. Favorable locations for discovery of new ore shoots have been disclosed. Selecting of other locations containing better than average possibilities for ore should be made by detailed geological study. Geophysical methods may be tried. Bulldozer trenching is the most effective exploration method to trace the zone and the degree of mineralization. The use of this method, however, should be limited to areas with a maximum of 20 feet of overburden and surface weathering. Diamond drilling may be used for tracing the zone and determining the degree of mineralization at depth. This will permit concentrating of underground work in a few most favorable areas.

(3) continuous exploration for new ore shoots should be maintained at least in two or three locations to secure uninterrupted mining at the rate of 200 tons per month.

(4) at the present time the best chances of finding new ore shoots are south and west of the Hermada pit and in south area. The work recommended for the deposit might well be undertaken by the owners of the property. Too little work has been done to appraise other antimony prospects in the district. Large areas remain unexplored.

(5) the deposit is a source of high-grade antimony ore desirable for the chemical industry, but probable reserves that can be developed are too small to contribute any sizable amount to U. S. resources.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 8, Washington

April 30, 1951

Memorandum

To: Field Team, Region II

From: Examination Team: Elwin A. Magill and Thomas E. Howard, U.S.B.M.
Thor H. Kiilsgaard and James Quinlan, U.S.G.S.

Subject: DMA Field Team Report on the Hermada Mining Company
DMA Docket 506 X

RECOMMENDATIONS

The DMA ~~Field~~ Examination Team recommends that the Hermada Mining Company be granted an exploration loan on the Hermada Antimony deposits. The exploration contract should be entered into on a 75 percent-25 percent basis with the Government loaning $30,000, and the applicant contributing $10,000 to the exploration program.

APPLICANT

The applicant is the Hermada Mining Company, incorporated in the State of Idaho December 16, 1941, with a capitalization of 2,500 non-assessable shares, par value $10.00; all shares issued. The officers of the company are Ernest Oberbillig, President; Carol Oberbillig, Secretary; Gilbert Pearson, Manager, all of Twin Springs, Idaho.

LOCATION

East?

The Hermada mine is approximately 77 miles northwest of Boise, Idaho. The nearest town is Atlanta, approximately 20 miles east of the mine. The property consists of 12 claims upon which patents are pending, and approximately 40 unpatented claims in sec's. 11, 12, 13, 14, 23, and 24, T. 6 N., R. 9 E., Boise Meridian, in the Black Warrior Mining District (locally referred to as the Swanholm District) Elmore County, Idaho.

OWNERSHIP

The property is owned by the Hermada Mining Company, the owners of which are Ernest Oberbillig, President, and Gilbert Pearson, Manager. The owners report that there are no liens on the property.

County records regarding the property were not checked.

History and Past Production

Since 1947, when the applicant started operations, approximately 5,500 tons of ore assaying from 10 percent to 15 percent antimony have been produced. No production is recorded previous to 1947.

Description of Proposal

The Hermada Mining Company's original application was for a production loan of $40,000, the money to be spent largely on repair of equipment and the purchase of additional machinery. However, during the recent visit by the field team, Mr. Oberbillig was informed of the DMA exploration loan program, and at that time stated that he preferred to change his original production application to an exploration loan application to be entered into on a 75 percent-25 percent basis.

The revised proposal of the Hermada Mine Company is for an exploration loan of $40,000, the money to be spent in the following manner:

1. A 300-foot adit to be driven westward from a point near the collar of the No. 5 Diamond Drill hole, which was drilled by the U. S. Bureau of Mines. This adit would explore the antimony found in the drill cuttings. At $30 per foot, the total cost of the adit would be $9,000.

2. A 300-foot adit to be driven westward under the bulldozed cuts in the North pit area. This adit would explore the quartz-stibnite bodies that were opened in the bulldozed cuts. The cost of the adit would be $9,000.

3. Approximately $22,000 to be spent in exploring by bulldozing in the North pit area, mining claim 45, the Yellow Tom outcrop, and the Elkhide outcrop. All of the aforementioned outcrops are close to the present operating pit and all are related to the same mineralized structures. Inasmuch as antimony ore in the Hermada area commonly occurs in discontinuous and scattered ore bodies, many of which are close to the surface, the field team is in agreement with Oberbillig's proposal to further explore the mineralized outcrops by bulldozing.

TECHNICAL FEASIBILITY

Geologic Setting of the Deposits

The Hermada antimony deposit occurs at the intersection of two major structural zones in an area composed of granitic rocks of the Idaho

Batholith, and mid-Tertiary porphyritic dikes. Antimony has been found in three separate areas on the property. These areas are in a mineralized zone that has been traced for a distance of 4000 feet. The three areas are designated as the Hermada pit, South pit, and North pit.

Hermada Pit

The Hermada pit has produced practically all of the antimony heretofore mined on the property. Mining is carried on by bulldozing, with hand sorting of the exposed ore. The operations have developed a large bench-like pit which affords a rather limited opportunity to examine the geology of the deposit.

The face of the pit is composed of intensely hydrothermally altered granite, with some exposures of altered dacite dikes. The dikes occur in two general patterns: one set striking roughly north-south; and the other in a northeast-southwest direction. The north-south trending dikes appear to be older in age; in at least three instances within the pit area they are transversed by northeast trending dikes. Both dike systems are composed chiefly of dacite, although there are gradiations in lithology to lamphrophyres in some instances, and to those with more acidic compositions in others. The dikes are hydrothermally altered, particularly along the contact with granite. At places of maximum alteration, dikes are decomposed to a brownish, unconsolidated aggregate in which it is impossible to recognize the original character of the rock.

Antimony occurs in quartz-stibnite veins that more or less conform in trend to the north-south dike system. Individual veins are as much as 100 feet in length, but are lens-like and range from mere stringers to as much as 5 feet in thickness. According to Popoff, (see accompanying report by C. C. Popoff, U. S. Bureau of Mines), the quartz-stibnite veins are clustered together in a zone that does not exceed 100 feet in width. The veins appear to be surrounded by zones in which quartz has replaced most of the host rock. Near the stibnite, the rock is almost entirely quartz. The quartz has been broken by faulting and also affected by alteration so that is is now largely granulated or sugary in texture and is easily moved by a bulldozer. The siliceous zones surrounding the quartz-stibnite veins are parallel to, and in areas between, the north-south dikes. They commonly adhere to the walls of the dikes. The down dip extension of the veins has not been determined. Exploration of the irregular veins is further complicated by post-mineral faulting, and also by the northeast dacite dike swarm which cuts the vein system.

South Area

The antimony values in the South area were found in the core taken from Diamond Drill Hole No. 5 (refer to C. C. Popoff's report). The core from this hole was not available for inspection by the DMA Field Team, but is reported by Popoff to have contained several thin quartz-stibnite veins. The area was covered with snow at the time of the visit and was not examined. However, judging from the topography, the South area is probably the southern extension of the deposit in the Hermada pit, and geologically comparable.

North Area

The antimony in the North area was found by surface prospecting followed by bulldozing. At the time of the field examination the bulldozed cuts were largely filled by sluffing from the sides of the cuts; however, quartz-stibnite occurrences were noted in a rubble of soil and highly altered granitic rocks. Mr. Oberbillig informed the field team that the quartz-stibnite occurrences were comparable in all respects with those in the Hermada pit.

Popoff reports that in the district outside the Hermada deposits it is common to find scattered, short and thin quartz-stibnite veins and stringers in granite. However, Oberbillig points out that exploration of these stringers has proved fruitless in the past and that they have never produced commercial amounts of antimony ore. Oberbillig is of the belief that exploration is best accomplished by bulldozing, and that the following geologic conditions offer the best guides to possible sites of ore:

1. Granitic areas which have been intensely altered by hydrothermal alteration and which are transversed by north-south and northeast-southwest trending dike zones.

2. Silicification of the north-south dike members.

3. Areas of silicification along the north-south dike zones, especially in areas between and contiguous to the dikes.

Ore Reserves

Popoff calls attention to the fact that it is very difficult to estimate ore reserves in a deposit of the Hermada type. On the basis of past production and a study of the ore as it was mined, Popoff estimates an inferred reserve of 7,000 tons of stibnite ore averaging 12.5 percent antimony in the Hermada pit. He also estimates

that the South area should contain at least 5,000 tons of ore, or about the same tonnage as has been extracted from the Hermada pit. In discussing further reserves, Popoff believes that additional ore can be anticipated in the unexplored areas, and that chances of finding new small ore-shoots are favorable.

Mining Methods

Practically all of the past production has come from the Hermada pit. So far, no systematic method has been employed in mining. When a pod of ore is uncovered by exploratory dozing, the enveloping waste rock is carefully dozed to one side; then the ore is blasted lightly onto mucking sheets from where it is sorted and hand loaded into 5-ton Ford dump trucks. All waste is dozed from the pit. Ore is stockpiled on a truck-loading ramp until enough is accumulated to make a carload of concentrates, and then it is hauled 20 miles to the Talache Concentrator in Atlanta.

This method of mining makes it difficult to determine a mining cost. The distance waste rock must be moved for disposal is continually increasing with depth and must eventually reach an economic limit.

Milling Method

The ore is concentrated in the Talache Mill at Atlanta. The millheads assay from 10 percent to 15 percent recoverable antimony and from these a 60 percent concentrate is made. The mill will handle 8 tons of ore per hour.

The ore is crushed in two stages to minus 7/8 inch, ground to 60 percent minus 200 mesh, and then concentrated by flotation. Concentrates are thickened and filtered to a shipping product containing from 5 percent to 10 percent moisture. Milling cost is $7.00 per ton of ore to which is added an extra cost of $1.50 per ton for lead acetate, filtering and sacking of concentrates. An additional charge of $80.00 per car of concentrates, must be added to the milling cost making a total of $8.80 per ton of ore. To this a transportation cost of $2.50 per ton from mine to mill and $7.00 per ton of concentrates from mill to railhead at Boise.

Rate of Production

Present production from the Hermada pit is from one to five tons per day of 10 to 15 percent antimony ore.

Anticipated

With the data available, future production cannot be estimated. However, it is assumed that production will be approximately at the same rate as in the past.

Time Schedule to Attain Objectives

The applicant states that the proposed exploration program can be completed in two years.

Marketing Facilities

In the past, concentrates have been shipped for sale to Goldsmith in Chicago, Illinois, and more recently to W. R. Grace in Baltimore, Maryland. Some shipments have been sold F.O.B. Boise, Idaho; some have been sold F.O.B. destination.

EQUIPMENT AND FACILITIES

Installed

Buildings on the property include a shop, cookhouse, small lighting plant house, two residences and two tent-houses. Equipment on hand and owned by the company consists of one TD-9 International Tractor, one TD-14 International Tractor, both equipped with dozers, two 1½ ton Ford dump trucks, one ½ ton Ford pick-up and miscellaneous small tools.

Required

A larger tractor, an International TD-24 or its equivalent, is required for the proposed exploratory bulldozing. The applicant stated that he would furnish such a dozer, to be charged as rent against his share of the expenses. For the proposed exploratory cross-cuts a drifter, steel and bits, and a compressor will be required.

LABOR SUPPLY

Availability

At present sufficient labor for the proposed project is available in Atlanta and the surrounding area.

Current Wage Scales

Vary from $12.00 to $16.00 per shift depending on the classification.

POWER

No electric power is available. Power must be generated by Diesel or gasoline power units.

TRANSPORTATION

Distance and Haul Rates to Railhead and Supply Point

Ore is trucked by the applicant from the mine to the mill at Atlanta at a cost which has varied from $2.00 to $2.50 per ton. Concentrates are trucked 75 miles from Atlanta to the railhead at Boise, Idaho, at a cost of $7.00 per ton.

Supplies can be hauled from Boise, the nearest supply point for $7.00 per ton, but as the applicant hauls most of his supplies his actual cost for this item is less.

Access Road Construction Required

No new access roads are required.

ADEQUACY OF REQUESTED FUNDS

In the opinion of the DMA Field Team the loan requested will provide adequate funds for the proposed program.

COMPETENCE OF APPLICANT

It is the opinion of the DMA Field Team that the applicant is competent to carry out the proposed program. Mr. Oberbillig is a skilled and well educated man with many years experience in operating mines.

PROPOSAL AND ALTERNATIVES

As the proposed exploration plan was worked out in discussion between the applicant and the DMA Field Team, no alternative plans are suggested.

FILE COPY
SURNAME:

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

Merrill
McKinney Jr

A. C. Weisson Corp

March 8, 1951

Memorandum

To: Executive Officer of Field Team, Region II

From: Nonferrous Metals Committee

Subject: Docket DMA 506, Hermada Mining Company, Twin Springs, Idaho

The Nonferrous Metals Committee has considered the proposal docketed as DMA 506, which was forwarded with your letter of January 23, in which Ernest Oberbillig of the Hermada Mining Company requests assistance in producing antimony.

Mr. Oberbillig's letter of January 16, indicates that a Report of Investigation on the Hermada Mine is being prepared. As the enclosed copy of an acknowledgement to Mr. Oberbillig states, this report should provide more comprehensive information as to reserves, etc., as mentioned in Mr. Reed's letter of January 18 to yourself.

In order to expedite handling the application for $40,000 for various equipment, an earlier report on the feasibility of the proposal is needed. Much of the data that will be used in rounding out the Report of Investigation will not be essential to the decisions now to be made.

Please forward this application report as promptly as practicable.

CHARLES W. MERRILL, Acting Chairman
Nonferrous Metals Committee

APPROVED:
DMA Operating Committee

ASKemp:vw

Copy to: Mr. Kemp
Mr. Merrill
Mr. Lyon
Mr. Moon
Geological Survey-McKnight
Base Metals Branch
Executive Officer, Field Team
Files

Acting Chairman

Lowell B. Moon

Olaf N. Rove

Attachment

Docket 506

856

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

March 8, 1951

Mr. Ernest Oberbillig, President
Hermada Mining Company
Atlanta, Idaho

Dear Mr. Oberbillig:

Your letters of January 5 and 16 to Mr. M. E. Volin, with reference to the Hermada Mine, have been forwarded by Mr. A. E. Weissenborn, Executive Officer, DMA Field Team, Region II.

As indicated in your letter of January 16, a Bureau of Mines Report of Investigation is being prepared on the Hermada Mine. This report, when completed, will probably provide the necessary details on which to base a determination on your application. However, in order to expedite matters, your application is being returned to the Field Team, with a request that a report be made on your proposal as promptly as possible, whether the formal Report of Investigation is complete or not.

As soon as the Field Team has replied, the staff here will procede with your application promptly.

Very truly yours,

TOM LYON
Director
Supply Division

ASKemp:vw

Copy to: Mr. Kemp
Mr. Merrill
Mr. Lyon
Mr. Moon
Geological Survey-McKnight
Base Metals Branch
Executive Officer, Field Team
Files

~~THOS. H. FULLER~~
~~L. B. Moon~~
~~C. W. Merritt~~

Congress of the United States

No enclosure sent.

House of Representatives

Washington, D. C. Feby 18th /51

Minerals Division
Referred by ~~J. H. Hedges~~ L. B. Moon, Chief
To: 1. ~~C. W. Merritt~~
2. ASR
3.
..... Reply for sig. ~~J. H. Hedges~~ Director
..... Action
..... Comments
..... Your information

no enclosure W.F.M.

James Boyd, Director
Bureau of Mines
Department pf Interior
Washington D C.

Dear Mr. Boyd,—

Transmitting herewith a lettr from Mr Earnest Oberrligg President of the Hermada Mining Company of Twin Springs Idaho. with refenence to the production and sale of the metal antimony from the Hermada property in Idaho.

Ypu will note that Mr Oberbillig states that they now have on hand 100 tons of high grade antimony concentrates without a market.

Any advice and assistance that your Bureau can extend to Mr Oberbillig and his comany I am sure will be gartefully received.

Sincerely.

Compton I. White
608 North Carolina Ave
S E Washington D C

not enclosed —
Mr White not in 82d Congress

3619

~~Mr. Merrill~~
A.S.K.

DEFENSE MINERALS ADMINISTRATION

Referral of Applications for Government Aid

Docket No. DMA - 506

Commodity: antimony

Name of Applicant: Hermada Mining Company
(Ernest Oberbillig, president)

Address of Applicant: Twin Springs, Idaho

Name of Property:

Location of Property:

Nature of Application: Loan of $40,000

Action Dates

Application: 1/ 5/51

Received: 1/29/51

Acknowledged:

Referred to NONFERROUS METALS Committee: 1/30/51

Report of investigations being prepared 2/6/51
NOT AVAILABLE
2/27

DMA-506

LANDON F. STROBEL

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 8, Washington

JAN 29 8 01 AM '51

BUREAU OF MINES
WASHINGTON, D.C.

January 23, 1951

Dr. James Boyd
Deputy Administrator
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Dr. Boyd:

I am enclosing a letter from Glen C. Reed, Bureau of Mines, Albany, Oregon, together with a production application from the Hermada Mining Company, Twin Springs, Idaho, which I believe is self explanatory.

Very truly yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMA,
Field Team, Region II

cc: Glen Reed

Enclosures
Memo from Reed to Weissenborn 1/18/51
Letter from Oberbillig to Volin 1/16/51
" " " " " 1/5/ 51

dmr-586

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Albany, Oregon
January 18, 1951

Memorandum

To: A. E. Weissenborn

From: Glenn C. Reed

Subject: Production application, Hermada Mining Co., Twin Springs, Idaho

The enclosed subject application is being routed through your office for transmittal to Washington, D. C.

Oberbillig sent in part of the material prior to our receipt of formal application forms. Additional supporting data received in today's mail is believed adequate to initiate consideration of a production loan.

A report of investigations concerning a recent Bureau of Mines project at the Hermada is under preparation. The project engineer, C. C. Popoff, advises me that the operator's estimate of indicated ore is on the optimistic side.

Glenn C. Reed

Glenn C. Reed

Enclosure 1

Dmd-506

HERMADA MINING CO.

XXXXXXXXXXXXXX

Twin Springs, Idaho
January 5, 1951

Mr. M. E. Volin, Chief
Mining Division, Region II
U. S. Bureau of Mines
Albany, Oregon

Dear Mr. Volin:

The Hermada Mine has been a relatively small but important producer of high-grade antimony flotation concentrates. In 1948 the Hermada was well in the lead of the domestic producers for second place as we produced twice the antimony of all the other mines in the United States and Alaska (except the Bradley operation.)

In the past four months we have produced four carloads of concentrates with a very small crew, five in all.

We would like to make application for a mining loan to increase our present rate of bulldozing and stripping and to install a dryer and drying shed to make a more marketable product. We will continue to produce a high-grade product, but with a drying plant we can save some on shipping costs and can provide a more widely usable product. If the new plans for the mining industry include purchasing ores for the stockpile, we could concentrate our efforts on the exploration and production phases of our business. As you know, one of our biggest problems is marketing in an effort to secure a decent price.

Our production could be stepped up by the addition of a larger bulldozer. Our stripping and mining operations even now are hampered for the lack of a larger machine.

There are several locations here such as the North Pit area which are very promising for increased production. We can explore and mine these areas by the addition of one more tractor.

Following is a list of proposed necessities for a larger production:

1.	International TD-18 Bulldozer	$18,000.00
2.	Drying shed and dryer	7,500.00
3.	Operating funds and repairs to present equipment	7,500.00
4.	Storage ore bin, log construction	2,000.00
5.	230 cu.ft. portable Diesel-powered Compressor	5,000.00
	T O T A L	$40,000.00

HERMADA MINING COMPANY
BALANCE SHEET
AS AT
SEPTEMBER 30, 1950

EXHIBIT A

ASSETS			
CURRENT ASSETS:			
First Security Bank of Idaho	$ 107.95		
Continental State Bank	422.20	$ 530.15	
Accounts Receivable		1,242.77	
Inventories:			
Ore	2,770.00		
Milling Supplies	86.00		
Mining Supplies	20.00		
Bunk House and Commissary Supplies	55.00		
Lumber	703.56	3,634.56	
Total Current Assets			$ 5,407.48
FIXED ASSETS:			
Mining Claims and Land		3,305.33	
Buildings and Fixtures	10,399.22		
Less Reserve for Depreciation	2,246.30	8,152.92	
Machinery and Equipment	17,614.78		
Less Reserve for Depreciation	6,544.07	11,070.71	
Total Fixed Assets			22,528.96
OTHER ASSETS:			
Prepaid Insurance		76.44	
Deposit on Compensation Insurance		50.00	
Organization Expense		250.00	
Total Other Assets			376.44
TOTAL ASSETS			$28,312.88
LIABILITIES AND CAPITAL			
CURRENT LIABILITIES:			
Withholding Tax Payable		139.90	
Social Security Tax Payable		53.10	
Accounts Payable		1,368.52	
Accrued Wages		708.09	
Accrued Expense		47.80	
Accrued Property Tax		261.00	
Total Current Liabilities			2,578.41
CAPITAL AND SURPLUS:			
Capital Stock Authorized and Issued	25,000.00		
Less Discount on Stock	15,790.00	9,210.00	
Earned Surplus October 1, 1949	18,801.40		
Net Loss from Exhibit B	2,276.93	16,524.47	
Total Capital and Surplus			25,734.47
TOTAL LIABILITIES AND CAPITAL			$28,312.88

This statement prepared from books without audit.

VIRGINIA DODGE
CERTIFIED PUBLIC ACCOUNTANT

dwd-506

COPY

HERMADA MINING CO.
~~XXXXXXXXXXX~~
~~ATLANTA, IDAHO~~
Twin Springs, Idaho

STATEMENT OF INCOME, PROFIT AND LOSS
FOR THE YEAR ENDED SEPTEMBER 30, 1950

EXHIBIT B

Ore Sales		$11,793.97
Inventory, October 1, 1949	$1,600.00	
Inventory, September 30, 1950	2,770.00	
Increase in Inventory		1,170.00
GROSS INCOME FROM ORE		12,963.97
Operating Expenses:		
Salaries and Wages	3,263.96	
Bunk House and Commissary	1,328.28	
Truck and Tractor Repair	1,996.99	
Gasoline, Oil and Grease	1,393.01	
Insurance	282.51	
Legal and Accounting	125.00	
Licenses	28.00	
Marketing	281.19	
Milling	3,221.00	
Mining Expense and Supplies	48.14	
Office Supplies and Expense	42.30	
Ore Trucking	724.00	
Sampling	271.42	
Payroll Tax	132.92	
Property Tax	1,022.30	
Telephone and Telegraph	22.08	
Miscellaneous	159.64	
Travel	232.57	
Building Repairs	154.37	
Depreciation	4,574.89	
Total Operating Expenses		19,304.57
		(6,340.60)
Add Other Operating Income:		
Rentals of Equipment	3,255.00	
Bunk House and Commissary	1,390.61	4,645.61
Net Operating Loss		(1,694.99)
Deduct Other Expense:		
Interest and Bank Charges	417.18	
Loss on Sale of Equipment	164.76	581.94
NET LOSS CARRIED TO EXHIBIT A		($2,276.93)

This statement prepared from books without audit.

Prepared by:
Virginia Dodge, Certified Public Accountant

DMA-506

HERMADA MINING CO.
~~XXXXXXXXXXXX~~
Twin Springs, Idaho
January 16, 1951

Mr. M. E. Volin, Chief
Mining Division, Albany Branch
U. S. Bureau of Mines
Box 492
Albany, Oregon

Dear Mr. Volin:

To provide further information on some data regarding our application for a mining loan submitted by a letter dated January 5, 1951, we wish to include the information contained in this letter.

We wish specifically to state that the purpose of this loan is to increase our present production of antimony from 2500 units per month to 4000 units or more per month. Our past production for this property is as follows:

1947: June 13th initial start of prospect. Small production included in 1948.

1948: 35,967 S.T.U.

1949: 11,160 S.T.U. (5 months' operation)

1950: 8,200 S.T.U. (4 months' operation)

Total production to date: 1,106,540 lbs. antimony metal.

Included with this letter is a bank refusal on a mining loan for $40,000.00 on our type of operation. Even though this Bank has handled nearly all of our business, a loan of this type for equipment and installations as well as operating funds is not a type of loan a bank can make. Likewise, a recent discussion with the R. F. C. Salt Lake Office brought out the fact that they are not interested in handling a mine operation loan of this type.

The profits from our past production have all been plowed back into the operation as taxes, land patenting, buildings, and equipment purchases. We have bought new equipment. Meanwhile the two principal partners have withdrawn only salaries averaging less than $225.00 per month. A list of our present equipment is as follows:

1-TD-14 International Tractor with angle dozer (new Aug. 1948)
1-TD-9 International Tractor with angle dozer (new Jan. 1948)
1-Schramm 105 Compressor with Jackhammer (new Jan. 1949)
1-1947 2-ton Ford dump truck
1 1939 1½-ton Ford dump truck
1 200 amp. D.C. arc welder, mounted in a Jeep
1 Gas welding outfit

We have built a modern camp including the following buildings:

1 24' x 30' Cinder block shop and warehouse, equipped with tools.
1 16' x 24' two-story combination bunkhouse and cook house, equipped with shower and toilet and L.P. gas cooking and hot water installation
2 Residence houses and bunk houses
1 Power house and two 2500 Watt power plants, and a Philco Deep-Freeze meat storage cabinet.

Therefore, we have good living accommodations for eight men which is the estimated crew necessary to build up our anticipated increased production.

We are in dire need of the larger bulldozer because mining closely follows development and exploration and we are handicapped at present with our smaller machines. A larger machine will allow us to strip faster and will add to the overall efficiency of our entire operation. At the present time we must do a greater amount of stripping than in the past and with a larger machine we can do this stripping efficiently and still retain all of our past advantages of the open-pit operation.

Our ore reserves are somewhat difficult to estimate but geological possibilities as well as exploration are very promising for the following quantities of ore:

Present Pit: 3,000 tons 10% Sb. ore indicated.
West of Pit: 3,000 tons 10% Sb. ore indicated in area just north of the U.S.B.M. Drill Hole # 5.
North Pit (Yellow Tom): 1,000 tons 10% Sb. ore indicated and 2,000 tons 10% Sb. ore inferred.
Hermada No. 4 and No. 34 Deposits: 1,000 tons 10% Sb. ore indicated and 2,000 tons 10% Sb. ore inferred.

Total Reserves: Tons 10% Sb. ore:

Location	Indicated	Inferred
Present Pit	2,000	2,000
West of Pit	3,000	3,000
North Pit	1,000	2,000
Hermada # 4 & 34	1,000	2,000
	7,000	9,000

700 tons fine metal indicated.
900 tons fine metal inferred.

We have submitted to the Albany Office of the U. S. Bureau of Mines a Financial Statement and Balance Sheet of our operation showing results of the past fiscal year's operation (Oct. 1, 1949 - Sept. 30, 1950). However, such a balance sheet does not show the best part of the past four months' operation when the bulk of the production of this past calendar year was made. In brief, at this moment, we owe absolutely no accounts or wages and have one carload of antimony (2,000 Units) clear. The sale of this carload will provide operating funds for the next several months

when it is planned to get out more ore as best we can with our present equipment. In other words, even if this loan is not granted, we will continue to produce to the maximum rate we can with the limited funds and equipment at our disposal.

Many details of our operation, such as property held by location, management, custom ore milling in Atlanta, and geology of the deposit will be covered in the U. S. Bureau of Mines Report of the Hermada Project (No. 112) and are not included in this application for a loan.

Very truly yours,

Ernest Oberbillig

Ernest Oberbillig,
President.

EEO/co
Encl.

October, 1950

REGION II
Mining Division
Period- September 16-October 15, 1950

Project 112, Hermada Antimony, Twin Springs, Idaho
Project Engineer: C. C. Popoff Project Supervisor: M. E. Volin
Project Started: July, 1949 Expected Completion: June, 1951

Discussion

During the second half of September the field work was confined to mapping. A topographical and geologic survey of an area north of Hermada pit was completed for the base map of the Hermada district. Antimony prospects on Bida-Anderson claims owned by the West Form Mining Company, Boise, Idaho were surveyed. These claims are about 4000 feet southwest of Hermada Mine.

Field work on the project was discontinued on September 30. The project engineer returned to Albany and started working on complilation of several final maps.

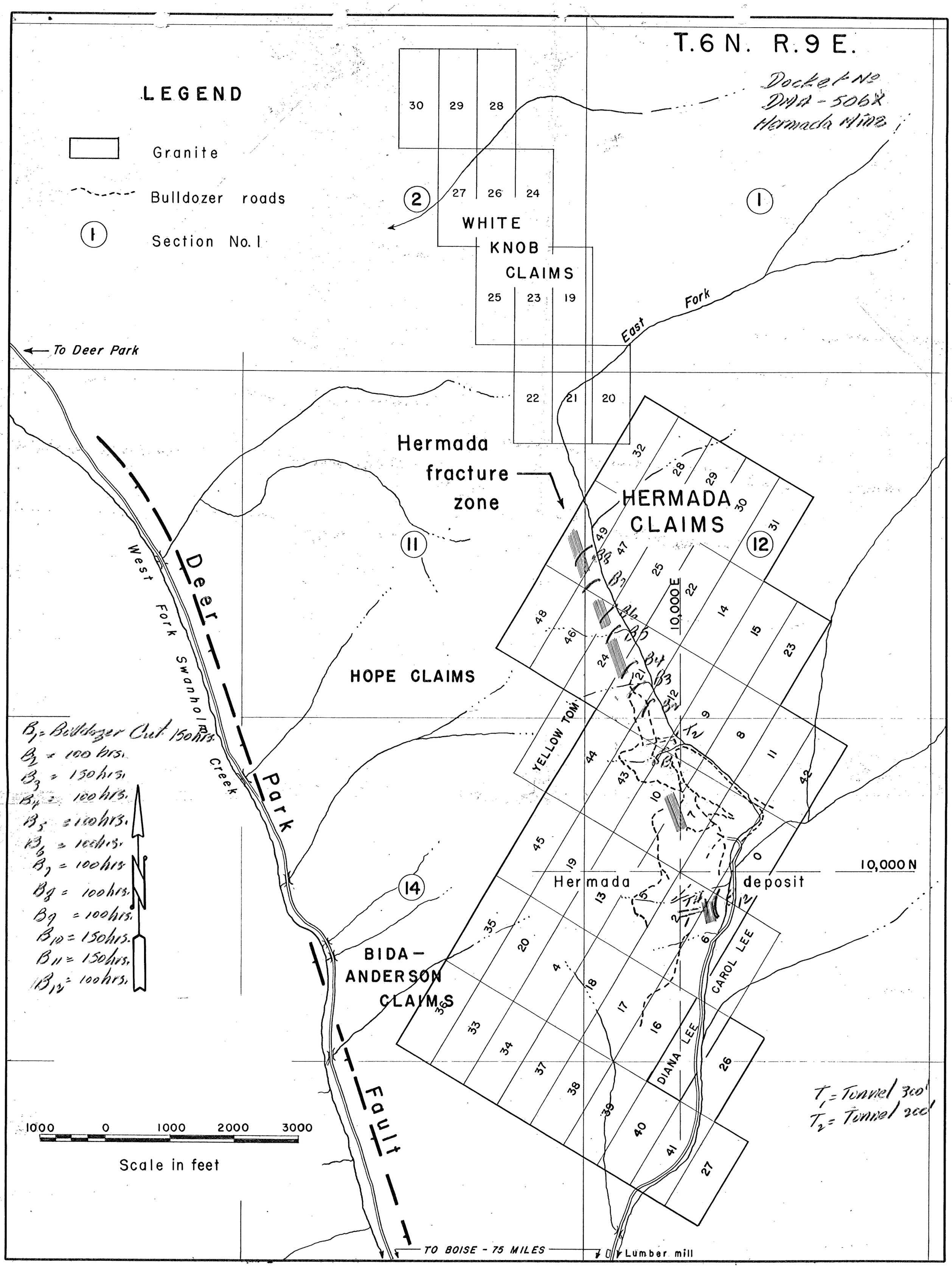
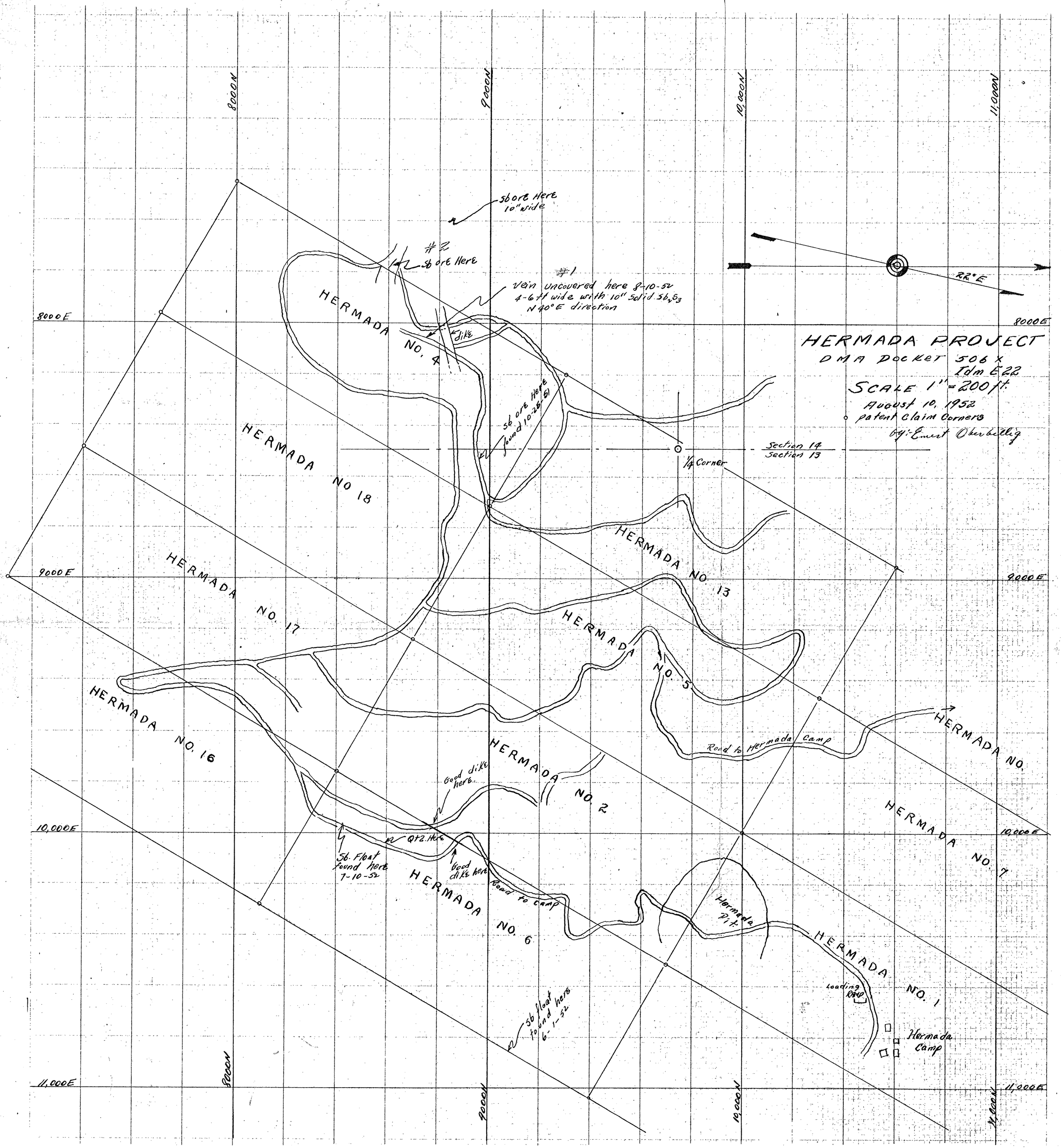
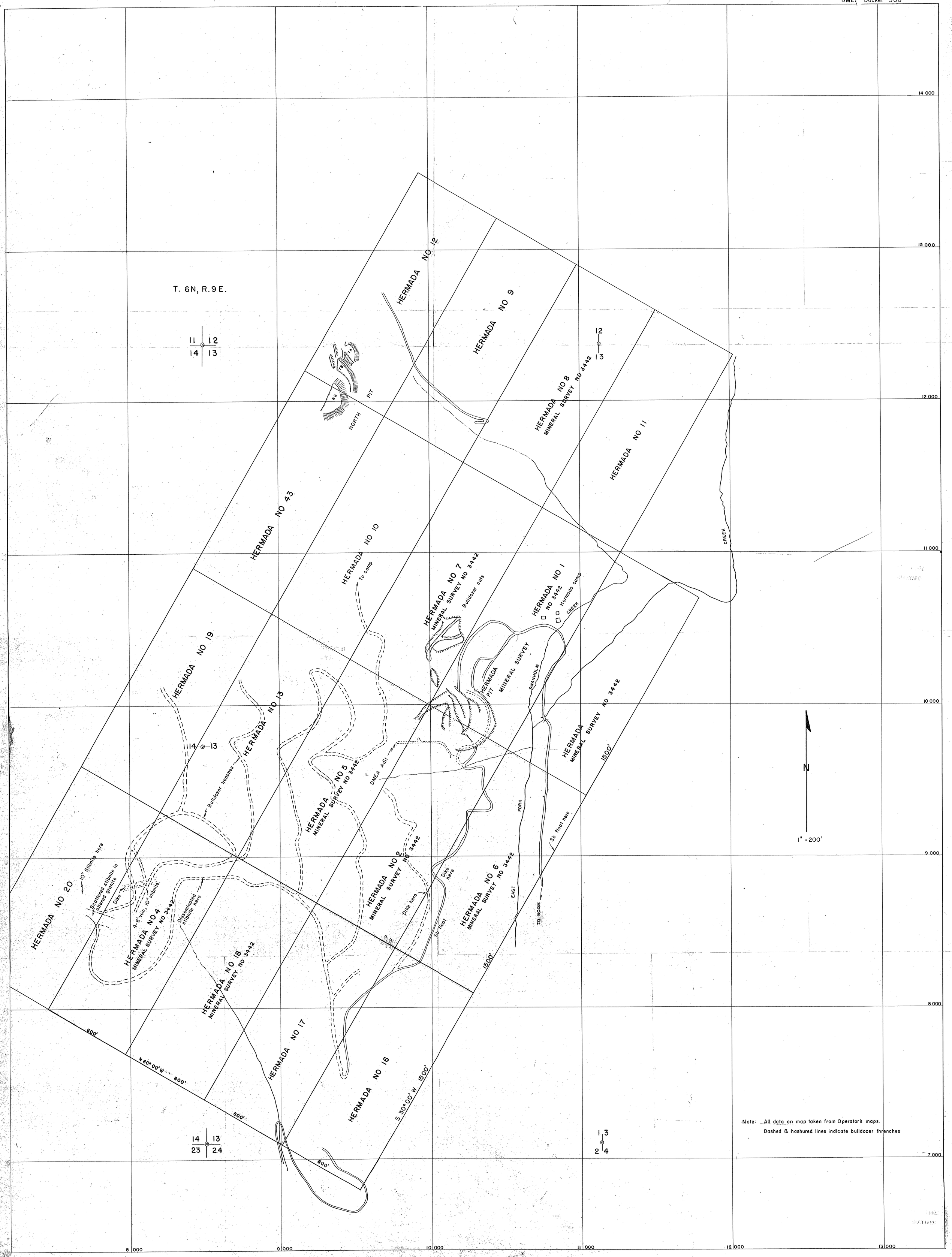


FIGURE 2 — SWANHOLM DISTRICT, SHOWING GENERAL GEOLOGY AND CLAIMS.

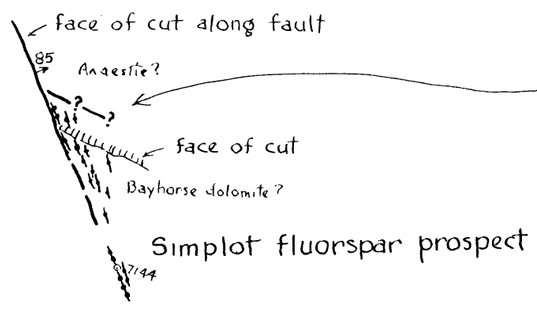

HERMADA PROJECT
DMA DOCKET 506 X
Idm E22
SCALE 1" = 200 ft.
AUGUST 10, 1952
patent claim corners
by: Ernest Oberbilly
8000N
9000N
10,000N
11,000N
8000E
9000E
10,000E
11,000E
RR°E
Sb ore Here 10" wide
#2
Sb ore Here
#1
Vein uncovered here 8-10-52
4-6 ft wide with 10" solid Sb_2S_3
N 40° E direction
Dike
Sb ore Here found 10-25-51
Section 14
Section 13
1/4 Corner
HERMADA NO. 4
HERMADA NO 18
HERMADA NO. 13
HERMADA NO. 17
HERMADA NO. 5
HERMADA NO. 16
HERMADA NO. 2
HERMADA NO. 7
HERMADA NO. 6
HERMADA NO. 1
Road to Hermada Camp
Good dike here.
Qtz. Here
Sb. Float found here 7-10-52
Good dike here
Road to camp
Hermada Pit
Loading Ramp
Hermada Camp
Sb float found here 6-1-52



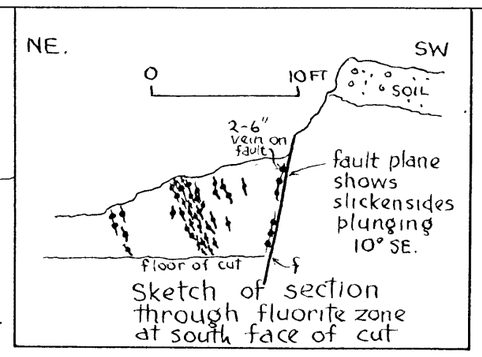
CLAIMS & DMEA WORKINGS, HERMADA MINE, ELMORE COUNTY, IDAHO

U. S. Department of the Interior
Geological Survey

DMA Docket-519 Idm-E73



Simplot fluorspar prospect



Sketch of section through fluorite zone at south face of cut

northwest corner post

EXPLANATION

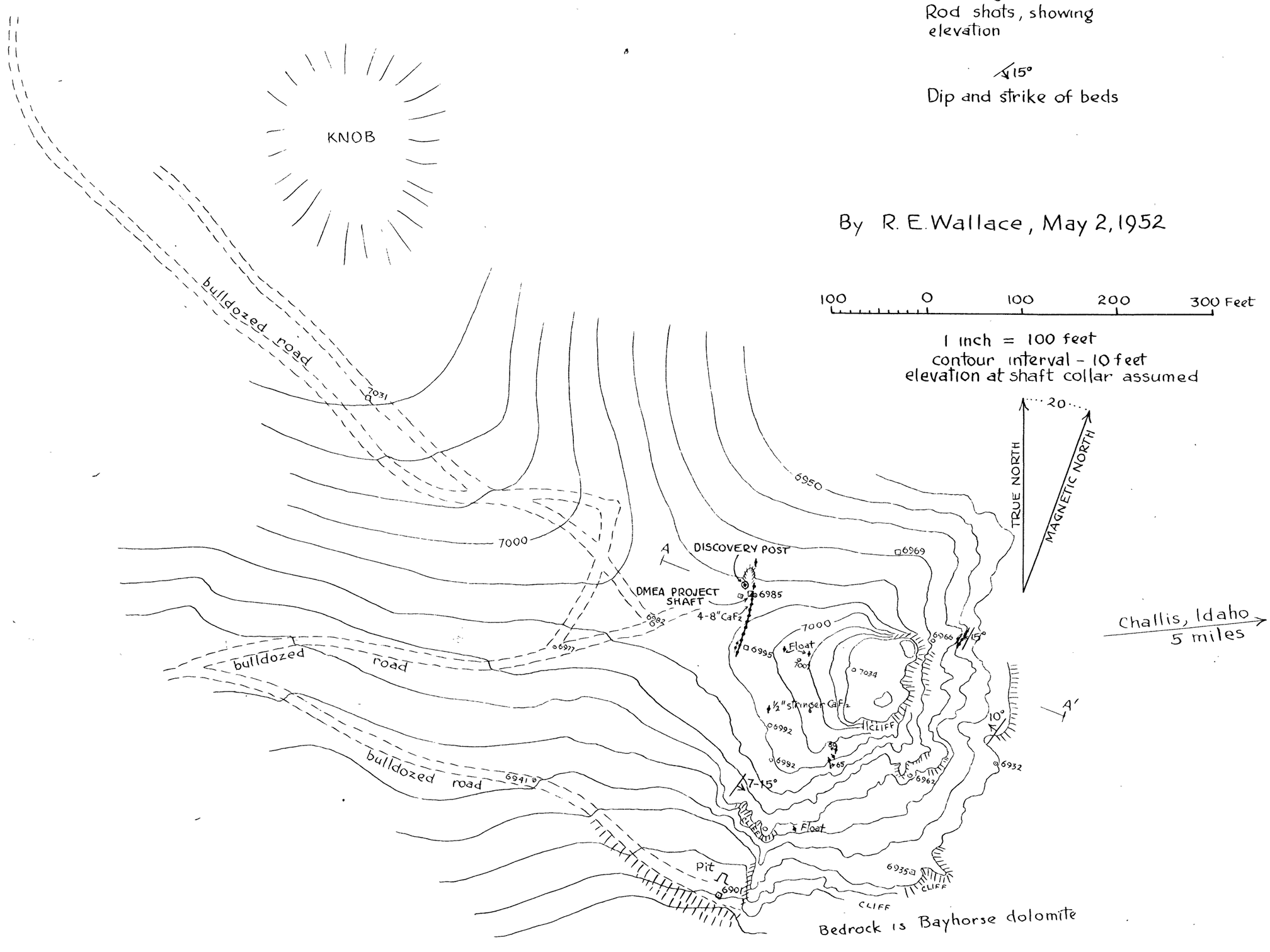
Fluorite veins

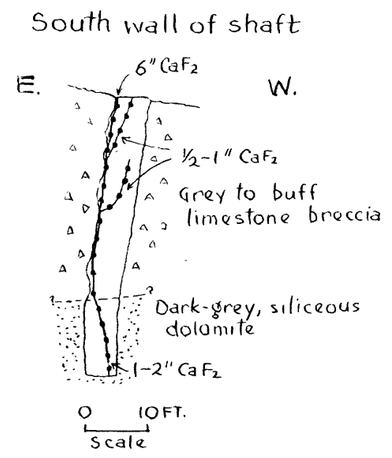
6995
Plane table set-up showing elevation

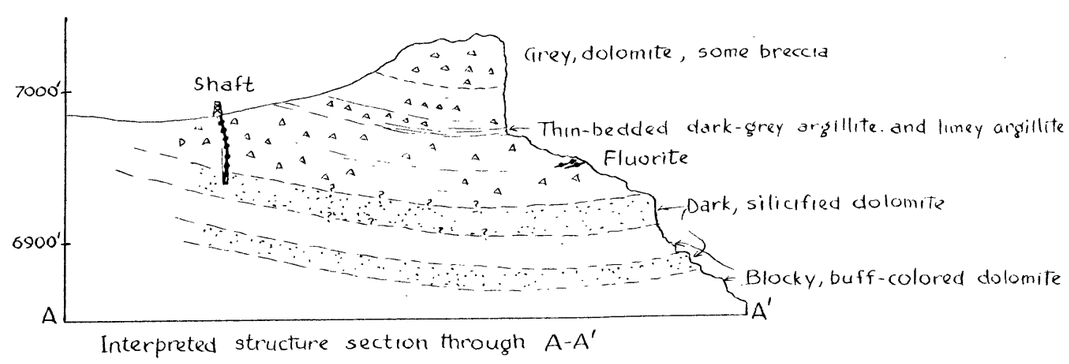
6901
Rod shots, showing elevation

15°
Dip and strike of beds

By R. E. Wallace, May 2, 1952







Interpreted structure section through A-A'

southwest corner post

Map is by plane table as shown, remainder by sketch

OPEN QUESTION FLUORSPAR PROSPECT
CUSTER COUNTY, IDAHO