DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the monthly reports of

Mullin Mines Company, Inc.,
Golden, Idaho

pertaining to Exploration Project Contract No. Idm-E394, Docket No. DMEA 2474, including Amendment No. 1, for the months of September, October, and November, 1952, inclusive, covering a project for the exploration of tungsten.

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

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder, and

(b) the monthly reports were supported by documentary proof of the costs incurred under the contract.

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

Total cost as billed by contractor		$11,205.08
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith (schedule attached)	729.00	729.00
Total accepted cost		$10,476.08

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Seven Thousand Eight Hundred Fifty Seven and 06/100 Dollars

$7,857.06

is considered valid and proper.

Robert M. Hull
Robert M. Hull
Auditor

August 13, 1953

MULLIN MINES COMPANY, INC.
Docket No. DMEA 2474
Contract Idm-E394

SCHEDULE OF EXCEPTIONS

The Operator erroneously carried forward on the MF-104, November 1952 "Totals Previously Reported" column under Item 8, Contingencies (specify), Bulldozer rental in the amount of $750.00. This sum was also included in Item 4, Operating Equipment Rental.

The sum of $21.00 properly belonging under Item 7, Miscellaneous-Sampling and Analysis, was not carried forward.

The net exceptions are $729.00

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

AUG 20 1953

Mr. Robert M. Hull
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E394, DMEA-2474
Mullin Mines Company, Inc.

Dear Mr. Hull:

Receipt is acknowledged of your transmittal letter of August 14, 1953, submitting Report of Review for the above-cited contract.

In approving this Report of Review I am assuming that no maximum items were exceeded in the prosecution of the project. This point could not be checked here since we do not have the final MF-104.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
August 20, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. 886

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

Voucher prepared at Spokane 8/24/53
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E394

To Mullin Mines, Inc.
(Payee)

c/o R. J. McRae, Stibnite, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	Nov. 1952	As per certified form MF-104 dated 12/15/52.				$488.	62
PAYMENT: Complete ☐ Partial ☐ Final ☐		FINAL PAYMENT					
		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total $488. 62

(Payee must NOT use this space)

Differences .....

Account verified; correct for $488. 62

(Signature or initials) .....

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

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22900a-2

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
AUG 24 1953

August 18, 1953

Mr. R. J. Hindman, Certifying Officer
DMEA Field Team, Region II
1201 North Division Street
Spokane 2, Washington

Re: Docket No. DMEA-2474 (Tungsten)
Mallin Mines Company
Idaho County, Idaho
Contract No. Idm-1394

Dear Mr. Hindman:

This is to inform you that work under the subject contract has been completed. The Operator has submitted his final report which has been accepted by the Executive Officer. The Field Team's final report has not been written, but we have advised the Operating Committee that we will not recommend a certification of discovery.

There were no unused supplies remaining from contract work. A shed was constructed with project funds but as most of the cost was for labor and as it has no resale value, the Executive Officer hereby waives all Government interest in the building.

Inasmuch as all requirements have been met, it is requested that the Operator's final invoice be accepted for vouchering and payment.

Sincerely yours,

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

cc: USBM (2)
DMEA (2)
Auditor, Region II
Con. Adm. & Aud. Div., Wash., D. C.
Geologist

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.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 2474 Contract No. Idm-394
Operator's Name Mullin Mines Co. Inc. Minerals Tungsten
Address Kellogg, Idaho
Contract Amount, $12,400.00 Government Participation: 75 % Amount, $9,300.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	235.08	2,529.66	2,764.74			
Supervision	200.00	500.00	700.00			
Technical Services		200.00	200.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives		100.80	100.80			
Pipe						
Track						
Fuel		1035.40	1035.40			
Gen. plant		309.27	309.27			
(4) Operating Equipment:						
Rental	[illegible]	3,824.00	[illegible]			
Purchase						
Depreciation		130.00	130.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		885.14	885.14			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	18.28	157.81	176.09			
Liability Insurance	15.23	131.51	146.74			
(8) Contingencies (specify):						
Power line charges	97.90	756.00	932.90			
Hauling to Salt L.	85.00					
TOTALS	[illegible]	10,553.59	[illegible]			

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

Date 00. 15 *Payee Mullin Mines Co. Inc.

Per Marjorie Collord Title Secretary

*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. 886

(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. Tdm-F-314 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date 12/24/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr. Date 1/27/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

Spokane, Washington
March 19, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAR 23 1953

Mr. James Collard
Box 261
Johannesburg, Calif.

Subject: Docket No. DMEA 2474 (tungsten)
Contract Idm-E394
Tungstar Property
Idaho County, Idaho

Dear Mr. Collard:

This will acknowledge receipt of your letter of March 12, 1953, to Mr. Bardill enclosing a check for $39.01 in payment of royalties on low grade concentrates produced as a result of the DMEA project. The check is returned herewith for reasons set forth below.

It has been determined, since your last visit to this office, that the rate of royalty repayment should be based on the value per ton of the product sold rather than the value per ton of the original ore. Therefore, the payment should be 5 percent of the net returns rather than 1-1/2 percent as you were previously informed.

The payment need not be made, however, until you receive notification that a discovery or development has been certified. When you receive such notification a check in the proper amount, made payable to the Treasurer of the United States and accompanied by copies of the appropriate settlement sheets, should be mailed to the Executive Officer, Region II, at the address given below.

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

Enclosure

cc: DMEA, Wash. (3)
USGS (2)
DMEA
AD
df

TEH/he

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

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

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

Bu. Vou. No. 535

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

Voucher prepared at Spokane, Washington 11/24/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E394

To Mullin Mines Co., Inc.
(Payee)

Golden, Idaho
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	October 1952	As per attached certified form MF-104 dated 11/12/52				4,311	26
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 4,311 26

(Payee must NOT use this space)

Differences .....

Account verified; correct for 4,311 26

(Signature or initials) .....

Contract No. Idm E394 Date Req. No. Date Invoice Rec'd.

4,311.26

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	4,311.26	4,311.26

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22900a-2

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Defense approval expires 6-30-53

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1952 Docket No. DMEA 2474 Contract No. Idm-E394
Operator's Name Mullin Mines Co. Inc. Minerals Tungsten
Address Golden, Idaho
Contract Amount, $ 12,400.00 Government Participation: 75 % Amount, $ 9,300.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1300.00	1232.16	2532.16	1297.50	1232.16	2529.66
Supervision	500.00		500.00			
Technical Services	200.00		200.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	77.45	23.35	100.80			
Pipe						
Track						
Fuel, grease, ect.	673.56	361.84	1035.40			
supp for plant op.	309.27		309.27			
(4) Operating Equipment:						
Rental	1372.00	1702.00	3074.00	2122.00	1702.00 ~~570~~	3824.00
Purchase						
Depreciation	65.00	65.00	130.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	383.38	570.34	953.72	314.80	570.34	885.14
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	21.00		21.00			
Payroll Taxes	91.61	66.30	157.91	91.51	66.30	157.81
Liability Insurance state	76.35	55.25	131.60	76.26	55.25	131.51
(8) Contingencies (specify):						
Rent on bulldozer	750.00		750.00			
see report						
TOTALS	5819.62	4076.24	9895.86	5,748.35	4076.24	9824.59

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

Date 11/12/52 *Payee Mullin Mines Co. Inc.

Per James Collard Title Pres.

*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:

$ 4,311.26

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 83-384776

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
NOV 12 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 195 2 Docket No. DMEA 2474 Contract No. Idm-E394
Operator's Name Mullin Mines Co., Inc.
Address Golden, Idaho Minerals Tungsten

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		1727.45	5700	4347.80	6150	0.706		
Test Pits								
Roads and Trails								
Treat Alluvial		3708.79	3700	5200.58	6150	0.845		
TOTAL DISTRIBUTED COSTS		5436.24		9548.38				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		383.38		1160.46				
TOTAL COSTS		5819.62		10,708.84				

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 11/12/52 Operator Mullin Mines Co. Inc.

Per James Cotlard Title Pres

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

CONTRACT No.-Idm-8394 Tungsten DMEA Docket # 2474

MULLIN MINES CO.,INC., GOLDEN, IDAHO Month of October, 1952

DMEA FIELD TEAM, REGION # 2:

This contract was completed on November 1,1952. The trench no.2 was completed as of this date. The Geological mapping, report, and the summation of the yardage treated from the two trenches will not be completed for another week. Mr. L. C. Clark will have his maps and reports completed by the 22nd of November, and at that time he will present them in person to the Region # 2 field team of the Spokane office.

I am not including any maps with this progress report, as Mr. Clark will have the complete picture of contract to present upon completion of his work.

I have put in for one months rent for the dozer, in the amount of $750.00. This we listed as a contingency, as it was not allowed for the month of October in the original contract. I feel, in view of the fact that we used it for trench # 2 entirely, and that we have completed the contract with less money than allocated, that this rent might be allowed.

The approved amount for this contract was in the amount of $12,400.00. The DMEA share was $9,300.00. We have spent,to date of November 1, 1952, $9,895.86. The DMEA share of this amount is $7421.90. I feel sure we will complete the engineering and assaying for $500.00 additional, and will have good picture of the Tungsten property at that time.

We treated 3700 yards of alluvium in the washing plant from trench # 2 during October. This makes a total of 6150 yards treated from the two trenches in this contract. Mr. Clark does not have the figures complete as to recovery yet, but will have those when he comes to Spokane.

MULLIN MINES CO.INC.

by: James Collord, Pres.

James Collord

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

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. Wash.

Bu. Vou. No. DMA-158

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

Voucher prepared at Albany, Oregon 10/24/52
(Give place and date)

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
OCT 28 1952
OCT 28

THE UNITED STATES, Dr., Payee's Account No. Idm-E-394

To Mullin Mines Co., Inc
(Payee)

Golden, Idaho
(Address) (City) (State)

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	September 1952	As per attached certified form MF-104 dated October 10, 1952				3,057	18

PAYMENT:
Complete ☐
Partial ☐
Final ☐

Use continuation sheet(s) if necessary

Shipped from to Weight Government B/L No. Total 3,057 18

(Payee must NOT use this space)
Differences
Account verified; correct for 3,057 18
(Signature or initials)

Contract No. Idm-E 394 Date Req. No. Date Invoice Rec'd.

3,057.18

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	3,057.18	3,057.18

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22000a-2

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
Wash.
OCT 28 1952

Month of September, 1952 Docket No. DMEA 2474 Contract No. Idm-E394
Operator's Name Mullin Mines Co., Inc. Minerals Tungsten
Address Golden, Idaho
Contract Amount, $12,400.00 Government Participation: 75 % Amount, $9,300.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1300.00		1300.00	1232.16		1232.16
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	23.35		23.35	23.35		
Pipe						
Track						
fuel, grease	682.56		682.56	361.84		
(4) Operating Equipment:						
Rental	1912.00		1912.00	1702.00		
Purchase						
Depreciation	65.00		65.00	65.00		
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	777.08		777.08	570.34		
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	70.49		70.49	66.30		
Liability Insurance						
State Ins.	58.74		58.74	53.25		
(8) Contingencies (specify):						
TOTALS	4889.22		4889.22	4074.24		

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

Date Oct. 20, 1952 *Payee Mullin Mines Co., Inc.

Per Marjorie Collord Title Secretary

*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:

$ 3057.18

Signature [illegible]
(Authorized Certifying Officer)

Date 10/23/52 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. Idm E 344 in accordance with the terms of the contract.

Signature John D. Randell Title Inlet Engr Date Oct. 14, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Mining Engr Date 10-15-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 2 Docket No. DMEA 2474 Contract No. Idm-334
Operator's Name Mullin Mines Co., Inc. Minerals Tungsten
Address Golden, 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								
Stripping								
Trenching	Cu. yd.	2620.35	2450	2620.35	2450	$1.07		
Test Pits								
Roads and Trails								
Treatment Cost Alluvium	Cu. yd.	1491.79	2450	1491.79	2450	$0.61		
TOTAL DISTRIBUTED COSTS		4112.14		4112.14				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		777.08		777.08				1000.00
TOTAL COSTS		4889.22		4889.22				

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

Date Oct. 10, 1952 Operator Mullin Mines Co. Inc.

Per Marjorie Collard Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

DMEA Docket # 2474 Contract # Idm- E394

September 4 to October 1, 1952 Tungsten

Mullin Mines Co., Inc.

Golden, Idaho

We have trench # 1 completed from the plant site up the hillside, cutting the alluvium for a distance of 300 feet. This seems to be the last point worthwhile investigating in this particular area. The yardage treated from this cut was a total of 2450 cubic yards. From this alluvium treated in the washing jig plant, we have kept the concentrates from the cleaner jig, the rougher jig bed, and the table, the ore picked from the belt and the high grade rock from the belt all separate for evaluation and calculation back to the bank yardage for the values per yard.

We have Mr. L. C. Clark hired for the engineer and supervisor for this DMEA project. Mr. Clark will do the geological mapping. He will have the various products we have made for his calculations, plus the maps that we have at the present time. The assays taken to this time will not be complete until near October 20th.

We expected Mr. Clark to be with us soon enough to give the proper evaluations to the material we have treated, plus the geology that we have shown up in this cut, for this progress report, but he was not availabe until October tenth.

The modification of our contract to let us run one dozer cut East to West on the hillside should give us a much better chance to locate any quartz veins on the hillside, under the alluvium. The one quartz vein we uncovered in the trench, strikes N 4 degrees E, and if our next cut crosscuts this strike for a distance of 300 feet, we should be able to find the scheelite bearing vein, if it is within this area. The vein we uncovered in this trench lamped just trace amounts of scheelite, and does not look very probable for ore. The quartz in this vein is an entirely different type than the scheelite bearing quartz found so far in the alluvium.

The DMEA exploration loan for this project was in the amount of $12,400.00, seventy five per cent of this amount to be paid by the government. We have expended $4,889.22 of this amount for the completion of the washing plant, labor, rentals of equipment and operating supplies for the month of September.

This project should be completed by the first of November, 1952. The evaluation of the material treated plus the geologic mapping of the quartz exposed should be completed two weeks from that date.

Mullin Mines Co. Inc.

James Collord

James Collord

Region II

P. O. Box 492
Albany, Oregon

October 24, 1952

Mullins Mines Company, Inc.
Colden, Idaho.

Reference: September MF-104
Contract Idm-K-394

Gentlemen:

In auditing your September MF-104 we noted that labor was shown on the payroll prior to effective date of the contract which is September 3, 1952. Also, in your narrative you state that work was actually started September 4, 1952. Payroll and taxes, representing work prior to September 4, 1952, were deleted.

All invoices dated prior to September 4, 1952 were deleted. These may be resubmitted if a certified statement, signed jointly by yourself and our engineer stating that the supplies were not used until September 4, 1952, is attached. One invoice from Sawtooth Company is dated October 1, 1952 and should be submitted again for October. The $150.00 charge for lumber is not surported by and invoice and was deleted.

The statement from the bank for $213.33 is not an invoice. The rental on that piece of equipment may be resubmitted with a proper invoice.

In the future please certify as true copy all invoices that are not originals.

Very truly yours

G. Rulon Lee
Finance Officer

rjh
cc: R/F
Contract
Sept. MF-104
Wash. (2)
Wolin (2)

400

JAN 27 1954

Mr. James Collard, President
Mullin Mines Company, Inc.
Golden, Idaho

Re: Docket No. DMEA 2474 - Tungsten
Tungstar Mine
Idaho County, Idaho
Contract No. Idm-8394

Dear Mr. Collard:

This is with reference to the subject exploration contract between your corporation and the Government.

The report of review of the contract expenditures and the final reports of the Operator and of the Field Team have been received and accepted by this Administration. Of the total amount of $12,400.00 approved under the contract, the sum of $10,476.08 was expended, 75 percent of which, or $7,857.06, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 7(d) of the contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of the contract."

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

G. O. Mittendorf

Administrator

JHopkins/ls
1/25/53

cc: Docket
Code 400
Field Team, Reg. 2
Adm. Read. File
Oper. Committee
Code 800 - Mr. Chambers
T. P. Thayer, USGS
R. W. Geehan, USBM

AMENDMENT NO. 1

It is agreed this 25th day of September 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Mullin Mines Company, Inc., Golden, Idaho (Docket No. DMEA 2474 - tungsten)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E394 of September 3 1952 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be September 3 1952.

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

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

Executed in sextuplicate the day and year first above written.

MULLIN MINES COMPANY, INC.
(Operator)

By James Collard

The United States of America

By A E Weissenborn

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

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
RECEIVED
OCT 27 1952

MULLIN MINES COMPANY
Exploration Project Contract Idm-E394
Docket No. 2474 (tungsten)

Amendment No. 1

EXHIBIT "F"

Changes and modifications

In Exhibit "A" of the contract, delete paragraph 2, page 1, and substitute:

2. Excavate Trench No. 1 uphill from the washing plant site in a northwesterly direction for a distance of about 300 feet, average depth of about 10 feet and width of approximately 8 feet, with slusher and bulldozer to uncover bedrock. Maintain sides of the excavations at the approximate angle of repose of the alluvium. Excavate Trench No. 2 with bulldozer to extend approximately 300 feet in a southwesterly direction and approximately 50 feet in a northeasterly direction from Trench No. 1. The trench should have an approximate width of about 10 feet and probable average depth of about 12 feet and should uncover bedrock like Trench No. 1 for examination and sampling. Alluvium removed from Trench No. 2 should be dozed into Trench No. 1 and scraped to the washing plant for treatment as outlined under Paragraph 4. See attached map for approximate location of Trenches Nos. 1 and 2.

MULLIN MINES COMPANY, INC.
TUNGSTAR MINE
Golden, Idaho County, Ida.
Exploration Project Contract Idm-E394
Docket No. DMEA 2474 (tungsten)

JUSTIFICATION FOR AMENDMENT NO. 1

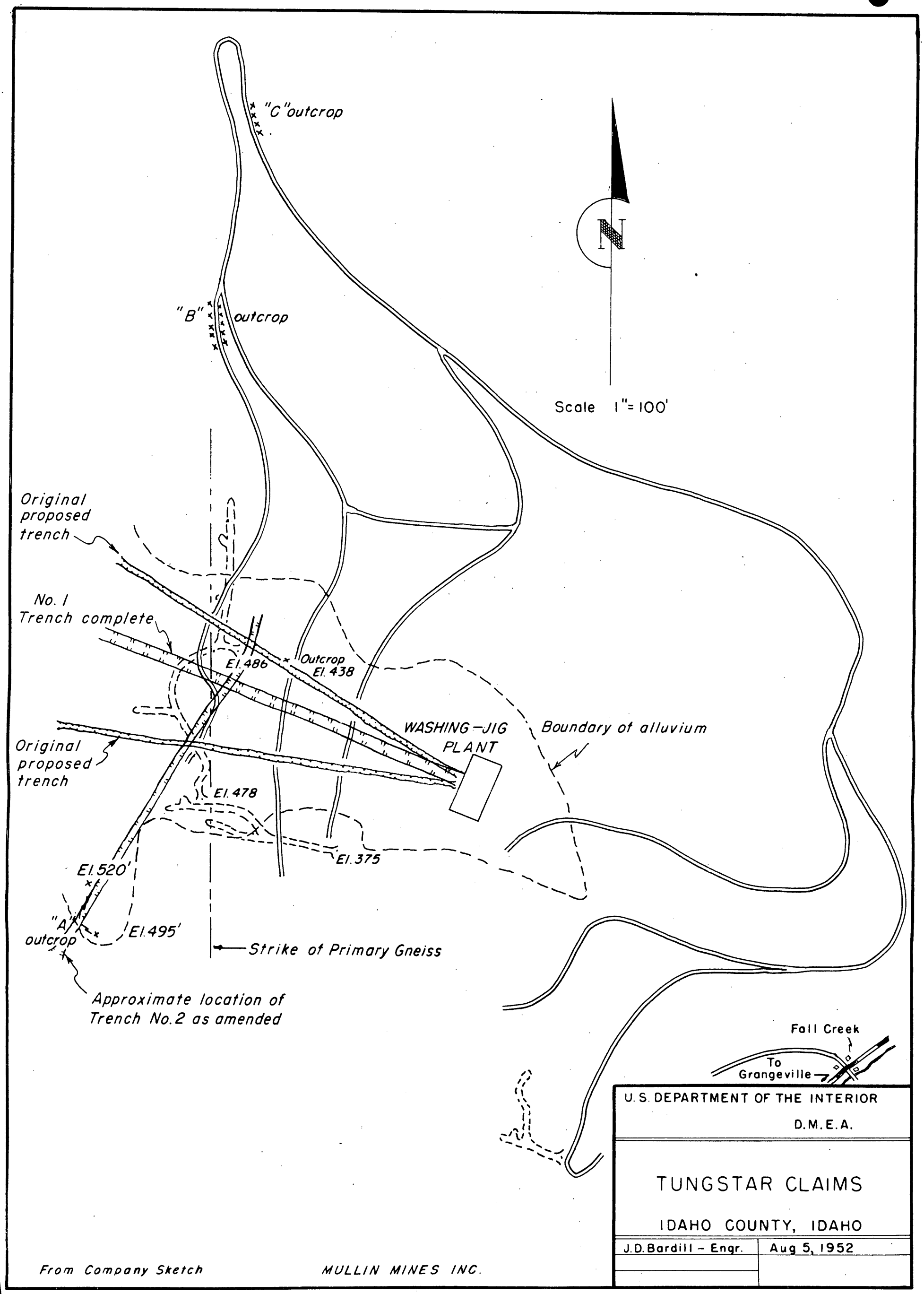
This amendment changes the location of the two original proposed trenches.

Prior to the Washington approval of the contract, applicant had just started Trench No. 1 at his expense. Rather than abandon the trench it is considered to the benefit of the Government to complete it under the exploration contract. This trench is excavated directly uphill so that probably only float rock in the direction of the trench would be found in the material scraped to the washing plant. No tungsten mineralization of consequence has been observed in bedrock.

Trench No. 2 is located to crosscut the alluvium on the hillside so that if any tungsten-bearing float is encountered there will be more chance of locating its source. Bedrock will be uncovered at a direction approximately normal to Trench No. 1.

This change was approved by Mr. G. C. Selfridge during a telephone conversation with A. E. Weissenborn, Executive Officer, Region II.

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


"C" outcrop
"B" outcrop
N
Scale 1" = 100'
Original proposed trench
No. 1 Trench complete
El. 486
Outcrop El. 438
WASHING-JIG PLANT
Boundary of alluvium
Original proposed trench
El. 478
El. 375
El. 520'
"A" outcrop
El. 495'
Strike of Primary Gneiss
Approximate location of Trench No. 2 as amended
Fall Creek
To Grangeville
U. S. DEPARTMENT OF THE INTERIOR
D. M. E. A.
TUNGSTAR CLAIMS
IDAHO COUNTY, IDAHO
J. D. Bardill - Engr.
Aug 5, 1952
From Company Sketch
MULLIN MINES INC.

Doc[redacted] No. [redacted]

Commodity [redacted]

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

[redacted]

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E [redacted]

Date of Contract or Amendment: [redacted] September 3, 1952

Name and Address of Operator:
Mullins Mine Company, Inc.
Golden, Idaho

Amount of Government participation ____ $ 9,[redacted].00

Percent of Government participation 75 %

Region: II State: Idaho

NOTE: Please release $1,442.94 Advice Contract Administration and Audit Division

(Name)

J. L. Gambero,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. 9/24/53

13908

Docket No. ~~2474~~

Commodity ~~Tungsten~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 394

Date of Contract ~~or Amendment~~: September 3, 1952

Name and Address of Operator:

Mullins Mines Company, Inc,
Golden, Idaho

Amount of Government participation $9,300.00

Percent of Government participation 75 %

Region: II State: Idaho

J.L. Chambers
(Name)
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington Sept. ~~4~~ 8, 1952 13908

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

DOCKET NO. I[redacted]A 2474

COMMODITY Tungsten

Idm-E394 Government's Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 3d day of September, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Mullin Mines Company, Inc., a corporation organized and existing under the laws of the State of Idaho, Golden, Idaho

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 Idaho, described as follows:[3] Tungstar group of claims located in Sec. 26, T. 23 N., R. 6 E., about ¼ mile northwest of Fall Creek, Idaho. Fall Creek is two miles up the south fork of the Clearwater River from Golden, Idaho. The property is further described in Annex I, attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

(*a*) ~~[illegible]~~

and holds an option to purchase, is

(*b*) That the Operator is a lessee 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 5 days from the date of this contract shall commence work on a project of exploration for[5] tungsten

in or upon the described land; and shall bring the project to completion within a period of 3 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 [redacted] 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 75 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 9,300.00, which is 75 percent of $ 12,400.00, 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 Mitteudorf
Acting Administrator
Defense Minerals Exploration Administration

Mullin Mines Co., Inc.
(Operator)

By James Collord Pres.

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

Marjorie Collord

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
MULLIN MINES CO., INC.
DOCKET NO. DMEA-2474

ANNEX I

Twelve unpatented mining claims in the Ten Mile Mining District, Idaho County, Idaho, fully described in Certificates of Location recorded in the office of the County Recorder of Idaho County, Idaho, as follows:

Name of Claim	Quartz	Book	Page
Tungstar No. 1	"	72	547
2	"	72	562
3	"	72	563
4	"	72	564
5	"	72	565
6	"	72	566
7	"	72	567
8	"	72	568
9	"	72	569
10	"	72	570
11	"	72	571
12	"	75	160

One patented mining claim, Sacramento No. 2 - Survey No. 3140, the United States patent for which is of record in the office of said County Recorder in Book One of Mineral Patents at page 497, excluding a portion of the surface of said Sacramento No. 2, described as follows: "Beginning at corner No. 1 of said Sacramento No. 2, Survey No. 3140, thence north 58° 10' W. 600 feet; thence South 31° 50' W. 600 feet; thence South 58° 10' E. 600 feet to corner No. 4; thence North 31° 50' E. 600 feet to corner No. 1, the place of beginning." Within the last described fraction the surface rights are reserved and the mineral rights are granted subject to the proviso that exploration for, and extraction of minerals shall be done in such a manner as will not interfere with the beneficial use of the surface by the owners.

EXPLORATION PROJECT CONTRACT
MULLIN MINES CO., INC.
DOCKET NO. DMEA-2474

EXHIBIT "A"

Description of the Work

The project consists of the following items of work:

1. Complete installation of slusher and washing plant equipment.

2. Excavate two trenches with slusher and bulldozer to uncover bedrock, each trench about 450 feet long, about 5 feet wide, and probably averaging about 15 feet deep. Maintain the sides of the excavations at the angle of repose of the alluvium. See attached map for approximate location of trenches.

3. Make geologic map of bedrock exposed in the trenches, and sample and assay any tungsten-bearing veins exposed therein.

4. Treat alluvium excavated from trenches in washing-jig plant. On basis of estimated yardage of alluvium excavated from each trench individually, and the corresponding weight and assay of scheelite recovered, compute recoverable tungsten per cubic yard. Estimated yardage of tailings should confirm the above calculation.

Estimated Costs of Project
(*Indicates Allowable Maximum)

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

Wages for 1 bulldozer operator at $18/day, 20 days 1/	$ 360.00

1/ Part of the labor may be performed at the specified rates by officers of the company. Payment for labor may not be made to an officer who serves as supervisor-engineer or geologist.

Wages for 2 plant operators at $10/day each, 40 days 2/	$ 800.00	
Wages for slusher operator, miner and mechanic at $12/day each, 40 days 2/	1,440.00	
Salary for supervisor-engineer at $500/mo.,* 2 months* 3/	1,000.00*	
Part time geologist, as needed, to do sampling and geologic mapping	600.00*	$ 4,200.00
(3) Operating Materials and Supplies		
Water pipe and hose, hoist cable, supplies for washing-jig plant and slusher, hoist and bulldozer, gasoline, fuel oil, oil, explosives and any other supplies and materials necessary to complete this project		3,000.00*
(4) Operating Equipment		
To be rented		
1 - No. 13000 Caterpillar Diesel-electric plant, 130 H.P., 75 KVA complete with panel, 2 months @ $500.00	1,000.00	

2/ See footnote 1.

3/ The supervisor-engineer shall direct the exploration project and do the engineering. He shall be responsible for the subsequent handling of representative samples cut by the geologist and for the inclusion of adequate maps or sketches showing progress of the exploration and assay results in the reports required under Article 7 of the contract form.

1 - Double Drum Lidgerwood hoist with 50 H.P. motor, 6000 lb. line pull, 2 months @ $275.00	$ 550.00	
1 - Bodinson built washing plant with 54" x 22' trommel driven by 30 H.P. motor, 2 months @ $210.00	420.00	
1 - Jaeger high pressure gas driven pump, 550 gal/min. at 440' head, 2 months @ $180.00	360.00	
1 - D6 bulldozer with blade for clearing trees, and starting or cleaning trenches, 1 month @ $750.00	750.00	
1 - Pacific slusher, 2 months @ $65.00	130.00	
	$3,210.00	
<u>To be furnished by Operator</u>		
5 - Pan-American placer jigs, 54" fair value $3,000, depreciation allowance $50/mo., 2 months	100.00*	
1 Jeep, value $1,000, depreciation allowance $15/mo., 2 months	30.00*	
	$ 130.00*	$ 3,340.00

(5) <u>Rehabilitation and Repairs</u>

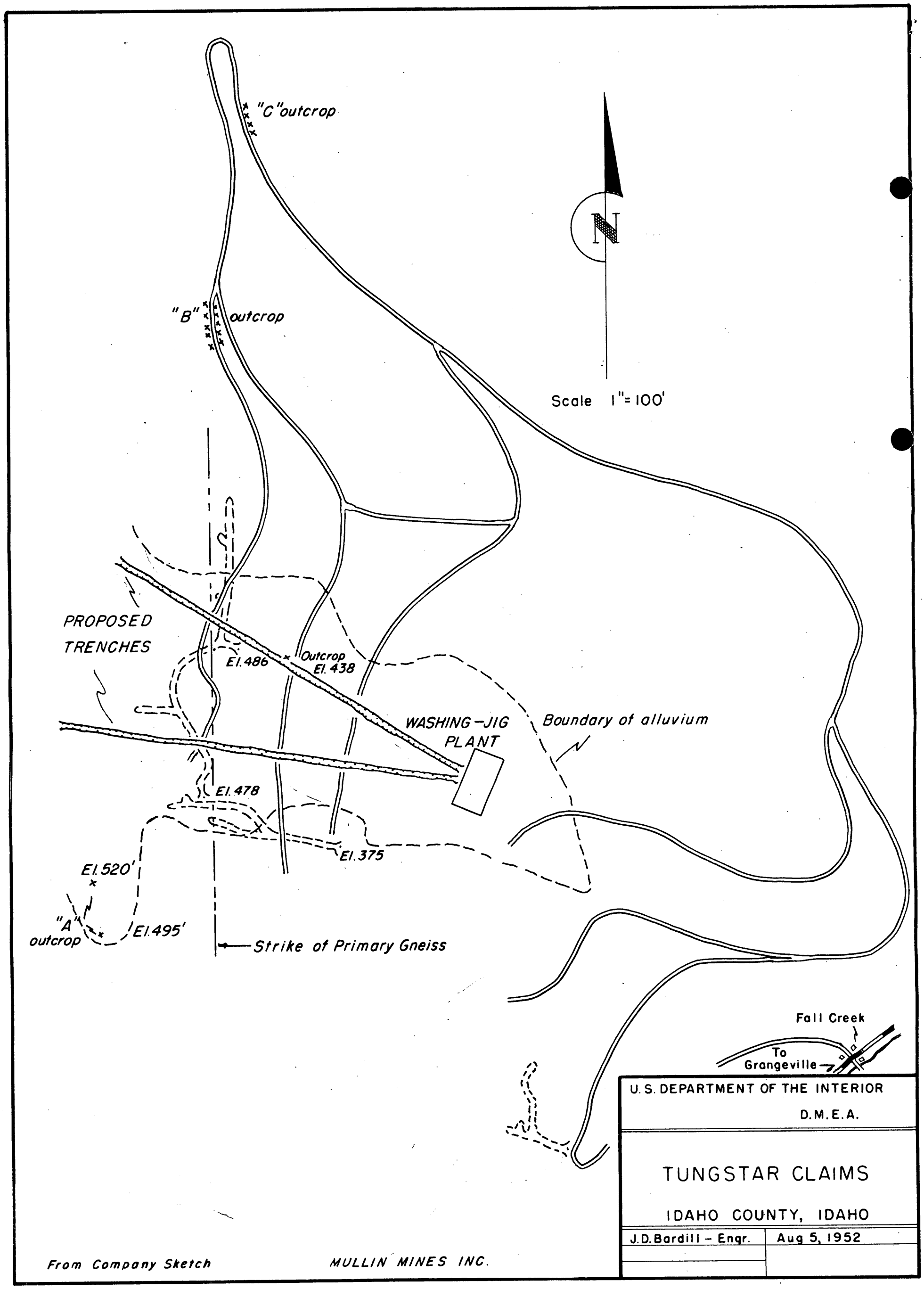
None

(6) <u>New buildings, improvements, installations</u>

Labor, materials and supplies necessary to complete installation of washing-jig plant and slusher-hoist equipment	1,000.00*

(7) Miscellaneous

Assays	$ 380.00	
Workmen's Compensation and Employer's Liability Insurance, payroll and sales taxes	480.00	$ 860.00
Estimated Total Cost of Project		$12,400.00*
Government participation @ 75%		$ 9,300.00*


"C" outcrop
"B" outcrop
N
Scale 1" = 100'
PROPOSED TRENCHES
El. 486
Outcrop El. 438
WASHING-JIG PLANT
Boundary of alluvium
El. 478
El. 375
El. 520'
"A" outcrop
El. 495'
Strike of Primary Gneiss
Fall Creek
To Grangeville
U. S. DEPARTMENT OF THE INTERIOR
D. M. E. A.
TUNGSTAR CLAIMS
IDAHO COUNTY, IDAHO
J. D. Bardill - Engr.
Aug 5, 1952
From Company Sketch
MULLIN MINES INC.

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 Idaho, 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

1/ MULLIN MINES COMPANY, INC.

GOLDEN, IDAHO

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said Contract which are set forth on the reverse side hereof, the Government will acquire certain 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 and Operator to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to remove facilities, buildings, fixtures, and equipment, as provided in the Contract, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned.

2. The Government's percentage royalty on net smelter returns or other net proceeds realized from ore, concentrates, or metal produced within ten (10) years from the date of the Contract, and the Government's lien for the payment of said percentage royalty shall attach to the mineral deposit and the production therefrom, in the amount of the Government's contribution, not in excess of 2/ $ 20,000.00, all upon the terms and conditions set forth in said Contract.

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 the said Contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 18th day of March, 1952.

H. W. White Helen White

F. C. Funke Rita C. Funke

D. M. Falck L. M. Kelly B. M. Falck

Attorney in fact

1/ Insert the name of the Operator as it will appear in the Exploration Project Contract.

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

CONFORMED

168958

TO WHOM IT MAY CONCERN: January 11, 1951

This is to certify that I, Louis M. Kelsch, using the signature of L. M. Kelsch, in all business transactions connected in my business relationship with my co-partner, and brother Ben, under the business heading of B.M. & L. M. Kelsch, is granting my brother Ben, full POWER OF ATTORNEY, to use my signature to transact, and to complete any and all business deals, jointly, and singularly, he, B. M. Kelsch, deems best in behalf of all our business acitivities.

Signed Louis M. Kelsch

INDIVIDUAL ACKNOWLEDGMENT

State of California)
) SS.
City and County of Los Angeles)

On this 11 day of January, 1951, before me. H. G. Mackintosh, a Notary Public in and for said County, personally appeared Louis M. Kelsch known to me to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

WITNESS my hand and official seal.

"""""""""""""""""""""""""""""""""
"Notary Public, Los Angeles "
" Co. Calif. Eureka "
"""""""""""""""""""""""""""""""""

H. G. Mackintosh, Notary Public
in and for said County and State
My commission expires 19
H.G. MAC KINTOSH, NOTARY PUBLIC
in and for the County of Los Angeles
State of California.
My commission expires June 13,1952

STATE OF IDAHO)
) ss.
County of Idaho)

I hereby certify that this Instrument was filed for record in the office of the Recorder of Idaho County at the request of B. M. Kelsch at 30 minutes past 9 o'clock A.M., this 15 day of Jan., A.D. 1951.

Carl T. Reuter, County Recorder

Fee 75¢

By Bob J. Waite, Deputy.

CERTIFICATE

STATE OF IDAHO }
County of Idaho } ss.

I, Carl T. Reuter, County Recorder in and for said County and State, do hereby certify that the foregoing is a true and correct copy of the record of the original instrument in my office, together with the endorsements thereon, in Book 5 of Power of Attorney on Page 508 thereof.

WITNESS my hand and official seal this 15 day of Sept., A. D., 19 52 at Grangeville, Idaho.

Carl T. Reuter
CARL T. REUTER, County Recorder

By _____

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

So. 157 Howard Street
Spokane 4, Washington

September 25, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA 2474 - Tungsten
Mullin Mines Company, Inc.
Tungstar Mines
Ten Mile Mining District
Idaho County, Idaho

Dear Mr. Johnson:

Enclosed herewith are the original and two signed copies of the above-captioned contract. Copies have been retained by this office and by the Operator.

In accordance with instructions received in your letter dated September 3, 1952, a copy of J. D. Bardill's map of August 5, 1952, has been attached to each copy of the contract. Also, as noted in your letter of September 3, 1952, the Owner's Consent to Lien has been duly executed.

By copy of this letter, the Regional Finance Officer's copy is being distributed.

Sincerely yours,

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

Enclosure
cc: USBM (2)
Finance Officer, Albany w/encl.