Division Copy

(Amendment to Change Starting and Completion Dates)

AMENDMENT NO. 2

It is agreed this 20th day of Oct. 195 2, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Cosumnes Gold Dredging Company, a corporation, 465 California Street, San Francisco, California (Docket No. 2265 - monazite, columbium, tantalum)

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-8351 of June 23 195 2 between the parties hereto be modified and amended to change ~~the Starting date from No. of day to within No. of days of the date of the contract and~~ the completion period from 7 No. of months to 14 No. of months from the date of the contract. The effective date of this amendment shall be October 20 195 2.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable Maximum".

Executed in sextuplicate the day and year first above written.

COSUMNES GOLD DREDGING COMPANY
(Operator)
By Merrill Yost

The United States of America
By A. E. Weissenborn
A.E.Weissenborn, Exec. Officer
DMEA Field Team, Region II

COSUMNES GOLD DREDGING COMPANY

Docket No. DMEA 2265 (monazite-columbium-tantalum)

Contract Idm-E351

Justification of Amendment No. 2

The test drilling and sample procurement of Stage I and 25 holes of Stage II have been completed. Sample treatment and analysis will require several months longer, necessitating an extension of time to complete the project.

The results of work completed under Stages I and II will determine whether any or all of the remaining 25 holes in Stage II will be drilled next summer when weather permits. An extension of 7 months is justified for this work.

John D. Bardill
Chief, DMPA Section
Bureau of Mines, Region II

Div. Copy

AMENDMENT NO. 1

It is agreed this 12th day of Aug. 1952, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Cosumnes Gold Dredging Company, a corporation, San Francisco, California (Docket No. DMEA 2265 - monazite) each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-R351 of June 23 1952 between the parties hereto be modified and amended as described in Exhibit "E", 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 23 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated 'Allowable Maximum'".

Executed in sextuplicate the day and year first above written.

COSUMNES GOLD DREDGING COMPANY
(Operator)

By Merrill Yost

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1952

The United States of America

By Glenn A. Rice
~~A. E. Weissenborn, Exec. Officer~~
~~DMEA Field Team, Region II~~
For M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II

CONSUMERS GOLD DREDGING COMPANY
Exploration Project Contract Idm-E351
Docket No. DMEA 2265 (monazite)

Amendment No. 1

Exhibit "F"

Changes and modifications

1. In Exhibit "A", page 5, under "Operating Equipment - to be furnished by Operator", delete "D-4 Caterpillar tractor w/dozer" thereby reducing monthly depreciation to $240.43.

2. In Exhibit "A", page 4, under "Operating Equipment - to be rented", Stage 1, insert "1 HD-7 bulldozer @ $500 per month for one-half month." Funds will be taken from unexpended funds for labor.

3. In Exhibit "A", page 4, under "Operating Equipment - to be rented", Stage II, insert "1 HD-7 bulldozer @ $500 per month for 3 months." Funds will be taken from unexpended funds for labor and will not increase the cost of the project.

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. [redacted]A 22[redacted]

COMMODITY Monazite, Columbium-Tantalum

Idm-E351
Division Copy

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 23rd day of June, 195 2 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Consumers Gold Dredging Company, a corporation
465 California Street, Room 403
San Francisco, California

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Valley, described as follows:[3] A group of claims known as the Peady Flat Placer, and located in the Peady Flat Mining District along the drainage area of the North Fork of Gold Fork River, as shown on the attached map, identified as "Annex I" and made a part hereof; and further described in "Annex II", attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

(*a*) That the Operator is the 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:

under a contract to purchase some claims and as a lessee of others, as indicated in "Annex II".

(*b*) That the Operator is ~~not~~ in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for Monazite, Columbium-Tantalum,

in or upon the described land; and shall bring the project to completion within a period of Seven months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—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.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payment in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *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. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $25,[illegible]42.50, which is 90 percent of $28,025.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *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 worth while 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 dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ______________________________

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration
Administration

COLUMBUS GOLD DREDGING CO.
(Operator)

By W. M. Standifer President

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

M. B. Standifer

[CORPORATE SEAL]

EXPLORATION PROJECT CONTRACT
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMEA-2265

EXHIBIT "A"

Description of the Work

The work to be done is for the purpose of exploring the described property for monazite and columbium-tantalum in the placer gravel along the drainage area of the creeks as is indicated on the attached map Annex I.

The work consists of preliminary work, described below, followed by work in two stages. If, in the opinion of the Government, the results obtained from the work done in Stage 1 warrants it, so much of the additional work specified in Stage 2 as is authorized by the Government shall be done.

Prior to beginning the work described under Stage I, the equipment and materials required for the work shall be collected at Sloughhouse, California, and transported to the work site, and a sample concentrating plant shall be erected on the land described in Article 2. This equipment includes a clam shell drill, a sample concentrating plant, a tractor and trucks which are to be used for exploring on and sampling for this project and the White Hawk Placer project (Docket No. DMEA-2264) as well. The cost of collecting and transporting the equipment and materials to the work site and of erecting the sample concentrating plant is allocated equally between each of these projects.

Stage I

Drill ten (10) 20" diameter cased holes with a clam shell drill at the locations indicated on Annex I attached, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the holes, and have samples analyzed.

Stage II

Drill fifty (50) 20" diameter cased holes with a clam shell drill at locations approved by the Government, to an approximate depth of 35 feet each; concentrate and sample the material obtained from the drill holes; and have samples analyzed.

Estimated Costs of Project
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I and Stage II

None

(2) Labor, Supervision, Consultants

Stage I

(The estimated costs under this stage are based upon drilling 10 holes at the rate of two holes every three days, plus the allowance of one day for shutdowns)

			Total (Including Overtime)
1 Driller	16 shifts, 8 hrs.	$1.75 per hr.	$238.00
1 Driller helper	" " " "	1.38 " "	187.88
2 Utility men	32 " " "	1.27 " "	350.52
1 Truck driver	16 " " "	1.50 " "	204.00
1 Sample plant Operator	16 " " "	1.75 " "	238.00
1 Sample plant Operator-Helper	16 " " "	1.38 " "	187.88
1 Engineer-Manager	18 days*	20.00 per day*	360.00*
Total Stage I			$1,766.28

Stage II

(The estimated costs under this stage are based upon drilling 50 holes at the rate of two holes every three days, plus the allowance of two days for shutdowns)

			Total (Including Overtime)
1 Driller	77 shifts, 8 hrs.	$1.75 per hr.	$1,176.00
1 Driller helper	77 " " "	1.38 " "	927.36

			Total (Including Overtime)
2 Utility men	154 shifts, 8 hrs.	$1.27 per hr.	$1,706.24
1 Truck driver	77 " " "	1.50 " "	1,008.00
1 Sample plant operator	77 " " "	1.75 " "	1,176.00
1 Sample plant helper	77 " " "	1.38 " "	927.36
1 Engineer-Manager	3 mos.*	600.00 mo.*	1,800.00*
Total Stage II			$8,720.96

Note: The work week is defined as 48 hours. The rates fixed for labor under both stages are based upon a 40 hour week, and the estimated total amount for each item of labor includes an allowance for time and one-half after 40 hours.

(3) Operating Materials and Supplies

Stage I

Gasoline and oil	$ 700.00
Repair parts for equipment, tires and tubes, etc.	700.00
Miscellaneous supplies	100.00
Power for sample concentrating plant	50.00
Sample concentrating plant supplies	50.00
Total Stage I	$1,600.00

Stage II

Same materials and supplies detailed under Stage I	$4,800.00

(4) Operating Equipment

Stage I

To be purchased

1 Wilfey type table (sample plant 3½' x 7')	$ 600.00
1 20" Diam. Drill casing 40' long	2,600.00
Total Stage I	$3,200.00

Stage II

None

To be rented

Stage I

Transit, rod and tape @ $40/mo. one month	40.00

Stage II

Transit, rod and tape @ $40/mo. 3 months	120.00

To be furnished by Operator

Stage I

	Fair market value
Screen for sample plant	$ 150.00
Jig " " "	200.00
Minor equipment units pump, tools, etc.	350.00
Geiger Counter	225.00
Clam shell drill mounted on a 2-ton Dodge truck, including portable compressor power unit	9,000.00

~~1½~~ 1½ ton Dodge truck	$ 1,500.00
1/2 ton G.M.C. 1950 Model pickup truck	1,500.00
Chrysler 1945 model automobile	1,500.00
D-4 Caterpillar tractor w/dozer	4,500.00
Total value of equipment	$18,925.00
One month depreciation (on 5 year basis)	315.43*

Stage II

Equipment depreciation (detailed in Stage I) @ $315.42 per month for 3 months	946.26*

(5) **Rehabilitation and Repairs**

None

(6) **New buildings, Improvements, Installations**

Stage I

Building 12' x 14' floor area Sample concentrating plant and office	1,000.00*
Equipment installation for power and water at sample plant	500.00*
Collection of equipment and materials at Sloughhouse, California, and transporting to and installing same at work sites	1,535.80*
Lodging and meals of workmen enroute to work sites	96.00*
	$3,131.80*
Only 50% of the estimated total of each item scheduled under this category is an allowable cost under this contract. The remaining 50% is scheduled in Exhibit "A" of Docket No. DMRA-2264	$1,565.90*

(7) **Miscellaneous**

Stage I

Sample analysis and sample transportation	$850.00*	
Payroll compensation insurance @ 4% of payroll	101.37	
Accounting @ $50/mo. - one month	50.00	
Total Stage I	$1,001.37	

Stage II

Sample analysis and sample transportation	4,250.00*	
Accounting @ $50/mo. - 3 months	150.00	
Payroll Compensation Insurance @ 4% of payroll	348.84	
Total Stage II	$4,748.84	
Total Stage I		$9,488.97*
Total Stage II		$19,336.06*
Total Estimated Cost of Contract		$28,825.00*
Government Participation @ 90%		$25,942.50*

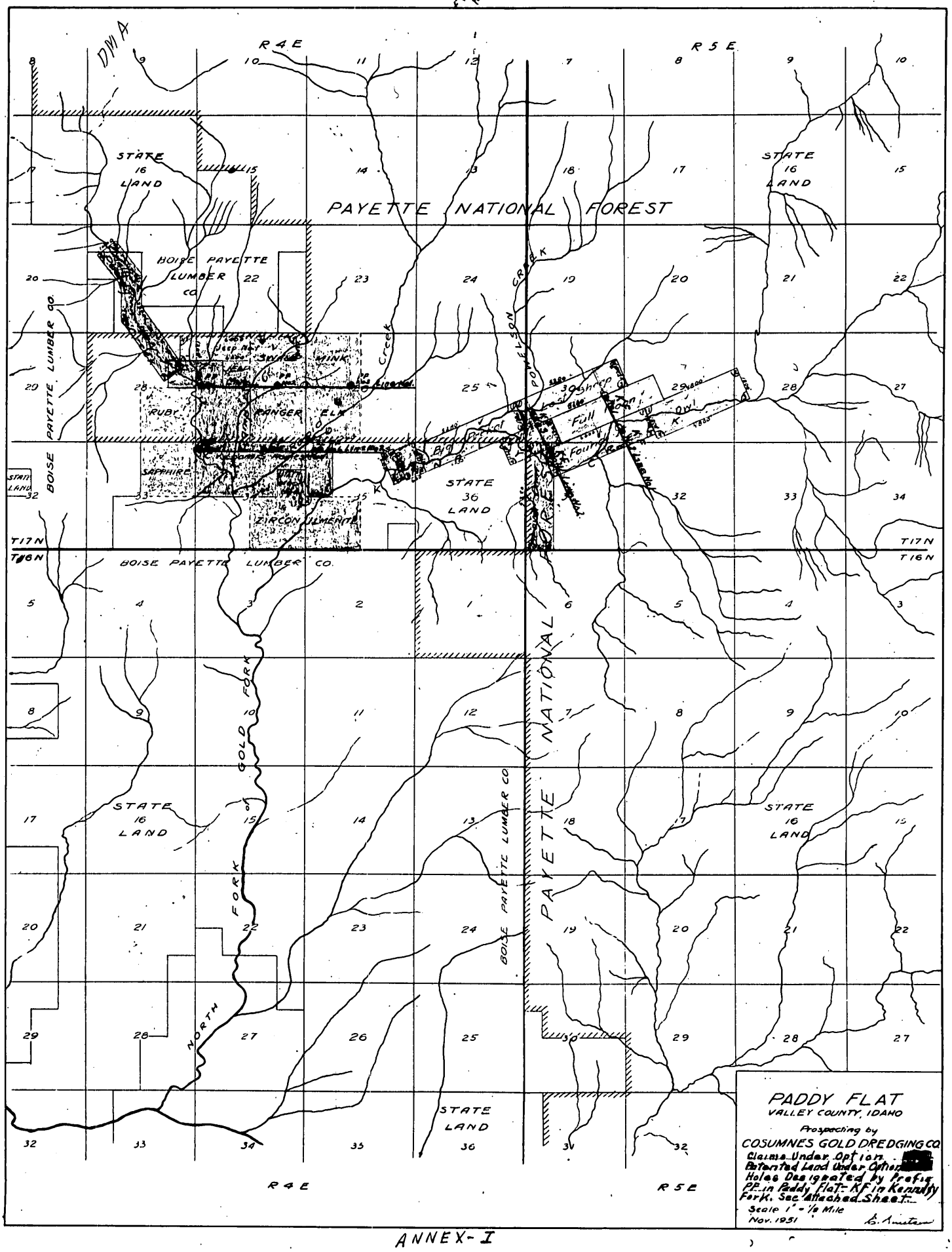
COSUMNES GOLD DREDGING CO.
DOCKET NO. DMEA-2265

ANNEX II

Located in T 17 N, R 4 E; and T 17 N, R 5 E,

and recorded as follows:

Book 5, pages 535, 536, 533, 537, 531, 538, 441, 532, 534, 122, 530, 539 (Held under contract to purchase); and Book 6, pages 10, 11, 15, 16 (Held under lease).


R4E
R5E
STATE 16 LAND
PAYETTE NATIONAL FOREST
BOISE PAYETTE LUMBER CO.
BOISE PAYETTE LUMBER CO.
RUBY
RANGER
SAPPHIRE
ZIRCON
MINK
STATE 36 LAND
POWELSON CREEK
Big Pine Creek
Lost Sheep
Full Moon
Owl
Four
T17N
T16N
GOLD FORK
NORTH FORK
BOISE PAYETTE LUMBER CO
PAYETTE NATIONAL FOREST
STATE LAND
PADDY FLAT
VALLEY COUNTY, IDAHO
Prospecting by
COSUMNES GOLD DREDGING CO
Claims Under Option
Patented Land Under Option
Holes Designated by Prefix
PF in Paddy Flat - KF in Kennedy
Fork. See Attached Sheet.
Scale 1" = 1/2 Mile
Nov. 1951

ANNEX-I

MP-206

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/ The placer claims described in the contract dated November 9th, 1954, between Raymond H. Carrey and Myrtle Carrey, et al, parties of the first part, and [illegible] Stanifer and Merrill West, parties of the second part, which contract has been assigned to Sunshine Gold Dredging Co. by Stanifer & West.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of Americn, hereinafter called the "Government", and

2/ Sunshine Gold Dredging Co.,
Room 408, #465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 25,942.50, or ten years have elapsed from the date of the contract.

leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 31st day of May, 1952.

Raymond H. Carrey [Seal]
Myrtle Carrey [Seal]
George Denison [Seal]
Helen Denison [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Valley, described as follows:1/

The property in Paddy Flat Mining District described in agreement dated November 9th, 1951, between Clarence V. Loomis and Vida Loomis, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, which agreement has been assigned to Cosumnes Gold Dredging Co. by Standifer and Yost.

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

2/ Cosumnes Gold Dredging Co.,
Room 403, #465 California St.,
San Francisco, Calif.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 25,942.50, or ten years have elapsed from the date of the contract. leave blank

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this third day of June, 195 2.

Clarence V. Loomis [Seal]

Vida A. Loomis [Seal]

_____ [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

INSTRUMENT NO. 44241

QUIT CLAIM DEED

THIS INDENTURE, Made the 7 day of April, 1952, between FRANK McELHONE and BETTY McELHONE, his wife, of Fields, Oregon, the Parties of the First Part, and GEORGE DENISON, of Weiser, Idaho, PARTY of the Second part:

WITNESSETH: That the said parties of the first part for and in consideration of the sum of ONE DOLLAR ($1.00), and other valuable consideration, Lawful Money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, released, and forever quitclaimed, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, to his heirs and assigns, all their right, title and interest, in and to the following described Placer Mining Claims, situate in Valley County, State of Idaho, to-wit:

(a) HALF MOON #1 A certain placer mining claim situate, lying and being on both sides of the North Fork of Gold Fork Creek, in Township 16 North, Range 4 East of B.M., said placer mining claim being otherwise known as Half Moon #1, and more particularly described as follows: Commencing at the corner monument #1, which is the Northwest corner of said claim, upon which location notice is posted; thence run in a Southerly direction 12,000 feet, more or less, to corner monument #2, the Southwest Corner of said Claim; thence run in an Easterly direction 600 feet, more or less, to corner monument #3, being the Southeast corner of said placer mining claim; thence run in a Northerly direction 12,000 feet, more or less, to corner monument #4, being the Northeast corner of said placer mining claim; thence run in a Westerly direction 600 feet, more or less, to corner monument #1, the place of beginning; said corner

corner monument #1 upon which location notice is posted is situated about 12,000 feet in a Southerly direction from the mouth of Paddy Creek.

(b) HALF MOON #2 A certain placer mining claim situate, lying and being on both sides of Rapid Creek, in Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as Half Moon #2 Placer Mining Claim, and being more particularly described as follows: Commencing at the Southwest corner of said mining claim which is corner monument #1, upon which location notice is posted, thence run in a Northerly direction 12,000 feet, more or less, to corner monument #2, being the Northwest corner of said placer mining claim; thence in an Easterly direction 600 feet, more or less to corner monument #3, being the Northeast corner of said claim; thence run in a Southerly direction 12,000 feet, more or less to corner monument #4, being the Southeast corner of said placer mining claim; thence run in a Westerly direction 600 feet, more or less, to corner monument #1, the place of beginning; the said corner monument #1, upon which location notice is posted, being situate about 12,000 feet in a Southerly direction from the mouth of Paddy Creek.

(c) HALF MOON #3 A certain placer mining claim comprising 160 acres, on both sides of Kennally Creek in Township 17 North, Range4 East of B.M., in Valley County, Idaho, known as the Half Moon #3, Placer mining Claim, more particularly described as follows: Commencing at the Northwest corner of the claim at which corner monument #1 is erected, and upon which location notice is posted; thence run in an Easterly direction 12,000 feet, more or less, to corner monument #2, being the Northeast corner of said Half Moon #3; thence run in a Southerly direction 600 feet, more or less to corner monument #3, being the Southeast corner of said claim; thence run in a Westerly direction 12,000 feet more or less, to corner monument #4, being the

Northwest corner monument of said claim; thence run in a Northerly direction 600 feet, more or less, to corner monument #1, the place of beginning, said corner monument #1 being situated about 4000 feet, more or less, in a Southerly direction from the mouth of Paddy Creek.

(d) HALF MOON #4 A certain placer mining claim comprising 40 acres, situate, lying and being in the Southeast quarter of the Northeast quarter of Section 34, Township 17 North, Range 4 East B.M., in Valley County, Idaho, known as the Half Moon #4, placer mining Claim, as will more particularly a pear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 530.

(e) HALF MOON #5 A certain placer mining claim comprising 40 acres, situate, lying and being on both sides of Camp Creek in Township 17 North, Range 4 East of B.M., in the County of Valley, Idaho, particularly described as follows, to-wit: Commencing at monument #1, being the Southwest corner of said claim, and upon which location notice is posted; thence run Easterly 600 feet to corner monument #2, the Southeast corner of the claim; thence run Northerly 6000 feet to corner monument #3, the Northeast corner of the claim; thence run Westerly 600 feet to corner monument #4, the Northwest corner of said claim; thence run Southerly 6000 feet to corner #1, the place of beginning. Said corner monument #1, upon which location notice is posted, is situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek. The name of this claim is HALF MOON #5.

(f) HALF MOON #8 A certain placer mining claim comprising 160 acres, situate, lying and being in Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as the Half Moon #8, Placer Mining Claim, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder

of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

(g) ELK GROUP A certain placer mining claim comprising 160 acres of Placer Mining Ground, situate, lying and being in the Southwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the ELK Placer Mining Claims, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 534.

(h) JEEP CLAIM #1 A certain placer mining claim, comprising 160 acres, situate, lying and being on the North Side of Paddy Flat Road (main road), in Section 27, Township 17 North, Range 4 East B.M. known as the Jeep Claim #1, as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 532.

(i) I FOUND IT A certain placer mining claim, comprising 160 acres, situate, lying and being on both sides of Kennally Creek in Section 30, Township 17 North, Range 5 East of B.M., in Valley County, Idaho, known as the "I Found It", as will more particularly appear from the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 538.

(j) FULL MOON A certain placer mining claim, comprising 160 acres, situate, lying and being along the North Fork of Paddy Creek, on both sides of the stream, in Section 21, Township 17 North Range 4 East of B.M., more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 531. This claim is known as "Full Moon".

(k) OWL GROUP A certain placer mining claim, comprising 160 acres, situate, lying and being on both sides of Kennally Creek in Sections 30 and 31, Township 17 North, Range 5 East B.M., in Valley County, Idaho, known as the "Owl", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims on Page 537.

(l) MINK GROUP A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being in the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the "Mink", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 533.

(m) SWAMP GROUP A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being in the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B.M., in Valley County, Idaho, known as the "Swamp", more particularly described in the Location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 536.

(n) BEAVER DAM A certain placer mining claim, comprising 160 acres of Placer Mining ground, situate, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5 East B.M., known as the "Beaver Dam", in Valley County, Idaho, and more particularly described in the location Notice thereof, on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at Page 535.

(o) BING #1 A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of

the South Fork of the Salmon River, in Valley County, Idaho, known as "Bing #1" more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims, at page 332.

(p) BING #3 A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of the South Fork of the Salmon River in Valley County, Idaho, known as "Bing #3, more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 419.

(q) OLD GOLD A certain placer mining claim, comprising 160 acres of Placer Mining Ground, situate, lying and being on both sides of the South Fork of the Salmon River in Valley County, Idaho known as "Old Gold", more particularly described in the Location Notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims, at Page 420.

(r) LOST CAT A certain placer mining claim comprising 160 acres of Placer Mining ground, situate, lying and being on Clear Creek, in Valley County, Idaho, known as the "Lost Cat", more particularly described in the location notice thereof on file in the office of the County Recorder of Valley County, Idaho in Book 5 of Placer Mining Claims at Page 421.

(s) RANGER A certain placer mining claim, comprising 160 acres of Placer Mining ground, situate, lying and being in the Southeast quarter of Section 27, Township 17 North, Range 4 East of B.M. in Valley County, Idaho, known as the "Ranger", more particularly described in the location notice thereof on file in the office of the County Recorder of Valley County, Idaho, in Book 6

of Placer Mining Claims, at page 9.

TOGETHER with all metals, gold, monasite sands, and all other minerals and rare earths therein, and all rights and privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed, and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, and also, all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to said premises and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Frank McElhone (SEAL)
Betty McElhone (SEAL)

STATE OF OREGON)
) ss:
County of Malheur)

On this 7 day of April, 1952, before me, the undersigned, a Notary Public in and for said State, personally appeared FRANK McELHONE and BETTY McELHONE, his wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they executed the same.

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

SEAL

Anthony Yturri
Notary Public for said State:
Residing at Ontario Oregon
My comm ex- 4-25-1954

STATE OF IDAHO)
) ss.
County of Valley)

I hereby certify that this instrument was filed for record at the request of Ryan & Ryan at 15 minutes past 9 o'clock A.M. this 23 day of June, 1952 in my office and duly recorded in Book 28 of Deeds at Page 505.

Forest E. Robb
Ex-Officio Recorder

Fees, $5.25

COMPARED ✓
INDEXED—DIRECT ✓
INDEXED—INDIRECT ✓
DOC. STAMPS AFFIXED None

By Bertha C. Patterson, Deputy

- -

STATE OF IDAHO)
) ss.
County of Valley)

I, Forest E. Robb, Valley County Recorder, in and for Valley County, Idaho, DO HEREBY CERTIFY AND DECLARE that I have compared the foregoing QUIT CLAIM DEED with the record of such instrument in my office, which instrument is Recorded in Book 28 of Deeds at page 505, and that the foregoing is a true and correct copy of such record.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this 9th day of July, 1952.

Forest E. Robb
Recorder of Valley County,

By Bertha C. Patterson, Deputy

INSTRUMENT NO. 44254

QUIT CLAIM DEED

THIS INDENTURE, Made the 9th day of November, in the year of our Lord, One Thousand Nine Hundred and Fifty-One,(1951), between HAROLD HOLLMAN and IRMA HOLLMAN, his wife, of Downeville, California, the Parties of the First Part, and RAYMOND M. CARREY, of Weiser, Washington County, Idaho, Party of the Second Part.

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of ONE DOLLAR ($1.00) and other valuable consideration, Lawful Money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, released, and forever quitclaimed, and by these presents do grant, bargain, sell, remise, release and forever quitclaim unto the said party of the second part, and to his heirs and assigns, all their right, title and interest, in and to the following described Placer Mining Claims situate in Valley County, State of Idaho, to-wit:

(a) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Beaver Dam Creek, a branch of Kennally Creek, situated in the West Half of Section 31, Township 17 North, Range 5 East of B.M., said Beaver Dam Creek flowing in a Northerly direction into said Kennally Creek, said mining claims being more particularly described in the Placer Mining Location Notice relating thereto, filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims at page 535. This group of claims being called the "BEAVER DAM" Group.

(b) A certain placer mining claim group comprising 160 acres, more or less, and being in approximately the Northeast Quarter of Section 27, Township 17 North, Range 4 East of B.M. This group of

claims being called the "SWAMP PLACER MINING CLAIMS". The location Notice of this group of claims being posted at the quarter corner between Sections 26 and 27 of said Township and Range, and the adjoining group of claims to the East being the Mink group of placer mining claims, reference hereby being made to the Placer Mining Location Notices of said Swamp Group claims recorded in the office of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 536.

(c) A certain placer Mining claim group comprising 160 acres, more or less, and being in approximately the Northwest Quarter of Section 26, Township 17 North, Range 4 East of B.M. Said group of claims being otherwise known as the "MINK GROUP OF PLACER MINING CLAIMS", the location notice being posted at the half-mile corner between Sections 26 and 27 of said Township and Range, and this group of mining claims lying to the West of the Swamp group and to the South of the Elk Placer Mining Claims, reference to the Placer Mining Location Notice of said Mink group of Placer claims being referred to for further particulars to the records of the said County Recorder's office in said County, in Book 5 of Placer Mining Claims at page 533.

(d) A certain placer mining claim group comprising 160 acres, more or less, and being on both sides of Kennally Creek in Section 30 and Section 31, Township 17 North, Range 5 East of B.M. The corner Monument No. 1 upon which the location notice is posted is situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. This group of claims being called the "OWL GROUP OF PLACER MINING CLAIMS," further reference thereto being made to the records of the County Recorder of said County, in Book 5 of Placer Mining Claims at Page 537.

(e) A certain placer mining claim group comprising 160 acres, more or less, and being located on both sides of the North Fork of

Paddy Creek in Section 21, Township 17 North, Range 4, East of B.M. This group of claims being called the "FULL MOON GROUP", and reference is hereto made to the recorded Location Notice of said group of mining claims recorded in said Recorder's Office in Book 5 of placer Mining Claims at page 531.

(f) A certain placer mining claim group comprising 160 acres, more or less, lying and being on both sides of Kennally Creek. The Corner Monument No. 1, upon which location notice is posted, being situated about 2500 feet Northeasterly from the Southwest corner of Section 30, Township 17 North, Range 5 East of B.M. The name of this group of placer mining claims being "I FOUND IT", and adjoining the Owl Group of placer mining claims on the West end line, reference hereby being made to the recorded Placer Mining Location Notice in said Recorder's office in Book 5 of Placer Mining Claims at Page 538.

(g) A certain group placer mining claim running on both sides of Camp Creek, comprising 160 acres, more or less, known as the "HALF MOON #5" Group of Placer Mining Claims, located in Township 17 North, Range 4 East of B.M., the location Corner Monument No. 1 being situated about 10,000 feet in a Northerly direction from the mouth of Rapid Creek, and is more particularly described in the recorded Location Notice of said Half Moon #5 of mining claims recorded in said County Recorder's Office in Book 5 of Placer Mining Claims at Page 441.

(h) A certain placer mining claim comprising 40 acres, more or less, situated in the Southeast Quarter of the Northeast Quarter of Section 34, Township 17 North, Range 4 East of B.M., same being an amended location of the Half Moon #4, the location notice being posted on a pine tree on the Northwest corner of said placer mining claim. Reference to said HALF MOON #4 placer mining claim, and amended location thereof being hereby made to the records in said

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 28 1952

said claim. The said Corner Monument No. 1, is situated about 7000 feet in a Northerly direction from the Mouth of Paddy Creek. Reference hereby being made to the recorded Location Notice of said Placer Mining Claim filed in the office of the County Recorder of Valley County, Idaho, in Book 5 of Placer Mining Claims, at Page 122.

TOGETHER with all metals, gold, monadite sands, and all other minerals and rare earths therein, and all rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed, and also, all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof, and also, all the estate, right, title interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said parties of the first part, of, in or to said premises and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, his heirs and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Harold Hollman
Irma Hollman (SEAL)

STATE OF CALIFORNIA,)
) ss.
County of Sierra)

On this 13th day of November in the year one thousand nine hundred and Fifty One before me, C. W. Robbins, a Justice of the Peace in and for Downieville Township, County of Sierra, State of California, personally appeared Harold Hollman and Irma Hollman, his wife, known to me to be the persons whose names are subscribed

to the within instrument and they acknowledged to me that they executed the same.

IN WITNESS WHEREOF I have hereunto set my hand at my office in said Township, County of Sierra the day and year in this certificate first above written.

C. W. Robbins
Justice of the Peace in and for
Downieville Township, County of
Sierra, State of California.

SEAL

STATE OF IDAHO,)
) ss.
County of Valley.)

I hereby certify that this instrument was filed for record at the request of Raymond Carrey at 50 minutes past 3:00 o'clock P.M. this 24th day of June 1952 in my office and duly recorded in Book 28 of Deeds at Page 510.

Forest E. Robb
Ex-Officio Recorder

Fees, $4.50

By Bertha C. Patterson, Deputy

STATE OF IDAHO,)
) ss.
County of Valley.)

I, Forest E. Robb, Valley County Recorder in and for Valley County, Idaho, DO HEREBY CERTIFY AND DECLARE that I have compared the foregoing Quit Claim Deed with the record of such instrument in my office, which instrument is recorded in Book 28 of Deeds at Page 510, and that the foregoing is a true and correct copy of such record.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this 11th day of July, 1952.

Forest E. Robb,
Recorder Valley County, Idaho

By Bertha [illegible], Deputy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 28 1952

PROJECT SUMMARY REPORT

By: F. L. Knouse January 19, 1956

1. Docket No. DMEA-2265 (Monazite, columbium-tantalum)

Contract No. Idm-8351

Operator - Consumes Gold Dredging Company
465 California Street, Room 403
San Francisco, California

Property - Consists of three groups of properties along the North Fork of Gold Fork River: (1) About 600 acres fee land, Clarence V. and Vida Loomis property, (2) Zircon and Ilmenite claims, and (3) 19 placer mining claims, all located in secs. 21, 25, 26, 27, 28, 33, 34, 35, and 36, T. 17 N., R. 4 E., and in secs. 28, 29, 30, 31, and 32, T. 17 N., R. 5 E., B.B. & M., Valley County, Idaho.

Operator's Property Rights -

A portion of property by lease and the remainder by purchase agreement. Owners' Consent to Lien, dated June 3, 1952, signed by Clarence V. and Vida A. Loomis; also Owners' Consent to Lien dated May 31, 1952, signed by Raymond M. and Myrtle Carney, and George and Helen Denison. In a purchase agreement dated November 9, 1951, G. M. Standifer and Merrill Yost agreed to purchase from George and Helen Denison a certain part of the above property. Also in an agreement dated November 9, 1951, the other referred-to property was leased to G. M. Standifer and Merrill Yost by Clarence V. and Vida A. Loomis. On November 16, 1951, all rights in the above property were transferred by G. M. Standifer and Merrill Yost to the Consumes Gold Dredging Company.

2. Contract dated June 23, 1952.

Work authorized -

Objective was to explore the Paddy Flat Placer deposit for monazite, columbium-tantalum.

Work authorized (continued) -

Stage I - Drill ten (10) 20" diameter cased holes with a clamshell bucket drill, each approximately 35 feet deep.

Stage II - Drill fifty (50) 20" diameter cased holes with a clamshell bucket drill, each approximately 35 feet deep.

In addition, the gravel recovered from the drill holes was to be washed, mineral recovered and concentrated, and the mineral fractions separated and analyzed. A screening gravity-concentrator was to be installed at Cascade to reduce the drill-hole samples from this project and also from the White Hawk Placer project (DMTA-2264). Installation and operating costs were to be split on a 50-50 basis for each project. The equipment required to do this work, drill, concentrating plant, etc., was transported from Sloughhouse, California, and cost therefor was an allowable part of the exploration costs for both projects.

Estimated cost of project:		
Stage I	$9,488.97	
Stage II	19,336.06	
Total Estimated Cost		$28,825.00
Government Participation @ 90%		25,942.50

Amendments -

No. 1, dated August 12, 1952, deleted depreciation 3 months @ $240.43/mo. for Model D-4 tractor, and allowed the rental of a Model HD-7 tractor @ $500/mo. for 3-1/2 mos., funds to make up the difference to be taken from unexpended funds for labor.

No. 2, dated October 20, 1952, extended the period to complete the contract work (principally mineral separation from concentrates) 7 months.

Work completed -

Thirty-five 22" diameter clamshell bucket drill holes were drilled, aggregating 1,106 feet, which excavated about 108 cu. yds. of gravel sample. Final calculation shows the drilling cost to be $14.33/ft., e.g., if all costs of the project are prorated to the footage drilled, or a total cost of $15,849.23.

Distribution of Cost:

	Allowed	Spent
Labor & Supervision	$10,487.20	$ 6,154.70
Materials & supplies	6,400.00	1,573.36
Opr. equipment-rental & dep.	1,421.69	1,172.49
" " -repairs	-----	1,206.29
Sampling & Analysis	5,100.00	953.19
Taxes & Ins.	450.21	489.27
Auditing	200.00	150.00
Hauling tractor	-----	96.35
Advertise sale of equip.	-----	12.18
Subtotal	$24,059.10 1/	$11,807.83 1/
Operating Equip. Purchased	3,200.00	2,870.75*
New Buildings & Improvements	1,565.90	1,170.65
Total cost of project	$28,825.00 2/	$15,849.23 2/

* Equipment couldnot be sold by Operator; therefore, Operator waived his interest to DMEA, and title to equipment was transferred to GTA for disposal purposes.

1/Subtotal

		Allowed	Spent
Cost/ft. of drilling	$24,059.10 / 2100 feet = $11.46/ft.	$11,807.83 / 1106 feet =	$10.68/ft.

2/Total project cost

Total cost/ft.	$28,825.00 / 2100 feet = $13.73/ft.	$15,849.23 / 1106 feet =	$14.33/ft.

3. Audit Certificate, dated March 9, 1954

Total cost as billed by Contractor		$16,457.68
Add:		
Costs paid by Government	$70.98	
Less: Costs transferred to E-350	54.67	16.31
Total adjusted cost		$16,473.99
Exceptions:		
Prior to audit	$ 4.01	
During audit	620.75	624.76
Total Accepted Costs		$15,849.23
Government participation @ 90%		$14,264.31

4. Certification - none

Field Team report, dated July 1954, recommends that no certificate of discovery or development be issued.

The Operator made the following estimates in the final report, dated October 26, 1953:

Total dredgable gravel	35,000,000 cu. yds.
Magnetite	15.1 lbs./cu.yd.
Ilmenite	7.7 lbs./cu.yd.
Garnet	3.6 lbs./cu.yd.
Monazite	1.2 lbs./cu.yd.

Field Team comments: "The fallacy in the estimate lies in the fact that the monazite content is about one-quarter of Yost's estimate . . .". (Mr. Yost was the Operator's general manager.)

<u>Field Team report - Table 4</u>

Estimated mineral content of Paddy Flat Placer Deposit:

"Estimated total cubic yardage of deposit - 26,487,000

"Magnetite	18.9 lbs/cu.yd.
"Ilmenite	11.6 lbs./cu.yd.
"Garnet	3.4 lbs./cu.yd.
"Monazite	0.28 lbs./cu.yd.
"Black Sand concentrates	60 lbs./cu.yd gravel"

U. S. Geological Survey comments:

D. M. Larrabee, July 16, 1954.

Recommends no certification.

U. S. Bureau of Mines comments:

No comments prepared - not customary at that date.

5. Comments -

Field Team final report: "The Operator, represented by Mr. Merrill Yost, general manager, is a competent placer-dredging operator with many years' experience and was sincere and diligent in prosecuting the drilling and sampling. . . . The drilling program seems poorly planned as evidenced by the irregular spacing of the holes and large areas in the central part of the gravel channel that were only sparsely drilled. . . . The Operator was well equipped with a 22-inch clamshell bucket drill, portable air compressor, trucks and a competent, experienced drill crew. Failure of the Yuba Manufacturing Company to deliver the casing,

couplings, drive shoe and cap made it necessary to terminate holes when caving occurred.

"The concentration of drill-hole samples to black sand concentrates at the pilot plant was reasonably well done. The final concentration of the black sand concentrates to recover a marketable monazite is a complex process which the Operator did not fully understand nor was capable of accomplishing for lack of proper equipment and trained personnel."

Therefore, we understand that the holes were drilled without casing, and the accuracy of the sampling as representing the mineral content of the gravel is questionable. Also, since the contract specified cased holes, we are unable to understand why the drilling was approved when the holes were not cased. However, we understand that the holes were drilled with a minimum of caving, and when a hole caved drilling was stopped.

Prior to the DMEA contract, seven holes were drilled, and several samples were taken from exposed gravel banks in the Paddy Flat Placer deposit. The apparent size of the deposit and quantity of monazite in the samples were of sufficient interest to justify further exploration.

Paddy Flat is underlain chiefly by gneissic granite, with one remnant of basalt, preserved in the western part of the lowland, in fault contact with gneissic rock forming the ridge that separates Paddy Flat from Long Valley. The deposits explored are a complex assemblage representing at least three Pleistocene glacial stages. The oldest of the deposits is locally 180 feet thick from below the stream level to the ridge crest. In some places the bedrock crops out high on the slopes of the ridge. The deposit is, therefore, interpreted as a thick fill in a former bedrock valley, the trend of which did not correspond with the trend of the present ridge.

The principal economic placer mineral found is monazite; however, xenotime, euxenite and allanite were also found in very small amounts in the concentrates. Monazite occurs as a minor accessory mineral in the granitic rocks of the Idaho batholith.

The relatively poor concentration in the deposit, in contrast to the neighboring Cascade Valley, is due to (1) a low content of monazite in the bedrock, and (2) most of the deposits are glacial outwash. The Field Team states: "Sampling of the surface exposures over the district indicates that no high-grade deposits are present, and that the drilling data obtained in the DMEA project provides a good general appraisal of the monazite reserves."

Yost concludes: "Due to high cost and extremely difficult separation of the sands, we would not be interested in proceeding with the project. The margin is too close for the high capital investment."

Since the monazite content of the deposit is only about one-quarter of the Operator's estimate and the accessory minerals are of no economic value, no further exploration work is warranted, and no certificate of discovery or development should be issued.

/s/ F. L. Knouse

F. L. Knouse, Mining Engineer
Rare and Miscellaneous
Metals Division

FLKnouse/gla
cc to: Admr.'s Reading File
Docket (original)
Code 700
Mr. Knouse
Mr. Johnson

[x] Audited

WORK ANALYSIS SHEET - DMEA PROJ

[x] Actual Cost

[ ] Certified

Analysis as of 12/8/54
Incl. Voucher for April 1953

[ ] Agreed Unit Costs

Name Consumnes Gold Dredging Company

Docket No. 2265

State Idaho

Commodity Monazite, Columbium-tantalum

Idm-E No. 351

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling 20" diameter drill (Specify) holes dug with clam shell	2160'	24,059.10 *	1106' *** ~~1260'~~	11,807.83 **	11,807.83
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		3,200.00		2,870.75	2,870.75 1/
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		1,565.90		1,170.65	1,170.65
Other (Specify)					
Totals		$28,825.00		$15,849.23	$15,849.23

Distributed to drilling:	Allowed	Spent
Labor & supervision	$10,487.20	$ 6,154.70
Materials & supplies	6,400.00	1,573.36
Opr. equipment-rental & dep.	1,421.69	1,172.49
" " repairs	-----	1,206.29
Sampling & Analysis	5,100.00	953.19
Taxes & Ins.	450.21	489.27
Auditing	200.00	150.00
Hauling tractor	-----	96.35
Advertise sale of equip.	-----	12.18
	$24,059.10 *	$11,807.83 **

*** Mr. Adams noted change for his copy on 1/26/56 (gla)

Prepared by: F. M.Murphy

1/ No buyers for equipment - offered to GSA for disposal.

71626

October 23, 1957

Memorandum

To: Jay L.Chambers, Director
Division of Administration and Audit

From: Ernest Wm. Ellis, Director
Division of Rare and Miscellaneous Metals

Subject: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

With regard to the subject contract, as you know, considerable time elapsed between the ending of the project and the disposition of equipment; therefore, a "closing letter" was not written by this Division to the Operator.

It appears that all accounting matters concerning this contract have been completed. The Division, in this instance, is not writing a closing letter to the Operator. Therefore, it is suggested that the files of both Divisions be placed in the closed file and referred to the Mails and Files Division.

/s/ Ernest Wm. Ellis

Ernest Wm. Ellis

gla 10-23-57
cc to: Mr. Knouse

2-3-56 Lyn W

(Rev.) (1952)

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

RECEIVED
FEB - 3 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of _____, 195__ Docket No. DMEA 2265 Contract No. _____
Operator's Name _____ Minerals _____
Address _____
Contract Amount, $_____ Government Participation: ____% Amount, $_____

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						
(2) Labor and Supervision:						
Labor				-0-	4894.70	4894.70
Supervision				-0-	1260.00	1260.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber				82.72	1089.30	1172.02
Explosives				903.90	903.90	-0-
Pipe				328.12	950.51	328.12
Track				-0-	73.22	73.22
(4) Operating Equipment:						
Rental				-0-	750.00	750.00
Purchase				270.95	2600.00	2870.95
Depreciation				-0-	422.49	422.49
(5) Initial Rehabilitation and Repairs					-0-	
(6) New Bldgs., Improvements, etc.				305.41	1476.06	1170.65
(7) Miscellaneous:						
Repairs to Equipment				1286.29	-0-	1286.29
Sampling and Analysis				328.78	624.41	953.19
Payroll Taxes				278.49	533.97	258.48
Liability Insurance				230.79	-0-	230.79
				-0-	150.00	150.00
(8) Contingencies (specify):						
				8.52	8.52	-0-
				-0-	96.33	96.33
				12.18	-0-	12.18
TOTALS				15.80	15833.43	15849.23

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

Date _____ *Payee _____

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 221 38

Signature _____
(Authorized Certifying Officer)

Date 1-30-56 Vou. No. 1698
(See other side)

See payment reconciliation attached

(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. 6351 in accordance with the terms of the contract.

Signature /S/ Stephen W Zoldok Title Mining Engr Date 1-27-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 1-27-56

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 AF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March To April 1953 Docket No. DMEA 2265 Contract No. 351.
Operator's Name Cosumnes Dredge Co. Minerals Monazite
Address Red Mountain, Calif

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 COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
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 4/5/53 Operator Cosumnes Dredge Co
Per Merrill Ford Title Gen. Mng.

REMARKS: No work done
Final Report

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

FINAL REPORT ON PADDY FLAT

APRIL 1953

#4 Opertaing Equipment:

Purchase:(Allowable) Yuba Mfg. Co.	551.50

#7 Miscellaneous:

Sampling and Analysis	12.00

#8

Abertisment on Salvage Material.	12.18
	$563.68

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RECONCILLIATION OF FINAL PAYMENT MADE - IDM-E351

Carried to April 1953 MF-104 from Dec. 1952 MF-104	(90%)	$535.92
April 1953 MF-104	(90%)	14.22
		$550.14
Less overpayment on Idm-E350		257.82
		$292.32
Less paid to J. F. Kolars direct		70.98
		$221.34
Plus adjustment to audit report		.04
Payment to Cosumnes Gold Dredging, Voucher #1698		$221.38

Audit adjustment of $0.04 is made up (partially) as follows:

	Paid	Actual
July 1952 - 90% of accepted cost	3,453.49	3,453.498
September 1952 - 90% of accepted cost	3,384.95	3,384.97

Total difference $0.03

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.

RECEIVED
FEB 2 1956

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1952 Docket No. DMEA 2265 Contract No. 351
Operator's Name Cosumnes Gold Dredging Co. Mineral Monazite, Columbium, Tantalum
Address P.O. Box 7, Redmountain, California
Contract Amount, $ 28,825.00 Government Participation: 90 % Amount, $ 25,942.50

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						
(2) Labor and Supervision:	178.88	4,716.57	4,895.45	178.13	4716.57	4894.70
Labor	None	1,260.00	1,260.00		1260.00	1260.00
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	70.45	1,018.85	1,089.30	70.45	1018.85	1089.30
Explosives Repairs	None	903.88	903.88		903.90	903.90
Pipe Misc. Supplies	None	950.51	950.51		950.51	950.51
Track Plant Supplies	None	73.22	73.22		73.22	73.22
(4) Operating Equipment:						
Rental	None	750.00	750.00		750.00	750.00
Purchase	None	2,600.00	2,600.00		2600.00	2600.00
Depreciation	None	422.49	422.49		422.49	422.49
(5) Initial Rehabilitation and Repairs	None	1,476.06	1,476.06		1476.06	1476.06
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	364.00	260.41	624.41	364.00	260.41	624.41
Payroll Taxes	15.20	551.08	566.28	17.11	551.08	533.97
Liability Insurance						
Accounting	None	150.00	150.00		150.00	150.00
(8) Contingencies (specify):						
Freight	None	8.52	8.52		8.52	8.52
	None	96.35	96.35		96.35	96.35
TOTALS	628.53	15,237.94	15,866.47	595.47	15237.96	15833.43

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

Date Jan. 15, 1953. *Payee COSUMNES GOLD DREDGING CO.

Per Merrill Goof Title General Mgr.

*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:
Carried to april 1953 MF 104

$ —0—

Signature Myrtle I Purdy
(Authorized Certifying Officer)

Date 1-30-56 Vou. No. 1698

(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. 6351 in accordance with the terms of the contract.

Signature /S/ Stephen W Zoldok Title Mining Engr Date 1-27-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 1-27-56

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 63-38476

COPY

Redmountain, California

December 22, 1952

PROGRESS REPORT FOR MONTH OF NOVEMBER 1952:

PADDY FLAT PHASE 2

All samples were sacked and transported to Redmountain where the Cosumnes Co. has facilities for further seperation and analysis of samples.

The balance of the holes (25) were quartered and sent to the Dings Mag. Sep/ Company for spearation.

Flotation tests were made of the Ilmenite separation and sent for analysis to Abbot Hanks Labatory in San Francisco, California.

The first 10 results of samples sent to Abbot Hanks Labs. in San Francisco have been received and copies forwarded to the bureau of mines in Spokane.

The sands are going to be very dissicult to seperate into commercial products. The magnetits makes a very good iron product. The titanium results have not been received.

Considerable study of this will be necessary to work out a flow sheet that is practical and economical.

Upon receipt of the balance of the Mag. separations Ding's the final conclusions and evaluation of this property can be concluded.

/s/ Merrill Yost,
General Manager
Cosumnes Gold Dredging Co.

COPY

PROGRESS REPORT MONTH OF DECEMBER
PADDY FLAT

Taking first the second phase of Paddy Flat. All samples of the second Phase of Paddy Flat have been sent to the Ding's Magnetic Separator Co. for separation. Due to the complex nature of the sands and the grading of the Monazite both into the garnet and tailings fraction, it was decided to have Ding's take out the Magnetite, Ilmenite and the Garnet by magnetic separation and allow the Monazite to go to the tailings. The Monazite can then be recovered by gravity due to the others of near specific gravity being taken out magnetically.

This procedure should make much cleaner products in all fractions. When these are received and the assay results obtained the final results can be put on the Paddy Flat map an the yardage and value of all products estimated. This should compelte the second Phase of Paddy Flat.

In the first Phase of White Hawk Basin the results so far seem to be so low that further work would be unwarranted. Also due to the shallow depth the yardage was cut by more than half. The map of White Hawk Basin has been completed and sent to the Bureau of Mines at Spokane.

Unless further work is designated by the Bureau I think any further work on White Hawk Basin should be discontinued.

Cosumnes Gold Dredging Co.

/s/ Merrill Yost, General Manager.

1/30/56 gla

1201 N. Division Street
Spokane 2, Washington
January 24, 1956

Mrs. Myrtle Purdy, Certifying Officer
DMEA Field Team, Region I, NW District
1201 N. Division Street
Spokane 2, Washington

Re: Contract Idm-E350
Contract Idm-E351 - 2265 file
Cosumnes Gold Dredging Co.

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government. Although additional information has been received from the operator on the Paddy Flat project (Docket No. 2265) no acceptable final report has been forthcoming from the operator and this requirement is hereby waived by the Executive Officer.

A Certification of Discovery or Development was issued August 19, 1954 covering contract Idm-E350.

Final audit reports by DMEA Auditor Robert M. Hull have been received on the subject contracts.

As all contract requirements have been met, it is requested that final settlement of our account with the operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I,
Northwest District

cc: DMEA (2)
DSGS (2)

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~~Mr. Ellis~~

contract file

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

JUL - 7 1955

Mr. Stanzler Richer
Executive Officer
DMEA Field Team, Region II
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMA-2265 (Nonmetals)
Consumers Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. IDm-351

Dear Mr. Richer:

Reference is made to a letter from George Never, auditor, Region II, to Jay L. Cheshire, Chief, Contract Administration and Audit Division, in regard to certain questions relating to the disposition of property turned over to the Government by the Operator of the above-cited project. A copy of Mr. Never's letter is enclosed for your information.

Mr. Never raised the question as to whether the audit of this project had been released since the equipment had not been sold. Because the Operator gave the property to the Government, and because so much time had elapsed between the ending of the project and the disposition of the equipment, the Contract Administration and Audit Division approved and released the final audit of this project. No property settlement is to be made because the Operator waived his interest in the property in favor of the Government.

Mr. Never raises the question in the fourth paragraph of his letter as to whether you, acting as Executive Officer for Region II, have the right to declare this property surplus. There is no doubt in our opinion that you do have this right because it appears that there is no bureau or office in the Department of the Interior which needs and will accept this property from DMEA. In this respect your attention is called to a memorandum under date of October 27, 1954, from the Director of the Bureau of Mines, Washington, D. C., to the Regional Director, Bureau of Mines, San Francisco, California. Your attention is further called to a letter dated September 30, 1954, from R. C. Miller, then Regional Director of Region III, to A. E. Weissenborn, then Executive Officer of Region II, asking for certain

papers or transfer documents from the operator to the Executive Office of Region II (now Region I, Northwest District). It is assumed that Mr. Weingartner gave Mr. Miller the information requested.

Again your attention is called to an Operating Committee letter of September 16, 1954, to Mr. Miller, at that time Executive Officer of Region III (now Region II), authorizing and informally requesting Mr. Miller to dispose of the equipment of this cited project.

This letter is written primarily because of the questions raised in Mr. Mayer's letter to Mr. Chambers, although it can be said that the letter is due because the project equipment should have been disposed of long ago. If you have problems that give you trouble in this case, we shall try to find the answers to any questions you may want to present to the Committee.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

/s/ Robert W. Geehan

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosure

Copy to: Docket
Adm. Reading File
Operating Committee
Mr. Lamb, NM
Mr. Kiilsgaard, USGS
Mr. Ellis
Mr. Mayer
Mr. Chambers

JIChambers/mb
July 6, 1955

P.S. We are also enclosing two copies each of the above cited letters.

So. 157 Howard Street
Spokane 4, Washington

December 13, 1954

air mail

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
340 State Street
P. O. Box 587
Weiser, Idaho

Re: Docket No. DMEA-2263 (monazite, columbium, tantalum)
Contract No. Ida-2351
Cosumnes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

Enclosed please find the drill hole information you requested for the above captioned property.

The releases you supplied as signed by Clarence V. Loomis and Vida A. Loomis, in one instance, and by George Denison, Oliver Denison, Frank D. Ryan, and Harold L. Ryan, in another instance, and the statement in your letter of December 6, 1954, that Raymond M. Carrey and Myrtle Carrey had deeded all their interest in the above property to Oliver Denison, are considered adequate to enable us to release this information to you.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
UMRM (2)
Armstrong

Ryan & Ryan

December 11, 1954

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

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Consumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Sir:

I am enclosing herewith the consent of Clarence V. Loomis and Vida L. Loomis, as referred to in my letter of December 8, 1954.

I assume now that we may receive the log without any further delay, as it is most important that we obtain the same as soon as possible.

Very truly yours,

RYAN & RYAN

Frank D. Ryan

Frank D. Ryan

FDR srb

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DEC 13 1954

Ryan & Ryan

December 8, 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 11
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2265
Contract No. Idm-E351
Consumnes Gold Dredging Co.
Paddy Flat Placer Claims
Valley County, Idaho

Dear Sir:

I have yours of December 6th relative to the above matter. Sometime after the owner's consent to lien was executed by Raymond M. Carrey and Myrtle Carrey, his wife, the Carreys deeded all their interest in any of the claims involved to Oliver Denison, and he is now the owner of the Carrey interests, except that Oliver Denison and George Denison later conveyed a one-third interest in these claims to Frank D. Ryan and Harold L. Ryan. The land owned by Clarence V. Loomis and Vida A. Loomis, is patented land and is not involved as far as the placer claims are concerned. We could obtain a consent from Clarence V. Loomis and wife if under the circumstances you still require it, but they live up at Old Meadows, Idaho, and it would cause considerable delay to get such consent from them. However, it can be done.

We would appreciate whatever you can do to speed this matter up, as their are some important deals pending in regard to operating on these claims and every days delay may mean a loss to all of us.

Very truly yours,

RYAN & RYAN

Frank D. Ryan

Frank D. Ryan

FDR srb

Meadows, Idaho
December 8, 1954

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

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Consumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Mr. Weissenborn:

This is to certify that Clarence V. Loomis and Vida A. Loomis are the sole and only persons interested in the patented lands, on Paddy Creek, in Paddy Flat, in Valley County, Idaho, referred to in the above docket number, and Frank D. Ryan is duly authorized by us to represent us in all matters relating to the above item and is entitled to receive and has our consent to receive the log on the test holes made on the above referred to claims by the Consumnes Gold Dredging Company.

Will you kindly send this log to Mr. Frank D. Ryan as soon as possible.

Very truly yours,

Clarence V. Loomis

Clarence V. Loomis

Vida A. Loomis

Vida A. Loomis

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DEC 13 1954
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SPOKANE, WASH.

12/10/54 gla

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DEC 10 1954

XXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

December 6, 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
340 State Street
P. O. Box 587
Weiser, Idaho

Re: Docket No. DMEA-2265
(monazite, columbium, tantalum)
Contract No. Idm-K551
Consumnes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

Your request for the logs of the holes drilled on the above captioned property has been referred to this office by Mr. George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration. Mr. Selfridge points out that as evidenced by Owner's Consent to Lien form with the contract, Clarence V. Loomis and Vida A. Loomis, in one instance, and Raymond M. Carrey, Myrtle Carrey George Denison, and Helen Denison, in another, are also to be recognized as the landowners of the above property.

Upon presentation to this office of proper releases similar to that from George Denison, Oliver Denison, etc., which you have already supplied, we shall send you the available data that you request.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Armstrong

(Note: Re Operating Comttee's ltr dated 11/18/54)

12/10/54 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
December 2, 1954

Mr. H. C. Miller, Regional Director
U. S. Bureau of Mines, Region III
420 Custom House
San Francisco 11, California

Re: Docket No. DMEA 2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Miller:

Reference is made to your November 8, 1954 letter concerning the disposal of equipment from the referenced project.

We regret to say that we have had no inquiries concerning this equipment despite all our efforts toward this end. Should we receive inquiries on this equipment from any of the many dealers we have circularized, we shall notify you immediately. We wrote to the two companies suggested in Mr. Johnson's February 3, 1954 memorandum, without luck.

We understand from the Director's letter of October 27, 1954 and Mr. Selfridge's letter to you of September 10, 1954 that the DMEA can advance you project funds to pay the expenses incurred in this matter. We assume from the letters that necessary arrangements in this connection will be handled by the Washington office of DMEA.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
Certifying Officer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

OFFICE OF
REGIONAL DIRECTOR

420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIFORNIA

November 8, 1954

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

Re: Docket No. DMEA-2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-E351

Dear Mr. Weissenborn:

Reference is to the file of correspondence concerning the disposal of equipment from the referenced project.

We have now received some definite instructions on how the matter may be carried out by the Bureau, but before going any farther at this time, we would like to know if you had any luck in disposing of any of the material to either of the two companies suggested by Mr. Johnson (see my letter to you dated February 10, 1954) or to any one else.

Our Director writes under date of October 27, 1954, that:

"Our Bureau has no authority to dispose of this property. Also, the property is not at present under Government supervision, part of this equipment being stored at two private residences, the bulk stored in the yard of the Surcease Mining Company, according to the June 8, 1954 letter from Mr. Merrill Yost.

"If you have no need for this equipment within your region, it is suggested in lieu of accepting title to this property which would require bureau property records, you serve only as the disposal agent for DMEA.

"In this connection DMEA can advance you project funds to pay the expenses incurred in the trip to the location of the property for a physical inspection and inventory.

"After this has been done if you will furnish Mr. Secrest (Chief, Property Management Branch, Bureau of Mines) a listing of the available items including present condition, acquisition

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U. S. G. S.
SPOKANE, WASH.

cost and location of the property, circulars will be distributed to other agencies and offices in the Department of the Interior as well as to our other regional offices.

"If any items remain after Department clearance Mr. Secrest will advise you of the next step toward final disposition of the property."

Kindly let us hear from you shortly.

Sincerely yours,

H. C. Miller
Regional Director
Region III

700

NOV 1 8 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
P. O. Box 557
Salmon, Idaho

Re: Docket No. [illegible]
(Monazite, columbium-tantalum)
Contract No. Idm-6351
Cosmopolitan Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

This will acknowledge receipt of your letter of November 1, 1954, with which you enclosed an authorization of the same date for you to receive the information requested in your letter of October 22.

Certain questions have arisen and we are referring the matter to Mr. A. R. Weissenborn, Executive Officer, Region II, South 157 Howard Street, Spokane 4, Washington. He will undoubtedly contact you at an early date.

Sincerely yours,

C. O. Mittendorf

Administrator

KWilliams
11-16-54

cc to: Admr. Reading File
Operating Committee
Docket
Messrs. F. D. Lamb, Rm. 3649
T. H. Killegaard, Rm. 5224
Code 700
DMEA Field Team, Region II(2)

NOV 1 8 1954

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

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-5351
Cocurunes Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Weissenborn:

This refers to two letters dated November 1, 1954, from Mr. Frank D. Ryan, attorney, Weiser, Idaho. These letters are relative to his request for copies of the logs obtained as a result of the drilling accomplished under the subject contract. A copy of a letter from the Administrator to Mr. Ryan requesting the required releases together with copies of the above letters from Mr. Ryan are enclosed. We are also enclosing copies of Mr. Ryan's original request dated October 21, 1954, and attachment, in order that your file may be complete.

You will note from Mr. Ryan's letter that he has furnished releases as landowners from George Denison, Oliver Denison, Frank D. Ryan, and Harold L. Ryan; whereas a review of the docket indicates that Clarence V. Leonis and Vida A. Leonis, in one instance, and Raymond M. Carney, Myrtle Carney, George Denison, and Helen Denison, in another, have furnished Owners' Consents to Lien, and therefore are also to be recognized as the landowners.

Since we do not have extra copies of the data requested by Mr. Ryan, and to prevent unnecessary delay, we suggest that you advise him that your office will supply the available data upon presentation to you of proper releases.

AGKeatingram
11-16-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. F.D.Lamb,Rm.3649
T.H.Killagaard,Rm.5224
Code 700
Enclosures. Keating

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. E. Kogel

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

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RYAN & RYAN
Attorneys and Counselors at law
P. O. Box 587
Weiser, Idaho

November 1, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Claims
Valley County, Idaho

Dear Mr. Millendorf:

Since receiving your letter stating you wanted the authority of other interested parties in the claims above referred to in order for me to receive the copy of the log on such mining claims, George Denison and his brother, Oliver, came in the office and consequently I was able to get their signatures at this time, when otherwise, it would have been very difficult to have found them in a short time.

I trust that this will cover the situation and that I may receive this log just as soon as possible. Any delay in giving this log may seriously interfere with the negotiations that are going on to get to work dredging on these claims, and I would appreciate being given every thing possible to facilitate us getting this log.

Very truly yours,

/s/ Frank D. Ryan

Frank D. Ryan

FDR srb

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Weiser, Idaho
November 1, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265
(Monazite, columbium-tantalum)
Contract No. Edm-E351
Consumnes Gold Dreding Company
Paddy Flat PlacerClaims
Valley County, Idaho

Dear Mr. Millendorf:

This is to certify that George Denison, Oliver Denison, Frank D. Ryan and Harold L. Ryan are the sole and only owners and the sole and only persons interested in the mining claims in Paddy Flat, in Valley County, Idaho, and in the area adjoining Paddy Flat area, referred to in the above docket number, and Frank D. Ryan is duly authorized by us to represent us in all matters relating to the above item and is entitled to receive and has our consent to receive the log on the test holes made on the above referred to claims, by the Consumnes Gold Dredging Company.

Will you kindly send this log to Mr. FrankD. Ryan as soon as possible.

Very truly yours,

/s/ George Denison
George Denison

/s/ Oliver Denison
Oliver Denison

/s/ Frank D. Ryan
Frank D. Ryan

/s/ Harold L. Ryan
Harold L. Ryan

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OCT 27 1954

Mr. Frank D. Ryan
Ryan & Ryan, Attorneys
310 State Street
P. O. Box 587
Weiser, Idaho

Re: Docket No. [illegible]A-2265
(Microlite, columbium-tantalum)
Contract No. Idm-8351
Consumer Gold Dredging Company
Paddy Flat Placer claims
Valley County, Idaho

Dear Mr. Ryan:

This is in response to your letter dated October 21, 1954, concerning your interest in obtaining the results of drilling done by the subject company on a number of claims in Valley County, Idaho.

In order for us to release the information to you we will require evidence that you are the representative of the landowners and this information is requested in their behalf.

Sincerely yours,

C. O. Mittendorf

Administrator

FMinouse/gla
10-27-54
cc to: Admr. Reading File
Docket
Messrs. Frank D. Lamb, Rm. 3649
T.H. Millsgard, Rm. 5221
Code 700
Mr. Knouse
Field Team, Region II (2)

RYAN & RYAN
Attorneys and Counselors at Law
340 State Street P.O. Box 587
Weiser, Idaho

October 21, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exporation Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Millendorf:

I am herewith enclosing a consent from Consumnes Gold Dredging Company, by G. M. Standifer, President, authorizing you to give to me the log and any information you have in regard to test holes that were drilled on Paddy Creek, Rapid Creek and possibly some other small creeks in the area, in Valley County, Idaho. I think there were some thirty-odd holes drilled.

I am quite anxious to get this log as soon as possible, as we have parties who are interested in financing dredges or draglines to operate on this property. I recently sent to the Bureau of Mines, through Senator Welker of Idaho, samples of sands taken from this area, all of which showed very active on the geiger counter.

Appreciating your early attention to this matter, I am

Very truly yours,

/s/ Frank D. Ryan

Frank D. Ryan

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October 18, 1954

Mr. C. O. Millendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

I am the President of the Consumnes Gold Dredging Company of California, that drilled quite a number of test holes on certain placer mining claims located on Paddy Creek, Rapid Creek and in the area where those streams are located.

You have the log on these test holes, and as we are no longer interested in those properties, it is agreeable to me and the Consumnes Gold Dredging Company to have you give copies of this log, or any information you have in your office relative to the results and values shown by the testing that we did on those creeks and in that area.

This information may be given to Frank D. Ryan, P. O. Box 587, Weiser, Idaho, who is acting for himself and his associates, the present owners of such claims.

Very truly yours,

CONSUMNES GOLD DREDGING COMPANY

By /s/ G. M. Standifer
G.M. Standifer, President

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

BUREAU OF MINES

October 27, 1954

Air Mail

Memorandum

To: Regional Director, Region III, San Francisco, Calif.

From: Director

Subject: Docket No. DMEA 2265 (Monazite) Cosumnes Gold Dredging Co., Paddy Flat Placer Deposit, Valley County, Idaho, Contract No. Idm-E351

Receipt is acknowledged of your memorandum dated October 12, with copies of correspondence concerning the excess property donated by the Cosumnes Gold Dredging Company to the Government.

Two important details must be clarified before we can take action. According to Mr. Weissenborn's letter dated October 7, 1954, the title to this property still rests with the Defense Minerals Exploration Administration. Therefore, our bureau has no authority to dispose of this property. Also, the property is not at present under Government supervision, part of this equipment being stored at two private residences, the bulk stored in the yard of the Surcease Mining Company, according to the June 8, 1945 letter from Mr. Merrill Yost.

Using the information in the above mentioned letters as a guide, the following will have references to Mr. George C. Selfridge's letter dated September 10, 1954 with partly prepared Form SF-120 which was furnished you for reporting the property to the General Services Administration. If you have no need for this equipment within your region, it is suggested in lieu of accepting title to this property which would require bureau property records, you serve only as the disposal agent for DMEA.

In this connection DMEA can advance you project funds to pay the expenses incurred in the trip to the location of the property for a physical inspection and inventory.

After this has been done if you will furnish Mr. Secrest a listing of the available items including present condition, acquisition cost and location of the property, circulars will be distributed to other agencies and offices in the Department of the Interior as well as to our other regional offices.

If any items remain after Department clearance Mr. Secrest will advise you of the next step toward final disposition of the property.

/s/ J. J. FORBES

Director

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OFFICE OF THE DIRECTOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 8, 1954

DMEA-2265

Hon. Herman Welker
United States Senate
Washington 25, D. C.

My dear Senator Welker:

I have your letter of October 5 enclosing a letter from Mr. Frank D. Ryan of Weiser, Idaho concerning Mr. Ryan's interest in the results of drilling done by the Consumnes Gold Dredging Company on a number of claims in Valley County, Idaho.

It is assumed that the drilling referred to was done during an exploration project carried out by the Consumnes Gold Dredging Company and the Defense Minerals Exploration Administration. Drilling data and other pertinent information obtained in such projects are considered confidential between the operator and the Government. Thus the DMEA is not at liberty to release such data, even to the owners of the property, without permission from the operator.

You may recall that a similar request was submitted to the Defense Minerals Exploration Administration earlier this year by Mr. John Eaton of Cascade, Idaho concerning another placer deposit drilled by the Consumnes Gold Dredging Company. In that case permission was obtained from the operator and the factual data was turned over to the landowners. Mr. Ryan may obtain the same information for the properties in which he is interested, provided the operator grants permission to the DMEA to release the data. His inquiry should be addressed to Mr. C. O. Mittenderf, Administrator, Defense Minerals Exploration Administrator, Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C.

Mr. Ryan's letter is returned herewith, as requested.

Sincerely yours,

J. J. FORBES
Director

FDLamb:emt
Copy to: Minerals Division
Director's reading file
Rare and Precious Metals Branch
F. D. Lamb
F I L E S
E. W. Ellis, Rm. 4640, DMEA
F. L. Knouse, Rm. 4640, DMEA

Enclosure

10/12/54 ugh

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
October 7, 1954

Mr. H. G. Miller
Regional Director, Region III
420 Custom House
555 Battery Street
San Francisco 11, Calif.

Re: Docket No. DMEA 2265 (Monazite)
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Idm-2351

Dear Mr. Miller:

This will acknowledge receipt of your September 30, 1954 letter concerning disposal of equipment from the referenced project.

For your information we are enclosing photostated copies of a Field Team letter to Mr. Standifer, President of Cosumnes Gold Dredging Company, dated November 10, 1953, which gives an inventory of the equipment. In answer to your question No. 1 you will note on page 2 of the letter, which was returned to us, Mr. Standifer's handwritten waiver of Cosumnes interest in the equipment. This is the only document, if you can call it that, which we were able to obtain from Cosumnes.

As for your question No. 2, none of this property has been inspected by anyone from Region II as the equipment was not delivered until after the project was terminated although it was ordered ahead of time.

We are also enclosing photostated copies of a letter from Mr. Yost, General Manager of Cosumnes, giving the location of some of the equipment. Our understanding is that Mr. Yost left for Guam shortly after writing his letter to us of June 8, 1954. As we understand it now, the steel casing, steel couplings, drive shoe, drive cap, and the steel pulling head are stored at the warehouse of the Surcease Mining Company at Randsburg, Calif. The Vulcan pipe tongs are at the home of a Mr. Martin who works for the Surcease Mining Co. and presumably lives at Randsburg, Calif. From Mr. Yost's letter the jacks should be at his home in Folsom, Calif.

As for your question No. 3, the property was not transferred to the Bureau of Mines and title still rests with the DMEA.

By Field Team, Region II

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: DMEA, Washington, D.C. (2)
USGS (2)

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

2265

SEP 10 1954

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

Re: Docket No. DMEA-2265 (Manganite)
Consumers Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Ida-E351

Dear Mr. Weissenborn:

Your attention is called to a copy of a letter to Mr. Miller in regard to the disposition of property procured for the above-cited project.

Any assistance which Mr. Miller needs from you should be rendered. This office will appreciate the cooperation of both Region II and III in making disposition of the property.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JLChambers/wb 9-8-54

Copy to: Docket
Admr. Reading File
Region II Field Team
Operating Committee
Mr. E. J. Carlson, BM
Mr. ~~D. M. Barraclough~~ USGS
Mr. Ellis
Mr. Chambers
Mr. Kiilsgaard

Mr. Eddie

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

Mr. E. C. Miller, Executive Officer
DMEA Field Team, Region III
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMEA-2265 (Pennsalt)
Consumer Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho
Contract No. Ida-2351

Dear Mr. Miller:

We are enclosing an original and four copies of Form S. F. 120, Report of Excess Personal Property, to report property donated by the Operator of the above-cited project to the Government.

Form 120 has not been filled out completely. Your Finance Officer will be able to complete the form, although it may be necessary for you to get certain information from Mr. Weisenborn which our files fail to disclose.

You will note that the above project was carried on in Idaho in Region II. Mr. Weisenborn, however, has informed us that the Operator moved the supplies and equipment to California. Since the Operator was unable to dispose of the supplies and equipment he has turned them over to the Government without charge. The Property Management Division of the Department of the Interior states that the Property Disposal Act of 1950, as amended, provides that any Bureau in the Department can take over the property free of charge. If no Bureau is interested the property must be offered to the General Services Administration for disposal. The chances are that the General Services Administration will appoint your office to act for them as the disposal agent.

Your Finance Officer should know the procedure for making the disposition under these circumstances. There will most probably be some expenses incurred by you in performing this duty. Upon receipt of your estimate of costs money will be advanced to the project to pay these expenses.

Copies of letters from (1) Mr. W. G. Agnew, Acting Executive Officer of Region II to Mr. Merrill Yost (May 20, 1954); (2) Surcamp Mining Co. to Mr. Agnew (May 4, 1954); and (3) the Operating Committee to Mr. Weissenborn (February 1, 1954) in regard to this property, are attached for your information. You may desire to communicate directly with Mr. Weissenborn for further data.

A copy of this letter is being sent to Mr. Weissenborn for his information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure

APPROVED:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JLChambers/wb
September 8, 1954

Copy to: Docket
Admr. Reading File
Region II Field Team
Region III Field Team
Operating Committee
Mr. E. J. Carlson, BM
Mr. ~~D. M. Larrabee~~ USGS Thor H. Kiilsgaard
Mr. Ellis
Mr. Chambers

7/30/5

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

Defense Minerals Administration
RECEIVED
JUL 30 1954

July 28, 1954

Air Mail

Mr. G. M. Standifer, President
Consumes Gold Dredging Company
262 W. Santa Inez
San Mateo, California

Re: Docket No. DMEA-2264
White Hawk Basin
Contract Idm-E350
and
Docket No. DMEA-2265
Paddy Flat
Contract Idm-E351

Dear Mr. Standifer:

We are sending you a digest of analyses made on samples from the Paddy Flat and White Hawk Basin deposits. These have been made at the request of the Field Team and were charged to Contracts Idm-E350 and Idm-E351.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)

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

Mr. A. L. Weisenborn
Executive Officer
DMEA Field Team, Region II
North 157 Howard Street
Spokane 1, Washington

Re: Docket No. DMEA-2265
(Columbite, columbium-tantalum)
Contract No. dm-351
Consumers Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Weisenborn:

This is with reference to the status of the equipment purchased for the subject contract that was transferred by the Operator to the account of the Government.

We note in your letter of May 20, 1954, addressed to Mr. Merrill Foot, that you had been informed four items of this equipment were not delivered for storage in the warehouse of the Purchase Filing Company at Vandenberg, California, as we had advised, but in the Final Report of the Field Team it is stated that all the equipment was delivered. Please advise if this question has been resolved and, if so, what has been done regarding the disposal of the equipment.

If no sale has been made or the Bureau of Mines has no use for a part or all of the equipment, we suggest contacting some of the equipment dealers concerning the sale of the Vulcan pipe tongs and the 25-ton hydraulic jacks and junk dealers for the remainder of the equipment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

FLKnouse/dla
7-26-54

cc to: Admr. Reading File
Operating Committee
Docket
Messrs. Frank Lamb, Rm. 3649
D. M. Larrabee, Rm. 5218
Code 700 ✓
Mr. Knouse
Mr. Chambers

IN REPLY REFER TO:
G-MD-CSM

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

July 16, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2265 (monazite and columbite)

To: E. W. Ellis, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Cosumnes Gold Dredging Company.
Name of property: Paddy Flat Placer Deposit.
Location of property: Valley County, Idaho.
Date of Field Team Report: July 1954 Final Report.
Authorship of Field Team Report: John D. Burdill and J. Hoover Mackin.
Field Team's recommendation:

No certification.
No further work.

Comments:

1. 0.42 lbs/yd. monazite concentrate
2. Columbium negligible.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

IN REPLY REFER TO:
G-MD-CMM

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

July 16, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2265 (monazite and columbite)

To: E. W. Ellis, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Cosumnes Gold Dredging Company.
Name of property: Paddy Flat Placer Deposit.
Location of property: Valley County, Idaho.
Date of Field Team Report: July 1954 Final Report.
Authorship of Field Team Report: John D. Bardill and J. Hoover Mackin.
Field Team's recommendation:

No certification.
No further work.

Comments:

1. 0.42 lbs/yd. monazite concentrate
2. Columbium negligible.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Copy to: DMEA (3) ✓

IN REPLY REFER TO:
G-MD-CRM

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

July 16, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2865 (monazite and columbite)

To: E. W. Ellis, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Geronimo Gold Dredging Company.
Name of property: Paddy Flat Placer Deposit.
Location of property: Valley County, Idaho.
Date of Field Team Report: July 1954 Final Report.
Authorship of Field Team Report: John D. Merrill and J. Hoover Mackin.
Field Team's recommendation:

No certification.
No further work.

Comments:

1. 0.42 lbs/yd. monazite concentrate
2. Columbium negligible.

ACTION RECOMMENDED:

Follow Field Team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

2 11.

C O P Y

149 USGS WA

51 WA SP /I-GS-G/

SPOANE WASH 7-2-54 415P

MR. C. O. MITTENDORF

US GEOLOGICAL SURVEY WA

REURTEL PADDY FLAT REPORT WILL BE SENT TO YOU BEFORE END OF WEEK. WHITE HAWK WILL FOLLOW SHORTLY.

A. E. WEISSENBORN, USGS, SP

VA 416P

7/19/54 gfe

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

July 9, 1954

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite)
Cosumnes Gold Dredging Co., Inc.
Valley County, Idaho
Contract No. Ida-2351

Dear Mr. Selfridge:

Enclosed are four copies of the final Field Team report on the Sandy Flat project of the Cosumnes Gold Dredging Co., Inc. The operator's final report is also being sent to you under separate cover.

The field examiners recommend that no Certification of Discovery or Development be issued because exploration work did not disclose a placer deposit which could be profitably exploited for its monazite and columbium-tantalum mineral content. They further state that the property has been adequately prospected, and recommend that any future applications for Government exploration assistance be denied. The Field Team concurs with the field examiners recommendations.

The final Field Team report on the White Hawk placers project of the same company is in preparation and will be sent to you as soon as possible.

By Field Team, Region II

W. S. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas E. Howard
For: Wing G. Agnew, Member
(U. S. Bureau of Mines)

Reviewed by
DMEA OPERATING COMMITTEE
7-16-54
(date)

Enclosure
cc: USBM (2)

see maps in separate envelope

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 12 1954

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION II

FINAL REPORT

Contract Idm-E351

by

John D. Bardill
Metallurgist
U. S. Bureau of Mines

J. Hoover Mackin
Geologist
U. S. Geological Survey

COSUMNES GOLD DREDGING COMPANY, INC.
465 California Street
San Francisco, California

Docket No.:	DMEA-2265
Commodity:	Monazite-Columbium-Tantalum
Contract date:	June 23, 1952
Completion date:	August 23, 1953

Reviewed by
DMEA OPERATING COMMITTEE
7-16-54
(date)

PADDY FLAT PLACER DEPOSIT
Paddy Flat Mining District
Valley County, Idaho

Spokane, Washington

July 1954

Field Team Final
Report recd. 7/19/54

FINAL REPORT

COSUMNES GOLD DREDGING COMPANY, INC.
Paddy Flat Placer Deposit
Paddy Flat Mining District
Valley County, Idaho

Contract Idm-E351

* * * *

INTRODUCTION

This report describes a project carried on by Cosumnes Gold Dredging Company, Inc., under a exploration contract with the Defense Minerals Exploration Administration to prospect a monazite-columbium-tantalum-bearing placer deposit at Paddy Flat, Valley County, Idaho.

Summary and Recommendations

Thirty-five drill holes in this placer deposit indicated at least 30,000,000 cubic yards of gravel having an average depth of approximately 12 yards. A composite sample from the drill holes was concentrated in the laboratory, recovering a monazite concentrate estimated to be equivalent to 0.42 pounds per cubic yard of original gravel. The recovered columbium-tantalum minerals were negligible.

A Certification of Discovery or Development is not recommended because this exploration project did not disclose a placer deposit which could be profitably exploited for its monazite and columbium-tantalum mineral content. The property has been adequately prospected, and it is recommended that any future applications for Government exploration assistance be denied.

LOCATION AND ACCESSIBILITY

The Paddy Flat placer deposit is located in Valley County, Idaho. The deposit may be reached readily by driving about 3 miles north of Donnelly on Highway 15, then east about 9 miles on a mountainous, dirt county road to the Paddy Flat Forest Service Guard Station. Refer to figures 1, 2, and 3 for the location and approximate areal extent of the deposit.

The placer is located in a valley having a general north-south direction at an elevation of about 5,000 feet and experiences sub-zero winter weather and heavy snows. The summer weather is mild and pleasant. The north end of the valley extends about a quarter of a mile north of the county road and is heavily wooded. South of the county road the valley extends a distance of 1½ miles and is sparsely wooded.

PROPERTY

Although title records of ownership have not been searched, the mining properties under lease, lease options, and options to purchase, or held by placer mine locations, by Cosumnes Gold Dredging Company, Inc., appear to consist of three groups of properties in the Paddy Flat mining district along the North Fork of Gold Fork River, Valley County, Idaho. Figure 2 shows the locations of some of these properties and the ones which were prospected under the contract.

Most of the project contract work was confined to the C. V. Loomis property and land immediately adjacent to it. An Owner's Consent to Lien agreement, which is part of the DMEA exploration project contract, infers that an agreement dated November 9, 1951, between Clarence V. Loomis and Vida Loomis, parties of the first part, and G. M. Standifer and Merrill Yost, parties of the second part, who, in turn, assigned their interest to Cosumnes Gold Dredging Company, Inc. The terms of the agreement were not disclosed, but figure 2 indicates that about 600 acres were involved which are believed to be owned by virtue of homestead patents.

There seemed to be some question as to the validity of the locations of the Zircon and Ilmenite claims throughout the duration of the project. Reportedly, three different sets of locators staked overlapping claims at approximately the same time. Presumably, the issue has never been settled.

The third property consisted of a group of 19 placer mining claims situated in the same general area as the other properties. A Quit Claim Deed, No. 4241, dated April 7, 1952, by Frank McElhone and Betty McElhone, his wife, of Fields, Oregon, deeded the 19 claims listed below to George Denison of Weiser, Idaho. An earlier Quit Claim Deed, No. 4254, dated November 9, 1951, by Harold Hollman and Irma Hollman, his wife, of Downeville, California, also deeded 11 of these same claims to Raymond M. Carrey of Weiser, Idaho. An Owner's Consent to Lien was granted by the Carreys and Denisons, which is also a part of the DMEA exploration project contract.

Claim locations are filed in the office of the County Recorder, Valley County, Idaho.

Claim	Approx. Acres	Location	Book of Placer Mining Claims Book	Page
Half Moon #1	160	T. 16 N., R. 4 E. of B.M.	?	?
Half Moon #2	160	T. 17 N., R. 4 E. of B.M.	?	?
Half Moon #3	160	T. 17 N., R. 4 E. of B.M.	?	?
*Half Moon #4	40	SE¼NE¼ sec. 34, T. 17 N., R. 4 E. of B.M.	5	530
*Half Moon #5	40	T. 17 N., R. 4 E. of B.M.	?	?
*Half Moon #8	160	T. 17 N., R. 4 E. of B.M.	5	122
*Elk Group	160	SW¼ sec. 26, T. 17 N., R. 4 E. of B.M.	5	534
*Jeep Claim #1	160	Sec. 27, T. 17 N., R. 4 E. of B.M.	5	532
*I Found It	160	Sec. 30, T. 17 N., R. 5 E. of B.M.	5	538
*Full Moon	160	Sec. 21, T. 17 N., R. 4 E. of B.M.	5	531
*Owl Group	160	Secs. 30 and 31, T. 17 N., R. 5 E. of B.M.	5	537
*Mink Group	160	NW¼ sec. 26, T. 17 N., R. 4 E. of B.M.	5	533
*Swamp Group	160	NE¼ sec. 27, T. 17 N., R. 4 E. of B.M.	5	536
*Beaver Dam	160	W½ sec. 31, T. 17 N., R. 5 E. of B.M.	5	535
Bing #1	160	?	5	332
Bing #3	160	?	5	419
Old Gold	160	?	5	420
Lost Cat	160	?	5	421
Ranger	160	SE¼ sec. 27, T. 17 N., R. 4 E. of B.M.	6	9

*Claims quit claimed to Raymond M. Carrey

The several leases and agreements are believed to have been terminated by Cosumnes Gold Dredging Company, Inc., after completion of the project field work.

The Paddy Flat placer deposit is located in a valley and is covered by heavy timber at the northern end and sparsely wooded to the south.

Several bench cuts and two old abandoned ditches for conveying water indicate that portions of the southeast corner of the deposit were placer mined for gold years ago.

THE PROJECT

The occurrence of monazite in the Paddy Flat gravels was reportedly noted by Raymond M. Carrey several years ago. During the summer of 1951 Messrs. Merrill Yost and E. Knutsen of the Cosumnes Gold Dredging Company, Inc., became interested in Paddy Flat Valley and drilled three holes with a churn drill. One hole was drilled near the junction of Kennally Fork and Gold Fork, another near the Forest Service guard station on Rapid Creek, and the third on the Loomis homestead on Camp Creek. Samples from all of the holes contained monazite, magnetite, ilmenite, and garnet. Four holes were also drilled near the junction of Kennally and Powelson Creeks and showed black sands containing monazite. Several samples were taken of exposed gravel banks, which also showed the presence of monazite.

The apparent size of the deposit and quantity of monazite in the drill hole samples seemed sufficiently interesting to warrant further exploration. An application for a DMEA exploration project contract in the amount of $19,055 was filed November 12, 1951. The application proposed a 5-month drilling campaign and concentration of the drill hole samples in a pilot plant. Later, a more specific revised proposal was submitted. This application was approved and a contract in the amount of $28,825 was granted June 23, 1952.

The project was divided into two stages. Stage I specified drilling ten 20-inch diameter holes with a clam shell drill to an approximate depth of 35 feet each and concentrate the material from the drill holes in a pilot plant and have the concentrate samples analyzed. Stage II, which was contingent upon the results of Stage I and the approval of the Field Team, consisted of not more than 50 additional drill holes, concentration of the drill hole samples, and analysis of the samples.

A barn near Cascade, where power and water were available, was remodeled to house the pilot screening-gravity concentration plant. The plant consisted of scales, a 24-by 30-inch laboratory-size revolving trommel with five-eighths-inch and 10-mesh screens, and a 3½-by 7-foot laboratory Wilfley shaking table and accessory equipment.

Pilot plant operating procedure was to receive the sample by truck from the drill site and weigh it wet. Occasionally, moisture determinations of the samples were made; otherwise, the moisture was estimated. The entire sample was fed to the trommel. The plus 10 mesh minus five-eighths inch, the plus five-eighths inch and sludge products were also dried and weighed.

The minus 10-mesh sands were tabled to recover a black sand concentrate and tailing which were dried and weighed. Gravel sizes were determined to provide data for possible future use in estimating the amount of material the jigs would be required to handled on a dredge.

Nine black sand concentrate samples were submitted to Dings Magnetic Separator Company at Milwaukee, Wisconsin, for high intensity magnetic separation laboratory tests to separate the concentrate into its various components, i.e., magnetite, ilmenite, zircon, garnet, monazite and tailing. The results were poor because clean separations were not attained by their magnetic separator with the result that monazite was present in several products and the monazite concentrate was contaminated with other minerals and too low grade to be salable. It was evident that a Carpco high tension separator, such as is used at the Boise, Idaho monazite concentration plant, would be required to make a satisfactory separation.

A composite sample of black sand concentrates from 14 drill holes was beneficiated at the laboratory of Porter Bros. Corporation at Boise, Idaho. This laboratory is basically equipped with an attrition mill, tables, dryer, screens, low intensity magnetic separator, Dings cross belt magnetic separator, and Carpco high tension separator. Treatment is similar to the one employed to beneficiate black sands from the dredges near Cascade, Idaho, to a monazite concentrate.

Nine major products were recovered and further concentrated by tabling at the Bureau of Mines laboratory at Albany, Oregon, and the various products analyzed. See table 9 for detailed results of these tests.

Composite samples of 14 of the Paddy Flat drill holes were analyzed by methods developed by the Geological Survey in the course of a study of placer deposits in west-central Idaho. The analyses were by John Kolars, who has made many of the Survey analyses. The procedure followed by Kolars is outlined in table 6. Table 2 is a summary of the mineral content of the 14 samples and table 2a lists the detailed descriptions of the heavy minerals according to each fraction.

A novel 22-inch clam shell bucket shaft sinking drill was used instead of the conventional type churn drill. This drill is

mounted on a 2-ton truck and is powered by an independent 125 c.f.m. portable air compressor. The string of tools with the clam shell bucket at the end is raised and lowered by a Gardner-Denver 5-cylinder air-driven hoist. The bucket is actuated by air with a closing pressure of 8,000 pounds per square inch on the jaws and is rotated a quarter of a turn each time through a ratchet making a smooth, round hole. This particular drill rig is capable of handling a 16- to 36-inch bucket. The weight of the string of tools is about 1,480 pounds. The drill operates by lowering the string of tools into the hole, driving the teeth into the ground, closing the jaws of the bucket and hoisting the loaded bucket to surface. When the ground is hard, the bucket is raised several feet above the bottom of the hole and dropped to imbed the bucket teeth in the ground.

The casing is conventional threaded casing with a drive shoe and drive head. When the casing has been driven to the desired depth, the drive block is removed by relieving the air pressure on the teeth, releasing the block. Then the dirt is dug out of the inside of the casing to the bottom of the drive shoe and the operation repeated. When a boulder is encountered that is too large for the bucket, it is usually broken with dynamite. Casing is pulled by a split-pulling head screwed onto the top joint. The tools serve as a pulling hammer and the casing is hammered out in the usual manner.

Seven of the 10 holes drilled for Phase I reached bedrock. With the exception of holes PF-102Y and PF-105Y, the holes were located on the rim of the deposit. Since the black sand concentrate samples were not beneficiated to a clean monazite concentrate at the time of the drilling during Stage I, the decision to start Stage II was based on hand-panning results and the fact that there appeared to be a large yardage of gravel.

Upon the completion of a total of 35 holes, the Operator was satisfied that there was a large enough deposit to dredge, and the field work was terminated before the completion of the 50 holes provided for in Stage II. Another reason for shortening the drilling at Paddy Flat was that the Operator was eager to complete the drilling at the White Hawk deposit in White Hawk Basin at an elevation of 6,100 feet and 45 miles southeast of Paddy Flat before the winter set in.

The drilling was not done on a planned grid; instead, holes were drilled indiscriminately here and there as is evident by referring to figure 3 showing the location of the drill holes.

Many of the holes failed to reach bedrock principally because the holes were not cased and caved. When a hole caved, it was considered completed. Hole No. PF-110Y was drilled to a depth of 84 feet which was the depth limit of the drill. Failure to case the holes was

not the fault of the Operator. Casing had been on order for months with the Yuba Manufacturing Company, San Francisco, but deliver was not made until the contract had been almost completed.

GEOLOGY

General statement. The principal bedrock types of the Long Valley-Cascade Valley area, of which the Paddy Flat mining district is a part, are (1) gneissic and granitic rocks of the Idaho batholith, overlain unconformably by (2) Columbia River basalt flows. Paddy Flat is a small north-south lowland, aligned with the much larger Cascade Valley on the south, and paralleled by Long Valley on the west. The geologic relationships indicate that these lowlands were formed by block faulting in late Tertiary and Pleistocene time. Paddy Flat is underlain chiefly by gneissic granite, with one remnant of basalt, preserved in the western part of the lowland, in fault contact with gneissic rock of the ridge that separates Paddy Flat from Long Valley.

The deposits explored by the Cosumnes Gold Dredging Company, Inc., are a complex assemblage representing at least three Pleistocene glacial stages, and possibly one or more interglacial stages. The deposits are "nested", that is, each younger unit lies in a valley cut on the next older unit. The complexity of these nested fills, and a heavy cover of soil and vegetation, made it impossible to gain more than a generalized picture of the geology during the brief period spent in Paddy Flat in the course of a reconnaissance study of placer deposits of west-central Idaho (TEM 473 and 602).

Interpretation of the geology of the Paddy Flat deposits is based in large part on general principles developed in the regional study. References to the preliminary reports on that study, cited above, will eliminate the need for extended explanations here.

Origin of the deposits. The oldest of the Paddy Flat deposits makes up a ridge between Rapid Creek and Kennally Fork. The deposit is locally at least 180 feet thick, from below the level of the present streams to the ridge crest. In some places bedrock crops out high on the slopes of the ridge. The deposit is, therefore, interpreted as a thick fill in a former bedrock valley, the trend of which did not correspond exactly with the trend of the present ridge. The topographic relations, deep weather of the deposit, and the fact that it contains a high proportion of granitic pebbles (TEM 602) suggest that it is glacial outwash of early Pleistocene age. Smaller bodies of similar deeply weathered gravels occur on high terraces on the east side of Kennally Fork, as much as 300 feet above the stream, and at the level of Paddy Creek north of the junction of Paddy Creek and Camp Creek. Very small amounts of gold in these remnants of the oldest of the Paddy Flat deposits led to considerable prospecting and some scale placer mining years ago.

Late Pleistocene outwash deposits are represented by (1) moderately weathered gravels making up a dissected bench between Camp Creek and Rapid Creek, and (2) slightly weathered gravels of a low terrace on the east side of Rapid Creek. Both of these deposits can be traced northward, up Rapid Creek, into moraines showing corresponding degrees of weathering.

Gravel deposits on a bench between Paddy Creek and Camp Creek, and on a bench west of Paddy Creek, are higher above the present streams than the late Pleistocene outwash deposits and are, therefore, probably somewhat older. Because neither of these high bench deposits can be traced upvalley into moraines, it is uncertain whether they were formed in a glacial or an interglacial stage. An interpretation of origin based chiefly on the mineralogy will be outlined below.

Because of its low altitude, the headwater part of Paddy Creek was not glaciated during the late Pleistocene stages; gravels of the Paddy Creek valley floor are, therefore, normal stream deposits, rather than glacial outwash.

Table 7 shows the mineral composition of a total of 87 samples, divided into groups on the basis of these five geologic units, and several other minor units. This total includes composite samples for the 14 Cosumnes drill holes listed in tables 2 and 2a; grab samples collected from the spoil heaps adjacent to 15 additional Cosumnes holes; samples of various types from surface exposures of gravel and bedrock; and bar samples from the beds of the present streams. Much of this data, as that bearing on the heavy mineral content of the bedrock, is of academic interest only and has no place in this report. The mineralogic data for 49 samples taken from the five main depositional units mentioned above is summarized in table 8. It should be noted that the sampling was not systematic and that there is considerable variation in mineralogy within each of the depositional units. The figures in the table are averages of the samples, with no attempt at weighing; they would not be sufficiently accurate for appraisal purposes if any of the deposits were close to the economic borderline. In this respect the table merely confirms the conclusion based on the drilling; namely, that there is not enough monazite in any of the deposits to support a mining venture at the present time. The figures in the table are sufficiently representative to serve as a basis for discussion of the geologic factors that explain differences in grade between the different Paddy Flat deposits, and between these deposits and those now being dredged in the neighboring Cascade Valley.

Amount of total concentrate. One of the most important of the several factors bearing on concentration of heavy minerals by a stream is the degree of weathering of the bedrock in the source areas; other things being equal, the more thorough the weathering of the bedrock, the larger the concentrate (TEM 602). A systematic decrease in

the amount of heavy mineral concentrate in the three progressively younger glacial outwash deposits in the Paddy Flat district conforms with the progressively shorter duration of the interglacial periods during the Pleistocene (TEM 602). The oldest outwash (Rapid Creek-Kennally Fork Ridge) averages 37 pounds per cubic yard; the intermediate outwash (Camp Creek-Rapid Creek Bench) averages 29 pounds; and the youngest outwash (Rapid Creek Terrace) averages 20 pounds.

A second factor involves a difference between two processes of erosion; namely, glacial erosion versus normal stream erosion. Other things being equal, deposits of glacial outwash ordinarily make poorer heavy mineral concentrates than the deposits of normal streams (TEM 602). This principle is illustrated by the high total concentrate of the Paddy Flat Valley floor deposit (46 pounds per cubic yard), in contrast with the average of the three outwash deposits mentioned above (29 pounds per cubic yard).

A third factor, the importance of which can be demonstrated elsewhere, is rate of upbuilding of the deposit; other things being equal, the total concentrate is inversely proportionate to the rate of deposition (TEM 602). A fourth factor, which obviously lies behind all of the others, is the bedrock content of the heavy minerals. These last two factors are difficult to evaluate in a district as imperfectly known as Paddy Flat. Some combination of them, or perhaps of all four factors, may explain the exceptionally low total concentrate (17 pounds per cubic yard) in the Paddy Creek-Camp Creek bench deposit.

Magnetite content of the deposits. In general, the magnetite content of placer deposits varies erratically throughout west-central Idaho. There is reason to believe (see below) that this is due chiefly to selective destruction of magnetite by humic acids on boggy floodplains; a stream with a high content of magnetite entering a floodplain or boggy meadow usually carries little of this mineral at the lower end of the swampy segment of its valley floor. There is, therefore, no consistent relationship between the magnetite content of the bedrock of a given drainage basin and the deposits derived from that drainage basin under different conditions; moraines, glacial outwash, and the deposits of non-floodplain streams may carry high proportions of magnetite, while deposits of floodplain streams from the same source areas may contain almost no magnetite. The gross variations in magnetite content (from zero to as much as 70 percent) tend to mask the meaning of the percentage weights of all of the other minerals in a suite of samples. For this reason, table 7 shows the weight of the total concentrate in pounds per cubic yard, the percentage weight of magnetite, the percentage weights of all of the other minerals calculated on a magnetite free basis, and finally, the amount of the important placer minerals in pounds per cubic yard. This arrangement eliminates the distorting effect of magnetite on the percentage weights of the other

heavy minerals, which is critical for most geologic purposes and brings out also the amounts of these minerals per unit volume, which is significant for economic purposes.

In contrast with the bench and terrace deposits of the Paddy Flat district, which average about 50 percent magnetite in the heavy mineral fraction, the beds of the modern streams generally carry very low percentages of this mineral. For example, the Paddy Creek and Camp Creek gravels contain less than 1 percent of magnetite where these streams are meandering on boggy valley floors. The magnetite content of the gravels of these and other modern streams varies somewhat from place to place in the district, the variations being clearly dependent on local contamination where the streams are cutting sidewise into older high magnetite deposits. An exceptionally high magnetite content in the lower part of Kennally Fork is due to heavy contamination by tailings from placer workings on Kennally Fork Terraces. Because the modern stream gravels are derived from the same drainage basins as the glacial outwash, it is evident that the differences in magnetite content are due to conditions of deposition.

In view of these relations, lenses of low magnetite gravel that occur from place to place as interbeds in the high magnetite deposits of the Paddy Flat district are interpreted as having been formed under temporary or local floodplain conditions during the periods of upbuilding of the glacial outwash deposits. It is likely that some deposits with a low over-all average of magnetite, as those comprising the Paddy Creek-Camp Creek Bench, were formed under valley floor conditions approximating those of the present time. The unusually high content of magnetite indicated by a few samples from the bench deposits west of Paddy Creek (70%), together with the subangular shapes and generally poor sorting of the pebbles, suggest that these consist of slope wash derived from the adjacent hills by local, non-floodplain streams.

Monazite content of the deposits. Monazite occurs as an accessory mineral in the granitic rock of the Idaho batholith. Numerous samples of bedrock and residual soil indicate that a north-northeasterly-trending belt of gneissic granite, in which the Paddy Flat drainage basin lies, contains very much less monazite than an adjoining belt of massive granite, on the east, from which the Cascade Valley deposits were derived. These belts are not sharply defined, and the monazite is not uniformly distributed in either of them; nevertheless, the sampling indicates that the average content of monazite in the eastern granitic belt probably exceeds that in the western gneissic belt by at least 10 times. For this reason, it is unlikely that concentrations of monazite comparable in grade with those in Cascade Valley could have been formed in Paddy Flat even under favorable conditions.

The percentage weight of monazite in the three main glacial outwash deposits varies in the same sense as the weight of the total heavy mineral concentrate in these deposits, and probably for the same reasons. The proportion of monazite in the heavy mineral fraction averages 2.5 percent in the oldest outwash (the Rapid Creek-Kennally Fork Ridge); 1.3 percent in the intermediate outwash (the Camp Creek-Rapid Creek Bench); and 0.04 percent in the youngest outwash (the Rapid Creek Valley Floor and Terrace), as calculated on a magnetite free basis. The corresponding figures for these three deposits in pounds per cubic yard are 0.4, 0.2, and 0.04. The low monazite content of the Paddy Creek-Camp Creek Bench deposits (0.2 pounds), and the bench deposits west of Paddy Creek (0.01 pounds), both mainly of local origin, reflect the low average and variable monazite content of the local bedrock. The relatively high proportion of monazite in the Paddy Creek Valley Floor deposit (2.2%) reflects a somewhat higher content of monazite in the bedrock in the upper drainage basin of this stream, and possibly some reconcentration of monazite from the adjacent bench deposits. The actual amount of monazite in the Paddy Creek deposits (0.6 pounds, the highest in the district) is a result of the combination of (1) a relatively high percentage weight, and (2) the high total concentrate characteristic of normal alluvium as opposed to glacial outwash.

Other radioactive minerals in the deposits. Xenotime, a close associate of monazite, occurs in the Rapid Creek-Kennally Fork Ridge deposits and in bar samples from Kennally Fork; the amount is usually less than 0.1 percent of the total concentrate. A few grains of euxenite were found in 5 of the 87 samples. Allanite occurs throughout the district in amounts ranging from zero to 0.5 pound per cubic yard.

Conclusion. The relatively poor concentration of monazite in the deposits of the Paddy Flat district, in contrast with the deposits of the neighboring Cascade Valley, is due (1) to a low content of monazite in the bedrock, and (2) the fact that most of the deposits are glacial outwash. Sampling of surface exposures over the entire district indicates that no sizable high-grade deposits are present, and that the drilling data obtained in the DMEA project provides a good general appraisal of the monazite reserves.

Exploitation Possibilities

Recoverable reserves:

The mineral content of the black sands was estimated in the 8 products resulting from mineral separation determinations of each of the black sand concentrates from 14 drill holes made by John F. Kolars.

The weighted average of 14 black sand concentrate samples indicates that the original placer gravel contains the following mineral content per cubic yard. Please refer to table 2 for details.

Monazite	0.3	lbs.	per	cu.	yd.
Magnetite	18.9	"	"	"	"
Ilmenite	11.6	"	"	"	"
Garnet	3.4	"	"	"	"
Black sand concentrate	60.0	"	"	"	"

The results of the combined tests made at the Porter Bros. Corporation laboratory and the Bureau of Mines laboratory at Albany, Oregon, are shown in table 9 in the Appendix.

The tests indicated that although tantalum-columbium minerals were present in the black sand samples, the final concentrates were too low grade and of negligible amounts to be marketable or of interest.

A monazite concentrate analyzing about 0.18 percent U_3O_8 and 48.2 percent REO was recovered. Approximately 0.28 pound of combined U_3O_8 and REO was recovered per cubic yard of original gravel, which is equivalent to about 0.42 pound of monazite containing 67 percent REO. This concentrate would have to be upgraded to at least 55 percent REO to be salable without penalty.

A bare minimum of 1 pound of monazite per cubic yard of gravel under average conditions is generally considered the break-even point with monazite at $375 per ton or 18-3/4 cents per pound. The cost of beneficiating the black sand concentrate to a marketable monazite concentrate will add several cents per cubic yard of gravel to the actual dredging costs.

Mr. Merrill Yost, general manager, was considering the recovery and beneficiation of by-products from the black sand concentrates in addition to the monazite. He was of the opinion that the magnetite could be economically smelted to pig iron in an electric furnace and the ilmenite smelted to recover titanium dioxide for paint pigment and pig iron. The garnet would be recovered for sale as abrasives.

Mr. Yost made the following estimates in the Operator's final project report dated October 26, 1953.

	Total dredgable gravel	35,000,000 cu. yds.	
Magnetite	15.1 lbs/cu.yd. @ 1/2¢/lb. f.o.b. Donnelly, Ida.	$0.075	
Ilmenite	7.7 lbs/cu.yd. no quotation	0.00	
Garnet	3.6 lbs/cu.yd. @ 2½¢/lb. f.o.b. Donnelly, Ida.	0.09	
Monazite	1.2 lbs/cu.yd. @ 18¢/lb. f.o.b. Donnelly, Ida.	0.216	
	Total value per cubic yard		$0.381
	Dredging cost per cubic yard	$0.120	
	Royalty	0.038	
	Black sand beneficiation, administration, shut-downs, engineering, transportation, etc.	0.140	
	Net operating costs before taxes, interest and amortization		0.298
	Net operating profit before taxes, interest and amortization		$0.083

Yost concluded: "Due to the high cost and extremely difficult separation of the sands we would not be interested in proceeding with the project. The margin is too close for the high capital investment."

The fallacy in the estimates lies in the fact that the monazite content is about a quarter of Yost's estimate and the gross magnetite content is probably too low to warrant the capital expenditure for an electric furnace plant. The quality of the garnet for abrasive purposes has never been determined.

The extremely irregular spacing of the bucket drill holes and the fact that many of the holes did not reach bedrock because of caving for lack of casing makes it impossible to estimate the volume of gravel in the deposit with any degree of accuracy. The actual cubic yardage of gravel in the deposit will be greatly in excess of the following calculations simply because the holes did not bottom at bedrock.

Figure 3 shows the location, hole number, hole depth, holes in the gravel channel used for calculating gravel yardage and approximate

outline of the channel. The following factors were considered in delineating the deposit:

1. Comments of Mr. Yost on individual drill hole longs regarding feasibility of dredging various areas.

2. Depth of gravel to bedrock.

3. Estimated monazite and black sand concentrate per cubic yard of gravel based on Cascade pilot plant test results.

4. Bedrock outcroppings.

5. Topography of the ground, especially high steep benches.

The deposit was outlined on the map and arbitrarily divided into five areas which were measured on a map having a scale of 1 inch equals 400 feet. Figure 3 has a scale of 1 inch to 800 feet. The areas were converted to square yards and an arithmetical average depth of the holes in and bounding each area was used for calculating the volume of each block.

The estimated volume by areas showed the following total cubic yardage for the deposit.

Area No. 1	10,661,700 cubic yards
Area No. 2	4,928,200 cubic yards
Area No. 3	1,671,100 cubic yards
Area No. 4	8,340,300 cubic yards
Area No. 5	886,100 cubic yards
Total	26,487,400 cubic yards

See Table 3 for calculations.

The arithmetical average depth of the holes in the channel times the surface area of the deposit checks reasonably well with volume when the prismoid method of calculation is used.

12.2 yds. deep x 2,463,300 sq. yds. = 30,052,260 cubic yards

Yost estimated 51,400,000 cubic yards by projecting hole depths to an imaginary bedrock.

The weighted average mineral content of the 14 samples shown in table 2 was applied to the total volume of gravel in the whole deposit. The volume-assay product for each prismoid was considered an unnecessary refinement of calculations because of too many unknown factors. The monazite content of the 14 samples was within a reasonable range of magnitude so that the weighted average assay was applied throughout the deposit. Refinements in calculations would have been more in order if the grade of gravel was borderline.

The black sand concentrates from the dredges near Cascade that are shipped to the Boise beneficiation plant contain a considerable amount of slimes accumulated from the muddy water in the dredge ponds. An unhealthy dust hazard is created when the concentrates are dried in a rotary kiln. The slime dust coats the monazite particles thereby partially insulating them from the Carpco high tension separator rotor, as well as coating the revolving rotor and changing the gap between the electrode and rotor. This slime condition causes inefficient and erratic operation of the separator.

No actual tests were made to determine the percent monazite recovered in the black sand concentrate by the dredge. Reportedly, the dredges near Cascade recover better than 90 percent under normal operating conditions. This would seem to be a reasonable estimate to assume for a Paddy Flat dredging operation.

Based on the estimated contents of the black sand concentrate samples (table 9), the rough dredge concentrate might contain approximately the following:

Magnetite	26	percent
Ilmenite-garnet	28	"
Monazite	1	"
Others (quartz, feldspars, etc.)	45	"

If the magnetite were discarded on the dredge with a wet magnetic separator, the weight of concentrate would be reduced about 26 percent and the monazite content increased to roughly 1.3 percent.

The Boise sand plant is believed to recover about 90 percent of the monazite from the black sand dredge concentrate. This seems to be a reasonable recovery to assume that could be recovered from a Paddy Flat black sand concentrate. The estimated over-all monazite recovery from the gravel to marketable monazite concentrate would approximate 80 percent in a plus 60 percent R.E.O. product.

The benefication process would probably be somewhat similar to the Boise plant. The net black sand concentrates would be dried, screened to discard the plus 20-mesh sands, remove the ilmenite by Carpco high tension separators, then remove and discard the non-magnetics by Carpco induction rolls and beneficiate the monazite inmultiple pole Dings electromagnetic separators, discarding the quartz, feldspar and zircon tailings.

Summary of Factual Data

Work

The contract was in the amount of $28,825, of which $25,942.50 was the Government's participating share. A preliminary audit of the accounts shows $15,849.23 was spent on the project, of which amount the Government contributed $14,193.22.

Thirty-five 22-inch diameter clam shell bucket drill holes were drilled, aggregating 1,106 lineal feet, which excavated about 108 cubic yards of gravel samples. Final calculations show the drilling cost $14.33 per foot, equivalent to $146.75 per cubic yard of gravel samples excavated.

Depending upon the depth of the hole, a quarter of, half of, or the entire sample excavated from the hole was trucked to the pilot plant at Boise for concentration. Approximately 46 cubic yards of sample was concentrated in the pilot plant.

Detailed costs are given in the Appendix.

Equipment

The following items of equipment were purchased new for the contract and are stored at the Surcease Mining Company warehouse, Randsburg, California.

Item	Purchase price
10 steel casing, 22" OD x 11/32" x 3' long 10 steel couplings, 1" x 6" x 5', 10-11/16", bent	$1,685.13
1 drive shoe 1 drive cap	465.55
1 fabricated steel pulling head	429.27
2 - #15 Vulcan pipe tongs	130.20
2 - 25-ton hydraulic jacks	160.60
	$2,870.75

The casing, couplings, drive shoe and drive cap were custom built by Yuba Manufacturing Company, San Francisco, California, and although never used probably will have little resale value.

The Operator has waived his equity in this equipment.

The equipment has been advertised for sale and bids have been solicited from likely prospective purchasers without success.

Since the casing, coupling, and drive shoe and cap are custom made the final disposition will probably be for scrap.

Discussion of Conclusions

The Operator was well equipped with a 22-inch clamshell bucket drill, portable air compressor, trucks and a competent, experienced drill crew. Failure of the Yuba Manufacturing Company to deliver the casing, couplings, drive shoe and cap made it necessary to terminate holes when caving occurred. This could have been prevented if the casing had been available throughout the project. The casing was finally delivered at the end of the project when it was no longer needed. The deposit was considerably deeper than the estimated 35 feet in some places so that even with the 30 feet of casing on order the same caving condition would have prevailed on the deeper holes.

The Operator, represented by Mr. Merrill Yost, general manager, is a competent placer-dredging operator with many years experience and was sincere and diligent in prosecuting the drilling and sampling. Minor difficulties were experienced with their bookkeeping.

The actual drilling operations, except for the inability to case holes, was quite satisfactory. The drilling program seems poorly planned as evidenced by the irregular spacing of the holes and large areas in the central part of the gravel channel that were only sparsely drilled. The southern portion of area 1 was heavily drilled. Area 4, which was the largest, was barely drilled and then only on the rims of the channel.

The concentration of the drill hole samples to black sand concentrates at the pilot plant was reasonably well done. The final concentration of the black sand concentrate to recover a marketable monazite concentrate is a complex process which the Operator did not fully understand nor was capable of accomplishing for lack of proper equipment and trained personnel.

The 35 drill holes tested the placer deposit reasonably well. The monazite content of the drill hole samples was fairly uniform and averaged about 0.4 pound per cubic yard. Under present economic

conditions, approximately 1 pound per cubic yard is a bare economic minimum at which a dredging operation can be conducted.

Operators were under the false impression that by-product magnetite, ilmenite, and garnet concentrates could be profitably marketed and with the returns from the monazite result in a successful operation.

No recommendations for further exploration are warranted.

Enclosures(3)
Distribution:
DMEA(4)
USBM(5)
Docket
USGS(SRO)
Mackin
Berdill
Armstrong

APPENDIX

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9 - Summary of Beneficiation Tests on Composite Sample of Paddy Flat Placer Black Sand Concentrates.

Procedure Used by Porter Bros. Corporation for Concentrating Black Sand Concentrates.

Copies of field logs of all drill holes. *

* See folder

APPENDIX

Detailed Summary of Project Costs

Costs to drill 1,106 feet of holes, sample and concentrate approximately 46 cubic yards of sample in the pilot plane.

Item	Total Cost		Unit cost per foot of hole including sampling and sample concentration	
(2) Labor & Supervision:				
Labor	$4,894.70		$4.42	
Supervision	1,260.00	$6,154.70	1.14	$5.56
(3) Operating Materials and Supplies:				
Gas and Oil	1,172.02		1.06	
Miscellaneous supplies	401.34	1,573.36	.36	1.42
(4) Operating Equipment:				
Rental	750.00		0.68	
Purchase	2,870.75		2.60	
Depreciation	422.49	4,043.74	0.38	3.66
(6) New Buildings, Improvements, etc.		1,170.65		1.06
(7) Miscellaneous				
Repairs to Equipment	1,206.29		1.09	
Sampling and analysis	953.19		0.86	
Payroll taxes, liability insurance, etc.	735.62	2,895.10	0.67	2.62
(8) Contingencies		12.18		0.01
GRAND TOTAL		$15,849.23		$14.33

Note: The unit costs appear excessive but transportation of equipment to and from California is included along with labor costs for trucking samples from the drill site to the pilot plant at Cascade, purchase of casing equipment that was not used because of late arrival, excessive truck repair costs, etc.

These costs have been taken from the final audit which is still subject to approval by Washington, D. C.

More realistic actual drilling cost estimates were made by Mr. Yost during Phase II of the project that do not include transportation of equipment to and from California, pilot plant concentration of samples, moving to and from Cascade, nor transportation of samples from the Paddy Flat drill site to the pilot plant at Cascade. Holes are 22" in diameter.

Resume by Mr. Yost

Total feet drilled in 21 working days	830
Total hours drilling and lost time	168
Drilling time, hrs.	121
Lost time, hours	47
Feet drilled per hour actual drilling time	6.86
Feet drilled per hour total time	4.96
Total number of holes	25
Average depth of holes, feet	33.2
Minimum depth, feet	6
Maximum depth, feet	78

Breakdown of lost time

Moving, hours	18
Fuel and greasing time, hours	4
Repairs, hours	18-3/4
Waiting for access road construction, hours	6-1/4
Total lost time, hours	47

21-Day Operating Costs

Labor (driller and helper)	$602.88
Fuel	164.22
Lubricating oil	14.07
Repairs	71.25
Depreciation	150.00
Supervision and Administration	166.00
Total cost	$1,168.42
Cost per foot of hole drilled	1.41

TABLE 1

Cosumnes Gold Dredging Co.
Valley County, Idaho

SUMMARY OF CLAMSHELL DRILLING AND PILOT WASHING PLANT DATA
PADDY FLAT PLACER DEPOSIT, IDAHO

Docket No. DMEA 2265
Contract Idm-E351

Data taken from Company's drill and pilot washing plant logs

Hole No.	1952 Date Hole Started	Ended	Hole depth Feet	Displaced vol. of hole Cu.Yds.	Weight percent of gravel sizes -10 mesh	+10 mesh -5/8"	+ 5/8"	Sludge	Estimated moisture %	Estimated wt. per cu.yd. of dry gravel Lbs.	Estimated lbs. of concentrate per cu.yd. of dry gravel
PF 101 Y *	7/17	7/17	18 BR	1.73	52	16	25	7	5	2830	9.6
# 102 *	7/17	7/18	10	0.98	40	23	35	2	5	3120	58.5
# 103 **	7/18	7/18	15 BR	1.46	36	14	40	10	5	2850	23.0
104 *	7/18	7/19	28 BR	2.64	33	15	43	9	5	3020	14.5
# 105 *	7/23	7/25	27 BR	2.63	49	17	33	1	15	3300 e	137.0
# 106 **	7/19	7/19	20 BR	1.95	53	22	22	3	10	3000 e	43.1
# 107 *	7/21	7/23	31	3.02	52	18	29	1	10	3300 e	65.2
# 108 *	7/28	7/28	26 BR	2.53	59	14	26	1	10	3000 e	30.5
# 109 *	7/28	7/30	20 BR	1.95	40	29	31	0	10	3300 e	52.1
# 110 *	7/30	7/30	84	8.19	60	11	28	1	15	3200 e	52.2
# 111 *	8/4	8/6	78	7.60	60	--	34	6	10	3260	101.0
112 *	8/6	8/6	31 BR	3.0	44	--	56	0	6	?	10.0 ***
# 113 *	8/7	8/8	70	6.82	51	--	49	0	13	?	30.3 ***
# 114 *	8/8	?	66	6.43	50	--	50	0	10	?	55.7 ***
# 115 *	8/11	8/12	57	5.55	48	--	52	0	10	?	36.0 ***
# 116 **	8/12	8/13	36	3.31	47	--	48	5	15	3200 e	75.9
117	8/13	8/13	13 Bedrock came to surface. Sample not concentrated.								
118	8/13	8/13	6 Bedrock came to within 5 feet of surface. Sample not concentrated.								
# 119 *	8/14	8/14	36	3.51	47	--	48	5	?	?	56.5 ***
120 **	8/14	?	39 BR	3.8	58	--	39	3	8	3330	30.5
121 *	8/15	8/15	24	2.3	?	?	?	?	10	3300	5.0
122 *	8/15	8/16	15	1.48	?	?	?	?	10	3220	9.1
# 123 **	8/16	8/18	40	3.9	49	--	45	6	15	3720	50.0
# 124 **	8/18	8/19	41	4.0	58	--	38	4	12	?	40.0 ***
# 125 **	8/19	8/20	15	1.3	49	--	49	2	20	3200 e	74.3
126 **	8/20	8/21	23	2.24	45	--	51	4	20	2800	27.7
127 **	8/21	8/21	37	3.6	35	--	59	6	17	?	22.2 ***
# 128 *	8/21	8/22	44 BR	4.0	27	--	68	5	14	?	33.5 ***
129 **	8/22	8/22	15 BR	1.46	53	--	43	4	18	?	75.0 ***
130	8/23	8/23	5 BR Bedrock came to within 5 feet of surface. Sample not concentrated.								
# 131 *	8/23	8/25	55	5.36	56	--	39	5	10	?	51.2 ***
132 *	8/26	8/26	29	2.83	34	--	66	--	11	?	41.1 ***
133 *	8/26	8/26	22	2.0	29	--	69	2	5	?	8.0 ***
# 134 *	8/26	8/27	20	1.95	69	--	26	5	14	?	48.0 ***
# 135	8/27	8/27	10	0.98	58	--	42	--	--	?	77.0 ?
		Total	1106'								

Note: * 1/2 hole sample.
** 1/4 hole sample.
*** Based on concentrate weight divided by displaced volume of hole. Other estimates presumably based on actual gravel weights.
# Used for yardage calculations.
BR Hole reached bedrock. Clamshell hole diameter, 22".
e Estimated - no basis for estimate is given.

TABLE 2

Cosumnes Gold Dredging Co.
Valley County, Idaho

SUMMARY OF ESTIMATES OF CONTENTS OF BLACK SAND CONCENTRATES AND GRAVEL
PADDY FLAT PLACER DEPOSIT, IDAHO

Docket No. DMEA 2265
Contract Idm-E351

Sample No.	Estimated Contents of Black Sands Concentrates 1/ 3/						Hole Depth, Feet	Estimated Pounds per Cubic Yard of Original Gravel 2/						Lbs. Black Sands Conc. per cu.yd.
	% Magnetite	% Ilmenite	% Garnet	% Monazite	% Zircon	% Mafic Blacks		Magnetite	Ilmenite	Garnet	Monazite	Zircon	Mafic Blacks	
PF 105 Y	31.5	28.6	4.3	0.92	0.8	9.8	27	43	39	6	1.2	1	13	137
PF 110 Y	39.9	12.2	2.8	0.19	0.6	1.8	84	21	6	1	0.1	--	9	52
PF 111 Y	46.6	12.2	3.5	0.30	Tr	3.0	78	47	12	4	0.3	Tr	3	101
PF 113 Y	43.6	17.5	4.1	0.93	0.3	1.1	70	12	5	1	0.3	Tr	--	30
PF 114 Y	19.8	21.3	8.9	0.52	0.1	3.3	66	11	12	5	0.3	--	2	56
PF 115 Y	43.9	15.9	7.6	0.08	0.1	2.5	57	16	6	3	0.03	--	1	36
PF 116 Y	34.0	18.2	4.0	0.60	Tr	2.4	36	26	14	3	0.5	--	2	76
PF 119 Y	28.2	24.8	10.9	1.01	0.5	3.7	36	16	14	6	0.6	--	2	57
PF 123 Y	27.0	9.5	11.3	0.40	Tr	4.5	40	13	5	5	0.2	--	2	50
PF 124 Y	14.3	24.2	8.6	0.51	--	8.9	41	6	10	3	0.2	--	4	40
PF 125 Y	16.7	20.8	10.7	0.39	Tr	9.1	15	12	15	8	0.3	--	7	74
PF 128 Y	3.3	25.2	3.8	0.12	1.0	13.7	44	1	9	1	0.04	--	4	34
PF 131 Y	10.0	34.7	2.5	0.90	0.4	8.2	55	5	18	1	0.5	--	4	51
PF 134 Y	16.3	18.7	13.2	0.43	Tr	12.9	20	8	9	7	0.2	--	6	48
Weighted average							47.4	18.9	11.6	3.4	0.3	--	--	60

Note: * Excluded.

1/ Estimates based on mineral separation determinations and grain counts by John F. Kolars, University of Washington.
2/ Calculations based on estimated contents of black sand concentrates 1/ and estimated pounds of black sands per cubic yard of gravel determined in pilot washing plant.
3/ Balance of black sand concentrates consists of quartz, feldspar, and other miscellaneous light minerals.

Example of Minerals Separation Determinations

Drill Hole No. PF 105Y

Total weight of sample 10.0 gms.
Weight of light minerals 2.96 gms.
Weight of heavy minerals 7.04 gms.
% weight of heavy minerals 70.4

Fraction	Wgt. gms.	Content of heavy minerals						
		Magnetite	Ilmenite	Garnet	Monazite	Zircon	Mafic Blacks	Other
1. +20 mesh	0.26	---	0.05	0.14	---	---	0.04	---
2. magnetite	3.13	3.13	---	---	---	---	---	---
3. Franz, 0.275 amps.	1.61	0.02	1.59	T	---	---	---	---
4. " 0.4 "	0.52	---	0.22	0.29	---	---	0.01	---
5. " 0.5 "	0.85	---	---	T	---	---	0.85	---
6. " 0.8 "	---	---	---	---	0.06	---	0.10	0.17
7. Ht, (heavy)	0.33	---	---	---	0.03	0.08	---	0.20
8. Bt, (light tails)	2.96	---	---	---	---	---	---	---
Total minerals in samples, gms.		3.15	1.86	0.43	0.09	0.08	1.00	0.37
% minerals in heavy minerals		44.7	40.7	6.1	1.3	1.1	14.0	5.2

TABLE 2a
(Supplements Table 2)

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DETAILED DESCRIPTION OF HEAVY MINERAL CONTENTS OF DRILL HOLE SAMPLES

By John F. Kolars

Drill Hole PF 105Y:

1. 55% garnet; 10% qtz waste; 20% il; 15% mafic blacks.
2. 100% mgt.
3. Very few garnet; 1% mgt & hem. after mgt; 99% il.
4. 55% garnet; 43% il; 2% mafic blacks.
5. Few grains epidote; 100% mafic blacks; few garnet.
6. 50% epidote; 30% mafic blacks; 15% monazite.
7. 25% zircon; few epidote (?); few rutile; 60% apatite (?); 10% monazite.
8. 25% (approx) qtz; 75% feldspars.

Drill Hole PF 110Y:

1. 5% mafic blacks; 25% garnet; 1 grain kyanite (?); 10% sillimanite (?); 30% qtz & waste; 30% il; 1 grain epidote; 3 grains sphene.
2. 100% mgt.
3. 10% hem. after mgt (pseudomorphic); 90% il.
4. 25% garnet; 15% hematite after mgt; 60% il.)
5. 5% epidote; 2% garnet; 20% hem. after mgt;) Few grains leucoxene few pseudomorphs after pyrite; 70% mafic blacks.)
6. 65% epidote; 15% garnet; 10% mafic blacks; 1% leucoxene; 5% monazite; 1% hematite & limonite.
7. 50% sillimanite (?); 15% zircon; 20% sphene; few rutile; 10% waste & apatite (?); few monazite.
8. 25% qtz/ 75% feldspars; (some yellow qtz).

Drill Hole PF 111Y:

1. 25% garnet; 10% sillimanite; 10% spheno; 15% il; 40% waste; 2 grains epidote.
2. 100% mgt.
3. 5% hematite after mgt; few grains garnet; 95% il; (few leucoxene coating).
4. 35% garnet; 5% hem. after mgt; 60% il; 1 or 2 grains epidote.
5. 5% garnet; 1% epidote; 2% hem. after mgt; 92% mafic blacks (allanite).
6. 75% epidote; 6% monazite; few leucoxene; 10% garnet; 9% mafic blacks; few hem. & limonite; one or two radio blacks.
7. 40% sillimanite; 55% sphene; 1% zircon; few rutile, few epidote; few dark waste; 3% monazite.
8. 30% qtz (1/3 yellow) / 70% feldspars.

Drill Hole PF 113Y:

1. 30% garnet; 5% sillimanite; 20% sphene; 20% il; 5% epidote; 10% qtz; 5% zircon.
2. 100% mgt.
3. 3% hem. after mgt; 97% il; few garnet.
4. 30% garnet; 65% il; 5% hem. after mgt.
5. 8% garnet; 5% epidote; few xenotine; 20% hem. after mgt; 72% mafic blacks.
6. 70% epidote; 10% mz; 10% garnet; 5% mafic blacks (allanite; few spinel; few leucoxene.
7. 35% sillimanite; 3% zircon; 45% sphene; few rutile; 3% dark waste; 1 or 2 spinel; 8% monazite.
8. 60% feldspars / 40% qtz (1/2 yellow).

Drill Hole PF 114Y:

1. 20% garnet; 5% sphene; 3% sil; 25% il; 2% mafic blacks; 45% waste.
2. 100% mgt.
3. 3% hem. after mgt; few garnet; 97% il.
4. 55% garnet; 45% il; few leucoxene.
5. 3% epidote; trace xenotine; 6% garnet; 90% mafic blacks (some micas); few hem. after mgt.
6. 65% epidote; 10% monazite; 15% garnet; 10% mafic blacks; few sillimanite; few sphene; few leucoxene.
7. 3% monazite; 50% sillimanite; 30% sphene; 2% zircon; 5% waste; 10% apatite (?); very few spinel.
8. 40% qtz / 60% feldspars - Few micas; 1 pyrite.

Drill Hole PF 115Y:

1. 70% garnet; 15% sphene; 10% il; 5% waste; few epidote; 1 or 2 sili.
2. 100% mgt; very few garnet.
3. Trace garnet; 1% - 2% hem. after mgt; 98% il.
4. 50% garnet; 50% il; few pseudomorphs after mgt. (hematite).
5. 5% garnet; 1 grain zircon; 1/2% epidote; 20% hem. after mgt; 74% mafic blacks.
6. 65% epidote; 3% monazite; 12% garnet; 14% mafic blacks; very few garnet; 1% hem. after mgt; very few leucoxene.
7. 1% monazite; 1/2% rutile; 2% zircon; 40% sillimanite; 55% sphene; few grains mafic blacks.
8. 50% qtz / 50% feldspars. Frequent yellow qtz.

Drill Hole PF 116Y:

1. 10% sphene; 25% garnet; 25% il; 30% qtz waste; few mafic blacks.
2. 100% mgt.
3. 1% garnet; few hem. after mgt; 99% il.
4. 40% garnet; 5% hem. after mgt; 55% il.
5. 3% epidote; 3% garnet; few leucoxene; 94% mafic blacks.
6. 12% monazite; 10% garnet; 10% mafic blacks; 3% hem. & limonite; 65% epidote.
7. Few zircon; very few rutile; 50% sillimanite; 45% sphene; 5% monazite.
8. 25% qtz / 75% feldspars.

Drill Hole PF 119Y:

1. 55% garnet; 25% il; 10% qtz waste; 10% sphene; 2 grains sil.
2. 100% mgt.
3. Few hem. after mgt; very few garnet; 100% il.
4. 48% garnet; 50% il; 2% mafic blacks; very few hem. after mgt.
5. 1 grain monazite; 2% epidote; 20% garnet; 78% mafic blacks.
6. 15% monazite; 10% garnet; very few pink garnet; 20% mafic blacks (allanite ?); 55% epidote; few dark leucoxene.
7. 8% zircon; few rutile; very few malacon; 4% monazite; 45% sphene; 37% sillimanite; few hematite after mgt.
8. 40% qtz / 60% feldspars.

Drill Hole PF 123Y:

1. 5% sillimanite; 2% epidote; 20% il; 30% qtz waste; 5% garnet (orange). Plus 38% (pink) garnet.
2. 100% mgt.
3. 1 or 2 garnet; 10% hem. after mgt; 90% il.
4. 60% garnet; 40% il; 1 grain sil; very few hem. after mgt; 1 grain sphene.
5. 15% garnet; few epidote; 85% mafic blacks.
6. 15% garnet; 5% monazite; few hem. after mgt; few leucoxene; 15% mafic blacks; 60% epidote.
7. .04% zircon; 60% sillimanite; 1% monazite; 3% garnet; 5% dark waste; 30% sphene.
8. 45% qtz (over 1/2 iron-stained); 55% feldspars.

Drill Hole PF 124Y:

1. 25% garnet; 10% sillimanite; 10% il; 15% mafic blacks; 5% sphene; 35% qtz waste.
2. 100% mgt.
3. 100% il; few garnet.
4. 40% garnet; 60T il; few hem. after mgt.
5. 8% garnet; 1 sphene; 1 sil; few hem. after mgt; 92% mafic blacks.
6. 5% monazite; 15% garnet; 50% epidote; 30% mafic blacks; few sillimanite; few hematite after mgt.
7. 2% monazite; 25% sphene; few rutile; few garnet; 60% sillimanite; 10% apatite and/or waste.
8. 50% qtz / 50% feldspars.

Drill Hole PF 125Y:

1. 50% garnet; 15% qtz waste; 25% il; 3% sphene; 3% mafic blacks; 3% sillimanite; few epidote.
2. 100% mgt; 1 grain sphene.
3. Very few garnet; 100% il.
4. 55% garnet; 45% il.
5. 8% garnet; few epidote; 92% mafic blacks.
6. 7% monazite; 10% garnet; 53% epidote; 30% mafic blacks; few hem. after magnetite; few micas.
7. 1% zircon; 50% sphene; 10% apatite and/or waste; 35% sillimanite; 2% - 3% monazite.
8. 30% qtz; 70% feldspars.

Drill Hole PF 128Y:

1. 15% garnet; 55% qtz waste; 20% mafic black; 10% il.
2. 100% mgt.
3. 100% il.
4. 15% garnet; 85% il.
5. 3% garnet; few epidote; 97% mafic blacks; few il.
6. 1% - 2% monazite; 2% - 3% garnet; 40% mafic blacks; 55% epidote; few hematite after magnetite.
7. Few monazite; few rutile; 25% sphene; 15% zircon; 35% qtz and/or apatite; 25% sillimanite.
8. 75% feldspars / 25% qtz.

Drill Hole PF 131 Y:

1. 65% qtz waste; 10% garnet; 2% sillimanite; 5% mafic blacks; 10% epidote; 5% ilmanite.
2. 100% mgt.
3. 100% il.
4. 10% garnet; 90% il; very few epidote.
5. 3% garnet; 2% epidote; 95% mafic blacks.
6. 10% - 12% monazite; 5% garnet; 20% mafic blacks; 1/2% dark leucoxene; 60% epidote; 1/2% hem. after mgt.
7. 2% monazite; 40% sphene; 25% sillimanite; 5% zircon; very few malacon; few epidote; very few rutile.
8. 30% qtz / 70% feldspars.

Drill Hole PF 134 Y:

1. 45% garnet; 5% mafic blacks; 10% sphene; 5% epidote; 15% qtz waste; 15% il; 5% sillimanite.
2. 100% mgt.
3. Very few garnet; 100% il.
4. 65% garnet; 35% il.
5. 5% pink garnet; few epidote; 1/2% hem. after mgt; 94% mafic blacks.
6. 8% monazite; 12% garnet; 25% mafic blacks; 55% epidote.
7. 43% sillimanite; 52% sphene; very few garnet; few rutile; 1/2% zircon; very few epidote; very few mafic blacks.
8. 60% feldspars / 40% qtz.

TABLE 3

Docket No. DMEA 2265
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PADDY FLAT PLACER YARDAGE CALCULATIONS
Cosumnes Gold Dredging Company
Valley County, Idaho

Area No. 1 Aver. depth 48.8 feet or 16.3 yds.

$$\frac{36.676 \text{ sq. in.} \times 160{,}000}{9} = 654{,}090 \text{ sq. yds.}$$

$$654{,}090 \times 16.3 = 10{,}661{,}700 \text{ cu. yds.}$$

Area No. 2 Aver. depth 25.1 feet or 8.38 yds.

$$\frac{33.08 \text{ sq. in.} \times 160{,}000}{9} = 588{,}090 \text{ sq. yds.}$$

$$588{,}090 \times 8.38 = 4{,}928{,}200 \text{ cu. yds.}$$

Area No. 3 Aver. depth 28.25 feet or 9.42 yds.

$$\frac{9.98 \text{ sq. in.} \times 160{,}000}{9} = 177{,}400 \text{ sq. yds.}$$

$$177{,}400 \times 9.42 = 1{,}671{,}100 \text{ cu. yds.}$$

Area No. 4 Aver. depth 27 feet or 9.0 yds.

$$\frac{52.13 \text{ sq. in.} \times 160{,}000}{9} = 926{,}700 \text{ sq. yds.}$$

$$926{,}700 \times 9 = 8{,}340{,}300 \text{ cu. yds.}$$

Area No. 5 Aver. depth 22.8 feet or 7.58 yds.

$$\frac{6.58 \text{ sq. in.} \times 160{,}000}{9} = 116{,}900 \text{ sq. yds.}$$

$$116{,}900 \times 7.58 = 886{,}100 \text{ cu. yds.}$$

ESTIMATED TOTAL CUBIC YARDS 26,487,000

TABLE 4

Docket No. DMEA 2265
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ESTIMATED MINERAL CONTENT OF PADDY FLAT PLACER DEPOSIT
Cosumnes Gold Dredging Company
Valley County, Idaho

Estimated total cubic yardage of deposit: 26,487,000

Magnetite: Estimated 18.9 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 18.9}{2000} = 250,302 \text{ tons}$$

Ilmenite: Estimated 11.6 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 11.6}{2000} = 153,624 \text{ tons}$$

Garnet: Estimated 3.4 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 3.4}{2000} = 45,028 \text{ tons}$$

Monazite: Estimated 0.28 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 0.28}{2000} = 3,708 \text{ tons}$$

Black sands concentrates: Estimated 60 lbs./cu.yd. of gravel

$$\frac{26,487,000 \times 60}{2000} = 794,610 \text{ tons}$$

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TABLE 5

DESCRIPTION OF DRILLING CONDITIONS AND ESTIMATED MINERAL CONTENT
PADDY FLAT PLACER GRAVELS
Cosumnes Gold Dredging Company
Valley County, Idaho

This information was copied verbatim from "Concentrating Data and Estimates" reports, under the heading "Remarks", for each drill hole and was supplied by Mr. Merrill Yost, general manager of the company at the project.

Hole PF 101Y: 18' deep

This hole on bench gravel to the east of upper Paddy Flat Creek proper. Medium gravel, no clay, easy digging and stood well. The gravel was damp and we allowed 5% for moisture. Soft granite bedrock.

The concentrates showed very little magnetite. Most of the blacks were ilmenite, monazite and garnet. Panning estimate of concentrates by drill log 7½ lbs/cu.yd.

Hole PF 102Y: 10' deep

This hole is in the Paddy Flat Creek bed at a point about 1/2 mi. above the present road crossing. Coarse clean gravel was encountered with heavy concentrates. Panning estimate was low. Estimated concentrates per cu. yd. 35 lbs.

This hole was not finished to bedrock due to caving. The casing had not arrived.

The concentrates in this hole showed about 40% magnetite, the balance ilmenite, garnet and monazite and considerable zircon. Probably 30% ilmenite, about 1 lb. monazite and 5 lbs. of garnet to the cu.yd. Zircon probably 1/2 lb/cu.yd.

Hole PF 103Y: 15' deep

This hole is located 2000 ft. east of Paddy Flat proper on the south side of the road about 50 ft. This was bench gravel and did not show very well in concentrates. The estimate by panning was 16 lbs/cu.yd. Considerable monazite probably 1 lb/cu.yd. Zircon 1/2 lb., about 50% ilmenite and 5% magnetite. Garnet about 2 lbs./cu.yd. This ground is easy digging with medium coarse gravel. Soft granite bedrock.

Hole PF 104Y: 28' deep

This hole is on the road from Paddy Flat to the Ranger Station. It is 1500 ft. east of Hole No. PF-103Y about 100 ft. to the south of the road.

The gravel was somewhat heavier than 103. There was some coarse wash up to 15" in size. However, the concentrates did not show much. Probably 50% ilmenite, 1/4 lb. monazite, Tr. zircon, and 1 lb. garnet. This is definitely an outwash of glacial gravel and has not concentrated. Excellent dredging gravel. Panning estimate 38 lbs. overestimated.

Hole PF 105Y: 27' deep

This hole is located in Paddy Flat proper about 100 ft. south of bridge across stream. This hole tended to slough near the surface. Water was encountered at about 6 ft. The above values were calculated by weight. The gravel was exceptionally heavy and very wet when weighed. This is ideal dredging gravel. Heavy concentrates. Probably 50% magnetite, 25% ilmenite, 1-1/2 lbs. monazite, 8 lbs. garnet, 1 lb. zircon.

Panning estimate 67 lbs. Under estimate of concentrates.

This checks with hole put down by C. G. D. Co. in Nov. 1951. This hole to 16 ft. made 134 lbs. of concentrates.

Hole PF 106Y: 20' deep

This hole is 1500 ft. east of hole No. PF-104Y on the north side of the road from Paddy Flat to the Ranger Station. This is in the bench gravel between Paddy Flat and Rapid Creek. No true bedrock was encountered but a granite sand which may have been bedrock. The panning of the concentrates did not show very well but when the sample was run it did much better than the panning showed.

The panning result showed only 10 lbs/cu.yd. This hole should be rechecked from the remaining sample.

Hole PF 107Y: 31' deep

This hole is located about 800 ft. east of the bridge in Paddy Flat on the south side of the road about 50 ft. Medium coarse gravel with heavy concentrates. Easy digging, very little clay. Good dredging ground.

This showed about 45% magnetite and about 30% ilmenite. Probably 1 lb. of monazite, 10 lbs. of garnet, 1 lb. of zircon per cu. yd. Due to the sloughing at the water level the hole over run the actual displacement. Due to this ground being exceptionally heavy 3300 lbs. to the cu.yd. was allowed. 1/2 of the hole was concentrated.

40 lbs. of concentrates per cu. yd. estimated. This was under the actual.

Hole PF 108Y: 26' deep

This hole is located about 2000 ft. east of the Ranger Station on the bench near Rapid Creek. Due to sloughing all values were calculated by weight. Good dredging section of gravel. This showed 40% magnetite and about 20% ilmenite. The monazite, garnet and zircon did not show up very well.

Panning estimate 32 lbs. of concentrates per cu. yd.

Hole PF 109Y: 20' deep

This hole is located to the east of Rapid Creek about 800 ft. and to the south of the road to Kennally Creek about 1000 ft. This gravel was very coarse and heavy. The concentrates were 40% garnet. The balance magnetite and ilmenite. There was very little monazite and zircon. Probably 1/2 to 1/4 lb. to the yard.

There were many cobbles 15" in diameter.

There was a slight overrun on the gravel due to the large cobbles.

Panning estimate of concentrates 41 lbs. to cu. yd.

This gravel is distinctly different than Paddy Flat Creek and the bench between the two. This is clean, coarse hard granite gravel and tight throughout.

Hole PF 110Y: 84' deep

This hole is located about 3000 ft. south of the Rapid Creek bridge on the left side of the Sloans Point trail about 200 ft. east of the Sloan's point trail sign. This gravel is entirely different from any in the vicinity. Apparently it is a very old channel and does not conform to the topography of the area. Bedrock was not reached in this hole as 85 ft. was the length of the line on the drill. The concentrates were increasing with depth. About 54% magnetite and 25% ilmenite. Probably 1 lb. of monazite, 4 lbs. of garnet, 1 lb. of zircon to the cu.yd. This hole gives distinct evidence of a big yardage of this gravel. It is easily dug and free of excessive clay. Very good dredging ground.

The panning estimate is 62 lbs. of concentrates to cu.yd.

This area warrants further investigation by drilling to delimit the gravel area.

Hole PF 111Y: 78' deep

This hole is located 250 ft. west of the sign (Sloan's Point Trail) and 500 ft. west of hole No. PF-100Y. Clean gravel. Exceptionally heavy with heavy concentrates. Hole not bottomed. 45% magnetite and 25% ilmenite. Probably 1 to 1-1/2 lbs. monazite, 4 lbs. garnet, 1 lb. zircon. This hole is probably near center of deep channel. Water from 30 ft. down.

Panning estimate 58 lbs. underestimated.

1/2 of hole run.

Hole PF 112Y: 31' deep

This hole is out of main channel.

Did not calculate in results.

Hole PF-113Y: 70' deep

This hole in channel not bottomed due to caving at depth.

Hole PF-114Y: 66' deep

This hole in channel gravel.
Not bottomed due to caving.

Hole PF-115Y: 57' deep

This hole is in channel gravel.
Not bottomed due to caving.

Hole PF-116Y: 34' deep

This hole is located about 1200 ft. south of Holes PF-100 and PF-111 and is the hole to the east of the road about 900 ft. Due to not having casing this hole began to slough at 34 ft. and caused the over-run in the weight of the gravel. The panning estimate was 30 lbs. to the cu.yd. (underestimated). This hole was definitely in the deep channel and should be put on down to bedrock as all holes in this area improved in concentrates with depth. Typical dredging gravel. 45% magnetite, 25% ilmenite, probably about 1/2 lb. monazite, 3 lbs. garnet, and 1 lb. zircon. 1/4 of hole run.

Hole PF-117Y:

Bedrock came to surface. Hole not concentrated.

Hole PF-118Y: 6' deep

Hole not sampled as bedrock came to 5 ft. of surface.

Hole PF-119Y: 36' deep

This hole in channel. Not bottomed due to caving.

Hole PF-120Y: 39' deep

This hole is located on the ridge between Rapid Creek and Kennally Fork about 1500 ft. north of hole PF-113Y. This hole is definitely on the high east rim of the deep channel. This hole should not be included in the ultimate calculations of yardages and depths as it is on the rim and is inaccessible for dredging purposes.

This hole was dry. The gravel was small and sandy.

Due to the position of this hole no estimates were made and sample was retained. Not sent to Dings for separation.

Hole PF-121Y: 24' deep

This hole not in channel gravel. Should not be used in calculating.

Hole PF-122Y: 15' deep

This hole not in channel gravel. Should not be considered in evaluation.

Hole PF-123Y: 40' deep

This hole is about 1000 ft. south of the Ranger Station. This gravel was very coarse and had considerable glacial cobbles. This hole was not bottomed due to lack of casing. It is believed that the deep channel runs under this glacial outwash. This hole should be bottomed to determine this.

The same proportion holds in this hole as others except there was considerable more garnet. Probably 45% magnetite, 30% ilmenite, 6 lbs. of garnet, 1/2 lb. monazite and 1 lb. zircon. Typical dredging ground. Panning estimate 23.4 lbs. conc. cu.y.d (underestimated).

Hole PF-124Y: 41' deep

This hole is in channel. Not bottomed due to caving.

Hole PF-125Y: 15' deep

This hole is located about 1000 ft. west of hole 124 and near Camp Creek. There was a glacial outwash of about the first 10 ft. of this hole and large cobbles. Due to a 20" cobble in the side of the hole at about 10 ft. in depth that fell into the bottom of the hole it was abandoned. This also accounts for the excessive weight of gravel for the volume. At about 14 ft. a clean pegmatite gravel was encountered and was very high in concentrates. Probably 200 lbs. per cu.yd. at 16 ft. when a rock about the size of the hole dropped in and the driller was unable to get it out. This hole will probably be redrilled. The calculations on this sample was by weight using 3200 lbs./cu.yd.

Hole PF-126Y: 23' deep

This hole was mostly clay and hence the light weight per cu.yd. dry.

This area definitely has too much clay and too low grade in concentrates. This area will have to be delimited. This hole is about 1700 ft. north of the lower bridge on Camp Creek. This hole contains the usual minerals in about the same proportion as others. However, the monazite and zircon are almost negligible.

In my estimation this hole should not be considered in values or yardage calculations.

Hole PF-127Y: 37' deep

This hole out of channel. Do not figure in estimates.

Hole PF-128Y: 41' deep

This hole in channel. Not bottomed due to caving.

Hole PF-129Y: 15' deep

Heavy clay. Hole in channel not to bedrock due to caving. No casing.

Hole PF-130Y: 5' deep

Hole not concentrated as bedrock came to within 5 feet of surface.

Hole PF-131Y: 55' deep

Hole not to bedrock due to caving. Hole on channel gravel.

Hole PF-132Y: 29' deep

Hole not in channel. Not used in calculations.

Hole PF-133Y: 22' deep

This hole not in channel. Should not figure in calculations.

Hole PF-134Y: 20' deep

This hole in channel gravel. Not to bedrock due to caving and casing not arrived.

Hole PF-135Y: 10' deep

Hole not bottomed due to loose sandy streak at 10 feet. No casing as yet. Hole on channel gravel.

TABLE 6

Docket No. DMEA 2265
Contract Idm-E351

Procedure Used in the Mineralogical Analysis of the Drill Hole Placer Composites

The following procedure is used by the U. S. Geological Survey in the study of placer samples from deposits in west-central Idaho. The pan or table concentrate samples are weighed dry and the weight is recorded. The sample is then cut to approximately 10 grams by use of a Jones splitter. The "10 gram" split is then separated as follows:

Step #1. A hand magnet separates the "10 gram" split into magnetite and non-magnetite fractions.

Step #2. A 20 mesh screen separates the non-magnetite fraction into plus and minus 20 fractions.

Step #3. A heavy liquid, bromoform, divides the minus 20 fraction into a bromoform sink product including all the heavy minerals and a bromoform float product including quartz, feldspar, mica, and other light minerals.

Step #4. A Frantz Isodynamic Magnetic Separator is used to fractionate the bromoform sink product. A relatively high angle forward slope, 35°, and cross tilt, 30°, are used on the Frantz separator chute. Contamination and loss at these high angles is prevented by covering the chute. By varying the amperage at constant voltage, 110 volts DC, the bromoform sink product is split into five products, as follows:

"Ilmenite fraction", 0.2 3/4 amps., dominantly ilmenite.

"Garnet fraction", 0.4 amps., dominantly garnet and ilmenite.

"Mafic mineral fraction", 0.5 amps., dominantly hornblende, also allanite, xenotime, columbite, etc.

"Monazite fraction", 0.8 amps., dominantly monazite and epidote, also euxenite, etc.

Frantz heavy mineral tailings fraction, dominantly sphene, apatite and zircon, also anatase, kyanite, leucoxene, sillimanite, spinel, rutile, etc.

By these methods, the "10 gram" split is divided into final fractions, as follows:

Fraction #1. Non-magnetite, plus 20 mesh.

Fraction #2. Magnetite.

Fraction #3. Frantz "ilmenite fraction".

Fraction #4. Frantz "garnet fraction".

Fraction #5. Frantz "mafic mineral fraction".

Fraction #6. Frantz "monazite fraction".

Fraction #7. Frantz "heavy mineral tailing fraction".

Fraction #8. Bromoform float product, light minerals.

Step #5. All of the fractions are weighted to a $\pm$ 0.01 grams and the weights recorded. The fractions usually contain more than one mineral, and while most of the grains of any given mineral are usually in the same fraction, some grains of the given mineral may be in the adjoining fractions. For this reason, visual estimates are made under a binocular microscope of the percentage of each mineral type in each fraction. From these, the percentage weights of minerals in the heavy minerals portion of the "10 gram" split are computed. These percentage weights also represent the percentage weights of minerals in the heavy minerals portion of the original pan concentrate. Pounds per cubic yard represented by the heavy minerals in the original sample are computed from the weight of the pan concentrate less the weight of the light minerals and constants depending upon the pan size used. The weight of the light minerals is calculated from the weight of the bromoform float product. Finally, the percentage weights of the various minerals are recalculated in terms of pounds per cubic yard.

Fragments of euxenite are readily and accurately recognized by treating a part of each #6, 0.8 amp, fraction with hydrofluoric acid as follows: A representative split is cut out of the #6 fraction; it is covered with several drops of 48% HF in a polyethylene dish; it is allowed to react for about two minutes at room temperature and then is rinsed with water, dried, and examined under the microscope. Euxenite is coated with a thick fragile green- or blue-tinted white reaction rind which makes it distinguishable from all other HF reactants. Yellow monazite, which is unaffected, is readily and positively distinguished from sphene, which takes on a thin white frosty HF reaction coating.

Docket No. DMEA 2265
Contract Idm-E351

Cosumnes Gold Dredging Co.
Valley County, Idaho

TABLE 9

SUMMARY OF BENEFICIATION TESTS ON COMPOSITE SAMPLE OF PADDY FLAT PLACER BLACK SAND CONCENTRATES

Product	Weight %	Wgt. %	ANALYSES, PERCENT Cb	Ta	U_3O_8	REO	$(Zr/Hf)O_2$	$\left(\frac{Hf}{Zr/Hf}\right)100$	PERCENT RECOVERY Cb	Ta	U_3O_8	REO	$(Zr/Hf)O_2$	ESTIMATED LBS. RECOVERED PER CU. YD. OF ORIGINAL GRAVEL 3/ REO	U_3O_8	$(Zr/Hf)O_2$	Magnetite
*Slime	2.651				< 0.02	0.40											
*Magnetic 1/	26.255																15.75
*Ilmenite-garnet	28.275		0.92	0.52	0.18												
Quartz-zircon	31.305	100.00					2.47	2.4					100.00				
Table conc.		3.55					5.10	2.4					73.41			0.416	
*Table tailing		96.45					0.68						26.59				
*Monazite-magnetics	3.547	100.00			0.002	0.27					100.00	100.00					
Table conc.		0.60			0.18	24.3					15.34	55.00		nil	nil		
Table tailing		99.40			< 0.02	0.12					84.66	45.00					
*Cb Magnetics	2.024	100.00	0.82	0.74	0.07				100.00	100.00	100.00						
Table conc.		0.77	2.0	1.0	0.18				1.86	1.04	1.96						
Table tailing		99.23	0.82	0.74	0.07				98.14	98.96	98.04						
*Cb Non-magnetics	0.233	100.00	0.68	0.41	0.11				100.00	100.00	100.00						
Table conc.		15.42	1.1	0.66	0.30				25.05	25.05	43.86						
Table tailing		84.58	0.60	<0.5	0.07				74.95	74.95							
Monazite concentrate	0.972				0.18	48.2								0.28 2/			
*Monazite tailing	4.738				0.09	0.12											
	100.00																

*Minor metal minerals content and grade of product considered too low to include as recoverable minerals.

1/ Assayed 62.3% Fe, 0.37% P, and 1.98% TiO_2

2/ 0.28 lbs. REO/cu. yd. equivalent to 0.42 lbs/cu.yd. of monazite containing 67% REO.

Note: Composite sample was separated into slime, magnetic, ilmenite-garnet, quartz-zircon, monazite-magnetics, columbium magnetics, columbium non-magnetics, monazite concentrate, and monazite tailings at the Boise laboratory of Porter Bros. Corporation. See "Porter Test Procedure" in Appendix for details.

Table concentration tests made at Bureau of Mines, Albany, Oregon.

3/ Based on estimated 60 lbs. black sand concentrate per cu. yd. of gravel.

PROCEDURE USED BY PORTER BROS. CORPORATION
FOR CONCENTRATING BLACK SAND CONCENTRATES
BOISE, IDAHO

The procedure employed in beneficiation of black sands is outlined below.

1. Screen on 20 mesh, crush the plus 20 mesh to minus 20 mesh in a set of laboratory rolls, and combine the two fractions of black sands.

2. Attrition the material in a laboratory size WEMCO attrition mill for 20 minutes at 80% solids.

3. Deslime the attritioned product by decantation to simulate classification at 100 mesh.

4. Dry both fractions and weigh the slime portion.

5. Pass the sand through a Dings magnetic roll to remove magnetite as a finished product.

6. Pass the non-magnetic from Step 5 through a laboratory inducted roll (Magnetic separator) to remove an ilmenite garnet concentrate of low monazite and columbium mineral value. This separation is obtained by employing a low magnetic flux in the machine and several passes are required to yield a product suitable to be discarded. The ilmenite garnet fraction is the magnetic fraction.

7. Pass the non-magnetic product from Step 6 through the laboratory induced roll at maximum magnetic flux to produce a rejectable quartz-zircon concentrate (non-magnetic).

8. Pass the magnetic fraction from Step 7 through a laboratory electrostatic separator to produce a monazite fraction and a columbium fraction. Several passes are required to effect a satisfactory separation, and the cleaner tails produced are retreated, so that only the two final products result from the separation.

9. Pass the monazite fraction from Step 8 through a crossbelt separator set to pull minerals of greater magnetic susceptibility than monazite, thereby producing a non-magnetic product containing the greater part of the monazite.

10. The monazite fraction from Step 9 was tabled to produce a finished monazite concentrate and a rejectable tailing.

11. Pass the columbium fraction from Step 8 through a crossbelt separator set to pull ilmenite, garnet, and other minerals of higher magnetic susceptibility than columbium-bearing minerals to produce a non-magnetic fraction containing the greater part of the columbium minerals. As the non-magnetic fraction was of insufficient weight to allow for a satisfactory table separation, these products have been shipped as is. Actually, a gravity separation is required on these samples to separate the columbium minerals from sphene, quartz, etc.

The outline above briefly describes the concentration procedures employed on these samples and simulates the proposed treatment on Bear Valley black sands. We have found that in semi-continuous operation, we are able to make a much better separation than when treating small samples in a batch operation such as was required on these samples.

7/12/54 gla

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

July 9, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite)
Cosumnes Gold Dredging Co.
Valley County, Idaho
Contract No. Idm-2351

Dear Mr. Selfridge:

Enclosed are three copies each of reports from the operator, dated April 5, 1953, June 7, 1953, and October 26, 1953. These reports were intended by the operator to serve as final reports on the cited contract.

The original report, dated April 5, did not contain sufficient information on the accomplishments of the project to be considered as acceptable, and the subsequent reports did little to improve the picture. Consequently, none of these reports have yet been accepted by the Executive Officer. They are, however, being distributed as they do contain a certain amount of information, and it is evident that we are unlikely to obtain any better report from Cosumnes. We are certain that the Field Team's final report will present a clearer picture on the accomplishments of the project.

Sincerely yours,

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

Enclosures
cc: USBM (2)

Operator's Final
Report rec. 7/12/54

C
O
P
Y

Sacramento, Calif.
Oct. 26, 1953

Final report, Paddy Flat, Idaho. DMEA Contract No. Idm-E351

All work was stopped on the concentrates from Paddy Flat about April 1, 1953. There were several reasons for dropping the project named below.

It was found that, due to the complex nature of the sands, that magnetic seperation would not produce a commercial grade of the various fractions. There was too much grading of one fraction into the other as was shown by the separation made by the Dings Magnetic Seperator Co.

It was decided to try a combination of magnetic seperation, flotation and gravity seperation. A split was made of each hole Nos. PF-111-Y through PF-135-Y excepting Nos. PF-117-118-121-130-PF which were too shallow and low grade to be considered and could easily be eliminated from the dredging area.

Each sample was weighed and seperated as follows:

1. The magnetite was recovered with a permanent magnet.

2. The Ilmenite and garnet were separated together with the magnetic seperator at the Surcease Mining Company's plant. These fractions were determined by grain count with the microscope. The two fractions were then seperated by gravity with such poor success that it was given up. Flotation was then tried under the supervision of Mr. Otto Brown of the American Cyanamid Co. This, as predicted by Mr. Brown, did not give satisfactory results. A composite sample of this flotation product was sent to the Bureau of Mines at Spokane.

3. The tailings were then re-tabled making a fairly clean product of Monazite and Zircon along with some unidentified heavy white mineral. It occurs to me that it might be possible to seperate the Monazite from this product with a high intensity magnetic seperator. Due to the magnetic separator being eliminated from the original equipment necessary to fully determining the procedure of recovery of the various fractions in a marketable grade we were not able to do this. The magnetic seperator at the Surcease Mining Co. would only pull the Garnet and magnetite. Consequently the work done on this fraction was as follows.

First a grain count was made in a dark room under the microscope with a flourescent light with the filter on which gave the zircon count. By accident we discovered that the Monazite would show a particular grass green color with the filter off from the flourescent light. Ocassionally other minerals would show a green color but the Monazite had a distinctive green. The grain count of the monazite was made in a dark room in the above manner under the microscope. I believe this procedure gave a fairly accurate grain count result. I checked a number of our results of this procedure with a P_2O_5 determination using the factor of 3.5 for monazite and the checks were fairly close. The U. S. Steel Company at Geneva also checked results with a method that was unknown to me. All results were within reason. The U. S. Steel Co. also made the Iron, Titanium determinations.

With a high intensity labratory magnetic seperator eliminated from the equipment requested by us we were at a terrific handicap in making the full and complete determinations of the various fractions.

As can be plainly seen the seperations made by the Dings Magnetic Separator Co. are useless. The Dings people cannot be blamed for this as I gave them the various known fractions to be seperated. They have a set formula of amperage to pull each fraction and it would have taken a lot of time and trial and error to have made a product of commercial value. It must be remembered that in a project of this nature the magnetic seperator is just as essential as the concentrating plant. In fact in actual operation it is of just as much importance as the dredge and the recovery system. In view of this handicap we proceeded as best we could.

Our final conclusions were based on the above determinations and all monazite determinations are in actual monazite.

The following are the Yardage and value estimates:

Total dredgable yardage ---------- 35,000,000 Cu. Yds.

Magnetite	15.1 Lbs. Cu. Yd. @ ½¢ per Lb. FOB Donnelly -------	7.5
Ilmenite	7.7 Lbs. Cu. Yd. No quotation ----------	0.0
Garnet	3.6 Lbs. Cu. Yd. 2½¢ Lb. FOB Donnelly ----------	9.0
Monazite	1.2 Lbs. Cu. Yd. @ 18¢ Lb. FOB Donnelly ----------	21.6
	Tot Value Cu. Yd. ----------	38.1

Dredging cost taken from the cost of 1950 operation ----------	7.8 ¢
Add cost at Paddy Flat (additional) ----------	3.5
Present additional cost and added expense of additional Plant ------	.7
Add royalty ----------	3.8
Total dredging cost ----------	15.8

Seperation plant costs on 10,000 Cu Yds per day dredged.

Power ----------	2.0
Labor ----------	4.65
Repairs and replacements ----------	2.10
Transportation to Donnelly and Loading facilities ----------	2.00
Maintainance repairs and upkeep transportation from dredge to plant ----------	1.70
General admin., engineering and allowance for shut down 5 Mo. ------	1.55
Total seperation cost ----------	14.00 cents.

Net operating cost exclusive of taxes and Int. Amort. --------- 29.8
Net profit exclusive of taxes Int etc. ---------- 8.3

Magnetite Value by Mr. Sargis of U. S. Steel for 67% Iron.
Garnet value by Mr. Standifer from quotation of similar garnet.
Monazite at current price.
No other values quoted.

All reject samples were shipped to the Bureau of Mines at Spokane, Wash.

The equipment that was purchased under the above DMEA contract is stored as follows:

The 22" casing purchased from the Yuba Manufacturing Co. is stored at the equipment yard of the Surcease Mining Co. Red Mountain Calif.

The Bosch and Lomb microscope is at 328-51St. Sacramento, and the Berkley Jet pump at 3133-McKinley Blvd. Sacramento. Properties of M. Yost

All items have been advertised in the Sacramento Bee and letters written to the various probable buyers as instructed. Copys of letters sent to these prospects and answers if any are herewith enclosed.

Maps and cross sections are being sent to the Bureau of Mines at Spokane.

Conclusion: Due to the high cost and extremely difficult separation of the sands we would not be interested in proceeding with the project. The margin is too close for the high capital investment.

Sincerely yours,

/s/ Merrill Yost

Copy

Cosumnes Gold Dredging Company
P. O. Box 532
Cascade, Idaho

Red Mountain, Calif.
June 7, 1953

Bureau of Mines,
Spokane,
Washington

Dear Sirs:

Enclosed is final results of the second Phase of Paddy Flat. I made an error in that I had headed REO instead of Monazite or Monazite equivalent. After considerable work on our own here these are about the recoverable results. The rougher concentrates can be easily made with a dredge but the difficulty begins with the separation of the sands into marketable products. Dings did very poorly as the grading from one product to another by magnetic separation alone will not make marketable products. It would be necessary to reconcentrate and re-separate to make a marketable product. The Ilmenite could be floated and it may be possible to float the monazite from the tails as there was considerable Monazite that did not come out on the last pole of the separator. In fact the separation of the sands is too difficult for us to undertake at the present time. It may be that new methods of separation can overcome these difficulties.

Concerning the prices of the products Mr. Standifer gave me the price of $40.00 per ton for Zircon from the Pacific Coast Carbon Co. The price of $50.00 per ton was also quoted for Garnets by a company in Seattle. Copies of these can be secured from Mr. Standifer.

In view of the difficulties of separation of the various fractions and having ground that will exceed these properties by twice the value here in Southern Calif. we do not intend to go further on Paddy Flat or White Hawk Properties.

Upon Mr. Knutsens return we will make and send to you a map showing the calculations of Yardage and values.

I have received only a couple of replies from the companies you gave me in

regard to the salvage of the equipment here in Red Mountain. I will send the replies to you shortly. If you have any other suggestions concerning this I will be glad to proceed in accordance with your suggestions.

Sincerely yours,

/s/ Merrill Yost
Cosumnes Gold Dredging Co.

ANALYSIS OF CONCENTRATES, PADDY FLAT, IDAHO, PHASE II. DMEA 2265
CONTRACT NO. 351. COSUMNES GOLD DREDGING CO. RED MOUNTAIN DIST.

Hole No.	Yd³ Cons.	Lbs. Fe_2O_3	Lb. Yd³ $FeTiO_3$	Lb. Yd³ REO	Lb. Yd³ M'site	Lb. Yd³ Zircon	Lb. Yd³ Garnet	Lb. Yd³ Others
PF111Y	101.0	31.0	18.9	4.1 (2.63)	4.1	3.8	9.3	33.9
PF112Y	10.0	2.1	1.0	.22	.2	.5	1.0	5.2
PF113Y	30.3	10.1	8.0	.19	.3	.4	2.0	9.5
PF114Y	55.7	20.1	9.2	1.44	2.2	1.0	5.1	18.1
PF115Y	35.0	12.3	5.7	.52	.80	1.0	2.3	13.9
PF116Y	75.9	15.9	6.8	1.72	2.7	2.3	7.0	41.2
PF117Y	See Report.							
PF118Y	See Report.							
PF119Y	56.5	17.3	9.5	.90	1.4	1.7	5.1	21.5
PF120Y	30.5	12.1	5.3	.44	.7	.5	2.0	9.0
PF121Y	See Report							
PF122Y	9.1	3.7	1.4	.20	.3	.2	1.0	2.5
PF123Y	50.0	18.1	10.7	.64	1.0	1.0	5.0	14.2
PF124Y	40.0	20.0	3.2	.44	.7	1.0	3.0	12.1
PF125Y	74.3	26.2	12.3	1.35	2.1	2.0	5.2	26.5
PF126Y	27.7	9.8	4.6	Tr	Tr	Tr	1.0	12.3
PF127Y	22.2	7.0	4.3	.25	.4	.5	2.0	8.0
PF128Y	33.5	10.1	6.8	.71	1.1	.5	3.0	12.0
PF129Y	77.5	28.3	16.8	1.54	2.4	2.0	5.0	19.5
PF130Y	See Report.							
PF131Y	51.2	17.5	12.1	.77	1.2	1.0	3.0	16.4
PF132Y	41.1	14.1	6.4	.12	.2	.5	4.0	15.9
PF133Y	3.8	1.1	.8	Tr	Tr	Tr	.5	1.4
PF134 Y	48.0	15.4	8.1	.82	1.3	.5	3.6	17.3
PF135Y	77.0	25.3	11.4	1.35	2.8	8.8	5.4	30.8
Totals	968.8	317.5	163.2	16.15	25.2	22.4	75.5	332.1
Averages	46.1	15.1	7.7	.80	1.2	1.0	3.6	15.8

Cosumnes Gold Dredging Co..

Redmountain, California
April 5, 1953

Final report on Paddy Flat DMEA No.2265 Contract #351 Phase 11

Due to the poor magnetic separation of the various products etc. of the Paddy Flat concentrates by the magnetic separator Co. which was shown in the products by magnetic separation in the first Phase it was decided to make the products by a combination of magnetic separation and gravity consetrations.

A sample was split out of each concentate from No. PFY111Y throught PFY 135 Y, with the exception of PFY Nos. 117-118-121-130 Y , which were to shallow to consider due to bedrock shallows not discernable from the surface, with a Jones splitter each sample was weighed and separated as follows; Magnetite separated by permanent magnet. Ilmenite and gravel separated together with magnetic separator at Surcease plant, and amounts estimated with miscroscope by grain count. The remainder or tailings contained the monazite and Zircon with quarts sand and other non-magnetice. This was re-tabled and a clean Monazite band with the Zircon included was recovered. By both grain count and P_2O_5 determination using the factor for multiplication of 3.5 for Monazite equivalant. The results of monazite were based on this procedure. The U. S. Steel Co, Geneva division made the Iron, Titanium and R E O determinations without cost.

In evaluating the property the yardage and values are as follows:

Total Yardage	35,000,000
Magnetite 15.1 Lbs. per Cu. Yd. ½¢ Lb. Yd.	7.5 ¢
Ilmenite 7.7 Lbs Cu. Yd. ?	0.0
Monazite 1.2 Lbs. Cu. Yd. 18¢ Lb. Yd.	21.6
Garnet 5.6 Lbs. Cu. Yd. 2½¢ Lb.	9.0
Total value per Cu. Yd.	38.1 ¢

Estimate of dredging cost 15.8 Cu. Yd.
Including royalty.

Sand plant separation and preparation cost. Handling 14.0 Cu. Yd.
Total cost 29.8 Cu. Yd.

Net per Cu. Yd. 8.3

The value of magnetite was taken from estimates of 67% Fe_3O_4 by Geneva Steel by Mr. Sargis ½¢ per Lb.

Garnet value taken from quotations to 2½¢ Lb.

Monazite at quoted price of 18 ¢ per Lb.

We did not get a quotation on Zircon.

Conclusion

The separation of the very complex sand concentrates makes this a

high cost operation. The dredging operation is high cost due to severe winters and other difficulties that can readily be seen in this area.

The procedure of separation of the sands are as follows:

The use of jigs aboard the dredge to make a rougher product which is pumped ashore to a sand plant as a rougher concentrate.

1st step in the sand plant is to remove the magnetite by wet magnetic separation.

2nd step . Dry the sands with rotary dryer.

3rdstep. Separate the ilmenite by magnetic separation.

4th Step. separate the garnet by magnetic separation.

5th Step. By retabling the monazite and zircon can be recovered.

6th step. The monazite and zircon can be separated by re-drying and intense magnetic separation as the zircon is not magnetic and the monazite only slightly magnetic.

Due to the complex nature of this operation and all prices subject to change at any time the margin in the property in relation to the investment is too close, for us to consider at this time.

This gravel channel extends on to the south and east of Kennelly fork and many million Cu. Yds. of similar gravel could be added to this project.

This property should be noted and considered reserves for the future and could be profitably operated at such time as the U. S. Government stabalizes the price of the products or the values increased to a greater margin.

Sincerely yours,

[illegible]

REDMOUNTAIN CALIFORNIA;
April 5, 1953

Analysis of Concentrates from Paddy Flat, Idaho by
Cosumnes Gold Dredging Co., 2nd Phase of Paddy Flat. DMSA 2265
Contract No. 351.

Hole No.	Lbs Yd³ Gens.	Lbs.Yd³ Fe_3O_4	Lbs. Yd³ $FeTiO_3$	Lbs Yd³ REO	Lbs Yd³ Garnet	Lbs Yd³ Zircon	Lbs Yd³ Others.
PFY111Y	101.0	31.0	18.9	4.1	9.3	3.8	33.9 Lbs
PFY112Y	10.0	2.1	1.0	.2	1.0	.5	5.2
PFY113Y	30.3	10.1	8.0	.5	2.0	.4	9.5
PFY114Y	55.7	20.1	9.2	2.2	5.1	1.0	19.1
PFY115Y	35.0	12.3	5.7	.8	2.3	1.0	13.9
PFY116Y	75.9	15.9	6.8	2.7	7.0	2.3	41.2
PFY117Y	SEE REPORT						
PFY118Y	SEE REPORT						
PFY119Y	56.5	17.3	9.5	1.4	5.1	1.7	21.5
PFY120Y	30.5	12.1	5.3	.7	2.0	.5	9.9
PFY121Y	SEE REPORT						
PFY124Y	9.1	3.7	1.4	.3	1.0	.2	2.5
PFY125Y	50.0	18.1	10.7	1.0	5.0	1.0	14.2
PFY124Y	40.0	20.0	3.2	.7	3.0	1.0	12.1
PFY126Y	74.3	26.2	12.2	2.1	5.2	2.0	26.5
PFY128Y	27.7	9.8	4.6	.Tr	1.0	.Tr	12.3
PFY127Y	22.2	7.0	4.3	.4	2.0	.5	8.0
PFY128Y	33.5	10.1	6.8	1.1	3.0	.5	12.0
PFY129Y	775.0	28.3	16.8	2.4	5.0	2.0	19.5
PFY130Y	SEE REPORT						
PFY131Y	51.2	17.5	12.1	1.8	4.0	1.0	18.4
PFY132Y	41.1	14.1	6.4	.2	4.0	.5	15.9
PFY133Y	3.6	1.1	.6	.Tr	.5	.Tr	1.4
PFY134Y	49.0	16.4	8.1	1.3	2.6	.5	17.3
PFY135Y	77.0	25.3	11.4	2.1	5.4	2.0	30.8
Totals:	968.5	317.5	163.2	23.2	75.5	22.4	324.1
Averages	46.1	15.1	7.7	1.2	3.6	1.0	15.8

The averages are in Lbs. per Cu. Yd. of open product.
There are some of the holes figured in this average that are not in the dredging area or that could be eliminated and the overall average would come up considerably. See report.

Report Samples of Red Mountain Calif.

E. M. Bert

E. M. Bert

JUN 30 1954

[illegible]

[illegible]

Filmmen

DMEA-Department of the Interior

[illegible] Revolving Fund,
Defense Production Act (Interior)
(Allocated Working Fund to the
Office of the Sec.)

[illegible]
[illegible]
[illegible] 157 [illegible]
[illegible] 4, [illegible]

[illegible] 2264 [illegible] 2265, [illegible] [illegible] [illegible], [illegible]

[illegible] [illegible] [illegible] [illegible]. [illegible] [illegible]

[illegible] [illegible] [illegible].

C. O. Mittendorf

C. O. Mittendorf, Administrator

Filmmen/mm
6-30-54
cc to: Admr. Reading File
~~Operating Committee~~
DMEA Docket No. 2264
DMEA Docket No. 2265
Messrs. E. J. Carlson, Rm. 3649
D. M. Larrabee, Rm. 5218
Code 700 (2)
Mr. Kneuss
Confirmation to Region II

5/27/54 gla

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

1201 N. Division St.
Spokane 2, Washington
May 20, 1954

Mr. Merrill Yost
608 - 34th Street
Sacramento, California

Re: Docket No. MMEA 2265 (monazite, columbium-tantalum)
Cosumnes Gold Dredging Company
Valley County, Idaho
Contract Ida-E351

Dear Mr. Yost:

On October 6, 1953, you informed Mr. J. A. Boucher, Bureau of Mines engineer, that you had delivered for storage at the Surcease Mining Company warehouse, Randsburg, California, the following jointly-owned equipment:

Quantity	Item	Cost
10	Steel casing, 22" OD x 11/32" x 3' long)	$1,685.13
10	" couplings 1"x6"x3", 10 - 11/16" bent)	
1	drive shoe)	465.55
1	drive cap)	
1	fabricated steel pulling head	429.27
2	#15 Vulcan pipe tongs	130.20
2	25-ton hydraulic jacks	160.60
		$2,870.75

As you no doubt know, the Cosumnes Gold Dredging Company relinquished its equity in the above equipment so that title now rests with the Government.

We have been informed that the following items had not been delivered for storage:

2	#15 Vulcan pipe tongs	$ 130.20
2	25-ton hydraulic jacks	160.60
		$ 290.80

Your cooperation in informing us of the location of the above items is requested.

By Field Team, Region II

Wing G. Agnew, Acting Exec. Officer
(U. S. Bureau of Mines)

J. J. Quinlan, Acting Member
(U. S. Geological Survey)

cc: DMEA, Wash. (2)
USGS (2)

OPERATIONS ADDRESS:
P. O. Box 27
RED MOUNTAIN, CALIF.
Phone—Randsburg 5661

K. MALONE, Manager
D. A. MOYER, Asst. Manager

SURCEASE MINING COMPANY

ATOLIA SCHEELITE PROPERTIES

BUSINESS OFFICE:
214-30th Street
SACRAMENTO 16, CALIF.
Phone—GIlbert 3-8593

J. W. HOEFLING, President
J. B. GEE, Secretary

RECEIVED
BUREAU OF MINES
MAY 10 1954
SPOKANE, WASH.

Red Mountain, California
May 4, 1954

Mr. Wing G. Arnew
U. S. Department of the Interior
1201 N. Division St.
Spokane 2, Washington

Dear Mr. Arnew:

Mr. Yost of Cosumnes Gold Dredging Company has stored at our Atolia property the items you list in your letter of April 21st with the exception of the pipe tongs and hydraulic jacks.

We have no use for the casing and allied gear. I have informed local parties who might have use for this gear of the Government's desire of selling. If they have any interest they will, no doubt, communicate with you.

Very truly yours,

SURCEASE MINING COMPANY

By K. Malone
K. Malone

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

~~[illegible]~~
No. 157 Howard Street
Spokane, Washington

May 23, 1954

Bonanza Gold Dredging Company
Room 403
[illegible] California Street
San Francisco, California

Re: Docket No. [illegible]A-2205 (monazite and columbium-tantalum)
Eddy Flat Placer Claims
Contract No. [illegible]-351

Gentlemen:

Transmitted for your information and files is your copy of an audit certificate and audit report for the period June 27, 1952, to April 30, 1953, by Robert [illegible].

Sincerely yours,

[illegible]
Executive Officer,
Field Team, Region [illegible]

Enclosures
[illegible]

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of the

Consumnes Gold Dredging Company
Room 403
465 California Street
San Francisco, California

pertaining to Exploration Project Contract No. Idm-E351, Docket No. DMEA-2265, including Amendments Nos. 1 and 2, covering a project for the exploration of monazite and columbium-tantalum on property located in Valley County, Idaho, commonly known as the Paddy Flat Placer Claims for the period of June 27, 1952 to April 30, 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		$16,457.68
Add:		
Costs paid by Government	$70.98	
Less: Costs transferred to E-350	54.67	16.31
Total adjusted cost		$16,473.99
Exceptions: (see Audit Report for details)		
Prior to this audit	$ 4.01	
During this audit	620.75	624.76
Total Accepted Costs		$15,849.23

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Fourteen thousand two hundred sixty four and 31/100 dollars (90 percent of the accepted costs) less a debit of $70.98 (project costs paid by the Government) or the net amount of

$14,193.33

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

March 9, 1954

Audit Certificate
March 9, 1954

AUDIT REPORT

I INTRODUCTION

During the months of March and April 1953, a final audit (covering the period of June 27, 1952 to April 15, 1953), was made of the records and accounts pertaining to Exploration Project Contract No. Idm-E351, Docket No. DMEA 2265, including Amendments Nos. 1 and 2, with the

Cosumnes Gold Dredging Company
Room 403
465 California Street
San Francisco, California

covering a project for the exploration of monazite and columbium-tantalum located in Valley County, Idaho, commonly known as the Paddy Flat Placer Claims.

The accounting records under this contract were maintained by and are in the custody of Mr. Merrill Yost, General Manager of the Cosumnes Gold Dredging Company, 608 34th Street, Sacramento, California.

Prior to the actual audit of the accounts , the records of the DMEA Certifying Officer for Region II were reviewed and discussions were held with the Executive Officer of the DMEA Field Team, Mr. A. E. Weissenborn, and Mr. John D. Bardill, U. S. Bureau of Mines engineer assigned to the project.

II GENERAL INFORMATION ON RECORDS

The Cosumnes Gold Dredging Company did not maintain a formal set of books for the exploration project. The General Manager, Mr. Merrill Yost, made available the cancelled checks, the payrolls and supporting time records and tax receipts. These documents, together with the original supplier's invoices or certified true copies submitted with the Forms MF-104, were entirely adequate for the purposes of this audit.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of April 1953. The Operator had made several errors in bringing forward the totals from month to month and these totals have been adjusted by the Certifying Officer. The findings, after an analysis of the charges and correction of the distribution of costs, follows:

Stage I

(1) Independent Contracts

This item is not applicable to the Contract.

(2) Labor and Supervision

A detailed analysis of the payrolls and other documents and a spot check of the cancelled pay checks disclosed the following charges applicable to and allowable under this item of cost:

Labor (Driller, Drill Helper, Sample Plant Operator & Helper)

392 hours @	$1.50	straight time	$588.00	
71 " "	2.25	overtime	159.75	
24 " "	1.60	straight time	38.40	
96 " "	1.85	straight time	177.60	
23 " "	2.775	overtime	63.83	
				$1,027.58*

Supervision

General Manager-Engineer, Merrill Yost 18 days @ $20.00 per day	360.00
Total	$1,387.58

*The Operator over-claimed labor charges by $0.75 and a deletion was made by the Certifying Officer on a subsequent invoice during Stage II. Labor did not exceed the going rate for the area and supervision was not in excess of the allowable maximum.

(3) Operating Materials and Supplies

A detailed examination was made of the items chargeable to this category of costs, and the following summarizes the findings resulting from the review of vouchers, invoices, and cancelled checks.

	Costs Claimed	Allowed By Audit
Gas and Oil	$303.19	$303.19
Miscellaneous Supplies	95.56	95.56
Plant Supplies	50.00	50.00
	$448.75	$448.75

The miscellaneous supplies consisted of paper bags, light bulbs, office supplies, etc., while plant supplies consisted of canvas sample bags.

(4) Operating Equipment

Rental

Under the provisions of Amendment No. 1, effective June 23, 1952, one HD-7 bulldozer at $500.00 per month for one-half month was provided. There was claimed $250.00 for this item which covered use of the bulldozer for the period of July 15 to 31, 1952. The audit allows the sum of $250.00.

Purchase

The Operator bought drill pipe and accessories from the Yuba Manufacturing Company of San Francisco, California, on invoice No. 51986, in the amount of $3,151.50 as follows:

10 Steel casings, 22" OD x 11/32" wall x 3' long) 10 Steel couplings, 1" x 6" x 5' 10-11/16",bent)	$1,685.13
1 Drive shoe) 1 Drive cap)	465.55
1 Fabricated steel pulling head	429.27
2 # 15 Vulcan pipe tongs	130.20
2 25 ton hydraulic jacks	160.60
1 rough forging - 890#	280.75
	$3,151.50

In October 1952, the Operator claimed $2,600.00 of the total amount of $3,151.50. The estimated cost for the drill casing, as set forth in Exhibit "A" of the contract, was $2,600.00. Also allowable was 1 Wilfey type table at $600.00 which was not purchased. The Field Team, by letter of March 27, 1953, granted the Operator's request that he be allowed the balance of the Yuba Manufacturing Company's bill of $551.50. The total claimed was $3,151.50.

The item of "rough forging" was ordered from an outside source and was to be made up into a Drive Cap and Drive Shoe. The "outside" supplier could not deliver the forging on time and the Operator authorized the Yuba Manufacturing Company to make their own forging which was fashioned into a Drive Cap and Drive Shoe, consequently there is an overcharge of $280.75, which is disallowed. The audit allows the sum of $2,870.75.

At the termination of the work under the exploration project, the Operator removed from the work site the equipment owned jointly by the Government and the Operator and stored it at the Surcease Mining Company warehouse, Randsburg, California, which is about 120 miles northeast of Los Angeles, where it now remains. The Operator advised the Executive Officer of the DMEA Field Team by letter on November 23, 1953, that as he could not dispose of the material according to the terms of the contract and inasmuch as the Government's interest in the jointly owned property was 90 percent, that they would waive their 10 percent equity in favor of the Government. Full title to the equipment now rests with the Government.

Depreciation on equipment furnished by the Operator was allowable in accordance with Exhibit "A" of the contract as revised by Amendment No. 1,

at the rate of $240.43 per month for an aggregate of eight items of equipment. The Operator claimed depreciation on 6 items of equipment only for the time it was in use, and accordingly the amount claimed is being allowed as follows:

Screen for sample plant, Minor equipment units, pumps, tools, etc. Clam shell drill, truck, car, and Geiger counter	$212.08

(6) New Buildings, Improvements, etc.

Under this item there was provided by Exhibit "A" of the contract the following:

Building 12' x 14' floor area, sample concentrating plant and office	$1,000.00*
Equipment installation for power and water at sample concentrating plant	500.00*
Collection of equipment and material at Slough House, California, and transporting to and installing at work sites	1,535.80*
Lodging and meals of workmen enroute to work sites	96.00*
	$3,131.80*

Fifty percent of the estimated total of each item in this category is an allowable cost under this contract. The remaining fifty percent is allowable under Contract Idm-E350, Docket No. DMEA-2264, Cosumnes Gold Dredging Company.

The Operator has claimed the sum of $2,952.12 for this item and allocated $1,476.06, fifty percent, to each contract. However, the entire amount of payroll taxes, $89.26, applicable to New Buildings, Improvements, etc., were claimed under Item (7), "Miscellaneous-Payroll Taxes" of this contract. The necessary adjustments have been made.

Officer of the Field Team as being necessary to the project. The miscellaneous pipe fittings in the amount of $5.47 are allowed.

The proper amount allowable under this heading is $2,341.31, with fifty percent, $1,170.66, allocated to Contract Idm-E350 and $1,170.65 to this contract.

The Operator elected to improve an existing building on the property because of its nearness to electric power and water facilities necessary for the screening-washing laboratory, rather than erect a new one. The amount involved, $2,341.31 (50 percent on each of the contracts, Idm-E350 and Idm-E351) was less than the total amount of $3,131.80 allowed under Exhibit "A" of the contracts.

As the improvements were made on an existing building they reverted to the owner, Mr. Frank Callender of Cascade, Idaho, when the building was released by the Operator. Under these circumstances it was impossible for the Operator or the Government to dispose of the improvements made to the building. It is the position of the Field Team, as set forth in their memorandum of July 24, 1953, that "neither the Operator nor the Government has an equity in the improvements".

(7) Miscellaneous

The findings of the audit as to the costs chargeable to, and allowable under, this item are summarized as follows:

	Costs Claimed	Corrected Distribution	Disallowed by Certifying Officer	Transferred to E-350, Item (6)	Accepted Costs
Repairs to equipment	$382.21	$382.21	-0-	$	$382.21
Payroll Taxes	202.82	61.53	3.26		58.27
Liability Insurance		52.03			52.03
Accounting	50.00	50.00			50.00
Payroll Taxes for New Bldgs., Improvements, etc.		89.26		89.26	-0-
Hauling Tractor	50.00	50.00			50.00
	$685.03	$685.03	$3.26	$89.26	$592.51

Repairs to Equipment include the following costs which are allowable:

Drill truck	$274.02
Compressor	106.69
Automobile	1.50
	$382.21

Payroll Taxes applicable to the project were:

Federal Old Age Benefit	1.5%
Idaho Unemployment	2.7%
Idaho Compensation Insurance	3.75%

The Operator claimed the taxes properly applicable to New Buildings, Improvements, etc., $89.26, along with the taxes applicable to labor and supervision. They have been transferred to the proper heading. The amount allowable is:

Payroll Taxes				
Social Security	$1,387.58	1.5%	$20.81	
Idaho Unemployment	1,387.58	2.7%	37.46	
				$58.27
Liability Insurance	1,387.58	3.75%		52.03
				$110.30

The taxes had been over-stated by $3.26 which the Certifying Officer disallowed. The disallowance is concurred with. The total amount of taxes applicable to Stage I are $110.30.

Accounting services in the amount of $50.00 were claimed and allowed. This covered the services of Mrs. Irma Yost, the bookkeeper for the period of June 27 to July 31, 1952.

Hauling Tractor in the amount of $50.00 covered the move from Cascade, Idaho, to Paddy Flat, Idaho.

(8) Contingencies

There was claimed under this heading $12.18, the cost of a newspaper advertisement for the sale of jointly owned equipment. The advertisement, appearing in the Sacramento Bee, ran for three days, March 21 through March 23, 1953, inclusive.

The audit disclosed the status of the allowable maximums of Stage I were:

Item	Allowable Maximum	Total Cost	Balance
Engineer-manager	$ 360.00	$ 360.00	$ -0-
Depreciation	240.42	212.08	28.34
New Buildings, Improvements, etc.	1,565.90	1,170.65	395.25
Sample analysis and sample transportation	850.00	-0-	850.00
Total Stage I	9,488.97	7,225.25	2,263.72

The adjustments between "Items of Cost" for Stage I, the disallowances, and the accepted costs are summarized as follows:

	Claimed by Operator	Transferred to Idm-B350	Corrected Distribution	Deletions by Audit* Certifying Officer	Allowed By Audit
Labor	$1,028.33	$	$1,028.33	$ 0.75	$1,027.58
Supervision	360.00		360.00		360.00
Operating Materials & Supplies					
Gas and Oil	303.19		303.19		303.19
Miscellaneous Supplies	95.56		95.56		95.56
Plant Supplies	50.00		50.00		50.00
Operating Equipment					
Rental	250.00		250.00		250.00
Purchase	3,151.50		3,151.50	280.75	2,870.75
Depreciation	212.08		212.08		212.08
New Buildings, Improvements, Etc.	1,476.06	10.04	1,510.65	340.00*	1,170.65
Miscellaneous					
Repairs to Equipment	382.21		382.21		382.21
Payroll taxes	202.82		61.53	3.26	58.27
Liability Insurance			52.03		52.03
Taxes on New Buildings		44.63	-0-		-0-
Accounting	50.00		50.00		50.00
Hauling Tractor	50.00		50.00		50.00
Contingencies	12.18		12.18	-	12.18
	$7,623.93	$54.67	$7,569.26	$624.76	$6,944.50

Stage II

(1) Independent Contracts

Not applicable to this contract.

(2) Labor and Supervision

A detailed analysis of the payrolls and other documents and a spot check of the cancelled pay checks disclosed the following charges applicable to and allowable under this item of cost.

Labor (Driller, Drill Helper, Sample Plant Operator & Helper)

1453	hours @	$1.50 straight time	$2,179.50
356	" "	2.25 overtime	801.00
308	" "	1.85 straight time	569.80
115	" "	2.775 overtime	319.12
	Total		$3,869.42
	Total claimed		3,867.12
	Difference		$ 2.30

The Operator under claimed labor in Stage II by $2.30 and no adjustment was made.

Supervision

General Manager-Engineer - Merrill Yost

August 1952 - full month	$600.00
September 1952 - one-half month	300.00
Total	$900.00

Labor did not exceed the going rate for the area and supervision was not in excess of the allowable maximum.

(3) Operating Materials and Supplies

A detailed examination was made of the items chargeable to this category of costs and the following summarizes the findings resulting from the review of vouchers, invoices, and cancelled checks.

	Costs Claimed	Corrected Distribution	Transferred to Item (7)	Allowed By Audit
Gas and Oil	$ 786.11	$ 868.83	$	$ 868.83
Sample Plant Supplies	23.22	23.22		23.22
Miscellaneous Supplies	854.95	232.56		232.56
Sampling and Analysis		237.28	237.28	-0-
Repairs to Equipment		302.39	302.39	-0-
	$1,664.28	$1,664.28	$539.67	$1,124.61

There had been included under Miscellaneous Supplies an item of $237.28

pertaining to Sampling and Analysis and $302.39 to Repairs to Equipment. These sums have been transferred to Item 7-Miscellaneous. The sample plant supplies consisted of 250 sets of Field Logs. The miscellaneous supplies consisted of

Air hose and couplings	$68.93
Water hose	43.66
Oxygen and acetelyne	38.10
Miscellaneous fittings	38.34
Small tools	43.53
	$232.56

The audit allows the sum of $1,124.61 for Operating Materials and Supplies for Stage II.

(4) Operating Equipment

Purchased

None

Rented

Under the provisions of Amendment No. 1 effective June 23, 1952, one HD-7 bulldozer at $500.00 per month for three months is provided for Stage II. The bulldozer was used for the entire month of August 1952 and the audit allows the claim of $500.00.

Depreciation on equipment furnished by the Operator was allowable in accordance with Exhibit "A" of the contract as revised by Amendment No. 1 at the rate of $240.43 per month for an aggregate of eight items of equipment. The Operator claimed depreciation on 6 items of equipment only for the time it was in use, and accordingly the amount claimed, $210.41, is being allowed:

Screen for sample plant, Minor equipment units, pumps, tools, etc. Clam shell drill Truck Car Geiger counter	$210.41

(5) Initial Rehabilitation and Repairs

This item is not applicable

(6) New Buildings, Improvements, etc.

This item is not applicable to Stage II

(7) Miscellaneous

The findings of the audit as to the costs chargeable to, and allowable under, this item are summarized as follows:

	Costs Claimed	Costs Paid by Government	Acceptable Costs
Repairs to equipment	$ 824.08	$	$ 824.08
Sampling & Analysis	882.21	70.98	953.19
Payroll Taxes	200.21		200.21
Liability Insurance	178.76		178.76
Accounting	100.00		100.00
Hauling tractor	46.35		46.35
	$2,231.61	$ 70.98	$2,302.59

Repairs to Equipment include the following costs which are allowable:

Tractor repairs	$275.06
Generator repairs	137.97
Drill truck repairs	262.85
Car repairs	78.15
Repairs to pumps and miscellaneous equipment	70.05
	$824.08

Sampling and Analysis costs claimed by the Operator covered:

Sample bags	$124.96	
Tubs for sampling	60.96	
Liquid gas-drying samples	42.50	
Freight	24.52	
Air freight	9.27	
Hauling samples	244.00	
Sampling	376.00	
		$882.21
Additional costs paid by Government		70.98
		$953.19

Hauling samples consisted of 20 round trips from Paddy Flat to Cascade, Idaho, a total distance of 122 miles at $0.20 per mile, $244.00. The Field Team considers this a reasonable rate due to the location. Air freight covered

the shipping of one bag of concentrates from Cascade, Idaho, by United Air Lines to the Dings Magnetic Separator Company, Inc., 4740 West Electric Street, Milwaukee, Wisconsin.

Sampling consisted of

12 Iron determinations @ $3.00 ea.	$ 36.00	
4 Titanium Oxide determinations @ $5.00 ea.	20.00	
18 Rare Earth Oxides determinations @ $15.00 ea.	270.00	$326.00

The work was performed by Abbott A. Hanks, Inc., 624 Sacramento Street, Sanfrancisco, Calif.

Laboratory test work on sand	50.00
	$376.00

The test work on sand was done by Dings Magnetic Separator Company, Inc., 4740 West Electric St., Milwaukee, Wisconsin.

The Field Team did not consider the analysis work done by the Operator as adequate and therefore ordered 14 additional assays made. The work was done by Mr. John F. Kolars, 2010 Eastlake 2, Seattle, Washington, at a cost of $5.07 per assay. The Government paid the entire cost ($70.98) of this work. The audit allows the Operator's claim of $882.21, as well as the amount of $70.98 paid by the Government, a total of $953.19, which total is within the allowable maximum of $4,250.00 for Stage II of the project.

Payroll Taxes applicable to this project, at the following rates, which were verified by reference to the Company's records, were:

Federal Old Age Benefit	1.5%
Idaho Unemployment	2.7%
Idaho Compensation Insurance	3.75%

Payroll Taxes				
Social Security	$4,767.12	1.5%	$ 71.50	
Idaho Unemployment	4,767.12	2.7%	128.71	
				$200.21
Liability Insurance	4,767.12	3.75%		178.76
				$378.97

The audit allows Payroll Taxes in the amount of $200.21 and Liability Insurance in the amount of $178.76.

Accounting services covered the wages of Mrs. Irma Yost, bookkeeper, at $50.00 a month for August and September 1952 and are allowable in the amount of $100.00.

Hauling tractor covered the move from Paddy Flat to Cascade, Idaho, and is allowable in the amount of $46.35.

(8) Contingencies

There was claimed under this heading an item applicable to Stage I to which it was transferred, and freight which has been reclassified under Operating Materials & Supplies and Miscellaneous-Hauling tractor.

The audit disclosed the status of the allowable maximums of Stage II were:

Item	Allowable Maximum	Total Cost	Balance
Engineer-manager	$1,800.00	$ 900.00	$ 900.00
Depreciation	721.29	210.21	511.08
Sample analysis and sample transportation	4,250.00	953.19	3,296.81
Total Stage II	19,336.06	9,141.81	10,194.25

The adjustments between "Items of Cost" for Stage II are summarized as follows:

	Claimed	Corrected Distribution	Costs Paid by Government	Accepted Costs
Labor	$3,867.12	$3,867.12		$3,867.12
Supervision	900.00	900.00		900.00
Operating Materials & Supplies				
Gas and Oil	786.11	868.83		868.83
Miscellaneous supplies	854.95	232.56		232.56
Sample plant supplies	23.22	23.22		23.22
Repairs	521.69	-0-		-0-
Operating Equipment				
Rented	500.00	500.00		500.00
Depreciation	210.41	210.41		210.41
Repairs to equipment	-0-	824.08		824.08
Sampling and Analysis	644.93	882.21	70.98	953.19
Payroll taxes	378.97	200.21		200.21
Liability Insurance		178.76		178.76
Accounting	100.00	100.00		100.00
Hauling tractor	46.35	46.35		46.35
	$8,833.75	$8,833.75	$70.98	$8,904.73

IV CONCLUSIONS

This audit disclosed that all costs charged to this project, with the exception of the disallowances itemized under (2) Labor and Supervision, (6) New Buildings, Improvements, etc., and (7) Miscellaneous-Payroll taxes, of the preceding section of this report, are reasonable and proper under the terms of the contract.

The adjustments between "Items of Cost" as shown on the April 1953 Form MF-104, the disallowances, and the accepted costs for Stage I and Stage II are combined and summarized on Exhibit "A" attached.

The audit has been thoroughly discussed with the Executive Officer of the DMEA Field Team, Region II.

Robert M. Hull

Robert M. Hull
Auditor

March 9, 1954

	Totals April 1953	Corrected Distribution	Transferred to Idm-E350	Disallowed by Audit	Costs Paid by Government	Total Stage I	Total Stage II	Accepted Costs
(2) Labor & Supervision								
Labor	$4,895.45	$4,895.45	$	$ .75*	$	$1,027.58	$3,867.12	$4,894.70
Supervision	1,260.00	1,260.00				360.00	900.00	1,260.00
(3) Operating Materials & Supplies								
Gas and Oil	1,089.30	1,172.02				303.19	868.83	1,172.02
Sample plant supplies	73.22	73.22				50.00	23.22	73.22
Miscellaneous supplies	950.51	328.12				95.56	232.56	328[illegible]
Repairs	903.90	-0-				-0-	-0-	-0-
(4) Operating Equipment								
Rental	750.00	750.00				250.00	500.00	750.00
Purchase	3,151.50	3,151.50		280.75		2,870.75	-0-	2,870.75
Depreciation	422.49	422.49				212.08	210.41	422.49
(6) New Buildings, Improvements, Etc.	1,476.06	1,520.69	10.04	340.00		1,170.65	-0-	1,170.65
(7) Miscellaneous								
Repairs to Equipment		1,206.29				382.21	824.08	1,206.29
Sampling and Analysis	636.41	882.21			70.98	-0-	953.19	953.19
Payroll taxes	581.79	306.37	44.63	3.26*		58.27	200.21	258.48
Liability Insurance		230.79				52.03	178.76	230.79
Auditing	150.00	150.00				50.00	100.00	150.00
Hauling tractor		96.35				50.00	46.35	96.35
(8) Contingencies								
Freight	104.87	-0-				-0-	-0-	-0-
Advertisement-sale of equipment	12.18	12.18				12.18	-0-	12.18
	$16,457.68	$16,457.68	$54.67	$624.76	$70.98	$6,944.50	$8,904.73	$15,849.23

*Deletions by Certifying Officer

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

1201 N. Division St.
Spokane 2, Washington
November 10, 1953

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
262 W. Santa Inez
San Mateo, California

Subject: Docket No. DMEA 2264 (monazite)
Contract No. Idm-E350
and
Docket No. DMEA 2265 (monazite)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Standifer:

Your letter of July 10, 1953, assured the Field Team that Mr. Yost would do everything possible in the way of furnishing satisfactory final reports on the Paddy Flat and White Hawk Basin projects even though, as your letter states, he is no longer on your payroll. We are in agreement that the field work was performed satisfactorily, but you can readily see that without an intelligible report of the results the work will be lost.

A Field Team representative, Mr. J. A. Bowsher, Bureau of Mines, contacted Mr. Yost on October 6, 1953 at the site of DMEA Contract No. Idm-E584, Verlon W. Vandeventer, and went over with him the requirements for acceptable final reports on the subject projects. Mr. Yost did cooperate to the extent of submitting under date of October 26, 1953, a three page account dealing mostly with the tests run on the Paddy Flat samples, but although we commend his efforts in this respect we cannot consider the additional information an acceptable final report on either of the two projects.

It is an inevitable conclusion of the Field Team at this time that you will not be able to render acceptable engineering reports as required under the subject contracts. We are attempting to reconstruct from the information you have furnished, our inspections of contract operations, and additional tests we are having run on the sample rejects from the two projects, evaluations of the results of the contract operations.

Before final settlement of the contracts, however, it will be necessary to dispose of jointly-owned property, the original price of which totaled $2870.75, as listed below:

10 Steel casings, 22" OD x 11/32" wall x 3' long) 10 Steel couplings, 1"x6"x5' 10-11/16" Bent)	$1,685.13
1 Drive shoe) 1 Drive Cap)	465.55
1 Fabricated steel pulling head	429.27
2 #15 Valcan pipe tongs	130.20
2 25-ton hydraulic jacks	160.60
	$2,870.75

An item of $280.75 has been deleted; this is for 1 Rough Forging #690 to make drive cap and shoe, which was ordered at the start of contract operations but never delivered to the contract sites or used on the contracts and is now being held at the Benecia plant of Yuba Manufacturing Co. for the account of Cosumnes Gold Dredging Co.

Inasmuch as the Government's interest in the above jointly-owned property is 90% of its value, we are wondering if for the sake of early settlement of the contracts you will consider waiving your company's interest in the amount of 10% of the present value of the equipment. This waiver would be in the form of a letter from you as president of the company, stating that your interest in the above listed jointly-owned equipment is waived in favor of the Government. This action on your part will permit us to declare the equipment surplus and dispose of it through regular Government channels set up for such disposal. Under this condition the final settlement of the contracts can proceed after we have received your waiver and before disposal of the equipment.

In lieu of the above waiver, the contracts can be settled by your repayment of the Government's share of the purchase price of the equipment or by sale at an acceptable price. These two procedures have been explained to you in previous correspondence.

Your early reply to this letter will facilitate final settlement of the subject contracts.

11/23/53
U.S. Dept of Interior
We agree to waive our interest in the above equipment in accordance with your letter.
Commonwealth Dredging
By [illegible]
President

By Field Team, Region II

M. E. Volin

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

Thor H. Kilsgaard

Thor H. Kilsgaard, Acting Member
U. S. Geological Survey

3/8/54 gla

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

March 1, 1954

Mr. E. C. Miller
Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket DMEA-2864 (monazite)
Contract IAm-2930
Docket DMEA-2865 (monazite)
Contract IAm-2931
Consumes Gold Dredging Company
Valley County, Idaho

Dear Mr. Miller:

I wish to thank you for your letter of February 10 with reference to the equipment formerly owned by Consumes Gold Dredging Company.

We are contacting the two companies which Mr. A. C. Johnson of Region III suggested might make a bid on the equipment.

Sincerely yours,

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

cc: USGS (2)
DMEA (2)

Mr Collins

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

FEB - 1 1954

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

Re: Docket No. DMEA-2264 (Monazite)
Contract Idm-2350
and
Docket No. DMEA-2265 (Monazite)
Contract Idm-2351
Consumers Gold Dredging Company
Valley County, Idaho

Dear Mr. Weissenborn:

In your letter to the Chairman of the Operating Committee dated January 15, you inquire as to whether it would be possible to transfer to the Bureau of Mines title to some personal property which has passed to DMEA in the winding-up of the subject exploration project contracts. We are also in receipt of a copy of your letter dated January 21 to Mr. M. C. Miller, Executive Officer, DMEA Field Team, Region III, providing him with a list of the property and inquiring as to whether the Bureau of Mines would wish to take it over or could aid in disposing of it.

If you cannot dispose of the property by sale, the following steps should be taken:

1. Secure a waiver from the operator in favor of the Government. Any kind of hand signed document by the operator listing the property will suffice.

2. Ask the Bureau of Mines if it will assist in disposing of the property.

3. In case the Bureau cannot assist in the disposal, you may offer to transfer the property to the Bureau without remuneration.

4. In transferring the property to the Bureau of Mines, you should include an inventory. This transfer should be justified by outlining your efforts to dispose of the property, and saying that the Bureau has agreed to take over the property in the interest of the Government.

5. Three copies of this transfer should be sent to the Washington office, attention, Contract Administration and Audit Division. The Washington Office will make the required report to the Bureau of the Budget.

6. The Field Team's final report should contain an inventory of the transferred property and recite the justifying circumstances resulting in the transfer.

The above procedure is in accordance with section 203 (e) of the Federal Property and Administrative Services Act of 1949, and has the approval of the Division of Property Management of the Department.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

s/ Philip W. Smith

Member, Geological Survey

JLHofflund/cmd
Rewritten, JLChambers/wb 1-29-54

Copy to: Docket (2)
Admr. Reading File
Operating Committee
J. H. Hedges
T. P. Thayer
J. L. Hofflund
J. L. Chambers
E. W. Ellis

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

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

Re: Docket No. DMEA-2264 (Monazite)
Contract Idm-E350
and
Docket No. DMEA-2265 (Monazite)
Contract Idm-E351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

In your letter to the Chairman of the Operating Committee dated January 15, you inquire as to whether it would be possible to transfer to the Bureau of Mines title to some personal property which has passed to DMEA in the winding-up of the subject exploration project contract. We are also in receipt of a copy of your letter dated January 21 to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, providing him with a list of the property and inquiring as to whether the Bureau of Mines would wish to take it over or could aid in disposing of it.

This is the first instance in which title to property used on an exploration project contract has passed to DMEA, with a consequent problem of disposal. I am advised by Counsel for DMEA that if the Bureau wishes to take over this property, it undoubtedly can be transferred to the Bureau, although for lack of recent experience in this respect, the procedures to be followed are not known offhand. If the Bureau would like to take over this property, we will take the necessary steps to accomplish the transfer. If the Bureau is familiar with the procedure, it might be willing to draft the necessary papers for accomplishing the transfer.

Sincerely yours,

Chairman, Operating Committee

Approved:

Member, Bureau of Mines

Member, Geological Survey

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

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

Re: Docket No. DMEA-2264 (Monazite)
Contract Idm-E350
and
Docket No. DMEA-2265 (Monazite)
Contract Idm-E351
Cosmos Gold Dredging Co.
Valley County, Idaho

Dear Mr. Weissenborn:

In your letter to the Chairman of the Operating Committee dated January 15, you inquire as to whether it would be possible to transfer to the Bureau of Mines title to some personal property which has passed to DMEA in the winding-up of the subject exploration project contract. We are also in receipt of a copy of your letter dated January 21 to Mr. M. C. Miller, Executive Officer, DMEA Field Team, Region III, providing him with a list of the property and inquiring as to whether the Bureau of Mines would wish to take it over or could aid in disposing of it.

This is the first instance in which title to property used on an exploration project contract has passed to DMEA, with a consequent problem of disposal. I am advised by Counsel for DMEA that if the Bureau wishes to take over this property, it undoubtedly can be transferred to the Bureau, although for lack of recent experience in this respect, the procedures to be followed are not known offhand. If the Bureau would like to take over this property, we will take the necessary steps to accomplish the transfer. If the Bureau is familiar with the procedure, it might be willing to draft the necessary papers for accomplishing the transfer.

Sincerely yours,

Chairman, Operating Committee

JLHofflund/cmd 1/28/54
Copy to: Docket (2) E.W.Ellis(2)
Adm. R. File J.L.Hofflund
Op. Comm. chron.
J.H.Hedges pending
T. P. Thayer
Approved:

Member, Bureau of Mines

Member, Geological Survey

Recd. Interior 1/26/54

So. 157 Howard Street
Spokane 4, Washington

January 21, 1954

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA-2264 (monazite)
Contract Idm-E350
and
Docket No. DMEA-2265 (monazite)
Contract Idm-E351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Miller:

At the termination of work under the subject exploration project contracts, the Operator removed from the site of the work some equipment owned jointly by the Government and the Operator and stored it at the Surcease Mining Company warehouse, Randsburg, California, about 120 miles northeast of Los Angeles. He has informed us that he is unable to dispose of the material according to terms of the contracts and in the interest of settling the accounts has waived his interest in favor of the Government. The equipment is as follows:

Item	Purchase Price
10 steel casing, 22" OD x 11/32" x 3' long	$1,685.13
10 steel couplings, 1"x6"x5', 10-11/16" bent)	
1 drive shoe)	465.55
1 drive cap)	
1 fabricated steel pulling head	429.27
2 #15 Vulcan pipe tongs	130.20
2 25-ton hydraulic jacks	160.00
	$2,870.75

The casing, drive shoe and drive cap, which make up the major items of equipment, have never been used and should be in good condition. They were custom made, however, and probably would have little resale value. As the valuation of this equipment is small we hesitate to go to much expense for its disposal. We certainly think it would be too expensive to send one of our men to Randsburg for this purpose. If you have any use for this equipment, or can see where it could be of service to your personnel in future Bureau of Mines projects, we shall be glad to recommend that DMEA waive its interest in your favor. On the other hand, if you cannot use the equipment we would greatly appreciate your assistance in helping us dispose of it for the Government's account. Perhaps you are informed of mining companies or other concerns in the area that might have use for such equipment who would be interested in making an offer. In view of the extenuating circumstances of this case we do not believe

it should be necessary to put these items up for bid. Instead, we believe DMEA should be satisfied with any offer that could be considered as being at all reasonable.

We have been trying to settle these contract accounts with the Operator for more than a year. However, despite our efforts there remains the problem of disposing of this jointly-owned equipment. We therefore would be deeply appreciative if you could find a use for this equipment in your own department or if you could help us dispose of it in some manner for the Government's account.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Hindman

1/25/54 gla

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

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 22 1954

January 15, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2264 (monazite)
Contract Idm-E350 and
Docket No. DMEA-2265 (monazite)
Contract Idm-E351
Consumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Selfridge:

This is in reply to your letter of December 30, in which you answer the questions which we raised about the disposition of some of the property which was used on the above two contracts. Our reason for taking possession of the property was that the operator had been unwilling to take steps to dispose of it himself. Returning the property to him and requiring him to dispose of it would serve no purpose, as the reason we took it was that he had not disposed of it.

The property consists of odd-sized casing and other material which is extremely difficult to sell unless it were possible to find a purchaser who happened to have need for this particular material at a particular time. Nevertheless, the material, under certain circumstances, would be useful. Since title now rests in the U. S. Government, would it be possible to transfer title to the U. S. Bureau of Mines, with the thought that they will be able to make use of the material in their regular activities? This might solve the problem and enable us to get the material out of the warehouse where it is now so that it can be stored either at some Bureau of Mines station, at Spokane, or elsewhere.

Please let me know if this would meet with your approval.

Sincerely yours,

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

cc: USBM (2)
Armstrong

DEC 3 0 1953

Mr. A. [illegible] Wolfenbarger
Executive Officer
U.S.A. Field Team, Region 11 [illegible]
South 157 Howard Street
Spokane 4, Washington

Docket No. [illegible] (Phosphate)
Contract [illegible]
and
Docket No. [illegible] (Phosphate)
Contract [illegible]
Consumers Mfg. Company
Valley County, Idaho

Dear Mr. Wolfenbarger:

With your letter dated December [illegible] to the Chairman of the Operating Committee, there were enclosed photostatic copies of the Field Team's letter dated November [illegible] to the Operator which, in part, suggested that the Operator, in the interest of early settlement of the contracts, waive [illegible] percent interest in the jointly owned equipment. The waiver to be in the form of a letter from the president of the Company. The Field Team's letter stated further that the Operator, in lieu of the waiver, could either repay the Government's share of the purchase price of the equipment ($2,[illegible].75) or sell it at an acceptable price. The Operator returned the Field Team's letter with a notation thereon that we agree to waive our interest in the above equipment in accordance with your letter. The letter to the Chairman of the Operating Committee stated that the equipment is stored in a warehouse located on the property of the Surprise Mining Company, Randsburg, California, which is about [illegible] miles northwest of Los Angeles, and concludes that, because of the expense that would be involved in selling the equipment, it should be declared surplus and disposed of by the General Services Administration. Your views in this matter are requested.

Under all USAEC contract forms, except the short form, the Operator takes legal title to the property acquired under the contract in his own name, and he is charged with disposing of the property upon completion of the work or termination of the contract. Therefore, as the Operator holds the legal title to the property, he may dispose of it and pass the legal title without any joinder by the Government. The usual method for the transfer of legal title

to personal property is by an instrument of sale, assignment, or transfer, as distinguished from a "waiver" of an interest in the property. However, in this case, as a waiver of the Operator's interest was requested and the Operator has given it, although informally, you may consider it as a sufficient authorization to dispose of the property.

Neither the DMEA contract forms nor procedures contemplate the disposition of property in which the Government has an interest through the channels of the General Services Administration. The procedures for disposing of property are outlined in DMEA Circular 30 and should be followed, whenever possible. The circular points out that, when exercising its contract authority to dispose of property, the Government disposes of the property for the interest of the Operator as well as for its own interest. The circular also points out that the Government may withhold from the last voucher up to ten percent of the Government's contribution under the terms of the contract until the property is disposed of, or may sue for damages.

In this case, as the Operator was granted the alternative of waiving its interest in the property, and as it has, apparently, been paid in full for the work, the avenues of requiring it to dispose of the property, to withhold payment of vouchers, or to sue for damages, appear to be closed to the Government, unless you choose to confess error to the Operator and require that it dispose of the equipment. Otherwise, the only recourse available seems to be for you to arrange for the disposition of the equipment.

Sincerely yours,

Chairman, Operating Committee

Approved:

HCRubin:ep 12-29-53

Copy to: Docket
Adm. Reading File
Operating Committee
Mr. E. J. Carlson, B/M
Mr. D. M. Larrabee, USGS
Mr. Ellis
Mr. Hofflund
Mr. Rubin
Chron.
Pending

Member, Bureau of Mines

Member, Geological Survey

12/22/53 gla

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

1203 N. Division St.
Spokane 2, Washington
December 16, 1953

RECEIVED
2 1953
COUNSEL
MINERALS
ADMINISTRATION

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA 2264 (monazite)
Contract No. Idm-K350
and
Docket No. DMEA 2265 (monazite)
Contract No. Idm-K351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Dear Mr. Selfridge:

Enclosed are two photostat copies of our November 10, 1953 letter to Mr. G. M. Standifer, President, Cosumnes Gold Dredging Co., the last page of which contains our request that the Operator dispose of jointly-owned equipment valued at $2870.75 or waive his equity in the equipment in order that it could be disposed of through regular Government channels. You will note that Mr. Standifer has written in a waiver in the lower left corner of the original copy of our letter and returned it.

In view of Mr. Standifer's uncooperative attitude in furnishing the Field Team with an acceptable final engineering report on the subject projects, it is doubtful that we could obtain a regular legal instrument and we would like your opinion as to the legality of this waiver.

The equipment is stored in a warehouse on the property of the Surrease Mining Co., Randsburg, Calif., about 120 miles northeast of Los Angeles.

Because of the expense that would be entailed by our attempting to sell the material we are of the opinion that it should be declared surplus and disposed of by the General Services Administration. Please let us have your views in the matter.

By Field Team, Region II

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

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

1201 N. Division St.
Spokane 2, Washington
November 10, 1953

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
262 W. Santa Inez
San Mateo, California

Subject: Docket No. DMEA 2264 (monazite)
Contract No. Idm-E350
and
Docket No. DMEA 2265 (monazite)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Standifer:

Your letter of July 10, 1953, assured the Field Team that Mr. Yost would do everything possible in the way of furnishing satisfactory final reports on the Paddy Flat and White Hawk Basin projects even though, as your letter states, he is no longer on your payroll. We are in agreement that the field work was performed satisfactorily, but you can readily see that without an intelligible report of the results the work will be lost.

A Field Team representative, Mr. J. A. Bowsher, Bureau of Mines, contacted Mr. Yost on October 6, 1953 at the site of DMEA Contract No. Idm-E584, Verlon W. Vandeventer, and went over with him the requirements for acceptable final reports on the subject projects. Mr. Yost did cooperate to the extent of submitting under date of October 26, 1953, a three page account dealing mostly with the tests run on the Paddy Flat samples, but although we commend his efforts in this respect we cannot consider the additional information an acceptable final report on either of the two projects.

It is an inevitable conclusion of the Field Team at this time that you will not be able to render acceptable engineering reports as required under the subject contracts. We are attempting to reconstruct from the information you have furnished, our inspections of contract operations, and additional tests we are having run on the sample rejects from the two projects, evaluations of the results of the contract operations.

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1 Drive shoe) 1 Drive Cap)	465.55
1 Fabricated steel pulling head	429.27
2 #15 Vulcan pipe tongs	130.20
2 25-ton hydraulic jacks	160.60
	$2,870.75

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Inasmuch as the Government's interest in the above jointly-owned property is 90% of its value, we are wondering if for the sake of early settlement of the contracts you will consider waiving your company's interest in the amount of 10% of the present value of the equipment. This waiver would be in the form of a letter from you as president of the company, stating that your interest in the above listed jointly-owned equipment is waived in favor of the Government. This action on your part will permit us to declare the equipment surplus and dispose of it through regular Government channels set up for such disposal. Under this condition the final settlement of the contracts can proceed after we have received your waiver and before disposal of the equipment.

In lieu of the above waiver, the contracts can be settled by your repayment of the Government's share of the purchase price of the equipment or by sale at an acceptable price. These two procedures have been explained to you in previous correspondence.

Your early reply to this letter will facilitate final settlement of the subject contracts.

11/23/53
U.S. Dept of Interior
We agree to waive our interest in the above equipment in accordance with your letter.
Cosumnes Gold Dredging
BY [illegible] President

By Field Team, Region II

R. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

Thor H. Kiilsgaard, Acting Member
U. S. Geological Survey

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

1201 N. Division St.
Spokane 2, Washington
December 16, 1953

Mr. John Eaton
Main at Pine Sts.
Cascade, Idaho

Subject: Docket No. DMEA 2264 (monazite-tantalum-columbium)
Contract No. Idm-E350
Cosumnes Gold Dredging Co.
Whitehawk Placer
Valley County, Idaho

Dear Mr. Eaton:

This will acknowledge receipt of your inquiry of December 7, 1953 requesting information on the results of the drilling and sampling on the subject property by the Cosumnes Gold Dredging Company.

We regret that present regulations do not permit release of these results to the property owners or general public. Mr. G. M. Standifer, President of Cosumnes Gold Dredging Company, is familiar with the results of this drilling and should be able to supply you with the requested information. Mr. Standifer can be reached at 262 W. Santa Inez, San Mateo, California.

By DMEA Field Team, Region II

A. E. Weissenberg, Executive Officer
U. S. Geological Survey

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

cc: DMEA, Wash. (2)
USGS (2)

Received
DEC 21 1953

JOHN EATON COMPANY
Main at Pine Streets
Cascade, Idaho

December 7, 1953

John Bardill
U. S. Bureau of Mines
1201 N. Division St.
Spokane, Washington

Dear Mr. Bardill:

We have some mining claims known as the Whitehawk Group located in Valley County, Twp. 11 North, Rge 1 East. These claims were prospected by the Consumnes Gold Dredging Company of Sloughhouse, California late in the summer of 1952. This was, I think, a project under the DMEA although I do not know the number of it.

Mr. Merrill Yost who was in charge of the project for the Consumnes Mining Company informed us that he had no reports relative to the values of the samples that had been sent in and suggested that we write to you for this information.

I would certainly appreciate any information that is available relative to the results of the drilling and samples and if there is any cost in regard to copies of these assays, etc. please advise me and I'll arrange to take care of it.

Yours very truly,

John Eaton /s/

John Eaton

C O P Y

11/30/53 gla

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

1201 N. Division St.
Spokane 2, Washington
November 20, 1953

Memorandum

To: DMEA Auditors, Region II

From: DMEA Field Team, Region II

Subject: Docket No. DMEA 2265 (monazite), Contract No. Idm-K351
Cosumnes Gold Dredging Co., Valley County, Idaho

The Operator has purchased under the subject contract items of equipment costing $3,151.50 under Yuba Manufacturing Co. invoice No. 51986. A breakdown of this invoice is shown in the October 22, 1952 letter of Yuba Manufacturing Co. to Mr. Guy Standifer.

Item (8) of this equipment consists of an 890-lb. Rough Forging costing $280.75. This rough forging was ordered from an outside source and was to be made up into a Drive Cap and Drive Shoe. The outside supplier could not deliver this forging on time; consequently, the Operator authorized the Yuba Manufacturing Co. to make their own forging which was fashioned into a Drive Shoe and Drive Cap and is billed as Items (4) and (5), costing $465.55.

As a result, the Operator was billed and paid for two Rough Forgings whereas only one was used. Sound business practice should have dictated that the order for the Rough Forging to the outside supplier be cancelled when it was learned that delivery could not be made on time.

In view of this situation it is recommended that this item of $280.75 be deleted.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

M. K. Volin, Member
U. S. Bureau of Mines

cc: DMEA, Wash. (2)
Contr. Admin. Div.
Certifying Officer

11/17/53 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

1208 N. Division St.
Spokane 2, Washington
November 10, 1953

Mr. G. M. Standifer, President
Consumer Gold Dredging Company
262 W. Santa Inez
San Mateo, California

Subject: Docket No. DMEA 2264 (monazite)
Contract No. Ida-X350
and
Docket No. DMEA 2265 (monazite)
Contract No. Ida-X351
Consumer Gold Dredging Company
Valley County, Idaho

file

Dear Mr. Standifer:

Your letter of July 10, 1953, assured the Field Team that Mr. Yost would do everything possible in the way of furnishing satisfactory final reports on the Paddy Flat and White Hawk Basin projects even though, as your letter states, he is no longer on your payroll. We are in agreement that the field work was performed satisfactorily, but you can readily see that without an intelligible report of the results the work will be lost.

A Field Team representative, Mr. J. A. Beumber, Bureau of Mines, contacted Mr. Yost on October 6, 1953 at the site of DMEA Contract No. Ida-X364, Verlon W. Vandeventer, and went over with him the requirements for acceptable final reports on the subject projects. Mr. Yost did cooperate to the extent of submitting under date of October 26, 1953, a three page account dealing mostly with the tests run on the Paddy Flat samples, but although we commend his efforts in this respect we cannot consider the additional information an acceptable final report on either of the two projects.

It is an inevitable conclusion of the Field Team at this time that you will not be able to render acceptable engineering reports as required under the subject contracts. We are attempting to reconstruct from the information you have furnished, our inspections of contract operations, and additional tests we are having run on the sample rejects from the two projects, evaluations of the results of the contract operations.

mbl

Before final settlement of the contracts, however, it will be necessary to dispose of jointly-owned property, the original price of which totaled $2570.75, as listed below:

10 Steel casings, 22" OD x 11/32" wall x 3' long 10 Steel couplings, 1"x4"x3' 10-11/16" Bent	$1,665.13
1 Drive shoe 1 Drive Cap	465.55
1 Fabricated steel pulling head	429.27
2 #15 Vulcan pipe tongs	130.20
2 25-ton hydraulic jacks	140.40
	$2,570.75

An item of $[illegible].75 has been deleted; this is for 1 Rough Forging #890 to make drive cap and shoe, which was ordered at the start of contract operations but never delivered to the contract sites or used on the contracts and is now being held at the Bucyrus plant of Tuba Manufacturing Co. for the account of Consumers Gold Dredging Co.

Inasmuch as the Government's interest in the above jointly-owned property is 90% of its value, we are wondering if for the sake of early settlement of the contracts you will consider waiving your company's interest in the amount of 10% of the present value of the equipment. This waiver would be in the form of a letter from you as president of the company, stating that your interest in the above listed jointly-owned equipment is waived in favor of the Government. This action on your part will permit us to declare the equipment surplus and dispose of it through regular Government channels set up for such disposal. Under this condition the final settlement of the contracts can proceed after we have received your waiver and before disposal of the equipment.

In lieu of the above waiver, the contracts can be settled by your repayment of the Government's share of the purchase price of the equipment or by sale at an acceptable price. These two procedures have been explained to you in previous correspondence.

Your early reply to this letter will facilitate final settlement of the subject contracts.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

Thor N. Hillsgaard, Acting Member
U. S. Geological Survey

cc: BEKA, Wash. (2)
USGS (2)
R. M. Hull, Auditor

Final to Jackal

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

1201 N. Division St.
Spokane 2, Washington
November 5, 1953

NOV 1953

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA 2264 (monazite)
Contract No. Idm-E350
and
Docket No. DMEA 2265 (monazite)
Contract No. Idm-E351
Cosumnes Gold Dredging Company
Valley County, Idaho

Dear Mr. Selfridge:

This is in answer to your letter of October 29, 1953, asking about the status of the final reports of the Operator and the Field Team for the captioned projects.

As you know from previous correspondence, we have attempted repeatedly to obtain suitable final reports on these projects from the Operator. Mr. G. N. Standifer, president of Cosumnes Gold Dredging Co., was unwilling to spend any more money in the preparation of a report on the investigations which had had negative results as far as the possibilities for a commercial operation. It is apparent that he himself is incapable of rendering acceptable reports, and he shifted the responsibility to Mr. Yost, general manager, who is no longer on the Cosumnes payroll, however.

Mr. J. A. Bowsher, Bureau of Mines, contacted Mr. Yost during the inspection of DMEA Contract Idm-E584, Verlon W. Vandeventer, and went over with him the requirements for an acceptable final report. Mr. Yost was agreeable to another try on reports for the two projects, but his results were received just yesterday and while they contribute additional information, they cannot be considered an acceptable form of report.

Meanwhile, the Field Team has obtained all of the samples remaining from tests conducted by Abbott A. Hanks, Inc. for the DMEA projects and sent them to Dr. Mackin of the University of Washington for separation of the various mineral fractions necessary for an appraisal of the monazite and associated minerals in the placer deposits. This work has taken sometime, and we have received reports

on it just in the past few days. Before having complete information for final Field Team reports, however, we are sending one composite sample for each project to the Porter Bros. Sand Plant at Boise, Idaho for beneficiation tests. We do not expect to get the results on these tests sooner than about a month.

At this time it is difficult to give a recommendation concerning the issuance of a certificate of discovery on either of the projects. The placers are submarginal grade in monazite and probably cannot be worked for that commodity alone under present conditions, but there are accessory minerals, the marketing of which as by-products might alter this situation. The tests to be run by Porter Bros. presumably will shed some light on the possibilities for marketable products, and we would prefer to await these results before making a recommendation concerning certification of discovery.

Mr. J. D. Bardill, Bureau of Mines, will be responsible for the final Field Team reports on the two projects. His work is stacked up, however, to the extent that he will not be able to do much on these reports until early in January. Our best estimate on the completion of the final Field Team reports will be about the end of January.

We regret that it has taken so long to get the necessary information for the Field Team reports, but some of the circumstances were beyond our control. We hope that the above schedule meets with your approval.

By DMEA Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

Thor H. Kiilsgaard, Acting Member
U. S. Geological Survey

cc: USGS (2)

OCT 2 9 1953

Mr. [illegible] Schneeberger
Executive Officer
[illegible] Field Team, Region II
[illegible] North [illegible] Howard Street
Spokane [illegible], Washington

Re: Docket No. [illegible] (Uranium)
Contract No. [illegible]
Cameron Gold Dredging Company
Boise County, Idaho

Re: Docket No. [illegible] (Monazite)
Contract No. [illegible]
Cameron Gold Dredging Company
Boise County, Idaho

Dear Mr. Schneeberger:

In order for us to keep our records current, kindly advise when we may expect to receive the final reports of the Field Team and the Operator for the captioned projects. In this connection please also furnish your recommendations concerning the issuance of certificates of discovery.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

cc: [illegible]:

J. H. Hedges

Director, Division of Ores

T. P. Thayer

Director, Geological Survey

FILEnouse/3b
10-26-53
cc to: Adm. Reading File
Operating Committee
Docket (2)
Measrs. J. Carlson, Rm. 3619
D.F. Larrabee, Rm. G-232, GSA
Ellis
Knouse

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
October 9, 1953

Donart & Donart
Weiser, Idaho

Attention: Mr. James B. Donart

Re: Docket No. DMEA-2265 (monasite)
Contract No. Idm-E351
Cosumnes Gold Dredging Co.
Valley County, Idaho

Gentlemen:

This is in answer to your letter of October 8, 1953, to Mr. M. E. Volin, Member, DMEA Field Team, Region II, with reference to the lands of Mr. Clarence V. Loomis at Paddy Flats and the nature or extent of any claim or lien that the Government might have on Mr. Loomis' property.

Mr. Clarence V. Loomis and Vida A. Loomis signed an Owner's Consent to Lien on June 3, 1952, wherein they granted to the Government a lien upon the land and upon any production of minerals therefrom on certain lands in Valley County, Idaho, which were subsequently incorporated, under Article 2, "Operator's Property Rights," into an exploration project contract dated June 23, 1952, between the United States Government and the Cosumnes Gold Dredging Company.

As of this date the Government has not asserted its claim of lien upon the property for the following reasons:

1. The contract will not be completed until the receipt of a satisfactory final report from the Operator.

2. Samples obtained during the exploration are in the process of being analyzed, and until this is completed it will be impossible to appraise the mineral potentialities of the ground tested.

Whether or not the Government asserts its claim of lien upon Mr. Loomis' ground will depend largely upon the results of samples now being tested. Should the Field Team decide that a significant discovery or development was made as a result of the exploration, then the Government's lien will obtain for a period of ten years from the date of the contract or until the amount of the Government's contribution is repaid, whichever is shorter.

If no discovery or development is certified as a result of the exploration, no lien is asserted, in which case there is no obligation to repay the loan.

To clarify a point brought out in the last paragraph of your letter, the fact that the lease between Loomis and Cosumnes was terminated in no way affects the Government's right of lien (see Article 3 of Owner's Consent to Lien form attached).

By Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure

cc: DMEA (2)
USBM (2)
Armstrong

LAW OFFICES
DONART & DONART
WEISER, IDAHO

GEORGE DONART
JAMES B. DONART

October 8, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane 2, Washington

ATTENTION: Mr. M. E. Volin, Member
DMEA Field Team, Region II

Dear Sir:

Reference is made to your letter of May 18, 1953, to Mr. Clarence V. Loomis of Meadows, Idaho. From looking over all of the correspondence in this matter there still appears to me to be some uncertainty as to the nature or extent of any claim that the Government might have on Mr. Loomis's property at Paddy Flats.

An agreement has been entered into between the Cosumnes Gold Dredging Company terminating their lease. As I read your former correspondence there is still a possibility that the Government might assert a claim in the nature of a lien that might subject the property to a royalty in favor of the Government. In any event we are trying to determine what claim, if any, the Government is asserting and if it is still subject to a Government lien for a royalty notwithstanding the release extracted by the Cosumnes Gold Dredging Company whether or not it would be possible to obtain a release of this lien.

Yours very truly,

DONART & DONART

By: James B. Donart

JAMES B. DONART

JBD:mek

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

800

AUG 1 4 1953

Mr. M. E. Volin
Acting Executive Officer
DMEA Field Team, Region II
1201 North Division Street
Spokane 2, Washington

Re: Dockets No. DMEA-2264 and 2265
Contracts No. Idm-E350 and 351
Commanche Gold Dredging Company
Valley County, Idaho (Monmouth)

Dear Mr. Volin:

Reference is made to your letter of July 24, 1953, in which you request a determination as to whether certain analytical and laboratory work in regard to samples of the above-cited contracts could be done by the Bureau of Mines or other laboratory and the cost for such work charged to the contract concerned, because the Operator has refused to contribute further toward the cost of the project.

If, in your opinion, the proposed analytical work is in the best interests of the Government the cost thereof may be charged to the projects concerned in accordance with Section 7 of the contract form. If the amount now withheld on Contract No. Idm-E351 is not sufficient in your opinion to cover the analytical work on both projects and the purchased equipment on Contract No. Idm-E351, the Operator should be billed for his part immediately upon determining the cost of such work. You may charge the cost of the analytical work to the projects and pay for same on a regular supply voucher or, in case the Government does the work, a transfer of funds voucher should be used.

I trust this has answered your questions but if not please write us again.

Sincerely yours,

C. O. Mittendorf

Administrator

JLChambers/ama
August 13, 1953
Copy to: Mails and Files
Admr. Reading File
Mr. Ellis
Administrator
Mr. Chambers

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

July 7, 1953

Mr. George Denison
Andrews, Oregon

Dear Mr. Denison:

In reply to your letter of June 29 concerning the Cosumnes Gold Dredging Company's exploration done under defense minerals exploration contract (Docket No. DMEA-2265), it will be necessary for you to obtain the results of the exploration from the Company as we are not permitted to give out this information without their consent. However, if you will obtain such consent, we will be glad to comply with your request.

Sincerely yours

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

cc: DMEA (2) w/cy incoming ltr
USBM (2) " " "
Armstrong " " "

C
O
P
Y

June 29, 1953

Mr. A. E. Weissenborn
S. 157 Howard St.
Spokane, Washington

Dear Sir:

Consumnes dredging Co. has given up their lease on Paddy Flat near Cascade, Idaho. I am one of the owners of this property and am trying to interest other people in doing work in this area.

Considerable testing was done by Consumnes Dredging Co. on DMEA Loan No. 2265. I would like to have a copy of the report. so the work will not be duplicated and also to give an idea what the values are in this area.

Please advise the proceedure necessary to receive all the information.

George Denison
Andrews, Oregon

/s/ George Denison

6/30/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
No. 157 Howard Street
Spokane 1, Washington

June 26, 1953

AIR MAIL

Mr. [illegible] Landifer, President
Southern Gold Mining Company
262 East Santa Inez
San Mateo, California

Re: (Lady) Flat Placer Deposit
Docket No. [illegible]-2265 (Monazite)
Contract Idm-[illegible]

Dear Mr. Landifer:

Reference is made to our letter to you dated April 9, in which we advised that the final report for Contract Idm-[illegible], Lady Flat placer deposit, was inadequate and that the disposition of the equipment is not being prosecuted diligently. Your letter to the Field Team dated April 1[illegible] assured us that we would have your complete cooperation in these matters. Since that time, we have received Mr. Lost's report on the second phase of the Lady Flat project, but, although this supplies some additional information, it cannot be considered as a final report on the project. Furthermore, we have not received any final report, assay data, tonnage estimate, or adequate maps for the Smith Creek project (Contract Idm-[illegible]).

Your attention is invited to the fact that failure to present an acceptable final report adequately describing the work done, the results obtained, and the costs of the exploration can be considered as a failure to complete the work, and this in turn can be construed as a breach of contract. In that event, the Government may pursue whatever legal course of action is necessary to secure satisfactory completion of the work, or in lieu of that, may demand return of its contributions towards the work.

The mutually agreed procedure was to have the black sand samples separated into their various components by the Jones Magnetic Separator Company and then to have these fractions analyzed by Elliott A. Banks, Inc. We recognize that because of the difficulties involved, this procedure may not have given entirely satisfactory results and that it may have been necessary to attempt other methods

of separation. We also recognize that results obtained to date are not encouraging, and that, consequently, there is no justification at present for doing more work on the deposits themselves. Nevertheless, we believe that further testing of the samples is necessary.

We are unable to determine from the information submitted by Mr. Yost what the recovery of monazite was, and we feel that, in any event, this should be checked. We also believe that there should be some additional testing to determine if columbium-tantalum minerals, "radioactive blacks", or other minerals are present in the black sands. A good deal of money has been spent to collect the samples, and it is essential that the test work on them be carried far enough to be sure that nothing of importance has been overlooked. We would be glad to arrange for additional test work on these samples, charging the cost to the project contract. If you wish us to do this, please immediately have all of the samples from the Paddy Flat and White Hawk projects properly labeled, hauled to the nearest railroad or auto freight depot and shipped to the U. S. Bureau of Mines, 1201 North Division Street, Spokane, Washington. If you do not wish us to have this done, immediate arrangements should be made to have the additional testing done by a competent, reliable firm satisfactory to the Field Team.

In addition to the above, we must include a detailed statement explaining how the yardage calculations were made for both projects.

Attached are scaled copies from Yuba Manufacturing Company in the amount of $3,151.50 for drill casing, couplings, drive shoe and drive cap, pulling head, tongs and hydraulic jacks and from Bausch & Lomb Optical Company in the amount of $489.69 for a microscope and accessories. These invoices represent equipment purchased for the two projects in which the Government has a 90 percent equity. Since Mr. Yost has been unable to sell this equipment at a fair price, please advise where each item is located so that the Government may take steps towards their disposal.

We are, of course, very anxious to have the contract completed and the full results in the form of our acceptable final report made available, and we ask your cooperation to accomplish this end.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas L. Hazard, Acting Member
(U. S. Bureau of Mines)

Enclosures
cc: DMEA(2)
WEW(2) Armstrong

/ C O P Y /

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

So. 157 Howard Street
Spokane 4, Washington

June 26, 1953

AIR MAIL

Mr. G. M. Standifer, President
Cosumner Gold Dredging Company
262 West Santa Inez
San Mateo, California

Re: Paddy Flat Placer Deposit
Docket No. DMEA-2265 (Monazite)
Contract Idm-E351

Dear Mr. Standifer:

Reference is made to our letter to you dated April 9, in which we advised that the final report for Contract Idm-E351, Paddy Flat placer deposit, was inadequate and that the disposition of the equipment is not being prosecuted diligently. Your letter to the Field Team dated April 18 assured us that we would have your complete cooperation in these matters. Since that time, we have received Mr. Yost's report on the second phase of the Paddy Flat project, but, although this supplies some additional information, it cannot be considered as a final report on the project. Furthermore, we have not received any final report, assay data, yardage estimate, or adequate maps for the White Hawk project (Contract Idm-E350).

Your attention is invited to the fact that failure to present an acceptable final report adequately describing the work done, the results obtained, and the costs of the exploration can be considered as a failure to complete the work, and this in turn can be construed as a breach of contract. In that event, the Government may pursue whatever legal course of action is necessary to assure satisfactory completion of the work, or in lieu of that, may demand return of its contributions towards the work.

The mutually agreed procedure was to have the black sand samples separated into their various components by the Rings Magnetic Separator Company and then to have these fractures analysed by Albott A. Hanks, Inc. We recognize that because of the difficulties involved, this procedure may not have given entirely satisfactory results and that it may have been necessary to attempt other methods

/COPY/

of separation. We also recognize that results obtained to date are not encouraging, and that, consequently, there is no justification at present for doing more work on the deposits themselves. Nevertheless, we believe that further testing of the samples is necessary.

We are unable to determine from the information submitted by Mr. Yost what the recovery of monazite was, and we feel that, in any event, this should be checked. We also believe that there should be some additional testing to determine if columbium-tantalum minerals, "radioactive blocks", or other minerals are present in the black sands. A good deal of money has been spent to collect the samples, and it is essential that the test work on them be carried far enough to be sure that nothing of importance has been overlooked. We would be glad to arrange for additional test work on these samples, charging the cost to the project contract. If you wish us to do this, please immediately have all of the samples from the Paddy Flat and White Hawk projects properly labeled, hauled to the nearest railroad or auto freight depot and shipped to the U. S. Bureau of Mines, 1201 North Division Street, Spokane, Washington. If you do not wish us to have this done, immediate arrangements should be made to have the additional testing done by a competent, reliable firm satisfactory to the Field Team.

In addition to the above, we must include a detailed statement explaining how the yardage calculations were made for both projects.

Attached are ozalied copies from Yuba Manufacturing Company in the amount of $3,151.50 for drill casing, couplings, drive shoe and drive cap, pulling head, tongs and hydraulic jacks and from Bausch & Lomb Optical Company in the amount of $489.69 for a microscope and accessories. These invoices represent equipment purchased for the two projects in which the Government has a 90 percent equity. Since Mr. Yost has been unable to sell this equipment at a fair price, please advise where each item is located so that the Government may take steps towards their disposal.

We are, of course, very anxious to have the contract completed and the full results in the form of our acceptable final report made available, and we ask your cooperation to accomplish this end.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas E. Howard, Acting Member
(U. S. Bureau of Mines)

Enclosures
cc: DMEA (2)
USBM (2) Armstrong

/C O P Y/

Telephone
Arfield 5320

Plant:
Slough House, California

COSUMNES GOLD DREDGING CO.

351 CALIFORNIA STREET

SAN FRANCISCO, CALIFORNIA

(DMEA-2265)

262 W. Santa Inez,
San Mateo, Calif.
April 18, 1953.

Field Team, Region II,
U. S. Bureau of Mines, 1201 Division St.,
Spokane, Washington

Gentlemen:

Replying to yours of the 9th signed by Mr. Kulsgaard and Mr. Volin, beg to advise that Paddy Flat does not interest us as a commercial dredging venture for many reasons including values found and general operating conditions, and we desire to close our file and collect any sums due us. Unless we have some obligations to do so, we do not want to spend any further time or money in this connection. I understand our contribution has exceeded the 10% we expected to invest. Also, that a further sum which has been approved is due us.

Mr. Yost is very busy on three widely separated projects at present, however, I am sure he will cooperate with you fully in closing this matter and supplying any information that he can.

We appreciate the help and cooperation of your very efficient Field Team on this project and the opportunity of meeting and working with your staff.

With kindest regards and best wishes, I am,

Sincerely yours,

/s/ G. M.Standifer
President, Cosumnes Gold Dredging Co.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
[redacted]

Spokane, Washington
April 9, 1953

COPY

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
465 California Street
San Francisco, California

Subject: Docket No. DMEA 2265 (monazite)
Contract Idm-E351
Cosumnes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Standifer:

Mr. Merrill Yost has submitted the final report for the captioned project contract dated April 5, 1953. With due respect to Mr. Yost's good efforts, we still find this report to be inadequate in some respects and must ask for another more complete report.

The estimated yardage of gravels (35,000,000 cubic yards) in the deposit has not been substantiated with satisfactory detailed appraisals giving cut-off grade, limits of dredgable gravels, and profile sections through the drill holes illustrating the volumnes upon which the yardage was computed.

The evaluation of the recoverable products seems questionable. Magnetite is quoted at $10 per ton, presumably f.o.b. Paddy Flat, from which must be deducted freight to Geneva. Specifications for garnet are very rigid and unless this particular product can meet these requirements, it is of no value. The basis for the estimated preparation and sand plant separation cost is not presented in detail.

The tabulation of product analysis does not indicate whether the averages are weighted or arithmetical. Mr. Yost's evaluation of the products shows an average of 1.2 pounds of monazite per cubic yard and the concentrate analysis reports 1.2 pounds of REO per cubic yard. Monazite is a cerium-lanthanum-thorium phosphate, of which roughly 27-30 percent is phosphorus pentoxide. The usual purchase specification for monazite requires not less than 60 percent REO. If the reported 1.2 pounds of REO is correct, the Monazite equivalent is about 2 pounds per cubic yard. Please clarify this discrepancy.

/C O P Y/

The Government has an equity in the casing, coupling, drive shoe, drive cap, microscope, microscope accessories, etc., to the extent of 90 percent of $2,600 which may be salvaged from the sale of this equipment. A copy of a memorandum is enclosed for your information on the subject of disposition of property in which the Government has an interest. The advertisement that Mr. Yost inserted in the Sacramento Bee, March 21-24, did not adequately describe the equipment to be sold. Attached are oxalid copies of the invoices which will assist you to properly describe each item. You should request bids from companies which might be interested in purchasing this equipment, submitting copies of your requests and their replies. If the bid prices are satisfactory, Government approval will be given for their sale. The following companies are suggestions as potential purchasers of the casing, coupling, drive shoe, etc.

Yuba Manufacturing Co., San Francisco
Bodinson Manufacturing Co., San Francisco
Washington Iron Works, Seattle
Natomas Co., Sacramento
Union Iron Works, Oakland

Optical companies, universities, and schools are potential purchasers of the microscope and accessories.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U.S.Geological Survey
157 South Howard Street

M. E. Volin, Member
U. S. Bureau of Mines
1201 N. Division Street

Enclosures

cc: Mr. Merrill Yost
DMEA, WASH. (2)
USGS (2)
DMEA
AD
JDB
DF

JDB/hd

7/9/53 gha

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON~~
So 157 Howard Street
Spokane 4, Washington

June 25, 1953

Mr George C Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D C

Re: Docket No DMEA-2265
(Monazite, columbium, tantalum)
Cosumnes Gold Dredging Co
Valley County, Idaho
Contract No Idm-E351

Dear Mr Selfridge:

Enclosed are copies of a "final report" of the second phase of the Paddy Flat Project which was sent to us in response to our letter to Mr. Standifer pointing out that the previous "final report" sent in by Mr Yost was not satisfactory. Also enclosed is a copy of a letter to Mr. Standifer pointing out the deficiencies of both reports and suggesting a remedy

We are very much dissatisfied with the information that the company has furnished us in lieu of an acceptable report, and we will keep you informed of further developments.

Sincerely yours,

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

Enclosures

cc: USBM (2)
Armstrong

Cosumnes Gold Dredging Company
P. O. Box 532
Cascade, Idaho

Red Mountain, Calif.
June 7, 1953

Bureau of Mines,
Spokane,
Washington

Dear Sirs:

Enclosed is final results of the second Phase of Paddy Flat. I made an error in that I had headed REO instead of Monazite or Monazite equivalent. After considerable work on our own here these are about the recoverable results. The rougher concentrates can be easily made with a dredge but the difficulty begins with the separation of the sands into marketable products. Dings did very poorly as the grading from one product to another by magnetic separation alone will not make marketable products. It would be necessary to reconcentrate and re-separate to make a marketable product. The Ilmenite could be floated and it may be possible to float the monazite from the tails as there was considerable Monazite that did not come out on the last pole of the separator. In fact the separation of the sands is too difficult for us to undertake at the present time. It may be that new methods of separation can overcome these difficulties.

Concerning the prices of the products Mr. Standifer gave me the price of $40.00 per ton for Zircon from the Pacific Coast Carbon Co. The price of $50.00 per ton was also quoted for Garnets by a company in Seattle. Copies of these can be secured from Mr. Standifer.

In view of the difficulties of separation of the various fractions and having ground that will exceed these properties by twice the value here in Southern Calif. we do not intend to go further on Paddy Flat or White Hawk Properties.

Upon Mr. Knutsens return we will make and send to you a map showing the calculations of Yardage and values.

I have received only a couple of replies from the companies you gave me in

regard to the salvage of the equipment here in Red Mountain. I will send the replies to you shortly. If you have any other suggestions concerning this I will be glad to proceed in accordance with your suggestions.

Sincerely yours,

/s/ Merrill Yost
Cosumnes Gold Dredging Co.

ANALYSIS OF CONCENTRATES, PADDY FLAT, IDAHO, PHASE 11. DMEA 2265
CONTRACT NO. 351. COSUMNES GOLD DREDGING CO. RED MOUNTAIN CALIF.

Hole No.	Yd³ Cons.	Lbs. Fe₂O₃	Lb. Yd³ Fe TiO₂	Lb. Yd³ REO	Lb. Yd³ M'zite	Lb. Yd³ Zircon	Lb. Yd³ Garnet	Lb. Yd³ Others
PF111Y	101.0	31.0	18.9	4.1	4.1	3.8	9.3	33.9
PF112Y	10.0	2.1	1.0	.22	.2	.5	1.0	5.2
PF113Y	30.3	10.1	8.0	.19	.3	.4	2.0	9.5
PF114Y	55.7	20.1	9.2	1.44	2.2	1.0	5.1	18.1
PF115Y	35.0	12.3	5.7	.52	.80	1.0	2.3	13.9
PF116Y	75.9	15.9	6.8	1.72	2.7	2.3	7.0	41.2
PF117Y	See Report.							
PF118Y	See Report.							
PF119Y	56.5	17.3	9.5	.90	1.4	1.7	5.1	21.5
PF120Y	30.5	12.1	5.3	.44	.7	.5	2.0	9.0
PF121Y	See Report							
PF122Y	9.1	3.7	1.4	.20	.3	.2	1.0	2.5
PF123Y	50.0	18.1	10.7	.64	1.0	1.0	5.0	14.2
PF124Y	40.0	20.0	3.2	.44	.7	1.0	3.0	12.1
PF125Y	74.3	26.2	12.3	1.35	2.1	2.0	5.2	26.5
PF126Y	27.7	9.8	4.6	Tr	Tr	Tr	1.0	12.3
PF127Y	22.2	7.0	4.3	.25	.4	.5	2.0	8.0
PF128Y	33.5	10.1	6.8	.71	1.1	.5	3.0	12.0
PF129Y	77.5	28.3	16.8	1.54	2.4	2.0	5.0	19.5
PF130Y	See Report.							
PF131Y	51.2	17.5	12.1	.77	1.2	1.0	3.0	16.4
PF132Y	41.1	14.1	6.4	.12	.2	.5	4.0	15.9
PF133Y	3.8	1.1	.8	Tr	Tr	Tr	.5	1.4
PF134 Y	48.0	15.4	8.1	.82	1.3	.5	3.6	17.3
PF135Y	77.0	25.4	11.4	1.35	2.0	8.0	5.4	30.8
Totals	968.8	317.5	163.2	16.15	25.2	22.4	75.5	332.1
Averages	46.1	15.1	7.7	.80	1.2	1.0	3.6	15.8

Cosumnes Gold Dredging Co.,

5/26/53 gla.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
1201 North Division Street
Spokane 2, Washington

May 18, 1953

Mr. Clarence V. Loomis
Box 63
Meadows, Idaho

Docket No. DMEA 2265 (monazite)
Contract Idm-E351
Valley County, Idaho

Dear Mr. Loomis:

This will acknowledge your letter of May 11 to Mr. Bardill of this office inquiring about the status of the Cosumnes Gold Dredging Co. work on your Paddy Flats property and the lien resulting from the DMEA contract.

The Defense Minerals Exploration Administration contract with Cosumnes Gold Dredging Co. will be terminated when the final results of the metallurgical tests have been received. It is contrary to DMEA policy in these cases to divulge the results of the contract operations, but the company can furnish you this information. I suggest that you write Mr. G. M. Standifer, president of the company, at 262 West Santa Inez, San Mateo, California, for this information and a statement of his intentions to continue or terminate the lease with you.

If the results of the DMEA project indicate that the property has merit as a dredgable deposit, the Government has six months from the termination date of the project within which to certify a discovery or development. If a certification is made, any minerals mined or produced from the land within 10 years of the date of the contract shall be subject to a percentage royalty until the total amount contributed by the Government is fully repaid, or 10 years from the date of the contract have elapsed, whichever occurs first. To secure the royalty payment, the Government holds a lien upon the land and upon any production of mineral therefrom, until the royalty claim is extinguished by lapse of time or is fully paid. Attached is a copy of Owner's Consent to Lien such as you signed, giving information as to the rights of the Government.

The final results of the work will determine whether a certification of discovery will be made upon your property.

Sincerely yours,

M. E. Volin, Member
DMEA Field Team, Region II

Enclosure
JDB/MEV/vf
cc: Wash. (2)
USGS (2)
DMEA M/D D/E JDB

5/12/53 gla

EPHONE
FIELD 5320

PLANT:
SLOUGH HOUSE, CALIFORNIA

COSUMNES GOLD DREDGING CO.
351 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

RECEIVED
BUREAU OF MINES
APR 22 1953
SPOKANE, WASH.

262 W. Santa Inez,
San Mateo, Calif.,
April 18, 1953.

Field Team, Region II,
U.S.Bureau of Mines, 1201 Division St.,
SPokane, Wash.

Gentlemen:

Replying to yours of the 9th signed by Mr. Kulsgaard and Mr. Volin, beg to advise that Paddy Flat does not interest us as a commercial dredging venture for many reasons including values found and general operating conditions, and we desire to close our file and collect any sums due us. Unless we have some obligations to do so, we do not want to spend any further time or money in this connection. I understand our contribution has exceeded the 10% we expected to invest. Also, that a further sum which has been approved is due us.

Mr. Yost is very busy on three widely separated projects at present, however, I am sure he will cooperate with you fully in closing this matter and supplying any information that he can.

We appreciate the help and cooperation of your very effecient Field Team on this project and the opportunity of meeting and working with your staff.

With kindest regards and best wishes, I am,

Sincerely yours,

G. M. Standifer
President, Cosumnes Gold Dredging Co.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

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

April 15, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
APR 20 1953

Re: Special Notice, Op. Com. Minutes 192
DMEA Docket No. 2265
Contract Idm-E351
Cosumnes Gold Dredging Company

Dear Mr. Selfridge:

The following enclosed material will complete the information to be submitted to the Operating Committee in compliance with the special notice in Minutes of the Operating Committee dated March 20, 1953, No. 192.

see envelope 1. Concentrating and weight data sheets for holes PF-101-Y through PF-135-Y.

2. Dings Magnetic Separator Co. laboratory reports on concentrates from holes PF-101-Y through PF-110-Y. PF104-Y Missing

see envelope 3. Field logs of holes PF-101-Y through PF-135-Y.

4. Concentration and analytical data on 13 miscellaneous samples.

5. 1 copy each of two invoices for equipment purchased under the contract.

6. Letter dated August 14 from Yost to Bardill.

7. Final report from Yost.

8. MF-104 and 104A for April 1953.

This material, with the exception of the last 3 items, was submitted in only one copy.

Operator's final report

The Operator recently submitted a final report on the exploration project contract that was deemed inadequate by the Field Team. The report was returned to the Operator with the request for more complete information.

Very truly yours

Thor H. Kiilsgaard
emr

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

Enclosures
cc: USBM (2)
Armstrong

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
~~No. 157 Howard Street~~
Spokane 4, Washington

April 15, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

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DMEA Docket No. 2265
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Very truly yours

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

Enclosures
cc: USBM (2)
Armstrong

[illegible]

Mr. John [illegible] Marshall,
Selma,
Ala.

Dear Mr. Marshall,

[illegible]

It was or would be my duty [illegible] to Selma. [illegible]

[illegible]

[illegible]

[illegible] Lbs. [illegible] or if [illegible]

Merrill Goff

Redmountain, California
April 5, 1953

Final report on Paddy Flat DMEA No.2265 Contract [illegible]351 Phase 11

Due to the poor magnetic separation of the various products etc. of the Paddy Flat concentrates by the magnetic separator Co. which was shown in the products by magnetic separation in the First Phase it was decided to make the products by a combination of magnetic separation and gravity consetrations.

A sample was split out of each concentate from No. PFY111Y throught PFY 135 Y, with the exception of PFY Nos. 117-118-121-130 Y , which were to shallow to consider due to bedrock shallows not discernable from the surface, with a Jones splitter each sample was weighed and separated as follows: Magnetite separated by permanent magnet. Ilmenite and gravel separated together with magnetic separator at Surcease plant, and amounts estimated with miscroscope by grain count. The remainder or tailings contained the monazite and Zircon with quarts sand and other non magnetics. This was re-tabled and a clean Monazite band with the Zircon included was recovered. By both grain count and P_2O_5 determination using the factor for multiplication of 3.5 for Monazite equivalant. The results of mnazite were based on this procedure. The U. S. Steel Co, Geneva division made the Iron, Titanium and R E O determinations without cost.

In evaluating the property the yardage and values are as follows:

Total Yardage ----------	35,000,000
Magnetite 15.1 Lbs. per Cu. Yd. @ ½¢ Lb. Yd. ----------	7.5 ¢
Ilmenite 7.7 Lbs Cu. Yd. @ ? ----------	0.0
Monazite 1.2 Lbs. Cu. Yd. @ 18¢ Lb. Yd. ----------	21.6
Garnet 3.6 Lbs. Cu. Yd. @ 2½¢ Lb. ----------	9.0
Total value per Cu. Yd. ----------	38.1 ¢

Estimate of dredging cost 15.8 Cu. Yd.
Including royalty.

Sand plant separation and preparation cost. Handling 14.0 Cu. Yd.
Total cost ---------- 29.8 Cu. Yd.

Net per Cu. Yd. -------- 8.3

The value of magnetite was taken from estimates of 67% Fe_3O_4 by Geneva Steel by Mr. Sargis @ ½¢ per Lb.

Garnet value taken from quotations to .. 2½¢ Lb.

Monazite at quoted price of 18 ¢ per Lb.

We did not get a quotation on Zircon.

Conclusion

The separation of the very complex sand concentrates makes this a

high cost operation. The dredging operation is high cost due to severe winters and other difficulties that can readily be seen in this area.

The procedure of separation of the sands are as follows:

The use of jigs aboard the dredge to make a rougher product which is pumped ashore to a sand plant as a rougher concentrate.

1st step in the sand plant is to remove the magnetite by wet magnetic separation.

2nd step . Dry the sands with rotary drier.

3rdstep. Separate the Ilmenite by magnetic separation.

4th Step. separate the garnet by magnetic separation.

5th Step. By retabling the monazite and zircon can be recovered.

6th step. The monazite and zircon can be separated by re-drying and intense magnetic separation as the zircon is not magnetic and the monazite only slightly magnetic.

Due to the complex nature of this operation and all prices subject to change at any time the margin in the property in relation to the investment is too close, for us to consider at this time.

This gravel channel extends on to the south and east of Kennally fork and many million Cu. Yds. of similar gravel could be added to this project.

This property should be noted and considered reserves for the future and could be profitably operated at such time as the U. S. Government stabalizes the price of the products or the values increased to a greater margin.

Sincerely yours

C. G. D. Co.

Merrill Yost

REDMOUNTAIN CALIFORNIA?
April 5, 1953

Analyis of Concentrates from Paddy Flat, Idaho by Cosumnes Gold Dredging Co., 2nd Phase of Paddy Flat. DMEA 2265 Contract No. 351.

Hole No.	Lbs Yd³ Cons.	Lbs.Yd³ Fe_3O_4	Lbs. Yd³ $FeTiO_3$	Lbs Yd³ REO	Lbs Yd³ Garnet	Lbs Yd³ Zircon	Lbs Yd³ Others.
PFY111Y	101.0	31.0	18.9	4.1	9.3	3.8	33.9 Lbs
PFY112Y	10.0	2.1	1.0	.2	1.0	.5	5.2
PFY113Y	30.3	10.1	8.0	.3	2.0	.4	9.5
PFY114Y	55.7	20.1	9.2	2.2	5.1	1.0	18.1
PFY115Y	35.0	12.3	5.7	.8	3.3	1.0	13.9
PFY116Y	75.9	15.9	6.8	2.7	7.0	2.3	41.2
PFY117Y	SEE REPORT						
PFY118Y	SEE REPORT						
PFY119Y	56.5	17.3	9.5	1.4	5.1	1.7	21.5
PFY120Y	30.5	12.1	5.3	.7	2.0	.5	9.9
PFY121Y	SEE REPORT						
PFY122Y	9.1	3.7	1.4	.3	1.0	12	2.5
PFY123Y	50.0	18.1	10.7	1.0	5.0	1.0	14.2
PFY124Y	40.0	20.0	3.2	.7	3.0	1.0	12.1
PFY125Y	74.3	26.2	12.3	2.1	5.2	2.0	26.5
PFY126Y	27.7	9.8	4.6	.Tr	1.0	.Tr	12.3
PFY127Y	22.2	7.0	4.3	.4	2.0	.5	8.0
PFY128Y	33.5	10.1	6.8	1.1	3.0	.5	12.0
PFY129Y	775.0	28.3	16.8	2.4	5.0	2.0	19.5
PFY130Y	SEE REPORT						
PFY131Y	51.2	17.5	12.1	1.2	3.0	1.0	16.4
PFY132Y	41.1	14.1	6.4	.2	4.0	.5	15.9
PFY133Y	3.8	1.1	.8	.Tr	.5	.Tr	1.4
PFY134Y	48.0	15.4	8.1	1.3	3.6	.5	17.3
PFY135Y	77.0	25.3	11.4	2.1	5.4	2.0	30.8
Totals:	968.8	317.5	163.2	25.2	75.5	22.4	332.1
Averages	46.1	15.1	7.7	1.2	3.6	1.0	15.8

The averages are in Lbs. per Cu. Yd. of each product.
There are some of the holes figured in this average that are not in the dredging area or that could be eliminated and the overall average would come up considerably. See report.

C. G. D. Co.
Merrill Yost

Reject samples at Red Mountain, Calif.
M. Yost

4/15/53 file

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

Spokane, Washington
April 9, 1953

Mr. [illegible] Standifer, President
Consumes Gold Dredging Company
465 California Street
San Francisco, California

Subject: Docket No. [illegible] 2265 (monazite)
Contract [illegible]-2351
Consumes Gold Dredging Company
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Mr. Standifer:

Mr. Merrill Yost has submitted the final report for the captioned project contract dated April 5, 1953. With due respect to Mr. Yost's good efforts, we still find this report to be inadequate in some respects and must ask for another more complete report.

The estimated yardage of gravels (35,000,000 cubic yards) in the deposit has not been substantiated with satisfactory detailed appraisals giving cut-off grade, limits of dredgable gravels, and profile sections through the drill holes illustrating the volumes upon which the yardage was computed.

The evaluation of the recoverable products seems questionable. Magnetite is quoted at $10 per ton, presumably f.o.b. Paddy Flat, from which must be deducted freight to Geneva. Specifications for garnet are very rigid and unless this particular product can meet these requirements, it is of no value. The basis for the estimated preparation and sand plant separation cost is not presented in detail.

The tabulation of product analysis does not indicate whether the averages are weighted or arithmetical. Mr. Yost's evaluation of the products shows an average of 1.2 pounds of monazite per cubic yard and the concentrate analysis reports 1.2 pounds of RE_2O per cubic yard. Monazite is a cerium-lanthanum-thorium phosphate, of which roughly 27-30 percent is phosphorus pentoxide. The usual purchase specification for monazite requires not less than 60 percent RE_2O. If the reported 1.2 pounds of RE_2O is correct, the monazite equivalent is about 2 pounds per cubic yard. Please clarify this discrepancy.

The Government has an equity in the casing, coupling, drive shoe, drive cap, microscope, microscope accessories, etc. to the extent of 90 percent of $2,600 which may be salvaged from the sale of this equipment. A copy of a memorandum is enclosed for your information on the subject of disposition of property in which the Government has an interest. The advertisement that Mr. Yost inserted in the Sacramento Bee, March 21-24, did not adequately describe the equipment to be sold. Attached are sample copies of the invoices which will assist you to properly describe each item. You should request bids from companies which might be interested in purchasing this equipment, submitting copies of your requests and their replies. If the bid prices are satisfactory, Government approval will be given for their sale. The following companies are suggestions as potential purchasers of the casing, coupling, drive shoe, etc.

Tube Manufacturing Co., San Francisco
Bodinson Manufacturing Co., San Francisco
Washington Iron Works, Seattle
Natomas Co., Sacramento
Union Iron Works, Oakland

Optical companies, universities, and schools are potential purchasers of the microscope and accessories.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

M. E. Velin, Member
U. S. Bureau of Mines
1201 N. Division Street

Enclosures

cc: Mr. Merrill Yost

DMEA, Wash. (2)
USGS (2)
DMEA
AD
JDB
DF

JDB/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

So. 157 Howard Street
Spokane 4, Washington

MEMORANDUM

To: Operators under DMEA exploration project contracts

From: Executive Officer, DMEA Field Team, Region 11

Subject: Disposition of property in which the Government has an interest.

By the terms of the exploration project contract under which you are operating, the Government acquires an interest in property purchased for use on the project which is " . . .paid for or purchased with funds contributed jointly by the Operator and the Government . . . " Such property includes any individual items of equipment and facilities, buildings, or other fixtures costing more than $50.00 each. It also includes materials and supplies considered in groups or categories (such as pipe, explosives, rails, drill steel), if the original cost of the remaining unexpended portion of any such category of materials or supplies exceeded $50.00. As to any facility, building, fixture, or piece of equipment, and as to any such group or category of materials or supplies the original cost of which or the unexpended portion of which did not exceed $50.00, the Government does not assert any claim or interest under the terms of the contract.

The effect of the contract provisions is to make you the agent of the Government for the disposition of its interest in such property. Therefore, it is your responsibility to make the best possible disposition of the property for the benefit of the Government. Every reasonable effort must be made to realize its full value. Such reasonable efforts might include: (1) Advertising in newspapers, periodicals, and posting notices in public places; (2) canvassing users of and dealers in such property; and (3) negotiating with the original vendor for the repurchase of the property.

Should you wish to retain the property or, in effect sell it to yourself, you may do this only after first having made every reasonable effort to procure a price higher than you yourself are willing to pay; or you may buy the Government's equity by paying for it either on the basis of the original cost or the ceiling price fixed by the Office of Price Stabilization, whichever is lower.

The undersigned is authorized to approve of and to join in the sale of such property for the joint account of the Operator and the Government. You are requested to advise this office in advance of the proposed disposition of any such property so that we may advise you if the Government will approve thereof and join in the transaction.

Upon completion of the exploration project or termination of the exploration project contract, your final report should include a detailed statement of the disposition you have made of such property. Proceeds from sales of property, or credit for its value in the event you retain it for your own account, should be indicated in your final monthly report, on form MF-104, by the insertion of suitable credits in the "Monthly Total" column.

The Government will withhold from your final voucher or vouchers such sums as it deems necessary to cover its equity in property, until you have rendered your final report and final account, and the final auditing and settlement of the contract has been made.

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 11

YUBA MANUFACTURING COMPANY
ESTABLISHED 1905
ENGINEERS DESIGNERS
BUILDERS OF PLACER DREDGES
FACTORY
BENICIA, CALIFORNIA
BALFOUR BUILDING
351 CALIFORNIA STREET
SAN FRANCISCO 4, U.S.A.
CABLE ADDRESS
YUBAMAN SAN FRANCISCO

San Francisco 4, California
October 22, 1952

Mr. Guy Standifer
262 West Santa Ines Ave.
San Mateo, California

Subject: Cosumnes Gold Dredging Company
Drill Pipe Order - Yuba OIB-1987

Dear Mr. Standifer:

Our Invoice No. 51986 covering 22" drill pipe with accessories, etc., was billed to you in a lump sum of $3,151.50. A breakdown of the invoice is as follows:

10 - Steel Casings, 22" OD x 11/32" wall x 3' long - Pc. 5 Dwg. N-12632
10 - Steel Couplings, 1" x 6" x 5' 10-11/16", Bent - Pc. 1 Dwg. N-12632
Total $1,685.13

1 - Drive Shoe - Pc. 2 Dwg. N-12632
1 - Drive Cap - Pc. 3 Dwg. N-12632
Total 465.55

1 - Fabricated Steel Pulling Head, Dwg. N-13063
Total 429.27

2 - #15 Vulcan Pipe Tongs
Total 130.20

2 - 25-ton Hydraulic Jacks
Total 160.60

1 - Rough Forging 890#, ordered from outside source to make the drive cap and shoe. This could not be delivered in time to complete the job. To improve delivery, Mr. Yost authorized making these parts by rolling forgings in our plant and welding them. The rough forging was received subsequent to shipment of your pipe and is held in our Benicia plant as your property, for use on some future order.
Total 280.75

GRAND TOTAL $3,151.50

BAUSCH & LOMB OPTICAL CO.

SAN FRANCISCO, CALIFORNIA

BRAUN-KNECHT-HEIMANN-CO.

1400 - 16TH STREET

SAN FRANCISCO 19 CALIFORNIA

CUSTOMER'S ORDER NO. 8242 6-30-52

DATE 6 / 30 / 52

COSUMNES GOLD DREDGING COMPANY
~~SLOUGH HOUSE~~
SACRAMENTO COUNTY, CALIFORNIA

P. P.
INS.
EXPRESS
FREIGHT

			AT	LIST	NET
31-26-24-36	1	BKW-5 MICROSCOPE SERIAL #AD 648			417.50
31-33-51-02	1	NICHOLAS ILLUMINATOR WITH PEDESTAL BASE			40.00
31-36-45	1	ADJUSTABLE TRANSFORMER			16.00
31-31-79	1	EXTRA LAMP BULB 6.5 VOLT			
					474.46
		3% California Sales Tax			14.23
					489.69

HB:GD

3677

Mr. [illegible]
Executive Officer
TVA Field Data, Region II
South 157 Board Street
Spokane 4, Washington

MAR 30 [illegible]

Re: Docket No. [illegible] A-22[illegible]5
(Columbite-columbium-tantalum)
Contract No. [illegible]-3551
Cosmos Dell Dredging Co.
Sandy Flat Placer
Valley County, Idaho

Dear Mr. [illegible]:

Enclosed are copies of a letter received from Mr. Merrill Hoot, Manager of subject exploration project. We thought you would like to have this "pat-on-the-back" for your files.

When available we will be greatly interested in receiving the final reports.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

A. R. Kinkel

J. H. Reuter

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

RWEllis/gla 3-26-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs. J.J.Horton, Rm. G-232 GSA
E.J.Carlson, Rm. 3619
Ellis ✓
Region II, TVA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1953

XXXXXXXXXXXXXXXX
1201 E. Division St.
Spokane, Washington
March 27, 1953

Mr. Merrill Yost,
Cosumnes Gold Dredging Co.,
608 34th Street,
Sacramento, California.

DMEA-2265

Subject: Contract Idm-135,
Paddy Flat

Dear Mr. Yost:

When preparing your final MV-104 on the subject contract you was claim the balance of $551.50 for the 20" diamond drill casing. This amount, with the $2,600.00 claimed on the October MV-104, will clear the Yuba Manufacturing Company's bill of $3,151.50.

Your attention is invited to the fact that the Government has a 90 percent equity in the pipe. Therefore it must be disposed of for salvage before the final settlement can be made.

Yours very truly,

J. D. Sardilli, Chief
DMEA Section, Bureau of
Mines, Region II

cc:
Washington (2)
USGS (2)
DMEA
AD
DF
JEB
JMR

MEA-2265 3/30/53

You wrote a letter to Mr. Weissenborn on 3/26 forwarding copies of Yost's letter of commendation. I haven't had a dated copy indicating it was mailed.

The attached copy of letter written by Mr. Mittendorf came in this morning, apparently written prior to that (3/24/53) and mailed March 25.

gla

3/30/53 gla

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

Mr. Merrill Hart, General Manager
Permanente Metals Corporation
[illegible] California Street
San Francisco, California

Dear Mr. Hart:

I wish to thank you for your courteous letter of March 6, expressing your satisfaction with the good relationship which existed between the Government representatives and your company during the product of your exploration project for uranite in Idaho.

It was very thoughtful of you to have made known your high regard for both Mr. White and Mr. Merrill, of the Bureau of Mines office at Spokane, and to have commended them for their help and cooper ation. I assure you that the [illegible] shares equally with you the pleasure which comes from the realization that a job was well done.

The progress on your project has been followed closely in Washington and we shall be very interested in learning of your conclusions and evaluation of the project when your final report is submitted.

Sincerely yours,

Administrator

[illegible]:Mitscherlich:fw/jn 3-[illegible]

cc: E. W. Volin, Sec. II
J. D. Merrill, Sec. II
J. J. Forbes, DM
Section II (2)
Adm. Reading File
Rare Metals Div.
Mails & Files
Mr. Mitscherlich

C
O
I
Y

C [illegible] GOLD DREDGING COMPANY
P. O. BOX 532
[illegible], IDAHO

G. N. [illegible], [illegible] H. [illegible], [illegible]

Sacramento, Calif.,
March 6, 1953.

Defense Minerals Exploration Administration,
Washington,
D. C.

Dear Sirs:

We have about completed an exploration program in Idaho on monazite and the radio actives under the direct operations of the Bureau of Mines at Spokane, Washington. Mr. Volin, who is in charge at Spokane, handled all of our operation in a very pleasant manner.

Mr. J. D. Bardill who was assigned to our particular operations is one of the most pleasant and helpful men I have ever had the pleasure to work with. Having men like Mr. Bardill in the employ of the government is exceedingly helpful to the operator and certainly of credit to the DMEA.

Thanking you for the pleasant exploration program and the very good judgment of assigning Mr. Bardill to our operations.

Sincerely yours,

D. [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 3/10/53

REFERRED TO:
1. ~~Code 100~~ Mitt
2. Code 700
3. Code 230
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing Mitt.	
..... Previous correspondence	

REMARKS: This applies to DMFA-2265 - see copy Bardill letter to Operator 2/12/53. We have no final report of Opr. on field Team. Mrs Lucas

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

3-10-53

Mitt:

until we receive final F.T. and operators reports containing the analytical results of the sampling we will not be able to evaluate the results of this exploration project.

J.P.K.

F-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 3-10-53

REFERRED TO:
1. Mr. Mittendorf, Rm.4624
2.
3.
4.

DMEA-2265
Idm-351

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	
..... Conference	..... Referring to .....
..... Consideration	
..... Filing	..... Reply for signature of .....
..... Instructions	
..... Investigation	..... Rewriting
..... Initials	..... Signature
..... Mailing	..... Suggestions
..... Previous correspondence	...x... Your information

REMARKS: Please return Division contract file when you have noted Mr. Bardill's letter in file of February 13, 1953.

Check (X) before the items needing attention.

Mr. Ellis
gla *Initials of sender.*

GPO 16—63815-1

Ellis
What is the [illegible] to Mr. [illegible] question
[illegible]

Ellis
Now often we hear something pleasant! I should pass on to Al & the Survey Bureau.
Pls return to me
Was the project success ful?
Com

2/24/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~XXXXXXXXXXXXXXXXXX~~
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
February 13, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

Mr. Merrill Yost, General Manager
Cosumnes Gold Dredging Company
Red Mountain, California

Subject: Contract Idm-3351
Docket No. DMEA 2265 (monazite)
Cosumnes Gold Dredging Co.
Paddy Flat Placer Deposit
Valley County, Idaho

Dear Merrill:

Final payment for expenses incurred under your contract cannot be made until a final report on the project has been submitted and an audit made at the completion of the project. The contract also provides that a maximum of 10 percent of project expenditures can be withheld by the Government until the final audit has been made. Since I have no estimate of additional expenses to be incurred, your December 1952 voucher is being held for payment, temporarily. Please submit a rough estimate of further expenses you anticipate.

I shall appreciate knowing what progress you have made in producing marketable monazite, magnetite and ilmenite products from the Paddy Flat drill hole samples. You inferred that the monazite could be recovered by gravity after removing the heavy magnetic minerals. What success did you have with flotation? Do you think the deposit can be mined profitably?

What is the status of the White Hawk project, and your opinions of the deposit? DMEA-2264

Best wishes to you and Irma.

Sincerely yours,

John D. Hardill
Chief, DMPA Section
Bureau of Mines, Region II

cc: DMEA
AD
JDB
DF
DMEA, Wash. (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~XXXXXXXXXXXXXXXXXX~~
Spokane 2, Washington
April 15, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Transmittal of data requested in Special Notice 192.

Enclosed are copies of the MF-104, 104A, and narrative for December 1952 submitted by Cosumnes Gold Dredging Co., contract Idm-E351, together with copy of a memorandum to the Field Team, Region II, from R. J. Hindman, Certifying Officer.

By Field Team, Region II

FOR: Thos H Kuhrgaard
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

Enclosures

M E Volin
M. E. Volin, Member
U. S. Bureau of Mines
1201 N. Division St.

DMEA Field Team, Region II

April 15, 1953

R. J. Hindman, Certifying Officer

Cosumnes Gold Dredging Co., contract Idm-E351,
December 1952 MF-104.

Attached are copies of the December 1952 MF-104, 104A and narrative submitted by the subject Operator for transmittal to the Operating Committee, DMEA, Washington, D. C. This is in compliance with instructions contained in Special Notice 192.

In this instance we are including the MF-104 with the 104A and narrative because the 104A submitted contains very little information.

Payment is being withheld on the subject MF-104 pending disposal of equipment and receipt of the final audit report.

R. J. Hindman

cc:
USGS
WASH.
DF
AD

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

Copy

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1952 Docket No. DMEA 2265 Contract No. 351
Operator's Name Cosumnes Gold Dredging Co. Minerals Monazite, Columbium, Tantalum
Address P. O. Box 7, Redmountain, California
Contract Amount, $ 28,825.00 Government Participation: 90 % Amount, $ 25,942.50

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	178.88	4,716.57	4,895.45			
Supervision	none	1,260.00	1,260.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	70.45	1,018.85	1,089.30			
Explosives Repairs	None	903.88	903.88			
Pipe Misc. Supplies	None	950.51	950.51			
Track Plant Supplies	None	73.22	73.22			
(4) Operating Equipment:						
Rental	None	750.00	750.00			
Purchase	None	2,600.00	2,600.00			
Depreciation	None	422.49	422.49			
(5) Initial Rehabilitation and Repairs	None	1,476.06	1,476.06			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	364.00	260.41	624.41			
Payroll Taxes	15.20	551.08	566.28			
Liability Insurance						
Accounting	None	150.00	150.00			
(8) Contingencies (specify):						
Freight	None	8.52	8.52			
	None	96.35	96.35			
TOTALS	628.53	15,237.94	15,866.47			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 15, 1953 *Payee COSUMNES GOLD DREDGING CO.

Per /s/ Merrill Yost Title General Manager

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Copy

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1952 Docket No. DMEA 2265 Contract No. 351

Operator's Name Cosumnes Gold Dredging Co. Minerals Monazite

Address P. O. Box 7, 1952 Columbium, Tantalum

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 Clam								
Churn Shell								
Auger Drill	1 ft.	None	None	5,021.15	1106	4.54		
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				11,404.34				

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

Date Dec. 12, 1952 Operator Cosumnes Gold Dredging Co.

Per Merrill Yost Title Gen. Manager

REMARKS: Work suspended on property.

/s/ Merrill Yost

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

COPY

Redmountain, California

December 22, 1952

PROGRESS REPORT FOR MONTH OF NOVEMBER 1952:

PADDY FLAT PHASE 2

All samples were sacked and transported to Redmountain where the Cosumnes Co. has facilities for further seperation and analysis of samples.

The balance of the holes (25) were quartered and sent to the Dings Mag. Sep/ Company for spearation.

Flotation tests were made of the Ilmenite separation and sent for analysis to Abbot Hanks Labatory in San Francisco, California.

The first 10 results of samples sent to Abbot Hanks Labs. in San Francisco have been received and copies forwarded to the bureau of mines in Spokane.

The sands are going to be very dissicult to seperate into commercial products. The magnetits makes a very good iron product. The titanium results have not been received.

Considerable study of this will be necessary to work out a flow sheet that is practical and economical.

Upon receipt of the balance of the Mag. separations Ding's the final conclusions and evaluation of this property can be concluded.

/s/ Merrill Yost,
General Manager
Cosumnes Gold Dredging Co.

COPY

PROGRESS REPORT MONTH OF DECEMBER
PADDY FLAT

Taking first the second phase of Paddy Flat. All samples of the second Phase of Paddy Flat have been sent to the Ding's Magnetic Separator Co. for separation. Due to the complex nature of the sands and the grading of the Monazite both into the garnet and tailings fraction, it was decided to have Ding's take out the Magnetite, Ilmenite and the Garnet by magnetic separation and allow the Monazite to go to the tailings. The Monazite can then be recovered by gravity due to the others of near specific gravity being taken out magnetically.

This procedure should make much cleaner products in all fractions. When these are received and the assay results obtained the final results can be put on the Paddy Flat map an the yardage and value of all products estimated. This should compelte the second Phase of Paddy Flat.

In the first Phase of White Hawk Basin the results so far seem to be so low that further work would be unwarranted. Also due to the shallow depth the yardage was cut by more than half. The map of White Hawk Basin has been completed and sent to the Bureau of Mines at Spokane.

Unless further work is designated by the Bureau I think any further work on White Hawk Basin should be discontinued.

Cosumnes Gold Dredging Co.

/s/ Merrill Yost, General Manager.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 6 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 2 Docket No. DMEA 2265 Contract No. 351

Operator's Name Cosumnes Gold Dredging Co.

Minerals Monazite, Columbium, Tantalum

Address P.O. Box 7, 1952

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn Clam Shell								
Auger Drill	1ft.	None	None	5,021.15	1106	4.54		
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				11,404.34				

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

Date Dec. 12, 1952 Operator Cosumnes Gold Dredging Co

Per Merrill Yost Title Gen. Manager.

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: Work suspended due on property
Merrill Yost

(Instructions on reverse)

(For Government use only)

No MF-104 submitted for Dec. 1952

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.

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GPO 83-38475

Redmountain, California

December 22, 1952

PROGRESS REPORT FOR MONTH OF NOVEMBER 1952:

PABBY FLAT PHASE 2

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Flotation ~~tests~~ tests were made of the Ilmenite separation and sent for analysis to Abbot Hanks Labatory in San Francisco, California.

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The sands are going to be very difficult to seperate into commercial products. The magnetite makes a very good iron product. The titanium results have not been received.

Considerable study of this will be necessary to work out a flow sheet that is practical and economical.

Upon receipt of the balance of the Mag. seperations Ding's the final conclusions and evaluation of this property can be concluded.

Merrill Yost

Merrill Yost

General Manager

Cosumnes Gold Dredging Co.

November 24, 1952

Memorandum

To: Legal Division

From: F. L. Knouse, Rare and Misc. Metals Division

Subject: Docket No. DMMA-2265 (Monazite)
Amendment No. 2 to Contract No. Idm-E351
Costumes Gold Dredging Company

The time extension is approved; however, it is believed the wording of this amendment could be more clearly stated.

FLKnouse/gla
cc to: Operating Committee (Hazel Berry)
Docket
Legal Division
Mr. Ellis
Mr. Knouse

11/24/52

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
NOV 21 1952

November 18, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2265 (monazite columbium tantalum)
Cosumnes Gold Dredging Company
Valley County, Idaho
Contract Idm-2351

Dear Mr. Johnson:

Enclosed are the original and two signed copies of Amendment No. 2 to the subject contract, with attached justification.

Copies of the amendment have been retained by the Operator, the Finance Officer, and by this office.

Sincerely yours,

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

Enclosure

cc: USBM (2)
Armstrong

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 2 2 1952

1201 North Division Street
Spokane 2, Washington

November 17, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Chief, DMPA Section, Bureau of Mines, Reg. II

Subject: Interim Progress Report - Cosumnes Gold Dredging Company, Paddy Flat Placer Deposit, Valley County, Idaho, Contract Idm-E351, Docket No. DMEA 2265 (monazite)

The clamshell drill rig and the sample concentration mill has been dismantled at Cascade and all of the equipment has been shipped to the company's plant in California.

The samples have been concentrated at Cascade and the table concentrates shipped to the Dings Magnetic Separator Company at Milwaukee, Wisconsin, for further concentration by magnetic separation. The concentrate samples from Dings will be analyzed by Abbott A. Hanks, Inc. at San Francisco and results reported regularly.

Attached are copies of a recent map of Paddy Flat by E. Knutsen, company engineer, showing the location of the drill holes and approximate location of the gravel channels.

The black sand table concentrates from the 25 holes from Phase II of this contract weighed:

Hole No.	Ft. Hole Depth	Lbs. Black Sands/Cu. Yd.	Hole No.	Ft. Hole Depth	Lbs. Black Sands/Cu.Yd.
*PF-111Y	78	101	*PF-124Y	41	40
1/PF-112Y	31	10	*PF-125Y	15	74
*PF-113Y	70	30	1/*PF-126Y	23	28
*PF-114Y	66	56	1/*PF-127Y	37	22
*PF-115Y	57	36	PF-128Y	44	33
*PF-116Y	34	76	1/*PF-129Y	15	75
1/PF-117Y	13	Not concentrated	1/PF-130Y	7	Not concentrated
1/PF-118Y	6	Not concentrated	*PF-131Y	54	51
*PF-119Y	36	57	1/PF-132Y	29	41
1/PF-120Y	40	31	1/PF-133Y	22	8
1/PF-121Y	24	5	*PF-134Y	20	48
1/PF-122Y	15	9	*PF-135Y	10	77
*PF-123Y	40	50		317	
	510				

Note: *Bedrock was not reached because of caving ground in most cases, because of lack of casing.
1/Drill hole outside of dredgable gravel channel.

Cross sections are being prepared by the company from which yardage estimates will be made. This data will be transmitted with a future report.

A cost study of the clamshell drilling during Phase II was made for comparison with conventional churn drilling costs. This information has been summarized as follows:

Operational and Cost Data of Clamshell Drill

Paddy Flat, Idaho
August 4 - 27, 1952

Drilling

Total feet drilled		830
Total hours drilling and lost time		168
Hours drilling time		121
Lost time:		
Moving from hole to hole	18	
Fueling and greasing	4	
Repairs	18-3/4	
Waiting for road construction	6-1/4	47
Feet per hour actual drilling time		6.86
Feet per hour total time		4.96
Total number of holes		25
Average depth of holes, feet		33.2
Minimum depth, feet		6
Maximum depth, feet		78

Procurement of casing was delayed because of the steel strike, so that casing was used in only 2 of the 25 holes. Mr. Yost estimates that in ground requiring casing throughout, drilling time would be about 50 percent higher.

Sixteen of the 25 holes did not reach bedrock because of caving and lack of casing and in one instance where the gravel was deeper than the capacity of the drill. The capacity of the hoist drum in use at the time only held enough cable for a 78 foot hole.

Costs 21 days operating time

Labor (driller and helper)	$ 602.88
Fuel	164.22
Lubricating oil	14.07
Repairs	71.25
Depreciation on 5 yr. basis	150.00
Supervision and administration	166.00
Total Cost	$1,168.42
Cost per foot drilled	$ 1.41

Wages:	Driller	$1.85 per hour
	Helper	1.50 per hour

3 days overtime at 1-1/2 during drilling period.

Sampling cost not included because its cost will vary depending upon the manner in which it is done.

Cost of moving from one property to another has not been included either, because this cost will vary considerably depending upon distances and circumstances involved.

Mr. Yost estimates that churn drilling under similar conditions would probably cost about $3.50 - $4.00 per foot. This estimate is based on years of experience in California when churn drills sampled the gravel channel continuously ahead of operating dredges.

John D. Bardill

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
JDB/vf

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

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1086.3.
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
NOV 21 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1952 Docket No. DMEA 2265 Contract No. 351
Operator's Name Consumers Gold Dredging Co Minerals Monazite
Address P.O. 532, Cascade, Idaho columbium, tantalum
Contract Amount, $ 28,825.00 Government Participation: 90% Amount, $ 25,942.50

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						
(2) Labor and Supervision:						
Labor	84.00	4,533.49	4,717.49	84.00	4632.59	
Supervision	none	1,260.00	1,260.00		1260.00	
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Gas and Oil	None	1,080.60	1,080.60		1018.85	
Explosives Repairs	None	911.88	911.88		903.88	
Pipe Misc. Supplies				302.39	648.12	
Track Veletet Lent Co.	302.39	966.85	966.85		73.22	
Plant Supplies	none	244.95	244.95			
Drill Casing	2,600.00	none	2,600.00			
(4) Operating Equipment:						
Rental	None	750.00	750.00		750.00	
Purchase					422.49	
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.					1476.06	
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis					260.41	
Payroll Taxes	6.57	560.91	567.58	6.67	544.41	
Liability Insurance						
Accounting	none	150.00	150.00		150.00	
Freight & Hauling					8.52	
(8) Contingencies (specify): Moving Cat.	None	96.35	96.35		96.35	
TOTALS	2,993.06	10,655.03	13,345.70	299.06	12,244.88	15,237.94

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

Date November 3 *Payee Consumers Gold Dredging Co

Per Merrill Yost Title Gen. Manager

*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:

$ 2693.75

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

October Report on Paddy Flat 1952

Payroll: # 8 October 15 to 31, 1952	$84.00	84.00

(4) OPERATING EXPENSES:

(Stage 1) Allowable under contract. 2,600.00

1 20" Diam Drill Casing Etc.
Yuba Manfacturing Co. $3,151.50
Invoice attached.

Misc. Supplies:

Deleted from our report in August: 302.39 Boise Payette Lmbr. 302.39
Enclosed are our July and August Statements from the Boise Payette Lmbr. Co. We sent in our July report before receiving our statement from them.

July Statement was for	$567.85	Look on our July report and you will see that we only paid 491.81 thence the balance of 138.68 carried over into our August statement.
August Statement for	302.39	

In our letter from you you state that you were unable to determine which purchases are covered in the discount, each purchase was covered with the straight 10% which the Boise Payette Lumber Co. give if you pay your bills within ten days after receiving your statement.

(5) Payroll Taxes:

Payroll Comp.....@3.75.....	3.15	
State Unemp.....@2.7	2.26	
Fed. O.A.B.....@1.5.....	1.26	
	6.67	6.67
Total for October.		$2,993.06

Form ME-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 2 2265 351

Operator's Name Cosummes Gold Dredging Co

Address P.O. Box 5532, Cascade, Idaho

Contract No. DMEA

Minerals Monazite Columbium Tantalum

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Clam Shell Drill	Ft.	0	0	5,021.15	1106	4.54		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Splitting Samples		84.00		11,404.34				
Roads and Trails								
		84.00		11,404.34				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		84.00		11,404.34				28,825.00
TOTAL COSTS							Phase II DMEA	2265

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.

Nov. 3, 1952 Cosummes Gold Dredging Co

Date ..... Operator Gen. Manager.

Per Merrill Yoost Title

REMARKS: Sacking and splitting samples ~~making composits and Misc. work around the plant~~

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

Oct. 18, 1953.

The following is a condensed summary of the drilling time on the second phase in Paddy Flat, Idaho.

It is impossible at the present time to give an exact drilling cost as I do not have the approved returns from the DMEA. As soon as I receive t he approved expenses for the month of August I will compile the cost data both per foot for the drilling, concentrating and total cost.

T his drilling was done almost entirely under water. T he depth ranged from 10 F t. to 78 Ft. None of the ground was hard drilling but there were a number of holes the cobbles ranged up to 18 In. in diameter.

The whole area except for a small amount of meadow land was covered with small timber which necessitated the use of a caterpillar to brush out and make roads. The actual drill crew consisted of a driller and helper. T he total crew had four men. Driller, Helper, Cat S kinner and a panner or estimator. This work was done on a 6 day a week basis with an 8 Hour day. T he move to and from the property was not considered in this data.

S incerely

Merrill Yost

Paddy Flat, Idaho.
Phase 11.

Drilling data (35 holes)

Week of Aug. 4 to 9 Incl.- 6 Da. Wk. 48 Hrs.

Day	Ft. Per day	Drilling Time	Lost Time
Monday 4,52	48 Ft.	6.00 Hrs.	2.00 Hrs.
Tuesday 5,52	22 Ft.	7.30 Hrs.	.30 Hrs.
Wednesday 6,52	39 Ft.	6.00 Hrs.	2.00 Hrs.
Thursday 7,52	50 Ft.	7.30 Hrs.	.30 Hrs.
Friday 8,52	44 Ft.	7.00 Hrs.	1.00 Hrs.
Saturday 9,52	42 Ft.	7.30 Hrs.	.30 Hrs.
Total 6 Da.	245 Ft.	41.30 Hrs.	6.30 Hrs.

Holes No.	PF-111-Y	78 Ft.
	PF-112-Y	31 Ft.
	PF-113-Y	70 Ft.
	PF-114-Y	66 Ft.
	Tot.	245 Ft.

Average depth of holes 61.25 Ft..

Ft per Hr. Drilling time 5.9 Ft.

Ft per Hr total time 5.1 Ft.

Paddy Flat, Idaho , Phase 11.

Drilling Data continued.

Week of Aug. 11 to 16 Incl. - 6 Da. Wk. 48 Hours.

Day	Ft. per Day	Drilling time	Lost time
Monday 11,52	52 Ft.	6.00 Hrs.	2.00
Tuesday 12,52	30 Ft.	3.30 Hrs.	4.30 Hrs.
Wednesday 13,52	31 Ft.	4.15 Hrs.	3.45 Hrs.
Thursday 14,52	59 Ft.	6.00 Hrs.	2.00 Hrs.
Friday 15,52	41 Ft.	5.15 Hrs.	2.45 Hrs.
Saturday16,52	40 Ft.	5.30 Hrs.	2.30 Hrs.
Total 6 Da.	253 Ft.	30.30 Hrs.	17.30 Hrs.

Hole No.		
	PF-115-Y	57 Ft.
	PF-116-Y	37 Ft.
	PF-117-Y	13 Ft.
	PF-118-Y	8 Ft.
	PF-119-Y	38 Ft.
	PF-120-Y	40 Ft.
	PF-121-Y	24 Ft.
	PF-122-Y	15 Ft.
	PF-123-Y	25 Ft.
	Total	353 Ft.

Average depth of holes 31.82 Ft.

Ft. per Hr drilling time 8.3 Ft.

Ft per Hr. total time 5.27 Ft.

[redacted]dy Flat , Idaho, Phase[redacted]

Drilling Data Continued.

Week of Aug. 18 t o 23 Incl. 6 days 48 Hours.

Day	F t. per Day	Drilling time	L ost time
Monday 18,52	33 Ft.	5.15 Hrs.	2.45 Hrs.
Tuesday 19,52	38 Ft.	7.00 Hrs.	1.00 Hrs.
Wednesday 20,52	23 Ft.	1.30 Hrs.	6.30 Hrs.
Thursday 21, 52	49 Ft.	6.30 Hrs	1.30 Hrs.
Friday 22, 52	47 Ft.	6.30 Hrs.	1.30 Hrs.
Saturday 23, 52	42 Ft.	3.15 Hrs.	4.45 Hrs.
Total 6 days	232 Ft.	30.00 Hrs.	18.00 Hrs.

Hole No.		
	PF-123-Y	15 Ft.
	PF -124-Y	41 Ft.
	PF-125-Y	15 Ft.
	PF-126-Y	23 Ft.
	PF-127-Y	37 Ft.
	PF-128-Y	44 Ft.
	PF-129-Y	15 F t.
	PF-130-Y	7 Ft.
	PF-131-Y	35 Ft.
	Total	232 Ft.

Average de pth of holes 25.8 Ft.

Ft. per Hr. Drilling time 7.7 Ft.

Ft per Hr. Total time 4.8 Ft.

Paddy Flat, Idaho, Phasell.

D rilling Data Continued.

Week of Aug. 25 to 27 Incl. 3 Days 24 Hrs.

Day	Ft. per Day	Drilling time	Lost t ime
Monday 25,52	19 Ft.	8.30 Hrs.	1.30 Hrs.
T uesday 26,52	60 Ft.	5.30 Hrs.	2.30 H rs.
Wednesday 27,52	21 Ft.	7.00 H rs.	1.00 Hrs.
Total 3 Da.	100 Ft.	19.00 Hrs.	5.00 Hrs.

Hole No. PF-131-Y ---------- 19 F t.
PF-132-Y ---------- 28 Ft.
PF-133-Y ---------- 22 F t.
PF-134-Y ---------- 20 F t.
PF-135-Y ---------- 10 Ft.

Average depth of Holes 20 F t.

Ft. Per Hr. Drilling --------5.26

F t per Hr. total time ---- 4.16 F t.

Casing arrived that was promised by mid July. Used on two holes.

The above holes were all put down with 22 In. bucket or rather bucket that breaks to 22 In. This bucket was used instead of a smaller or larger one due to the casing of this size being available. I would estimate that in ground that casing was entirely necessary it would t ake 50% longer.

The above records were taken from the drillers daily logs.

The drilling being carried on at Atolia with the same machine and crew in dry ground and easy moving have averaged in excess of 60 Ft per day with holes averaging 30 Ft in depth.

Sincerely yours

Merrill Go

Paddy Flet, Idaho.

Condensed data of drilling Phase 11.

Total Feet drilled	830 ft.
Total Hours drilling and lost time	168 Hrs.
Drilling time	121 Hrs.
Lost time	47 Hrs.
Feet per hour actual drilling time	6.86 Ft.
Feet per hour total time	4.96 Ft.
Total number of holes	25
Average depth of holes	33.2 Ft.deep.

Break down of lost time.

Moving	18 Hrs.
Fuel and grease up time	4 Hrs.
Repairs	18.45 Hrs.
Waiting for road construction	6.15 Hrs.
Total lost time	47.00 Hrs.

Paddy Flat, Phase 11

Progress report for October, 1952.

All field work has been suspended at Paddy Flat . During the month of October all samples were sacked and the various samples for assay split out.

All equipment was dismantled and stored.

The remaining work on the samples will proceed immediately. The assaying will be done at Abbot Hanks Laboratories in San Francisco.

The map of the property is completed and as soon as all results and determinations are in the yardage and evaluation of the property can be made.

Sincerely yours,
Consumer Gold Dredging Co.,

Merill Yost
Gen. Manager.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

U. S. GEOLOGICAL SURVEY
REFERENCE SLIP

Date July 8, 1953

Referred to:
Operating Committee, DMEA,
Washington, D. C.

For:

	Field Examination
	Approval & Signature
	Comment
	Initials
	Mailing
	Recommendation
	Reply
	Rewriting
	Signature
	Suggestions
	Your Information
X	Your Files
	Return for Filing
	Distribution

REMARKS:

Attached are to accompany the Field Team letter of June 29 to Mr. Standifer of the Cosumnes Gold Dredging Co., copies of which were sent to you. They were inadvertently not included.

Thank you.

Executive Officer, DMEA
Field Team, Region II
Name of Sender

EmR

YUBA MANUFACTURING COMPANY
ESTABLISHED 1905
ENGINEERS DESIGNERS
BUILDERS OF PLACER DREDGES

FACTORY
BENICIA, CALIFORNIA

BALFOUR BUILDING
351 CALIFORNIA STREET
SAN FRANCISCO 4, U.S.A.

CABLE ADDRESS
YUBAMAN SAN FRANCISCO

DEPARTMENT OF THE INTERIOR
Bureau Mines Administration
RECEIVED
JUL 13 1953

San Francisco 4, California
October 22, 1952

Mr. Guy Standifer
262 West Santa Ines Ave.
San Mateo, California

Subject: Cosumnes Gold Dredging Company
Drill Pipe Order -- Yuba OIB-1987

Dear Mr. Standifer:

Our Invoice No. 51986 covering 22" drill pipe with accessories, etc., was billed to you in a lump sum of $3,151.50. A breakdown of the invoice is as follows:

10 - Steel Casings, 22" OD x 11/32" wall x 3' long - Pc. 5 Dwg. N-12632 10 - Steel Couplings, 1" x 6" x 5' 10-11/16", Bent - Pc. 1 Dwg. N-12632 Total	$1,685.13
1 - Drive Shoe - Pc. 2 Dwg. N-12632 1 - Drive Cap - Pc. 3 Dwg. N-12632 Total	465.55
1 - Fabricated Steel Pulling Head, Dwg. N-13063 Total	429.27
2 - #15 Vulcan Pipe Tongs Total	130.20
2 - 25-ton Hydraulic Jacks Total	160.60
1 - Rough Forging 890#, ordered from outside source to make the drive cap and shoe. This could not be delivered in time to complete the job. To improve delivery, Mr. Yost authorized making these parts by rolling forgings in our plant and welding them. The rough forging was received subsequent to shipment of your pipe and is held in our Benicia plant as your property, for use on some future order. Total	280.75
GRAND TOTAL	$3,151.50

YUBA

BAUSCH & LOMB OPTICAL CO.

SAN FRANCISCO, CALIFORNIA

CHARGE TO: BRAUN-KNECHT-HEIMANN-CO.
1400 - 16TH STREET
SAN FRANCISCO 19 CALIFORNIA

CUSTOMER'S ORDER NO. 8242 ~~6-30-52~~

DATE 6 / 30 / 19 52

SHIP: COSUMNES GOLD DREDGING COMPANY
~~SLOUGH HOUSE~~
SACRAMENTO COUNTY, CALIFORNIA

P. P.
INS.
EXPRESS
FREIGHT

SHIP	CAT. NO	QUAN.		AT	LIST	NET
	31-26-24-36	1	BKW-5 MICROSCOPE SERIAL #AD 648			417.50
	31-33-51-02	1	NICHOLAS ILLUMINATOR WITH PEDESTAL BASE			40.00
	31-36-45	1	ADJUSTABLE TRANSFORMER			16.00
	31-31-79	1	EXTRA LAMP BULB 6.5 VOLT			
						474.46
			3% California Sales Tax			14.23
						489.69

HB:GD

NOTE: [illegible]

3677

PAID BY [illegible]

YUBA MANUFACTURING COMPANY
ESTABLISHED 1905
ENGINEERS DESIGNERS
BUILDERS OF PLACER DREDGES
FACTORY
BENICIA, CALIFORNIA
BALFOUR BUILDING
351 CALIFORNIA STREET
SAN FRANCISCO 4, U.S.A.
CABLE ADDRESS
YUBAMAN SAN FRANCISCO

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

San Francisco 4, California
October 22, 1952

Mr. Guy Standifer
262 West Santa Ines Ave.
San Mateo, California

Subject: Cosumnes Gold Dredging Company
Drill Pipe Order - Yuba OIB-1987

Dear Mr. Standifer:

Our Invoice No. 51986 covering 22" drill pipe with accessories, etc., was billed to you in a lump sum of $3,151.50. A breakdown of the invoice is as follows:

10 - Steel Casings, 22" OD x 11/32" wall x 3' long - Pc. 5 Dwg. N-12632
10 - Steel Couplings, 1" x 6" x 5' 10-11/16", Bent - Pc. 1 Dwg. N-12632
Total $1,685.13

1 - Drive Shoe - Pc. 2 Dwg. N-12632
1 - Drive Cap - Pc. 3 Dwg. N-12632
Total 465.55

1 - Fabricated Steel Pulling Head, Dwg. N-13063
Total 429.27

2 - #15 Vulcan Pipe Tongs
Total 130.20

2 - 25-ton Hydraulic Jacks
Total 160.60

1 - Rough Forging 890#, ordered from outside source to make the drive cap and shoe. This could not be delivered in time to complete the job. To improve delivery, Mr. Yost authorized making these parts by rolling forgings in our plant and welding them. The rough forging was received subsequent to shipment of your pipe and is held in our Benicia plant as your property, for use on some future order.
Total 280.75

GRAND TOTAL $3,151.50

YUBA

503 Market Street

BAUSCH & LOMB OPTICAL CO.

SAN FRANCISCO, CALIFORNIA

CHARGE TO: BRAUN-KNECHT-HEIMANN-CO.
1400 - 16TH STREET
SAN FRANCISCO 19 CALIFORNIA

CUSTOMER'S ORDER NO. 8242 6-30-52

DATE 6 / 30 / 52

SHIP TO: COSUMNES GOLD DREDGING COMPANY
SLOUGH HOUSE
SACRAMENTO COUNTY, CALIFORNIA

P. P.
INS.
EXPRESS
FREIGHT

CAT. NO.	QUAN.		AT	LIST	NET
31-26-24-36	1	BKW-5 MICROSCOPE SERIAL NO 648			417.50
31-33-51-02	1	NICHOLAS ILLUMINATOR WITH PEDESTAL BASE			40.00
31-36-45	1	ADJUSTABLE TRANSFORMER			16.00
31-31-79	1	EXTRA LAMP BULB 6.5 VOLT			
					474.46
		3% California Sales Tax			14.23
					489.69

HB:CD

NOTE: Items Listed Are Not In Stock at Time of Shipment, but Will be Forwarded Later

3677

(Rev.)
952)

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53
Defense Minerals Administration
RECEIVED
NOV 21 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 2265 Contract No. 351
Operator's Name Columbus Gold Dredging Co. Minerals Monazite,
Address P.O. Box 532, Cascade, Idaho Columbium, Tantalum
Contract Amount, $8,525.00 Government Participation 90 % Amount, $5,942.50

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						
(2) Labor and Supervision:						
Labor	1,411.42	3,222.07	4,633.49			
Supervision	200.00	600.00	800.00			
Technical Services Deductions on Sup.	460.00	none	460.00			
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	380.19	700.41	1,080.60			
Explosives Repairs	529.67	382.21	911.88			
Pipe Mis. Supplies	42.50	904.35	946.85			
Track Plant Supplies	None	244.95	244.95			
(4) Operating Equipment:						
Rental	none	750.00	750.00			
Purchase						
Depreciation Last month	210.41	192.08	402.49			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	260.41	None	260.41			
Payroll Taxes	128.11	432.80	560.91			
Liability Insurance						
Accounting	100.00	50.00	150.00			
(8) Contingencies (specify):						
Moving out from Paddy Flat to Cascade.	46.35	50.00	96.35			
TOTALS	3,769.06	7,548.87	11,317.93	3761.06	8483.82	12,244.88

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

Date _____ *Payee _____

Per Merrill Yost Title Gen Mngr.

*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:

$ 3384 95

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 52 Docket No. DMEA 2265 Contract No. 351
Operator's Name Cosumnes Gold Dredging Co Minerals Monazite
Address P. O. Box 532, Cascade, Idaho Columbium-Tantalum

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								
Clam Shell Drill Churn	0	0	0	$5,021.15	1106	4.54		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Plant and Hauling		1,871.83		6,299.19				
TOTAL DISTRIBUTED COSTS		1,871.83		11,320.34				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,871.83		11,320.34				28,825.00

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

Date October 17, 1952 Operator Cosumnes Gold Dredging Co.

Per Merrill Yost Title Gen. Manager.

REMARKS: Phase II of DMEA 2265 Sample hauling completed Sept. 17, Washing of samples completed Sept. 30, 1952

→ 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

Oct. 18, 1952.

The following is a condensed summary of the drilling time on the second phase in Paddy Flat, Idaho.

It is impossible at the present time to give an exact drilling cost as I do not have the approved returns from the DMEA. As soon as I receive t he approved expenses for the month of August I will compile the cost data both per foot for the drilling, concentrating and total cost.

T his drilling was done almost entirely under water. T he depth ranged from 10 F t. to 78 Ft. None of the ground was hard drilling but there were a number of holes the cobbles ranged up to 18 In. in diameter.

The whole area except for a small amount of meadow land was covered with small timber which necessitated the use of a caterpillar to brush out and make roads. The actual drill crew consisted of a driller and helper. T he total crew had four men. Driller, Helper, Cat S kinner and a panner or estimator. This work was done on a 6 day a week basis with an 8 Hour day. T he move to and from the property was not considered in this data.

S incerely

Merill Yost

Paddy F lat, Idaho.
Phase 11.

Drilling data (35 holes)

Week of Aug. 4 to 9 Incl.- 6 D a. Wk. 48 Hrs.

Day	Ft.Per day	D rilling Time	Lost Time
Monday 4,52	48 Ft.	6.00 Hrs.	2.00 Hrs.
Tuesday 5,52	22 F t.	7.30 Hrs.	.30 Hrs.
Wednesday 6,52	39 Ft.	6.00 Hrs.	2.00 Hrs.
T hursday 7,52	50 Ft.	7.30 Hrs.	.30 Hrs.
Friday 8,52	44 Ft.	7.00 Hrs.	1.00 Hrs.
Saturday 9,52	42 Ft.	7.30 Hrs.	.30 Hrs.
T otal 6 Da.	245 Ft.	41.30 Hrs.	6.30 Hrs.

Holes No.	PF-111-Y	78 F t.
	PF-112-Y	31 F t.
	PF-113-Y	70 F t.
	PF-114-Y	66 F t.
	Tot.---	245 Ft.

Average depth of holes 61.25 Ft..

Ft per Hr. Drilling time 5.9 Ft.

Ft per Hr total time 5.1 Ft.

Paddy Flat, Idaho , Phase 11.

Drilling Data continued.

Week of Aug. 11 to 16 Incl. - 6 Da. Wk. 48 Hours.

Day	Ft. per Day	Drilling time	Lost time
Monday 11,52	52 Ft.	6.00 Hrs.	2.00
Tuesday 12,52	30 Ft.	3.30 Hrs.	4.30 Hrs.
Wednesday 13,52	31 Ft.	4.15 Hrs.	3.45 Hrs.
Thursday 14,52	59 Ft.	6.00 Hrs.	2.00 Hrs.
Friday 15,52	41 Ft.	5.15 Hrs.	2.45 Hrs.
Saturday16,52	40 Ft.	5.30 Hrs.	2.30 Hrs.
Total 6 Da.	253 Ft.	30.30 Hrs.	17.30 Hrs.

Hole No.	
PF-115-Y	57 Ft.
PF-116-Y	37 Ft.
PF-117-Y	13 Ft.
PF-118-Y	6 Ft.
PF-119-Y	36 Ft.
PF-120-Y	40 Ft.
PF-121-Y	24 Ft.
PF-122-Y	15 Ft.
PF-123-Y	35 Ft.
Total	253 Ft.

Average depth of holes 31.62 Ft.

Ft. per Hr drilling time 8.3 Ft.

Ft per Hr. total time 5.27 Ft.

Paddy Flat , Idaho, Phase 11.

Drilling Data Continued.

Week of Aug. 18 t o 23 Incl. 6 days 48 Hours.

Day	F t. per Day	Drilling time	Lost time
Monday 18,52	33 Ft.	5.15 Hrs.	2.45 Hrs.
Tuesday 19,52	38 Ft.	7.00 Hrs.	1.00 Hrs.
Wednesday 20,52	23 Ft.	1.30 Hrs.	6.30 Hrs.
Thursday 21, 52	49 Ft.	6.30 Hrs	1.30 Hrs.
Friday 22, 52	47 Ft.	6.30 Hrs.	1.30 Hrs.
Saturday 23, 52	42 Ft.	3.15 Hrs.	4.45 Hrs.
Total 6 days	232 Ft.	30.00 Hrs.	18.00 Hrs.

Hole No.		
	PF-123-Y	15 Ft.
	PF -124-Y	41 Ft.
	PF-125-Y	15 Ft.
	PF-126-Y	23 Ft.
	PF-127-Y	37 Ft.
	PF-128-Y	44 Ft.
	PF-129-Y	15 F t.
	PF-130-Y	7 Ft.
	PF-131-Y	36 Ft.
	Total	232 Ft.

Average de pth of holes25.8 Ft.

Ft. per Hr. Drilling time 7.7 Ft.

Ft per Hr. Total time 4.8 Ft.

Paddy Flat, Idaho, Phasell.

Drilling Data Continued.

Week of Aug. 25 to 27 Incl. 3 Days 24 Hrs.

Day	Ft. per Day	Drilling time	Lost time
Monday 25,52	19 Ft.	6.30 Hrs.	1.30 Hrs.
Tuesday 26,52	60 Ft.	5.30 Hrs.	2.30 Hrs.
Wednesday 27,52	21 Ft.	7.00 Hrs.	1.00 Hrs.
Total 3 Da.	100 Ft.	19.00 Hrs.	5.00 Hrs.

Hole No. PF-131-Y ---------- 19 Ft.
PF-132-Y ---------- 29 Ft.
PF-133-Y ---------- 22 Ft.
PF-134-Y ---------- 30 Ft.
PF-135-Y ---------- 10 Ft.

Average depth of Holes 20 Ft.

Ft. Per Hr. Drilling --------5.26

Ft per Hr. total time ---- 4.16 Ft.

Casing arrived that was promised by mid July. Used on two holes.

The above holes were all cut down with 22 In. bucket or rather bucket that breaks to 22 In. This bucket was used instead of a smaller or larger one due to the casing of this size being available. I would estimate that in ground that casing was entirely necessary it would take 50% longer.

The above records were taken from the drillers daily logs.

The drilling being carried on at Atolia with the same machine and crew in dry ground and easy moving have averaged in excess of 60 Ft per day with holes averaging 30 Ft in depth.

Sincerely yours

Merrill Yost

Paddy Flat, Idaho.

Condensed data of drilling Phase 11.

Total Feet drilled	830 Ft.
Total Hours drilling and lost time	168 Hrs.
Drilling time	121 Hrs.
Lost time	47 Hrs.
Feet per hour actual drilling time	6.86 Ft.
Feet per hour total time	4.96 Ft.
Total number of holes	25
Average depth of holes	33.2 Ft. deep.

Break down of lost time.

Moving	18 Hrs.
Fueland grease up time	4 Hrs.
Repairs	18.45 Hrs.
Waiting for road construction	6.15 Hrs.
Total lost time	47.00 Hrs.

Paddy Flat, Idaho.
Phase 11.

Progress report for August 1952.

Phase 11 of Paddy Flat was started by moving to the first hole on August 2, 1952. The ground encountered was deeper in places than had been expected and consequently the drilling took a little longer than normal. The average depth came very close to the original estimate of 30 Ft. It was apparent that a caterpillar was necessary to make road and do the necessary clearing to move the drill from hole to hole which was done and approved by the DMEA. The work proceeded with a crew of four men, a driller, driller's helper, estimator and cat skinner. The actual drilling required 21 days for the 25 holes allowed in the second Phase.

As the drilling proceeded the ground proved to be much different than at first thought from the surface examinations. It was found that there was a rather deep and pronounced old channel that traversed the present stream on a diagonal course from North West to South East. This ranged in depth up to 50 Ft. The gravel apparently was not of local origin and it was found that this older channel had fed the area with monazite, garnet, magnetite, ilmenite and some radio actives. The present streams that cross this old channel showed little or no concentrates above the old gravels and a heavy concentrate below the se gravels. This second phase of drilling defined the course and limits of this old channel and gravels.

The map of this area showing the drill holes and contours has been completed by Mr. Knutsen and has been sent to the Atlas Blueprint Co. in Sacremento for the necessary copies. As soon as these are received they will be forwarded and the approximate limits of the above mentioned gravels outlined.

In the course of drilling some of the holes were not bottomed due to two reasons. First we did not have the necessary casing for some of the holes that tended to cave and second due to the unusual depth in

places we did not have line enough to reach bottom. The contract called for 35 Ft. in depth or there about, The actual depth will be greater than is shown by the fdrilling.

The samples were all taken to the concentrating plant and concentrated by tabling. Each sample was weighed and the displaced volume calculated to make any correction necessary due to over run. Moisture samples also were taken. These were all carefully logged on each hole and the results sent to Spokane.

The concentrates from each hole were weighed and two 10 Lb. samples taken with a Jones splitter. One sample was sent to the D inge Magnetic S eparator Co. and the other held back to be sent to other separator manufacutrers if it seemed necessary after gettin the first separated samples.

The average weight of the bulk concentrates recovered from the holes in t he above menti ned old channel will average near 70 Lbs. to the Cu. Yd. The concentrates were visually examined for the various minerals with a micro scope but it was too difficult to make any estimates that would have such accuracy.

T he first 15 samples for Dings have been received and will be sent to Abbot H anks, a commercial labratory in San Francisco for the various determinations of Rare Earths, Magnetite, Ilmenite and the Uranium Columbium complex. It was decided to send these samples to Abbot hanks as they have equipped their Labrat ory to do the research for the Mountain Pass Bastenasite mine. Also they are near to our operations in Calif. and a closer check can be made by us. It was my thought to take the samples that have been magnetically separated directly to Abbot Hanks Labs. and go over the determinations in detail and plan the procedure of analysis.

The recovery and separation of the sands seems quite difficult. Magnetic separation alone will not make a clean enough separation

and it will be necessary to combine flotation and other gravity methods to clean up the magnetic product.

All of this work can be done by us from the magnetic product as we have all the labratory facilities in California.

The actual drilling of Phase 11 in Paddy Flat was completed the last of ~~September~~ August and the holes filled the fore part of October. The property owners insisted on filling all drill holes and this was completed about Oct. 23, 1952.

Sincerely yours,
C.G.D.Co
Merrill Yost
Gen. Mngr.

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

1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 3 1952

October 22, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Chief, DMPA Section, Bureau of Mines, Reg. II

Subject: Interim Inspection Report - Cosumnes Gold Dredging Company, Paddy Flat Placer Deposit, Valley County, Idaho, Contract Idm-E351, Docket No. DMEA 2265 (monazite)

This property was visited August 18 and September 24, 1952 to inspect the progress of this project. The attached sketch map shows the approximate location of the 10 holes under Stage I and the 25 holes under Stage II. Applicant will submit a more accurate map in the near future based on a new survey and tied into section corners.

As previously mentioned, the contents of one-half or one-quarter of a hole was screened and tabled at the Cascade plant. Samples of the table concentrates were shipped to Dings Magnetic Separator Company at Milwaukee, Wisconsin for further concentration into magnetite, ilmenite, garnet and monazite concentrates and tailings. The results of the first nine tests have been used to calculate the approximate contents of the black sands:

Hole No.	Ft. Depth	Lbs. Black Sands/Cu. Yd.	Calculated Content, Lbs./Cu. Yd. Magnetite	Ilmenite, Garnet, Etc.	Monazite
PF 101Y	18	9.6	0.43	4.9	0.15
*PF 102Y	10	58.5	14.4	26.4	1.05
PF 103Y	15	23.0	1.1	10.6	0.74
PF 105Y	27	137.0	50.2	34.9	2.46
*PF 106Y	20	43.1	0.07	9.9	0.82
PF 107Y	31	65.2	5.7	18.9	? 26.0
PF 108Y	26	30.5	14.5	7.2	0.49
PF 109Y	20	52.1	11.5	21.4	0.63
9 *PF 110Y	84	52.2	19.3	11.8	0.58

Note: Calculated content of black sands is based on Dings EBK High Intensity Magnetic Separator tests. Monazite content will be corrected when chemical analysis of products are available.

*Did not reach bedrock.

Balance of sands are tailings other than the above concentrates.

The first 10 test drill holes of Phase I were completed July 31, 1952. Drilling under Phase II of the contract was started August 4. Twenty-five of the fifty holes allowed were completed August 27 when drilling was suspended until the results of the first 35 holes are known.

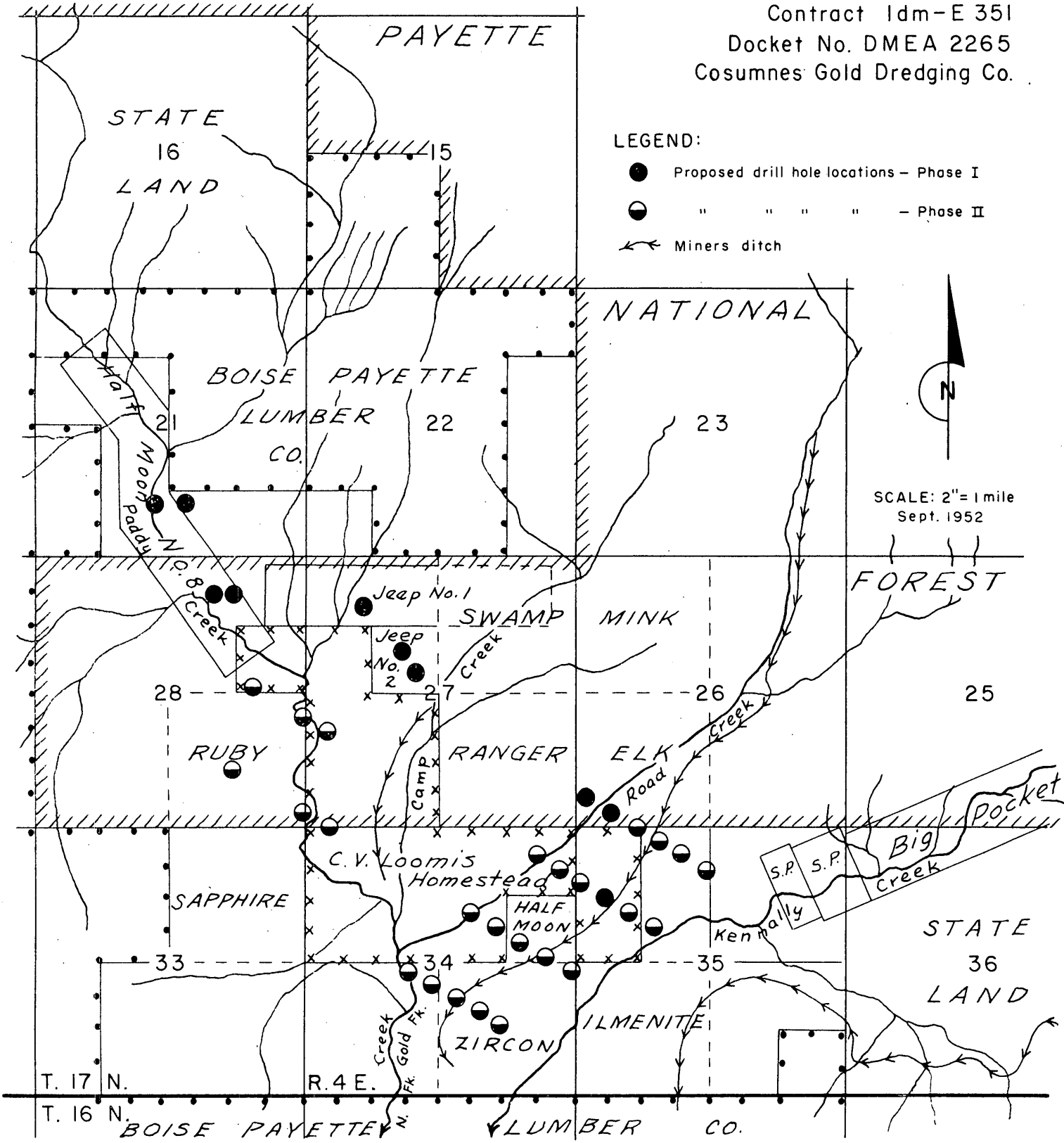
Test hole depths are:

Hole No.	Ft. Depth	Hole No.	Ft. Depth
PF-111Y	78	PF-124Y	41
PF-112Y	31	PF-125Y	15
PF-113Y	70	PF-126Y	23
PF-114Y	66	PF-127Y	37
PF-115Y	57	PF-128Y	44
PF-116Y	37	PF-129Y	15
PF-117Y	13	PF-130Y	7
PF-118Y	6	PF-131Y	54
PF-119Y	36	PF-132Y	29
PF-120Y	40	PF-133Y	22
PF-121Y	24	PF-134Y	20
PF-122Y	15	PF-135Y	10
13 PF-123Y	40		

John D. Bardill

John D. Bardill

Orig. & 3 - Wash.
USGS (2)
DMEA
M/D
JDB/vf



SKETCH MAP SHOWING APPROXIMATE
LOCATION OF TEST HOLES
PADDY FLAT PLACER DEPOSIT
VALLEY COUNTY, IDAHO

F (Rev.) (52)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 1-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1952 Docket No. DMEA 2265 Contract No. 351
Operator's Name Cosumnes Gold Dredging Co.
Address Cascade, Idaho P.O. Box 528
Minerals Monazite, Columbium, Tantalum
Contract Amount, $25,825.00 Government Participation: 90 % Amount $25,942.50

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						
			3,227.07			
(2) Labor and Supervision:						
Labor	2,193.74	1,028.33	3,227.07	2,192.82	1028.33	3,221.15
Supervision	600.00	None	600.00	600.00		600.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Gas & Oil	397.22	303.19	700.41	335.47	303.19	638.66
Explosives Repairs		382.21	382.21		382.21	382.21
Pipe Misc. Supplies	194.95	50.00	244.95	23.22	50.00	73.22
Track Misc. Supplies	428.79	95.56	524.35	510.06	95.56	605.62
(4) Operating Equipment:						
Rental	750.00	None	750.00	750.00	—0—	750.00
Purchase						
Depreciation	280.53	212.08	492.61	—0—	212.08	212.08
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	13.03	1,463.03	1,476.06	13.03	1,463.03	1476.06
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	229.98	202.02	432.00	213.48	202.82	416.30
Liability Insurance						
Accounting	50.00	50.00	100.00	—0—	50.00	50.00
(8) Contingencies (specify):						
Moving Cat.		50.00	50.00		50.00	50.00
Freight Hauling	6.52		6.52			
Telephone	120.63		120.63	—0—	—0—	—0—
TOTALS 26,611.29	~~3,837.22~~	3,837.22	9,646.51	~~4,646.60~~ 4,646.60	3,837.22	~~8,483.82~~ 8,483.82

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

Date 9/6/52 *Payee Cosumnes Gold Dredging Co

Per Merrill Yost Title Gen. Mngr.

*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:

$ 4181.90

Signature
(Authorized Certifying Officer)

Date 10-9-52 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 351 in accordance with the terms of the contract.

Signature John Bardell Title Inst Engineer Date 10/4/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thos. E. Howard Title Min. Engr. Date 10/5/52

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

[redacted]104A
[redacted]952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1952 Docket No. DMEA 2265 Contract No.
Operator's Name Columbus Gold Dredging Co. Minerals 351 Monazite,
Address Cascade, Idaho P.O. Box 532 Columbium, Tantalum

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Clam Shell	1 ft.	3,115.29	828	5,021.15	1106	4.54		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Plant & Hauling		2,496.00		4,027.36				
Total Distributed Costs		5,611.29		9,048.51				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		5,611.29		9,048.51				

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 Sept. 6, 1952 Operator Columbus Gold Dredging Co.
Per Merrill Yost Title Gen. Manager

Remarks: Phase 2 of DMEA 2265 : Drilling completed in August. Hauling of samples will continue into September and also the washing of the samples. Repairs of equipment will be made in September.

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.

U. S. GOVERNMENT PRINTING OFFICE 205676

Cascade, Idaho
Sept.6, 1952

PROGRESS REPORT:
DMEA 2265, E351

PHASE (2)

Phase (2) of the above project as amended to 25 holes the first part of August and the actual drilling completed on August 27, 1952. Hauling of samples to the washing plant is being continued into September, as will be the washing and preparing of the samples. Repairs to equipment are now being made before going into White Hawk Basin.

The actual drilling of the holes in Paddy Flat has been completed. This month 828 feet of hole were drilled at a cost of $3.76 per foot. This was for 25 holes.

The total footage drilled for Phase land 2 of the project is 1106 feet. at an average cost of $4.54 per foot.

In addition to the above cost are those of plant cost and operation.

Total cost to September 1, 1952 is $9,448.51

The project should be completed sometime in September with the exception of the analysis of the various samples. This will no doubt take a considerable amount of time.

The drilling of Paddy Flat has indicated a deep channel in the following areas. Half Moon #5, Jeep #1, Jeep #2, Half Moon #4, the Zircon and Ilmenite claims and the Loomis Homestead. The gravels are up to 90 feet deep and the concentrates about 60 pounds per yard. The magnetite fraction is an exceedingly high grade iron ore of 70% iron content with only traces of sulfur and phosphorus or other undesirable elements.

Our work so far indicates a possible dredging area of approximately 60,000,000 Cu. Yd.

Very truly yours,

E. Knutsen

E. Knutsen

U. S. BUREAU OF MINES
Received
OCT 7 - 1952
Albany, Oregon

Albany, Oregon

Region II

October 21, 1952

Bonanza Gold Dredging Company
P. O. Box 532
Cascade, Idaho.

Reference: August MP-104
Contract [illegible]-551

Gentlemen:

Your August MP-104 has been approved for $4,646.60 and payment will be made in the amount of $4,181.94. A resume of deductions follows:

1. Labor. Error in computing overtime for Robert M. Patton. Time and one-half for 31 hours is $86.03 and not $86.95. Disallowed $0.92.

2. Gas and Oil. The difference between $340.73 and $303.19 (allowed in July) plus $26.22, General Petroleum Company invoice, disallowed as no substantiating invoices furnished. The $41.75 may be claimed on future invoices when properly supported.

3. Plant Supplies. The $6.40 charge by the Intermountain State Bank may be reclaimed if properly supported and allowed by the Contract. The invoice for $183.33, Sovereign Mining Company, for a Geiger Counter disallowed as not covered in Equipment to be purchased. The Contract covers Depreciation on a Geiger Counter with a Fair Market Value of $225.00. The invoice is returned.

4. Miscellaneous Supplies. The invoices of Boise Payette Lumber Company returned for proper presentation. Although you claimed only $302.39 we were unable to determine from the statement which tickets represented the balance of $[illegible]. In the listing for purchases of $251.90 we found two of the tickets were included in the amount allowed for July. These tickets are A [illegible] and A [illegible]. We were also unable to determine which purchases are covered in the discount of $42.64. Petty cash has been changed from $60.34 to $44.00. Total deducted $318.73.

5. Depreciation. The charge for monthly depreciation must be supported by a schedule listing the equipment used each month. If any equipment is not used or not used a full month, the monthly charge should be reduced accordingly.

6. Payroll Taxes. This item has been reduced by $16.50, to correct error in computing compensation @ 3.75 on $1,356.75 and to reduced claimed amount on the $100.00 not allowable on the contract for Supervision.

Albany, Oregon

October 21, 1951

Audit 71

Cottonwood Gold Dredging Company
P. O. Box 572
Cascade, Idaho.

Reference Audit 19-101
Contract 14m-1-951

Gentlemen:

Your Audit 19-101 has been approved for $4,340.00 and payment will be made in the amount of $4,151.74. A resume of deductions follows:

1. Labor. Error in computing overtime for Robert E. Jackson. Time and one-half for 21 hours is $58.23 and not $58.72. Disallowed $0.49.

2. See Adj. 101. The difference between $140.73 and $200.10 (allowed in daily plus $24.41, General Petroleum Company invoice. Disallowed as no substantiating invoices furnished. The $41.73 may be claimed on future invoices when properly supported.

3. Plant Supplies. The $4.40 charge by the Intermountain Supply Co. may be reclaimed if properly supported and allowed by the Contract. The invoice for $143.33, Corporate Mining Company, for a Gulper Counter disallowed as not covered in Equipment to be purchased. The Contract covers Operation on a Gulper Counter with a fair market value of $325.00. The invoice is returned.

4. Miscellaneous Supplies. The invoice of Boise Payette Lumber Company returned for proper presentation. Although you claimed only $202.39 we were unable to determine from the statement which tickets represented the balance of $138.06. In the listing for purchases of $251.59 we found two of the tickets were included in the amount allowed for July. These tickets are $ 0232.39 and $ 0192.24. We were also unable to determine which purchases are covered in the Statement of $44.64. Verbly cost has been changed from $60.34 to $44.00. Total Reduced $232.73.

5. Depreciation. The charge for monthly depreciation must be supported by a schedule listing the equipment used each month. If any equipment is not used or not used a full month, the monthly charge should be reduced accordingly.

6. Payroll Taxes. This item has been reduced by $10.50, to correct error in computing compensation of $ 2.77 on $1,258.75 and to reduced claimed amount on the $100.00 not allowable on the contract for depreciation.

7. Telephone. The contract does not list any allowance for such expense and the amount of $104.60 has been deleted.

8. Accounting. This charge must be supported by a receipt listing and identifying the person receiving same or properly identified on the payroll.

Very truly yours

W. Eulen Lee
Finance Officer

wsb
cc: S/F
Contract
Acct. Dept.
Vouch. (2)
Valin (2)

10/30/52 gla

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

1201 N. Division St.
Spokane 2, Washington
October 22, 1952

DMA-2265

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 2 2 1952

Cosumnes Gold Dredging Company
Box 532
Cascade, Idaho

Attention: Mr. Merrill Yost, Mgr.

Subject: Amendment No. 1, Contract Idm-E350
Amendment No. 2, Contract Idm-E351

Dear Mr. Yost:

Enclosed are copies of the subject amendments. If these amendments meet with your approval please sign all copies, retain one copy of each for your files and return the others, including the originals, to this office.

Sincerely yours,

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

Enclosures

cc: DMEA, Wash. (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

October 21, 1952

Memorandum

To: Paul Zinner, Chief, Minerals Division

From: E. J. Carlson, Commodity-Industry Analyst, Rare and Precious Metals Branch

Subject: Letter of Frank C. Armstrong regarding Docket No. DMEA - 2265

In my letter to Mr. Stanley A. Fietler, DMEA, dated January 7, 1952, it was recommended that: "Sufficient aid should be given the Cosumnes Gold Dredge to indicate that commercial minerals exist in minable quantities. (Should this be indicated, then additional aid may be given for more extensive exploration.) Such initial aid should be expended in drilling about 10 holes in the present stream basins which may be considered as amenable for dredging. The total expected footage would be 300 feet and the entire cost of drilling, sample concentration, and analyses not to exceed $5,000.00."

As of Mr. Armstrong's letter, paragraph 1, page 1, the drilling was continued through Phase II with another 25 holes being drilled, without establishing the existance of minable quantities of minerals by analyses. In paragraph 2, page 1, it is stated that only the northern part of Paddy Flat contains gravel of economic interest. How this can be determined without analyses, we do not know.

At the top of page2, Armstrong quotes the opinion of Schmidt, who is a student geologist at the University of Washington and who is presently assisting Dr. J. Hoover Mackin. Dr. Mackin is conducting a geomorphic study of the area for the U.S.G.S. and the AEC. If any comments are to be quoted, they should come from Dr. Mackin.

In paragraph 2, page 2, Armstrong quotes the applicant of the loan, Yost, as estimating 60,000,000 yards of gravel containing 70 pounds of heavy concentrate, half of which would be magnetite. We are of the opinion that analyses are necessary, with a competent survey, to determine such figures. Besides, the loan was supposed to be made for monazite exploration and not magnetite. How a hole can average 55¢ per cubic yard, without analyses, is difficult for us to conceive; and from what minerals has this figure been derived.

Having personally visited the area and seen a part of the old channel in which a stated 60,000,000 yards are supposedly contained, it is hard to believe that this old channel, which traverses the present stream systems and rolling hills, can be mined by large dredges. Water would be a problem most of the year if extensive hydraulic operations were planned.

In the last paragraph on page 2, there are hopes that the combined Consumnes operations could produce 1,000 tons of magnetite per day. If the gravel ran 35 pounds of magnetite as estimated in paragraph 2, page 2, that would mean handling about 57,000 cubic yards of gravel daily. (The larger dredges in California handle around 12,000 yards in 24 hours, and such dredges have an initial cost of 3 to 5 million dollars each.) Five such dredges would deplete a 60-million yardage in 1,000 days. Considering the estimated yardage at Paddy Flats, the guessed-at mineral content, the actual costs of dredges, etc., the Consumnes figures do not make common sense facts for successful mining exploitation.

Edwin J. Carlson

Edwin J. Carlson

Copy to: E. W. Ellis

10/22/52 gla

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 22 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 21, 1952

Memorandum

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Copy to: Minerals Division
Rare and Precious Metals Branch
K. W. Ellis, Rm 4640, DMEA
Paul Zinner
E. J. Carlson
F I L E S

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Signed

Edwin J. Carlson

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SEP 1 6 1952

So. 157 Howard Street
Spokane 4, Washington

September 16, 1952

Memorandum

To: DMEA Field Team, Region II

From: Frank C. Armstrong, Geologist, U. S. Geological Survey

Subject: Examination of Cosumnes Gold Dredging Company, Paddy Flat Placer Claims, Docket No. DMEA-2265, Contract No. Idm-E351, Monazite, Columbium-Tantalum.

I visited Paddy Flat September 6 in company with Merrill Yost, resident manager for Cosumnes Gold Dredging Company, and Dwight Schmidt, geologist for the U. S. Geological Survey. Phases I and II of the project had been completed which completes the physical exploration for the project. The samples taken have yet to be analyzed. Phase II of the project consisted of drilling 25 holes instead of 50 holes as originally set forth in the contract, as later modified by Volin and Hobbs' letter of July 31, 1952, and Yost's memorandum dated August 20, 1952. Many of the holes were drilled deeper than 35 feet as originally outlined in the contract. Several of the holes were drilled as deep as 84 feet without penetrating bedrock. The drill and other equipment were moved out of Paddy Flat shortly before my visit there on September 6.

Originally it was thought that drilling would show all of Paddy Flat proper contains gravels that could be placered. However, drilling indicated that only the northern part of Paddy Flat contains gravel of economic interest. It was found that two bedrock ridges separated the northern and southern parts of Paddy Flat and that south of the northernmost ridge the gravels do not contain economic concentrations of heavy minerals. The northern part of Paddy Flat is an old stream channel that has a more easterly trend than the present drainage and crosses the present drainage pattern at an angle of about 70 degrees. By drilling, the old stream channel was traced to the east across the ridge dividing Paddy Creek and Camp Creek, across Camp Creek, across the ridge dividing Camp Creek and Rapid Creek, and east of this point the channel swings to the south. On the ridge between Rapid and Camp Creeks holes 84 feet deep were drilled but did not enter bedrock. The gravels in this old channel differ from others in the area in that they are rich in magnetite and relatively poor

in ilmenite--the reverse is usually the case. Schmidt is of the opinion that northeast of where the old channel swings south there are more old, thick gravels which may represent a tributary to the old channel.

Yost estimates that in the ground thus far explored there are 60,000,000 cubic yards of gravel which will average between 60 and 70 pounds of heavy concentrate per yard, about half of which would be magnetite. The rest of the concentrate would consist dominantly of ilmenite, garnet, monazite, zircon, epidote and some columbium - tantalum and radioactive minerals. According to Yost's figures one of the deeper holes has an average value of 55¢ per cubic yard. Yost plans to separate and market all of the above heavy minerals. He even spoke of the possibility of finding a market for the quartz in the gravel.

Yost sends his samples for magnetic separation to Dings Magnetic Separator Company, 4740 West Electric Avenue, Milwaukee 46, Wisconsin. It is understood that the monazite fraction he will send to Abbot A. Hanks, Inc., assayers, in San Francisco, for rare earth determinations. It is my understanding that Hanks is doing the rare earth determinations on the samples from the Mountain Pass district in Southern California.

This winter Yost plans to send bulk samples to the Research Foundation at the Colorado School of Mines to determine the best methods of mineral separation in order to recover marketable concentrates of all of the heavy minerals.

Yost objected to the deletion of $360 for engineering, supervision and management from the July account. He has written the Bureau of Mines about it.

While in Cascade, Idaho, I met Mr. Samual Sargis of the Geneva Division of the U. S. Steel Corporation at Provo, Utah. He said that U. S. Steel is very interested in this placer development as a possible source of magnetite. The hope is that Cosumnes' Idaho placers and a Cosumnesplacer in California would be able to supply the plant at Provo with 1,000 tons of magnetite per day. Apparently the Idaho magnetite is a very high-grade furance feed. The attached analysis shows an iron content of 69 percent for one sample from Paddy Flat. This sample was roughly concentrated by the use of a hand magnetite, and Yost thinks that it would be possible to produce a concentrate running perhaps as high as 71 percent iron. The magnetite would be nodulized to give a uniform size furnace feed--a point which Sargis stressed as extremely desirable. According to Yost, U. S. Steel would make a high grade steel from magnetite which would be used in the manufacture of tin cans. Because of the thinness of the can and of the tin plate on it, it is apparently necessary to use a high grade

steel so that impurities will not eat through the tin plate or otherwise damage the can. Sargis took numerous samples for analysis for several constituents. I got the impression that if the analyses proved favorable, U. S. Steel would be willing to make many more analyses for Cosumnes. I also got the impression that if the analyses are favorable then U. S. Steel would be interested in cooperating in the exploration and development of the property. Sargis brought up the possibility of using a magnetometer to outline the old stream channel and to explore for other magnetite-bearing placer deposits in the area. The general impression left with me was that U. S. Steel was already sufficiently interested to really look into the deposits. Yost said he wanted DMEA to know about the U. S. Steel developments but asked that the information not be made public.

Yost plans more work in the Paddy Flat area next year. The plan at present is to drill all holes to bedrock that have not reached it, and to delimit more thoroughly the old channel in order to plan placer operations and better determine grade.

Frank C. Armstrong
Geologist

cc: DMEA (4)✓
USBM (2)
J. Hoover Mackin
Armstrong

C
O
P
Y

Magnetite

Smelter analysis by U. S. Steel.

Sample from C. G. D. Co. Paddy Flat property, Idaho.

Al_2O_3	1.76 %
$Si\ O_2$	1.87 %
Ca O	Trace
Mg O	Trace
Fe m	69.0 %
S	.010 %
Phos.	.028 %
Mn	.13 %
$Ti\ O_2$	.08 %
Cu	.005 %
Pb	.005 %
Arsenic	.005 %
Zn	.01 %
V	.06 %
Ca F	.0175 %

By Mr. Sargis

Copy by M. Yost. Sept. 5, 1952.

73%

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

1201 N. Division St.
Spokane 2, Wash.
September 15, 1952

Cosumnes Gold Dredging Co.
Box 532
Cascade, Idaho

Subject: Contract Idm-E351, DMEA Docket No. 2265 (monazite)

Gentlemen:

Answering that portion of your letter of August 30, 1952, to Mr. Volin, referring to deletions made on your invoice submitted for the period June 27 to July 31, the item of $250.00 for rental on the dozer was deleted because the amendment allowing this charge had not been signed and received by us when the subject invoice was checked. This amendment has now been received and this charge may be reclaimed on your next invoice if you wish.

When your invoices and supporting papers are received by us they are checked here and then sent to our Fiscal Officer at Albany, Oregon, as he is the one who certifies them for payment. It was rather difficult for us to determine, therefore, just why the charge of $360.00 for supervision had been disallowed since your certified payroll had been sent to Albany. We talked with the Fiscal Officer on the telephone, and he states that the $360.00 for supervision was not shown on the certified payroll and that is undoubtedly the reason it was disallowed on this particular invoice. Mr. Hull wrote you August 14, asking you for a more detailed payroll to cover the period under discussion. Your contract calls for an expenditure of $360.00 for supervision under Stage I, and if you will include this on a subsequent certified payroll as a separate item and make a notation calling the circumstances to our attention, we will be glad to pass it for payment.

Our Washington office has requested that you submit with future monthly reports a more complete narrative description of the work done and maps showing the location of holes, depth of holes, and any assay data you have on them. This information is requested also for your June 27-July 31 invoice and for your August report which we have just received.

Sincerely yours,

Thomas E. Howard
Mining Engineer

cc: USGS (2)
DMEA & AD
JDB
W. Rulon Lee
WASH (2)

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

1201 N. Division St.
Spokane 2, Wash.
September 5, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 15 1952

Mr. Merrill Yost, Gen. Mgr.
Cosumnes Gold Dredging Co.
Cascade, Idaho

Subject: Contract Idm-E351, DMEA Docket No. 2265

Dear Mr. Yost:

This is in answer to your letters of August 20 and 30, 1952.

Mr. Howard of this office gave Mr. Vandeventer answers to some of the questions in your letter of August 20, and your second letter confirms that this information was relayed to you.

With respect to your question as to whether the subject contract permits iron and titanium oxide pilot plant tests, it is my guess that the amount of funds left over after sampling and assaying charges will not be enough to undertake such tests. If considerable funds remain, however, I believe that they could be used for metallurgical studies for the purpose of improving monazite recoveries. Separation of the iron and titanium incidental to such tests would be permissible, but I do not believe that expenditures for metallurgical studies directly concerned with iron and titanium would be permissible under the contract.

As Mr. Bardill may have informed you, the Albany metallurgical laboratories, under the supervision of Mr. Stephen M. Shelton, Regional Director, Region II, are undertaking certain metallurgical tests for the improvement of grade of the ilmenite sands associated with the monazite. Bureau of Mines funds allotted for this purpose are not enough to go into the investigation very far. Perhaps some of the companies conducting monazite operations and interested in the marketing of by-product ilmenite sands, such as the Cosumnes Gold Dredging Company, will want to enter into a cooperative project with the Bureau of Mines in making full-scale metallurgical studies leading to the utilization of the ilmenite. I am having Mr. Bardill discuss this with you on his next inspection trip to your DMEA project.

I believe the assaying service of the Abbot Hanks laboratories will be satisfactory for the analytical work in connection with your DMEA project.

Mr. Howard will write you in regard to the items deleted from your last voucher for reimbursement under your contract.

If we can help you further in connection with your contract please do not fail to get in touch with us.

Sincerely yours,

M. E. Velin, Member
DMEA Field Team
Region II

MEV:he

cc: DMEA, Wash. (2) ✓
USGS, (2)
Stephen M. Shelton
DMEA
DF
JDB

SEP 4 1952

Mr. J. A. Weisenhorn
Executive Officer, Region II
Div. Field Team
Room 157 Howard Street
Portland 4, Oregon

Re: Docket No. [illegible]-265 (Consolid.)
Laurma Gold Dredging Co.
Shady Lady Placer
Valley Co., Idaho

Dear Mr. Weisenhorn:

Kindly instruct the operator to furnish with the "Operator's Monthly Report Form [illegible]" a concise narrative description of the work done. Wherever possible the narrative is to be illustrated with maps or photo or showing formation penetrated and location and assay of samples taken as well as advance in workings. In the case of churn drilling, the location of holes is to be shown on maps; logs and assays also are to be submitted.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

J. H. Hedges

Director, Bureau of Mines

S. M. Lemmon

Member, Geological Survey

FLKnouse/jem 9/2/52
cc for Adm. Heading File
Docket
Messrs. E.J.Carlson-134
J.J.Norton-C-232
Ellis Knouse
Opr. Committee
Field Team, Region II

Mr. Ellis

~~Mr. Knowlee~~

Ellis contract file

DMA-2265 Cosumnes
IDM-E351

No mineral rights!?

Form ME 104 (Rev.)
(April 1952)

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 52, 195 Docket No. DMEA Contract No.
Operator's Name Minerals Co.
Address Idaho, Canada
Contract Amount, $ Government Participation % Amount, $

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						
(2) Labor and Supervision:	2,000.00		2,000.00			
Labor	200.00		200.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:	202.29		202.29			
Timber	322.22		322.22			
Explosives	23.23		23.23			
Pipe	50.00		50.00			
Track						
(4) Operating Equipment:	200.00		200.00			
Rental						
Purchase	222.00		222.00			
Depreciation						
(5) Initial Rehabilitation and Repairs	3,453.00		3,453.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	300.00		300.00			
Payroll Taxes						
Liability Insurance	50.00		50.00			
(8) Contingencies (specify):						
Power Line	20.00		20.00			
TOTALS	6,837.22		6,837.22	3837.22		3837.22

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

Date *Payee

Per Merill Yost Title Manager

*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:

$ 3453.49

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idu. E 351 in accordance with the terms of the contract.

Signature [illegible] Title Metallurgist Date Aug. 13, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Glenn [illegible] Title Mng. Engr. Date 8/19

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

(2) LABOR:			
Eng. Mer.	$1,028.33		
	360.00		
	$1,388.33		Total $1,388.33
(3) Operating Materials and Supplies:			
Gasoline and Oil	303.19	Standard Oil	
Repairs Drill Truck	274.02	Idaho City Service	
Repairs Compressor	106.69	Cascade Motors	
Repairs Auto	1.50	John Eaton Co	
	$ 685.40		685.40
Office Supplies	78.25	Jensen Graves Co.	
Hot Plate	6.95	Sears	
Paper Bags	2.87	Reeves Wholesale	
Light Bulbs	2.80	Idaho Light Co.	
Add. Paper	1.75	Burrough Co.	
Seal	2.94	Western Bearings Co.	
	$ 95.56		95.56
Plant Supplies			
Canvas Sample Bags	50.00		50.00
(4) Operating Equipment:			
Rental of HD7 & Dozer	250.00		250.00
Depreciation			
Screen for sample plant	150.00		
Minor Equipment	350.00		
Geiger Counter	225.00		
Clam Shell Drill mounted on truck	9,000.00		
½ Ton Pickup(G.M.C)	1,500.00		
1 Automobile	1,500.00		
	$12,725.00		
One Month Depreciation (on 5 year basis)	212.08		212.08
(6) Buildings, Improvements, Installation:			
Building Materail	491.81	Boise Payette Lmbr. Co.	
Building Materail	405.92	Frank Gallender	
	$897.73		897.73
Equipt. Inst for power & water at sample plant			
Materail Water System	150.80	N.J. Good Co.	
Plant and Office Equipment	494.83	Brown Kucht Heinnaum Co	
	645.63	Allowable	500.00
Collecting of Equipment & Materail at Sloughhouse, Calif. and installing same at work sites.			
Labor	104.00		
Labor	1,028.33		
Supervision ½ Mo.	300.00		
Lodging & Meals of workmen	96.00		
	$1,528.33		$1,528.33
		Total	$2,926.06
½ of the above for Contract #2265	$1,463.03		

(7) Payroll Compensation Insurance

@ $3.75 % on $2,551.12.....	$95.67	
Idaho unemployment		
@2.7%.....	68.88	
Fed. OAB @ 1.5%.....	38.27	
	$ 202.82	$202.82
Accounting....one Month.....	50.00	50.00

(8) Moving Cat. to Baldy Flat..... 50.00 Frank Stroup 50.00

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 27 to July 31 195 2 Docket No. DMEA 2265 Contract No. Minerals 351 Monazite Columbium, Tantalum

Operator's Name Cosumnes Gold Dredging Co.

Address Box 532, Cascade, Idaho

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger Ram Shell	lft.	1,905.86	278	1,905.86	278	6.85		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1,905.86	278	1,905.86				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 Merrill Yost Title Manager

Remarks: Costs above are actual Drilling costs. Total cost of project to date is $4,447.22 which includes moving to Idaho and erecting washing plant, office etc.

(This concludes Phase one (1) of DMEA2265)

→ 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.

U. S. GOVERNMENT PRINTING OFFICE 205676

TO SUPPLEMENT:
Form MF-104A.

Hole No.	Dept. in Ft.
P.F.101	18
P.F.102	10
P.F.103	15
P.F.104	27
P.F.105	27
P.F.106	20
P.F.107	31
P.F.108	26
P.F.109	20
P.F.110	84
Total 10 Holes	278Ft.

DRILLING COST:

Payroll:

W.T. Bennum $178.50	½ to Drilling	$ 89.25
L.D. Lemmons	All to Drilling	38.40
C.V. Loomis	All to Drilling	164.25
R.M. Patton	All to Drilling	241.43
	Total Labor	$533.33
Supervision		150.00
		$683.33
Payroll Taxes, Comp. Etc. 7.95%		54.32

Total Labor and Supervision		$737.65	$737.65
Gas and Oil	$300.00		
Repairs: Drill truck	274.02		
Compressor	106.69		
Cat. Rental	250.00		
Cat. Moving	50.00		
Acctounting	12.50		
	$993.21		$993.21
Depreciation. Drill	$9,000.00		
Pickup ⅓ of $1,500.00	750.00		
Auto ⅓ of $1,500.00	750.00		
	$10,500.00		
Depreciation one month on five year Bases			$175.00
		TOTAL DRILLING COST	$1,905.86

Feet of hole drilled 278

DRILLING COST PER FT. $6.85

9/3/52 gla

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

1201 N. Division St.
Spokane 2, Wash.
August 26, 1952

Mr. G. M. Standifer, President
Cosumnes Gold Dredging Company
262 West Santa Ines
San Mateo, California

Subject: Docket No. DMEA 2265, Contract Idu-E351,
Cosumnes Gold Dredging Co., Valley County, Idaho

Dear Mr. Standifer:

Our original instructions to you were to have Dings Magnetic Separator Company send the monazite sand samples to the Bureau of Mines Metallurgical Laboratory at Albany, Oregon, for assaying. In a recent discussion, the Regional Director, Mr. Stephen M. Shelton, stated that this procedure would not be consistent with Bureau of Mines policy not to compete with private assaying firms. Accordingly, we are notifying you at this time to send the monazite samples to some private assayer such as Ledoux & Co., 157 Sixth Ave., New York City, Foote Minerals Co., 1604 Summer St., Philadelphia, Pa., or such firm as you may choose.

The following schedule of assaying is suggested and will be satisfactory to the Field Team:

1. On the samples from each hole returned from Dings Magnetic Separator Company:

   a. Monazite fraction;
      Assay for total R.E.O., ThO, and U_3O_8 (if suspected in appreciable quantities).

   b. Magnetic fraction;
      Assay for Fe and TiO_2.

   c. Ilmenite fraction;
      Assay for TiO_2 and Fe.

2. On one or more composite samples (depending on your own judgment):

   a. Magnetic fraction;
      Assay for R.E.O., ThO, and U_3O_8.

b. Ilmenite fraction;
Assay for R.E.O., ThO, and U_3O_8.

c. Tailings fraction;
Assay for R.E.O., ThO, and U_3O_8.

Assays for $(Ta,Cb)_2O_5$ should be made on any samples suspected to contain tantalum or columbium.

You may, of course, want to include other fractions and assay for other metals and oxides to fully complete the overall picture. We would like to receive your ideas in this respect.

You should instruct the assay office to return the rejects for possible future checking.

We will appreciate receiving the assay data when it is reported to you.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
DMEA Field Team, Region II
(U. S. Bureau of Mines)

Thor Killingsard
For: A. E. Weissenborn
(U. S. Geological Survey)

cc: Mr. Merrill Yost, Cascade, Idaho
Mr. Dwight Schmidt, Cascade, Idaho
USGS, Spokane
DMEA, Wash. (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
B. 157 Howard Street
Spokane 4, Washington

Division Copy

August 21, 1952

Memorandum:

To: Chairman, Operating Committee, DMEA

From: DMEA Field Team, Region II

Subject: Amendment No. 1 to exploration project, Contract Idm-2331 Docket No. DMEA 2255 (monazite)
Cosmos Gold Dredging Co., Valley County, Idaho

Transmitted herewith are three copies of the captioned amendment together with two copies of a memo of justification prepared by a representative of the Field Team.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

cc: DMEA, Wash. (2)
DMEA, Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1952

COPY

August 13, 1952

M. E. Volin, Member, DMEA Field Team, Reg. II

John D. Bardill, Metallurgist, DMEA Field Team, Region II

Amendment No. 1, Cosumnes Gold Dredging Co., Contract Idm-E351,
DMEA Docket No. 2265 (monazite)

The D4 caterpillar tractor w/dozer owned by the company was considered too small and was left in California.

The larger HD-7 bulldozer which is being rented at the rate of $500 per month is adequate for clearing drill sites and building access roads to the drill sites.

/s/ John D. Bardill

cc: USGS (1)
Wash (2)
JDB

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

rewritten in Mr. Kane's office & taken to Hazel Berry 1:45 pm. 7/11/52, but she said it couldn't get on today's agenda

AIR MAIL

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA-2265 (Monazite)
Contract No. Idm-E351
Paddy Flat Placer
Valley County, Idaho

Dear Mr. Weissenborn:

This letter is in reference to your inquiry of July 3, 1952, addressed to Mr. Mittendorf, regarding the subject contract.

The "Owner's Consent to Lien" now attached to the contract and signed by Mr. George Denison is dated prior to the date that he acquired the property owned by Betty and Frank McElhone, and therefore is insufficient as far as concerns that particular piece of property. Consequently, another "Owner's Consent to Lien" should be signed by Mr. Denison, dated after the date this property was transferred to him and attached to the contract.

If the date of this new "Owner's Consent to Lien" is not prior to the date of the exploration project contract, there should be inserted in Article 13 thereof the following:

> "This contract is subject to, and to remain effective only upon, there being attached hereto prior to August 1, 1952, an 'Owner's Consent to Lien' duly signed by George Denison covering the property transferred to him by Betty and Frank McElhone by deed dated _____ and recorded in _____ /here insert the date and place this deed was recorded/."

If the cost of moving the equipment from Sloughhouse, California, and the beginning of operations are provided for in the contract, they are proper charges since they occurred subsequent to the date of the contract.

APPROVED:

Sincerely yours,

_____
Member, Bureau of Mines

Chairman, Operating Committee

_____
Member, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR

Return to Kramer

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

July 31, 1952

Mr. C. M. Standifer, President
262 W. Santa Inez
San Mateo, California

Re: Docket DMEA-2269
Cosumnes Gold Dredging Co.
Valley Co., Idaho
Monazite, Columbium, and Tantalum
Contract No. Idm-E351

Dear Mr. Standifer:

This is in reference to a visit of Mr. Yost with Mr. Bardill of the Bureau of Mines and Mr. Hobbs of the Geological Survey regarding the progress of the exploration work as proposed in the above indicated contract.

Stage I of the contract has been completed with very encouraging results, indicating the presence of approximately 50 or 60 million cubic yards of gravel containing an estimated 1 pound of monazite per yard, 60 pounds of black sand (60 percent ilmenite and 40 percent magnetite), 5 pounds of garnet, 1 pound of zircon and 6¢ to 7¢ gold. Your plans for commercializing on all of the above products indicates that the deposit is very attractive for a mining enterprise.

Stage II of the contract calls for the drilling of 50 additional holes to confirm any encouraging results of Stage I. You state that in your estimation 25 holes will be sufficient to accomplish the desired results because of the elimination of a large tract of ground in the Stage I drilling.

This letter constitutes approval to proceed with Stage II of the contract to the extent deemed necessary to adequately prove the placer ground,--provided that nothing in this approval shall be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any items of allowable cost which are expressly designated "Allowable Maximum".

By DMEA Field Team, Region II

N. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

S. Warren Hobbs, Acting Member
(U. S. Geological Survey)

cc: DMEA (3)
USBM, Spokane (2)
USBM, Albany
Dwight Schmidt
Merrill Yost

Buck:

This is the letter you called about.

Do we have any found reports on Stag I from foundation or Lind's [illegible]

no phone file w/ Buck
[illegible]

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

So. 157 Howard Street
Spokane 4, Washington

July 31, 1952

Mr. G. M. Standifer, President
262 W. Santa Ines
San Mateo, California

Re: Docket DMEA-2265
Cosumnes Gold Dredging Co.
Valley Co., Idaho
Monazite, Columbium, and Tantalum
Contract No. Idm-2351

Dear Mr. Standifer:

This is in reference to a visit of Mr. Yost with Mr. Bardill of the Bureau of Mines and Mr. Hobbs of the Geological Survey regarding the progress of the exploration work as proposed in the above indicated contract.

Stage I of the contract has been completed with very encouraging results, indicating the presence of approximately 50 or 60 million cubic yards of gravel containing an estimated 1 pound of monazite per yard, 60 pounds of black sand (60 percent ilmenite and 40 percent magnetite), 5 pounds of garnet, 1 pound of zircon and 6¢ to 7¢ gold. Your plans for commercializing on all of the above products indicates that the deposit is very attractive for a mining enterprise.

Stage II of the contract calls for the drilling of 50 additional holes to confirm any encouraging results of Stage I. You state that in your estimation 25 holes will be sufficient to accomplish the desired results because of the elimination of a large tract of ground in the Stage I drilling.

This letter constitutes approval to proceed with Stage II of the contract to the extent deemed necessary to adequately prove the placer ground,--provided that nothing in this approval shall be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any items of allowable cost which are expressly designated "Allowable Maximum".

By DMEA Field Team, Region II

W. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

S. Warren Hobbs, Acting Member
(U. S. Geological Survey)

cc: DMEA (3)
USBM, Spokane (2)
USBM, Albany
Dwight Schmidt
Merrill Yost

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
30. 157 Howard Street
Spokane 4, Washington

July 22, 1952

Mr. F. E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Cosumnes Gold Dredging Company
Contr. Idm-8351, Docket DMEA-2265
Paddy Flat Placer, and
Contr. Idm-8515, Docket DMEA-2264
White Hawk Claims
(Monazite, Columbium and Tantalum)

Dear Mr. Johnson:

Enclosed are the original and ~~three~~ two copies of the subject contracts with the Cosumnes Gold Dredging Company, all signed by the operator. One copy has been retained by the operator and one for our files. We believe that the contract and subordination agreements now are in order.

Sincerely yours,

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

Enclosures

cc: USBM, Spokane
USBM, Albany

P.S. By copy of this letter, the Finance Officer's copy is being mailed directly to Albany in accordance with instructions in your letter of July 18.

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 15, 1952

Air Mail

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Cosumnes Gold Dredging Co.
Docket No. DMEA-2865
Contract No. Idm-E351

Dear Mr. Weissenborn:

This letter is in reference to your inquiry of July 3, 1952, addressed to Mr. Mittendorf, regarding the subject contract.

The "Owner's Consent to Lien" now attached to the contract and signed by Mr. George Denison is dated prior to the date that he acquired the property owned by Betty and Frank McKibbens, and therefore is insufficient as far as concerns that particular piece of property. Consequently, another "Owner's Consent to Lien" should be signed by Mr. Denison, dated after the date this property was transferred to him and attached to the contract.

If the date of this new "Owner's Consent to Lien" is to be subsequent to the date of the Exploration Project Contract, the consent should be in the amended form attached hereto, and there should be inserted in Article 13 of the contract the following:

> "This contract is subject to, and to remain effective only upon, there being attached hereto prior to August 1, 1952, an 'Owner's Consent to Lien' duly signed by George Denison covering the property transferred to him by Betty and Frank McKibbens by deed dated _____ and recorded in _____ /Here insert the date and place this deed was recorded/."

If the cost of moving the equipment from Sloughhouse, California, and the beginning of operations are

F. L. Knouse

provided for in the contract, they are proper charges since they occurred subsequent to the date of the contract.

Sincerely yours,

/S/ Geo. C. Selfridge

acting Chairman, Operating Committee

Enclosures

APPROVED:

/S/ J. H. Hedges
Member, Bureau of Mines

/S/ J. P. Thayer
Member, Geological Survey

FLKnouse/AEKane/gla/em
written 7/11/52

Copy to: Adm. Reading File
Mails and Files
Operating Committee
J. J. Norton, Rm. G-232 GSA
E. J. Carlson, Rm 1347
E. W. Ellis
F. L. Knouse
E. A. Kane
J. L. Hofflund
chron.

Monazite

D.M.E.A.

F. L. Knouse

1420137 Salaries and 5296 4640
Expenses, Defense Production Activities, Interior 1952
July 1, 1952

Mr. A. E. Weissenborn, Executive Officer, Region II, DMEA Field Team
South 157 Howard Street, Spokane 8, Washington
Docket No. DMEA-2265, Cosmmes Gold Dredging Company

PURCHASER OF BETTY AND FRANK McKINNON INTEREST IN PROPERTY MUST EXECUTE OWNER'S CONSENT TO LEASE FORM AND IT MUST BE ATTACHED TO CONTRACT PRIOR TO EXECUTION.

C. O. Mittendorf

ACTING ADMINISTRATOR

FLKnouse/jem
7/1/52

cc to: Adm. Reading File
Docket
Ellis
Knouse

JUN 2 6 1952

[illegible]

Mr. G. [illegible] Strandifer, President
[illegible] Gold Dredging Company
Suite 4[illegible]3
465 California Street
San Francisco, California

Re: Docket No. [illegible]-265 (Contract)
Shady Rest Placer
[illegible] County, Idaho

Dear Mr. Strandifer:

Before the contract can be completed on the captioned project we will require an owner's consent to lien form signed by (or for) Betty and Frank Hellhone. This is necessary because they are two of the six owners on the contract dated November 9, 1951, to which certain claims on which some of the proposed work is to be done. This contract was signed on their behalf by George Jackson as their attorney in fact. However, they did not join in the owner's consent to lien which was signed by the other four owners.

Six copies of Form 4-2[illegible] "Owner's Consent to Lien" are enclosed which are to be signed and attached to the contract prior to execution of it by you at the office of the Defense Minerals Exploration Administration, Region II, South 157 Howard Street, Missoula, Montana.

Sincerely yours,

Ernest [illegible] Ellis, Chief
Mere and Misc. Metals Division

Enclosures

FEKnouse/Rubin/jem 6/19/52
cc to: Adm. Reading File
Docket
Messrs. R.J.Carlson-1347
J.F.Norton-4-232 (2)
Ellis Knouse
Rubin
Field Team, Region II (2)

70

2/7/52 gla

FEB 6 1952

AIR MAIL

Mr. G. [illegible] Landifer, President
Consumers Gold Mining Company
Room 803
465 California Street
San Francisco, California

Re: Docket No. [illegible]-2255 (Nonmetallic)
Consumers Gold Mining Company
Paddy Flat Placer Claims

Dear Mr. Landifer:

We wish to refer you to the above referenced application that is being processed by this office.

Upon further study of the application we are unable to give favorable recommendation to the extent of your proposed drilling program to explore the Paddy Flat placer deposit. A limited drilling program would be considered by this office if it was confined to the younger gravels along the creeks; the drilling to be done in the placers, with phase No. 1 to consist of 10 holes, and if the operating conditions are satisfactory and with the approval of the Government, a further step of phase No. 2 may be done which would not exceed 50 drill holes.

The drill holes in the first phase of the program are to be located in the creek gravels as follows: 1/4, 4, one hole each in sections 2 and 15; 7 1/4, 4, one hole in sections 34, and one hole each in sections 1, 2, 26, 27 and 28, and in 7 1/4, 26, section 36, one hole. Hole locations in phase No. 2 to be approved by the Government and to be determined from the results obtained in phase No. 1.

Exploration work is to be done on land controlled by the applicant therefore, the drilling on prospects on public land is to be deleted from this proposal unless it is under the control of your company.

In addition to the drilling specification in your application, we will require more information before we can proceed with the processing of your application. The data we will require is as follows:

1. A list of the holdings to be explored under this application, which list to include the name of the mining claims on which work is to be done, where the claims are

re[illegible]ed, [illegible], [illegible] and entry into records. This list [illegible] mining claims [illegible] as [illegible] supplementary [illegible] proposed to be done if the said property is controlled by your company. Also a description of property other than mining claims on which exploration work is to be done, and a description of any adjoining property controlled by your company.

2. Please show on a claim and property map your engineer's suggested location of the proposed drill holes for Phase No. 1, this map to be tied to the township and section lines and should cover all claims or property on which the work in Phase No. 1 & 2 is to be done as well as adjoining property which is controlled by your company.

3. A letter from the buyer or buyers of the product and stream that you propose to produce, stating the price, specifications, and the delivery point of the product.

If this modification of your application meets with your approval, as will, upon receipt of the above information, continue with the processing of this application.

Sincerely yours,

[illegible] Ellis, Acting Chief
Lands and Misc. Mineral Division
Defense Minerals Exploration
Administration

F:Knouse/jem
2/1/ 2
cc to: Adm. Reading File
Docket
Messrs. Carlson, E.J. No. 1347
Norton, J.J. No. U-22[illegible] U.S.
Coonts
Ellis
Knouse
Field Team, Dep. II (2)