DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 490

DMEA NO. 2658

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [x] Closing Letter- R.S.
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments (Maps Folder 2
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No. 2 : Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty material

Reported Inactive 12/28/59

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OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E490, Docket DMEA-2658 (tungsten), dated February 24, 1953, with

W. R. Wade and H. G. Obendorf
d/b/a Ottawa Tungsten Company
Marysville, Montana

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Prentice Property located in Lewis and Clark County, Montana, during the period July 1, 1955, through December 20, 1961.

A certification of discovery or development was issued on February 25, 1955, and, in accordance with Article 9 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated December 21, 1954, indicated accepted costs under the exploration contract amounting to $43,231.73 with the Government's contribution on a 75 percent basis being $32,423.80.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found no sales subject to the Government's royalty through June 30, 1955. The royalty account as of June 30, 1955, was:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

As of December 20, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. D. Talbert
E. D. Talbert, OME Auditor

December 28, 1961

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

Inspections and inquiries by field representatives have established that no minerals have been produced from the property since the date of the exploration project contract and that the property has been inactive since completion of the exploration work in October 1954. The property under the contract consists of three unpatented claims owned by the Operator and three patented claims, in which the Operator had a 1/32nd ownership interest and a lessee's interest by virtue of a lease from the owners of a 17/32nds interest.

Article 10 of this contract contains the so-called "abandonment" provision. Furthermore, the Owner's Consent to Lien, executed on March 7, 1953, by Donald Oker, as attorney-in-fact for the owners of the 17/32nds interest in the patented claims, grants a lien only to secure the payment of the percentage royalty "provided for under the terms of said exploration project contract".

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) The property under the contract has been inactive since October 1954;

(2) There has been no production since the date of the contract; and

(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

W. R. Wade and H. G. Obendorf, Partners

dba Ottawa Tungsten Company

Marysville, Montana

Contract No.	Docket No.
Idm-E490	**DMEA-2658**

Prepared by (Signature)	Date
Donald R. MacLaren	**12/20/61**

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?

*8. Current status of property. (Check one).

- [ ] Operating.
- [ ] Inactive.
- [ ] Abandoned.

_____ Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

***As nearly as can be determined at this time, there has been no production from this property.**

2658

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region I, N.W. District, pertaining to Contract Idm-E490, Docket No. DMEA-2658, with:

W. R. Wade and H. G. Obendorf, Partners
d/b/a Ottawa Tungsten Company
Marysville, Montana

for the purpose of determining the amount of royalties due the U. S. Government on sales of tungsten from property referred to as Prentice Property located in Lewis and Clark County, Montana, during the period February 24, 1953, to June 30, 1955.

The contract was dated February 24, 1953, and certification of discovery or development was issued under date of February 25, 1955, providing for repayment of royalties for a maximum period of 10 years from the date of the exploration contract. According to Report of Review in lieu of final audit, prepared by Mr. C. A. Turner, auditor, under date of December 21, 1954, total accepted costs under the contract amounted to $43,231.73 with the Government's participation, on a 75 percent basis, being $32,423.80.

No royalties have been paid to the Government to date in connection with this contract.

This review was made in lieu of an on-site audit of the operator's accounts and records for the following reasons:

(1) According to Semi-Annual Report of Certified Project for the period January 1 to June 30, 1955, operations ceased about September, 1954; no ore has been shipped since September, 1952, (prior to date of the exploration contract); no operations or ore shipments are anticipated in 1955; there is no mill on the property; the ore is bunchy and low grade, and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher
C. E. Fisher, Auditor

August 5, 1955

Royalty Auditor

DOCKET
Surname:
Chapman
Martin
Hoffland
Chambers
McInnis
Newcomb
Kiilsgaard
Hedges
Selfridge
Johnson

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: W. R. Wade and H. G. Obendorf, Partners
dba Ottawa Tungsten Company
Marysville, Montana

Pursuant to the provisions of Exploration Project Contract No. Idm-5490, dated February 24, 1953 (Docket No. DMEA 2658), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government," to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

An exploration program employing trenching, drifting, crosscutting, and raising has tested possible extensions of known scheelite-bearing tactite beds resulting from the [illegible]oration of Cambrian dolomites intruded by a fine-grained [illegible]nite. This exploration work has furnished data for calcu[illegible]ing reserves of marginal ore and made such material more [illegible]essible for mining operations.

THE UNITED STATES OF AMERICA

Dated: FEB 25 1955

C. W. Mutterdorf
Administrator, Defense Minerals
Exploration Administration

cc: Docket
Adm. Read. File
Oper. Committee
FT, Reg.I-Spokane
Mr. Irving, Bumbel, EPS, GSA
Finance Officer
Miss Ida M. Oker (Lessor)
Mr. Donald Oker (Lessor)
Miss Grace Muth (Lessor)

cc: Code 400-Mr. Martin
Code 800-Mr. Chambers
Code 110-Mr. Johnson
J. H. Hedges, USBM
W. McInnis, USBM
T. Kiilsgaard, USGS

TLChapman/ls 2/9/55

402

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

12658

WSM

I have reviewed the Monthly Reports of:

W. R. Wade and H. G. Obendorf, Partners
d/b/a Ottawa Tungsten Co.
Marysville, Montana

pertaining to Exploration Project Contract No. Idm-E4[illegible], Docket No. DMEA 2[illegible], dated February 24, 1953, including Amendments Nos. 1 and 2, for the period of February 24, 1953 to December 21, 1954, covering a project for the exploration of Tungsten, on property known as the Prentice Property in the Ottawa Mining District, Lewis and Clark County, State of Montana.

My review included an examination of the Monthly Reports (Forms [illegible]-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, 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 disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract; and
(c) a major portion of the costs ($40,574.35) incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total Cost as billed by the Contractor	$43,231.73
Exceptions	None
Total Accepted Cost	$43,231.73

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 Thirty two thousand four hundred twenty three and 80/100 Dollars

--$32,423.80--

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

C. A. Turner, Auditor

December 21, 1954

Auditor

Schedule of Salvage Proceeds

Ottawa Tungsten Co. DMEA 2658 Idm-E4[illegible]0

	Accepted Costs
Salvageable Property	
Compressor and Storage Shed	$777.35

The Field Team waived the Government's equity in this building. The cost of salvage operation would be greater than the value of the salvage.

C. A. Turner, Auditor

December 21, 1954

DOCKET COPY

Defense Minerals Administration RECEIVED OCT 22 1954

(Amendment to Change Starting and/or Completion Dates)

AMENDMENT NO. 2

It is agreed this 24th day of August 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Ottawa Tungsten Company

Docket No. DMEA 2693 (tungsten)

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract 16-1490 dated February 24 1953 between the parties hereto be modified and amended to change ~~the starting date from~~ _____ ~~to~~ ~~(No. of days)~~ ~~within~~ _____ ~~(No. of days)~~ ~~of the date of the contract and~~ the completion period from 18 (No. of months) to 21 (No of months) from the date of the contract. The effective date of this amendment shall be August 24, 1954.

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

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

Executed in sextuplicate the day and year first above written.

OTTAWA TUNGSTEN COMPANY
(Operator)

By W. P. Wade
Partner

THE UNITED STATES OF AMERICA

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

RECEIVED
OCT 22 1954

OTTAWA TUNGSTEN COMPANY
Exploration Project Contract Idm-E440
Docket No. DMEA 2658 (tungsten)

Justification of Amendment No. 2

Work has progressed at a slower rate than anticipated because of the severe winter weather from January to April 1954.

Docket Copy

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AMENDMENT NO. 2

It is agreed this 12th day of May 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and W. R. Wade and H. G. Oberdorf, partners, doing business as Ottawa Tungsten Company each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 480 of February 24, 1953 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be May 12, 1954.

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

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

Executed in sextuplicate the day and year first above written.

OTTAWA TUNGSTEN COMPANY
(Operator)

By W. R. Wade, partner
W. R. Wade

By H. G. Oberdorf, partner
H. G. Oberdorf By WRW

THE UNITED STATES OF AMERICA

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

Ottawa Tungsten Company
Exploration Project Contract No. Iam-E490
Docket No. DMEA-2658 (tungsten)

Amendment No. 1

Exhibit "F"

Changes and Modifications:

In Exhibit "A" of the contract, under Description of the Work, Stage II, delete items 4 and 5 and insert the following in lieu thereof:

4. Drift, crosscut, and/or raise a total of 300 feet on or from the old, or Prentiss, adit level, at locations to be approved in advance by the Government and the operator.

Ottawa Tungsten Company
Exploration Project Contract No. Idm-5490
Docket No. DMEA-2658 (tungsten)

Justification for Amendment No. 1

Exploration work on the new adit level failed to disclose ore except near the portal.

As work in the Prentiss, or old, adit level has given encouraging results, it is believed the 200 feet of drifting and crosscutting and the 100 feet of raising, allocated to the new adit level, under Stage II, could be more advantageously used in the Prentiss adit level. This work is therefore being transferred to the Prentiss adit level, to be expended at locations mutually acceptable to the Government and the operator.

Thor H. Kiilsgaard
Geologist

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

DOCKET DMEA 2698

COMMODITY Tungsten

UNITED STATES OF AMERICA Docket Copy
DEPARTMENT OF THE INTERIOR IDM-E 490
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 24th day of February, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] W. C. Wade and H. G. Obendorf, partners, doing business as Ottawa Tungsten Company
Marysville, Montana

hereinafter called the "Operator," as follows: and as provided in Annex I, attached hereto:

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 Montana, County of Lewis and Clark, described ~~as follows:~~ in Appendix I attached hereto and made a part hereof

~~the Operator represents and undertakes:[4]~~

~~(a) That the Operator is the owner in possession and entitled to possession and that the property is subject only to the following claims, liens, encumbrances, and rights of which the Government's lien or royalty holder is attached:~~

See Appendix I

See Appendix I

~~(b) That the Operator is in possession and entitled to possession and the property is subject only to the following claims, liens, encumbrances, and rights of which the Government's lien or royalty holder is attached:~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] tungsten

in or upon the described land; and shall bring the project to completion within a period of 18 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: and also the costs referred to in Article 13:

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

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

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

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

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

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

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

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments 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 $35,700.00, which is 75 percent of $47,600.00, 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.* To the extent that costs are set forth in Exhibit "A" as "agreed unit costs", they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form.

Executed in sextuplicate the day and year first above written.

OTTAWA TUNGSTEN COMPANY

W. R. Wade (Partner)
(Operator)

By H. G. Elbendorf (Partner)
By W. R. Wade (attorney in fact)

THE UNITED STATES OF AMERICA

By O. P. Mittendorf
Administrator, Defense Minerals Exploration Administration

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

____

[CORPORATE SEAL]

EXPLORATION PROJECT CONTRACT
OTTAWA TUNGSTEN COMPANY
DOCKET NO. DMEA-2658

ANNEX I

Materials and Supplies: For the purpose of determining the Government's interest in materials or supplies remaining upon any termination of the work, they shall be considered in groups or categories (such as pipe, or explosives, or rails, or drill steel), and if the original cost of the remaining unexpended portion of any such group or category exceeded $50, the Government shall have an interest therein as provided in Article 11 of the contract form.

Equities in Equipment: Unless expressly permitted by provisions in Exhibit A , the operator shall not procure equipment or any other item under a rental-purchase agreement, an installment-purchase agreement, any agreement which creates or builds up an equity or interest in the thing procured which can be converted to legal title only by further payment or some other consideration, or any agreement other than for straight rental or cash purchase and delivery.

Preservation of Property: Until the final disposal of any equipment or other property in which the Government has an interest or equity, the operator shall preserve and protect same for the mutual best interests of the parties, any reasonable and necessary cost thereof to be treated as an allowable cost of the exploration work to which the Government will contribute.

EXPLORATION PROJECT CONTRACT
OTTAWA TUNGSTEN COMPANY
DOCKET NO. DMEA-2658

APPENDIX I

Article 2. Operator's property rights.--With respect to that certain land situated in the State of Montana, County of Lewis and Clark, described as follows: Prentice Property composed of three patented claims, Richmond #1753, Woodchopper #1752 and G. D. Prentice #1751, in the Ottawa Mining District, Sec. 36, T. 12 N., R. 6 W., Sec. 31, T. 12 N., R. 5 W., and Sec. 6, T. 11 N., R. 5 W.; and the unpatented claims, June, July, and Mosquito Bar, Sec. 31, T. 12 N., R. 5 W., and Sec. 36, T. 12 N., R. 6 W., recorded in Book 28, pages 508, 509, and 510 respectively, in the County Recorder's Office, Helena, Montana, the Operator represents and undertakes:

(a) That the Operator is the owner of the June, July, and Mosquito Bar Claims, and this property is not subject to any claims, liens, or encumbrances; that the Operator is the owner of a 1/32nd interest in the Prentice Property, and is holder of a lease from the owners of ~~9/16~~ths interest in Prentice Property; 17/32 and N.R.N.

(b) That the Operator is in possession and entitled to possession, and the Owner's Consent to Lien from holders of 17/32nds interest is attached.

EXPLORATION PROJECT CONTRACT
OTTAWA TUNGSTEN COMPANY
DOCKET NO. DMEA-2658

EXHIBIT "A"

Description of the Work

The work shall be done in two stages. Most of the work is indicated tentatively on the attached map entitled "Map Showing Proposed Exploration Work On Richmond And June Claims Near Marysville."

The tentative locations, directions and extent of the underground workings indicated on the attached map may be changed with prior approval of the Government.

Stage I

Time Schedule: 0 - 3 months.

1. Bulldoze a road from the old railroad grade to the site of the old adit on the Richmond claim. (See attached map)

2. Bulldoze a portal site for the new adit on the granite-hornfels contact. (See attached map)

3. Bulldoze at least two trenches across the granite-hornfels contact. (See attached map)

4. Construct a shed to house compressor and for storage.

5. Crosscut approximately 145 feet from the old adit. (See attached map)

6. Extend drift approximately an additional 35 feet to the southeast in the old adit. (See attached map)

7. Raise approximately 60 feet vertically from the old adit to the surface. (See attached map)

8. Drive a new adit southeast along the granite-hornfels contact for 200 feet from the prepared adit site. (See attached map)

9. Raise approximately 60 feet vertically from the new adit at a site to be determined by the Operator with the approval of the Government.

Crosscutting, drifting, and raising shall be timbered as necessary.

Stage II

Time Schedule: 9 - 15 months.

Stage II shall be undertaken after the completion of Stage I if the Government approves it in advance.

1. Extend drift approximately an additional 100 feet southeasterly in the old adit. (See attached map)

2. Crosscut a total of approximately 200 feet on the old adit level. (See attached map)

3. Raise approximately 100 feet from the old adit working at a location to be determined by the Operator with the approval of the Government.

4. Drift approximately an additional 200 feet southeasterly along the granite-hornfels contact at the new adit working. (See attached map)

5. Raise approximately a total of 100 feet from the new adit at locations to be determined by the Operator with the approval of the Government.

Estimated Costs of Project

Agreed Unit Costs

Stage I

500 feet of crosscutting, drifting and raising @ $34.00/ft.	$17,000.00	
100 feet of timbering @ $7.80 per foot	780.00	$17,780.00

Stage II

700 feet of crosscutting, drifting and raising @ $34.00/ft.	23,800.00	
140 feet of timbering @ $7.80 per foot	1,092.00	24,892.00

The Government will contribute to the costs of crosscutting, drifting, raising and timbering on the basis of these agreed, estimated unit costs, as they accrue, for units of work actually performed in lieu of actual costs. The agreed unit cost includes all costs of the work except assaying. The rest of the described work and that item of the cost of the above work which is excluded therefrom will be contributed to by the Government on the basis of the

actual costs specified in Article 6(a) of the contract form for which schedules are set forth below:

Actual Costs
(*Indicates allowable maximum)

(1) Independent Contracts

Stage I

100 hours bulldozing for road building, adit portal preparation, and trenching @ $12.00/hr.		$ 1,200.00*

Note: The rate per hour for bulldozer includes wages of an operator, fuel, lubrication, transportation, repairs, and all other costs.

(6) New Buildings, Improvements, Installations

Stage I

Compressor and storage shed, includes all costs	$1,000.00*	
Installation of equipment and other necessary improvements in preparation for exploration, includes all costs	750.00*	1,750.00*

(7) Miscellaneous

Stage I

100 Assays @ $4.00 each	400.00

Stage II

140 Assays @ $4.00 each	560.00

(8) Contingencies

Stage I	470.00
Stage II	548.00

SUMMARY

Estimated Cost, Stage I	$21,600.00	
Estimated Cost, Stage II	26,000.00	
Total Estimated Cost of Project		$47,600.00*
Government Participation @ 75%		$35,700.00*

MF-203

OWNER'S CONSENT TO LIEN

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

17/32 divided interest in the Prentice property composed of three patented claims, Richmond 1753, Woodchopper 1752, and G. D. Prentice 1751, in the Ottowa Mining District.

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

2/ W. R. Wade and H. G. Obendorf, partners doing business as the Ottowa Tungsten Company, Marysville, Montana.

hereinafter called the "Operator"; and

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

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 35,700.00, or ten years have elapsed from the date of the 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 said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 7th day of Mar., 1953.

Donald Aker [Seal]
Attorney in fact for [Seal]
17/32 Intrest. [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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 six 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 ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent 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) per cent 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

(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, 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.

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.

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

So. 157 Howard Street
Spokane 4, Washington

AUG 18 1952

August 12, 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Application
Wade and Obendorf
(Prentice property)
Lewis & Clark Co., Mont.

Dear Mr. Johnson:

Enclosed are three copies of an exploration loan application on the Prentice property, Lewis and Clark County, ~~Idaho,~~ MONTANA submitted by W. R. Wade and H. G. Obendorf. One copy of the application has been retained by this office to facilitate a field examination if your office determines it is warranted.

This application should be referred to the legal division as the lease and option agreement accompanying the application shows the applicant has only a 9/16 interest in a portion of the property.

Sincerely yours,

S. Warren Hobbs

S. Warren Hobbs
Acting Member, DMEA
Field Team, Region II

Enclosures

cc: USBM (2)
Quinlan

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA-2658
Metal or Mineral
Date Received 8-18-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

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

W.R. Wade Marysville, Montana)
H.G. Obendorf Marysville, Montana) — D.B.A. Ottawa Tungsten Company

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

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

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

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

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

See attached sheet #1 under 3 (a)

(*b*) State any mine name by which the property is known. Generally known as the Prentice property.

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

See sheet #1 under 3 (c)

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

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. see sheet #1 under 3 (f)

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. see sheets 1 & 2 for

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. 4 a,b,c,d, & e.

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

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

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

5. *The exploration project.*—(*a*) [redacted] the mineral or minerals for which you w[redacted] explore Tungsten (scheelite)

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. see sheet # 3

(*c*) The work will start within 15 days and be completed within 8½ months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. see sheet # 4

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project: sheet # 5

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). see sheet # 5

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. see sheet # 5

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. see sheet # 5

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. see sheet # 5

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. see sheet # 6

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. sheet #6

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes. see sheet # 6

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

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? see sheet # 4

(*b*) How do you propose to furnish your share of the costs? see sheet # 4

☐ Money ☒ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper. see sheet # 4

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Aug 11, 1952

W. R. Wade
(Applicant)
H. D. Ohnstad
d b a Ottawa Tungsten Co.

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

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

Sheet # 1

3 (a) Richmond Pat. survey # 1753, Woodchopper Pat. survey # 1752, G.D. Prentice Pat. survey # 1751, these patented claims are situated in Ottawa Mining District, Marysville, Montana, Lewis & Clark County in Twp. 12 N Rg. 6 W. Sec. 36; Twp 12 N. Rg. 5 W. Sec 31; Twp 11 N. Rg 5 W. Sec. 6. Also unpatented claims June, July and Mosquito Bar situated in Twp. 12 N. Rg. 5 W. Sec 31 and Twp. 12 N. Rg 6W. Sec 36. as recorded in book 28, page 508, page 509 and page 510 respectively, County Recorders office, Lewis & Clark County, Montana. These claims listed above ~~lie in a contiguous block~~ are shown on property map attached.

3 (c) Applicants are owners of June, July and Mosquito Bar unpatented claims and have under lease with option to buy, 9/16 interest in Patented claims Richmond 1753. Woodchopper 1752, and G.D. Prentice 1751.

3 (d) Copy of lease attached.

3 (f) June claim recorded on page 508, book 28, July claim recorded on page 509 book 28, and Moaquito Bar recorded on page 510 book 28, County Recorders office, Lewis & Clark County, Montana.

4 (a) There is on the Richmond claim a tunnel 303' in length; size approx. 5' x 7' in cross section. This tunnel was driven about 40 years ago and is still in excellent condition and open for inspection. This Tunnel exposes two approximately flat beds scheelite ore and possibly a third. The tunnel extends along these beds for 190 feet. Two channel samples taken on these beds assayed .7% and 1.1% WO_3 . A recent bulldozer cut made by the applicant exposed one or more beds of scheelite ore at a point 60' above the tunnel floor and 145' to the east. Assays here ran 1.17 and .94% WO_3 and a representative bulk sample from this outcrop taken to the Butte School of Mines for metallurgical and concentration tests is reported by the Butte School of Mines to run 4.7% WO_3.

All workings are easily accessible for examination and you can drive within 150' of tunnel entrance with car.. The present tunnel will be used as a point of production and haulage level. There are mine cars, compressor, rock drills and other equipment near at hand for rental for exploration purposes. This property is situated within a few hundred feet of the highway running from Marysville to Helena and is within 5 miles of the Great Northern railroad station at Silver City.

The Montana Power Co.'s. 4000 volt power line passes over the property within 150' of the tunnel portal. The applicants interest in this operation is to open and operate this mine.

4 (b) There is no past or current production and no developed ore reserves that can be classified as such.

W.R. Wade & H.G. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville, Mont.

4 (c) This property lies in the metamorphosed Helena limestone near the contact of the main granite (quartz diorite) intrusive of the Marysville basin. This intrusive is an outlying member of the Boulder batholith. This intrusive has given off various tongues and dykes and have mineralized the beds which were favorable with scheelite accompanied by garnetization. There seems to be several beds at varying elevations which have been so mineralized. The exploration work to date is insufficient to determine the total number of beds and the ultimate extent of such mineralization.

A map accompanies this report showing the section along the main tunnel and a section at approximately right angles to the tunnel and showing the position and location of the mineralized beds so far exposed. The beds vary in dip from almost flat to 45° or more and vary from 1 to three feet thick, sometimes with barren beds in between and sometimes with ore bearing beds adjacent to each other.

Our reason for wishing to explore this property further is because we believe that commercial quantities of tungsten ore can be developed here. There are no engineering or geological reports, or other technical information available covering this peoperty.

4 (d) Accessibility: This property is accessible and within a few hundred feet of the main highway from Marysville to Helena. There is an access road now on the property however some bulldozing is necessary to connect tunnel entrance with present road and to connect present road with main highway. Distance to nearest shipping point, the Great Northern railway station at Silver City, is 5 miles.

Supplies will be secured loaclly at Helena, 22 miles distant, or shipped in by rail to Silver City, 5 miles distant.

Residence points: Town of Marysville, ½ mile distant and Helena, 22 miles by excellent highway, mostly paved.

4 (e) Manpower: Ample manpower available including experienced hard rock miners.
Materials: Timber for ties, stulls etc. available on property and lumber available from local mills.
Supplies: Ample mining supplies can be secured locally and in Helena or can be secured at Butte, 72 miles distant.
Equipment: Ample equipment is available such as compressor, rock drills, pump., ore cars rails etc. and sufficient is available at the start located within ½ mile of the property.
Water: Water is available from Ottawa creek which flows within a few hundred feet of tunnel entrance and can be pumped with no difficulty.
Power: The Montana Power Companies' 4000 volt power line passes over property within a few hundred feet of proposed operations.

W.R. Wade & H.G. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville, Mont.

5 (b) Proposed work: Raises 300 feet
Drifts and cross cuts 1100 feet
winze 50 feet

Details of this work are shown on accompanying map. This map also shows longitudinal section along existing tunnel, a cross section and the granite lime contact zones. The reason for putting up raises is because there are several ore bearing altered limestone beds, one above the other and the purpose of the raises is to cut through these beds as nearly to right angles as possible.

The drifting consists first of driving the present tunnel ahead for approximately 100' as the face of the tunnel lies in a mineralized bed and it is desired to extend this tunnel to further explore these beds. This drift is referred to on map as 'Proposed extension of D-1'.

Proposed crosscut D-3 extends to the west and is to determine how far west the mineralization now shown in D-1 extends in that direction, as scheelite ore is found on the dump of a tunnel approximately 400' to the west. This tunnel is on an adjacent property and is caved so it can not be examined, therefor this proposed D-3 crosscut is to determine the extent and value of any possible ore lying between these two tunnels. It is proposed to drive this D-3 for 180' or more if justified.

The main and most important crosscut is D-2 which will be driven east to the granite lime contact. It will be then turned and driven south along the contact. This southerly extension is shown on map as D-4. From D-4 short cross cuts, shown on map as X- 1,2,3,4,5, will be driven at 100' intervals.

D-2 will be driven about parallel to the first granite dyke which is believed to come off the main mass in a westerly direction and it is expected that D-2 will be in mineralized ground its entire length of 180'.

The short cross cuts shown as X 1-2-3-4-5 will total 100' of drift. The reason for driving D-2, D-4 and the short cross cuts is that the point of most intense mineralization of the altered limestone and garnet beds seem to be near the granite-lime contact and it is desired to explore this contact zone.

There is geological reason to believe that the floor of the present tunnel D-1 is underlain with granite at some reasonable depth. There are several small fissures coming up through the floor of the tunnel which are rich in scheelite, which indicates a granite mass below from which the scheelite emanates. Therefore it is desired to sink winze shown on the map as W-1, on one of these fissures in the hope that it will lead to an underlying granite contact or to beds of good ore above the underlying granite. W-1 is estimated at 50', however if results are encouraging it might be extended further down.

There are indications of possibly numerous beds besides those already exposed and it is desired to make a series of bulldozer cuts on the hillside above the tunnel to expose other mineralized beds. The estimated time and cost of this bulldozing is shown under 6- (a).

W.R. Wade & H.G. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville, Mont.

5 (d) Operating experience and background of applicants:

W.R. Wade :- Practicing mining engineer and operator; B.S. degree cum laude Harvard class 1904; Engr. New Jersey Zinc Co. Franklin Furnace N.J. Mgr. Azure Mining Co. Tyrone N.M. 1906-16; Supt Phelps Dodge Corp Nacozari, Mex. 1916-20; Mgr. Northern Ore Co. N.Y. Zinc Corp. 1920-25; American Metal Co. 1926-26; Mgr. Minas De Matahambre, Cuba, 1926-27; Partner John Hays Hammond developing and financing mines 1928-38; Pres. Park City Con. Mines Co. 1930-37; Consultant and Pres. & editor Mine & Mill Digest 1937-38; Partner Montana Rainbow Mining Co. operating Drumlummon mine at Marysville since 1938; Also engaged in general mine development and exploration; designed and built many large mining and milling plants; specialized many years in econ. geology as applied to the discovery of new ore bodies.

H.G. Obendorf; Gen. Mgr. fruit packing plants for J.C. Watson Co. Parma, Ida. 1925-32; Asst. to Lew Roberts, Chief engineer, State Dept. Hiways, Boise, Ida. 1932-34; Cost. Acct. and office mgr. Joseph. E.Seagrams Sons Co. Louisville, Ky. 1934-45; Engaged in mining activities in California and Montana since 1945; Vice Pres. & Gen. Mgr. Montana Rainbow Engineering Corp. since March 1, 1952.

The two applicants will manage and supervise the operations covering the exploration work outlined in this application.

7 (b) Applicants share of the costs:

The following to be furnished by applicants:		
Bulldozer work listed under 6(a)		$2880.00
Equipment on rental basis:		
Gardner-Denver 360 c.f.m. compressor with 100 h.p. electric motor; ex. condition; $350 per mo. for 8 mo.		2800.00
4 rock drills and/or stopers @ $25 per mo. ea.	8 mo.	800.00
Ingersoll Rand water pump @ $30 per mo.	8 mo.	240.00
4 20 cu ft. mine cars @ $10 per mo. ea	8 mo.	320.00
Large vent. fan with 20 h.p. motor & fan bag @$40 per mo	8 mo.	320.00
Repair shop; fully equipped with forge, drill press. lathe and all necessary repair equipment $50 per mo	8 mo.	400.00
Chevrolet pickup and/or large dump truck, whichever needed and gasoline & tires therefor		2400.00
To be furnished free of cost by applicant:		
1500' 2" or 3" air line pipe @ 30¢		450.00
1700' 1" water pipe @ 22¢		374.00
2 oil burning heaters for heating buildings @ $75 ea		150.00
Other:		
Engineer & general superintendent	8 mos.	6375.00
Manager and accountant	8 mos.	6375.00
Total to be furnished by applicant		$23884.00

W.R. Wade & H.g. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville, Mont.

Sheet # 5

6 (a) Estimate of cost

Independent contracts:

Bulldozer work to build necessary roads to portal of tunnel and from tunnel portal to highway; Seven 8 hr. shifts @ $12 per hr.	$ 672.00
Two 8 hr. shifts leveling for building site etc. @ $12 per hr	192.00
Twenty one 8 hr. shifts bulldozing off surface on upper portion of property to expose ore outcrops 168 hrs. @ $12.	2016.00
Total work with RD 7 Caterpillar bulldozer	2880.00

6 (b) Labor, supervision, consultants:

Labor on installing equipment, pipe, mine rail etc. necessary to start	750.00
4 miners underground @ $16 per day ea. for 240 days	15,360.00
Speed bonus for miners $4 day ea or 240 days @ $16.	3,840.00
Mine forman 240 days @ $20.	4,800.00
General Supt. and Engineer 1 man 255 days @ $25.	6,375.00
Asst. to Supt. to do accounting, timekeeping truck trips etc. 255 @ $25.	6,375.00
	$37,500.00

6 (c) Operating materials & supplies:

Based on 1450 feet drifts, raises & winze.

Blasting powder 20# per ft. @ 24¢ per lb. 4.80/ft	$ 6,760.00
Fuse & caps 25% of powder cost 1.20/ft	1,690.00
Drill steel and bits @ $6.00 per ft.	8,700.00
Rock drill repairs, sharpening bits, oil etc. $2.00 per ft.	2,900.00
Electric power to operate 1 100 h.p., one 20 h.p. amd one pump motor & lights at standard rates Montana Power Co. 8 mo.	5,200.00
	$ 25,250.00

6 (d) Operating equipment:

Small tools, picks, shovels, miners lights etc.
Mine rail; 1400 feet of track @ $1. per ft inc sp
Ties; 160 ties @ 50¢ ea
Rentals: Compressor, 360 c.f.m. disp. with 100 h
4 rock drills and/or stopers $25 per mo.
1 water pump @ $30 per mo. 8 mo.
4 20 cu. ft. mine cars @ $10. per mo. ea
Ventilating blower w 20 h.p. motor & fan
1 mucking machine @ $250. per mo. 8 mo.
1500 ft of 2" or 3" air pipe @ 30¢
1700 ft. of 1" water pipe @ 22¢
Water & air hoses for drills
Small crusher with motor for crushing samples

25 (625)

Supervision

1 Supervising engineer $625.00 per month

plus footnote on page 2 under Supervision

W.R. Wade & H.G. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville Mont.

Sheet # 6

6 (e) Rehabilitation and repairs:

Cost of re-roofing, bracing and repairs to present building on property to make it useable as shop and change room	$ 1,100.00

6 (f) New frame building 14' x 25' frame const. with composition roof and siding 1,400.00

6 (g) Miscellaneous:

Rental of shop with forge, lathe, drill press and complete equipment for repairs for all repair work @ 50 per mo.	400.00
Analitical work; accounting etc ; This is included under 6 (b)	
Workemans compensation, employers liability and payroll taxes	4,875.00
Rental on truck either pickup and/or large dump truck inc. gasoline & tires	2,400.00
2 heating stoves and fuel therefor	150.00
Necessary electric wire and fixtures	300.00
	$ 8,125.00

6 (h) Contingincies :

Estimated unforseen costs not included above	$ 3,000.00
Cost of sampling every 5' of new work @ $4.00 per assay	1,160.00
	4,160.00

TOTAL COST of PROJECT
(MAICS + FILES - SD)

*
*
*

2 8 8 0
3 7, 5 0 0
2 5, 2 5 0
1 0, 4 6 4
1, 1 0 0
1, 4 0 0
8 1 2 5
4, 1 6 0

9 0, 8 7 9 *

W.R. Wade & H.G. Obendorf
d.b.a. Ottawa Tungsten Co. Marysville, Mont.

LEASE AND OPTION AGREEMENT

THAT WHEREAS, Ida M. Oker and Donald Oker, as the sole and only surviving heirs of Joseph Oker, deceased, are the owners of an undivided seven-sixteenths (7/16ths) interest in and to the following described mining claims, to-wit:

Name of Claim	U. S. Mineral Survey Number
G and D Prentice	1751
Woodchopper	1752
Richmond	1753

AND WHEREAS, Grace Nuth, of 73 North William Street, Lindsay, Ontario, is the owner of an undivided two-sixteenths (2/16ths) interest in said above described mining claims,

AND WHEREAS, the heirs at law of Z. T. Vinson, deceased, are the owners of the remaining undivided seven-sixteenths (7/16ths) interest in said above described mining claims,

AND WHEREAS, John W. Chapman, Attorney at Law, 1415 Joseph Vance Building, Seattle, Washington, was, or is, the Administrator of the estate of the said Z. T. Vinson, deceased, which said administration and the record thereof is on file in the office of the Clerk of the District Court of the First Judicial District of the State of Montana, in and for the County of Lewis and Clark,

AND WHEREAS, the said Ida M. Oker, Donald Oker and Grace Nuth, after due diligence, are unable to determine the address of any of the heirs of the said Z. T. Vinson, deceased,

AND WHEREAS, under and by virtue of Section 93-2029 of the Revised Codes of Montana, 1947, the said Ida M. Oker, Donald Oker and Grace Nuth are empowered and authorized to carry on operations on said above described mining claims, providing a full compliance with said Section 93-2029, Revised Codes of Montana of 1947, is made,

NOW THEREFORE, on this 22nd day of July, 1952, the following agreement is made and entered into by and between Ida M. Oker and Donald Oker, as individuals, and as the sole surviving heirs at law of Joseph Oker, deceased, both of whom reside at Canyon Creek, Montana, and Grace Nuth of 73 North William Street, Lindsay, Ontario, Canada, hereinafter referred to as Lessors, and W. R. Wade and H. G. Obendorf, residing at Marysville, Lewis and Clark County, Montana, hereinafter referred to as Lessees, WITNESSETH:

That for and in consideration of the mutual covenants and agreements herein entered into between the parties hereto, it is agreed between the parties hereto as follows:

That the Lessors hereby lease to the Lessees the following described property, to-wit:

Name of Claim	U. S. Mineral Survey Number
G and D Prentice	1751
Woodshopper	1752
Richmond	1753

under the following terms and conditions, to-wit:

It is mutually agreed by and between the parties hereunto that either Donald Oker or Ida M. Oker or Grace Muth shall be empowered to act for the Lessors and such action by any one of them shall be binding on the other two.

This lease shall be assignable, but the Lessees, to make such assignment, must secure the written consent of Lessors.

The term of this lease shall be for a period of ten (10) years from date hereof with the right of further renewal for an additional five (5) years.

The Lessees shall have the right to enter immediately upon said premises and to take full possession of same for the purpose of exploring, sampling, testing, developing, working and mining the same, and the Lessees shall have full management and control thereof for the purpose of extracting and removing and and all minerals or ores contained therein, and for the purpose of treating, milling and selling same and the proceeds from such operations.

The Lessees agree to do all work on said claims in a good and workmanlike manner and to comply with all of the mining rules and regulations of the State of Montana and of the United States.

Lessees agree to pay Lessors as royalty under this lease nine-sixteenths (9/16ths) of Seven and One-half Percent (7½%) of the net proceeds received by them from the sale of the ore removed from leased premises by Lessees after deducting all transportation costs, commissions, milling and smelting charges, transportation and processing taxes or other charges that may be levied against the ore necessary to convert it into a salable product so it can be sold. Said royalty shall be due and payable fifteen (15) days after Lessees have received settlement for ore or concentrates shipped, and that the purchaser of such ore or concentrates shall pay the royalties direct to Lessors based upon

the terms of this lease, if such payments of royalties direct to Lessors is the general practice of the purchaser; otherwise the royalties shall be paid by the Lessees. The Lessors shall receive duplicate copies of all settlement sheets, and may inspect operations and records at any convenient time.

That seven sixteenths (7/16ths) of seven and one-half (7½) percent is to be delivered to John W. Chapman, at the address hereinabove given. It is understood that the Lessees, by the terms herein, are paying a total of seven and one-half (7½) percent net royalty to the Lessors and the said John W. Chapman, as the Administrator of the estate of Z. T. Vinson, deceased, said funds to be held by the said John W. Chapman, as Trustee for the heirs at law of the said Z. T. Vinson, deceased and distributed by the said John W. Chapman, as said Trustee. If said John W. Chapman is no longer administrator for the owners or heirs at law of the seven sixteenths (7/16ths) interest, then their share of the royalty shall be placed in the Union Bank and Trust Company of Helena, Montana for legal disposal to the owners of the seven sixteenths (7/16ths) interest.

All such payments made by the Lessors shall be made directly to the parties involved and sent to said parties through the United States mails, and addressed to said parties at the addresses hereinabove given.

Nothing herein contained shall prevent the Lessees from selling and disposing of the ores and minerals extracted from said property in any way that they see fit, providing that they sell and dispose of said ores and minerals in the usual and customary manner as employed by mining operators.

The Lessors may secure from Lessees copies of any maps showing mine workings which the Lessees may have caused to be made from time to time.

Requirements of this lease are that the lessees, beginning within ninety (90) days from the date of this lease, shall do or cause to be done, fifty (50) shifts of work each month or the equivalent. The use of machinery or supplies for the benefit of the property, labor, time and expenditures used in connection with or for the design, erection, purchase and/or construction of a mill or mills or other metallurgical facilities intended for the beneficiation of tungsten ores, whether located on the leased premises or not, shall be construed to apply within the meaning of fifty (50) shifts per month required. The time and labor of the Lessees will also count.

Lessors shall have the right to cancel lease upon failure of Lessee to do

or cause work to be done after giving Lessees sixty (60) days written notice, addressing same to Lessees at Marysville, Montana by registered mail. Lessees shall have the right to cure defect within this sixty (60) day period.

Lessees shall have the right at any time during this lease and for six (6) months after termination thereof to remove any and all property, equipment and supplies placed by them on this property whether attached to realty or not; including buildings, track, rail, pipe and all machinery and supplies of any kind and nature whatsoever.

It is understood and agreed that Lessees may terminate and cancel this lease at any time on ten (10) days written notice without further liabilities except for any payments due on royalties; and that all work done on property and/or rents and royalties paid Lessor by Lessees shall be accepted as fully liquidated damages.

Lessees agree to pay any and all labor and supply bills incurred by them in the operation of said property and to carry Workmen's Compensation Insurance.

Lessees agree to pay the taxes levied against any equipment or supplies placed on the property by them.

All parties hereto agree to pay their proportionate share of any taxes levied because and by reason of the extraction of any ores or minerals from said property.

Whereas the property of this date needs further development work and whereas the United States Government is making development assistance loans, Lessors agree to meet any and all requirements necessary to obtain such loan to develop this property for the purpose of blocking out ore.

In consideration of the execution and acceptance of this agreement by the Lessees, and in consideration of the work, labor and development to be accomplished and performed thereunder by said Lessees, the said Ida M. Oker and Donald Oker agree to sell to the Lessees their seven sixteenths (7/16ths) interest in said claims for the sum of Twenty-one Thousand Eight Hundred Seventy-five and no/100 ($21,875.00) Dollars, and the said Grace Muth agrees to sell her two sixteenths (2/16ths) interest in said mining claims to the Lessees for the sum of Six Thousand Two Hundred Fifty and no/100 ($6,250.00) Dollars, and in the event of such payments by the Lessees, the said Ida M. Oker and Donald Oker and Grace Muth agree to deliver to the Lessees, immediately

upon such payments, a good and sufficient conveyance of their interests in said claims.

It is understood and agreed that any royalties paid by the Lessees to the aforementioned Ida M. Oker, Donald Oker and Grace Muth shall be applied on said purchase price, and that in order to complete said purchase price, the Lessees shall be charged only with paying the difference between the cash sales and amount of the royalties paid to said parties by the Lessees, prior to the completion of said sale.

This option to purchase shall terminate in any and all respects upon the termination, rescission or cancellation of this agreement.

It is further understood and agreed by and between the parties hereto that any time lost or cessation of required work caused by reason of weather, strikes, riots, wars, lack of market, or unavoidable interruptions of any kind beyond the control of Lessees is not to run against the time, work required, or monthly expenditures herein specified.

This agreement shall be binding upon the heirs, executors, administrators, and assignes of all of the parties hereto.

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

WITNESS:

Donald Oker
Lessor

Ida M Oker
Lessor

Grace Muth
Lessor

W. R. Wade
Lessee

H. S. Chrisman
Lessee

STATE OF MONTANA)
: ss.
County of Lewis & Clark)

On this 22nd day of July, 1952, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Ida M. Oker and Donald Oker, known to me personally to be two of the Lessors who executed the foregoing Lease and Option Agreement, and acknowledged to me, each for himself and herself, that they executed the same.

In witness Whereof, I have hereunto set my hand and affixed my official seal, the day and year first hereinabove written.

E. E. Widrukzen
Notary Public for the State of Montana
Residing at Helena, Montana
My commission expires Mch 6, 1954

(SEAL)

DOMINION OF CANADA)
)
PROVINCE OF ONTARIO) ss.
)
TOWN OF LINDSAY)

On this 29th day of July, 1952, before me, the undersigned, a Notary Public, personally appeared Grace Muth, known to me to be one of the Lessors who executed the foregoing Lease and Option Agreement, and acknowledged to me that she executed the same.

In witness Whereof, I have hereunto set my hand and affixed my official seal, the day and year first hereinabove written.

E. Hamilton
Notary Public, Ontario.
Appointed for life.

(SEAL)

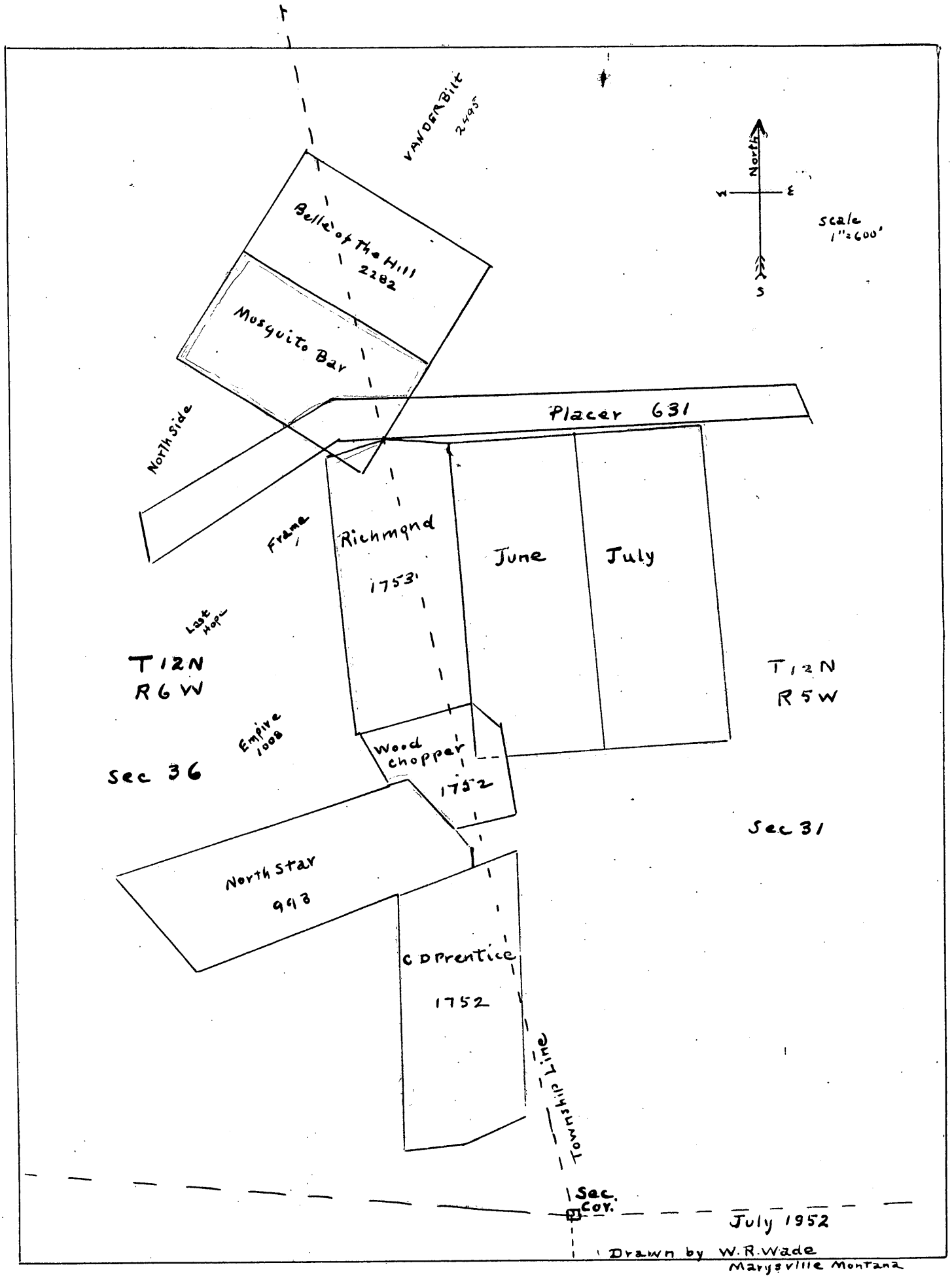
STATE OF MONTANA)
: ss.
County of Lewis & Clark)

On this 8th day of ~~July~~ August, 1952, before me, the undersigned, a Notary Public for the State of Montana, personally appeared W. R. Wade and H. G. Obendorf, known to me personally to be the Lessees who executed the foregoing Lease and Option Agreement, and acknowledged to me, each for himself, that they executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal, the day and year first hereinabove written.

Bernice Stern
Notary Public for the State of Montana
Residing at Helena, Montana
My commission expires 3/16/55

(SEAL)


VANDERBILT
2495
North
W
E
S
Scale
1" = 600'
Belle of The Hill
2282
Mosquito Bar
Placer 631
North Side
Frame
Richmond
1753
June
July
Last Hope
T 12 N
R 6 W
T 12 N
R 5 W
Empire
1008
Sec 36
Wood chopper
1752
Sec 31
North Star
998
C D Prentice
1752
Township Line
Sec. Cor.
July 1952
Drawn by W. R. Wade
Marysville Montana

DO
Surna
Holt
400

October 3, 1955

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: General Summary of Contract and Results Obtained
Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Operator: Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Marysville, Montana

Operator's property rights:

The Richmond Lode, Survey No. 1753, Woodchopper Lode, Survey No. 1752, and G. D. Prentice Lode, Survey No. 1751, patented lode mining claims, are controlled by lease of a 17/32 interest from the owners, Miss Ida M. Oker, Donald Oker, and Miss Grace Muth. The operator owns the June, July, and Mosquito Bar unpatented lode claims, recorded on pages 508, 509, and 510 of Book 28 in the records of Lewis and Clark County, at Helena, Montana.

Contract:

(a) Executed February 24, 1953
(b) Completion period - 18 months

(c) Work authorized:

Stage I. Bulldozing a road, clearing and levelling site for surface building and portal of new adit, construction of shed to house compressor and equipment, installation of compressor, driving 500 feet of drift, crosscuts and raises, timbering 100 feet, all at a total cost of $21,600.00

Stage II. 700 feet of drifting, crosscutting, and raising, with 140 feet of raising, at a total cost of . . . . . $ 26,000.00

Total estimated cost of program . . $ 47,600.00

Government participation, 75 percent $ 35,700.00

Amendment No. 1, dated May 12, 1954, authorized a change in Stage II work from the new adit to the Prentiss adit, without change in the total cost.

Amendment No. 2, dated August 24, 1954, extended the period of time for the completion of the work from 18 to 24 months, beginning with the date of the contract.

(d) Work completed:

1,021 feet of drifting and crosscutting,
179 feet of raising, and
29 feet of timbering,
at a total cost of . . . . . $ 43,231.73

Government participation, 75 percent $ 32,423.80

The Operator's Final Report was received January 6, 1955, and the Final Report of the Field Team on September 6, 1955.

Audit: A review in lieu of final audit was received December 27, 1954.

Certification:
A certification of discovery was recommended by the Field Team. A certification of discovery or development was issued by this Division on February 25, 1955.

Comments:
The project was established to explore for tungsten in the Prentice Property in Lewis and Clark County, Montana. Tungsten ore discovered by project work was estimated by the Field Team as 2,300 tons of inferred ore, average assay about 0.40 percent tungsten trioxide (WO_3).

W. S. Martin, Chief
Iron and Ferro-Alloys Division

cc: Docket
Code 400
Oper. Comm.
Adm. Read. File
SPHolt/ls

Jan. 55

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

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

Operator: Ottawa Tungsten Corp.		Actual Cost	X 4928.00
State: Montana		Agreed Unit Cost	x 42,672.00
Final Report of Audit		Commodity: Tungsten	Docket No. 2658
Final Report of Review	x		Contract No. 490

Operation	Authorized by Contract and Amendments		Completed		Net cost after sale of Government Property
	Units	Cost	Units	Cost	
Drifting & Crosscutting and	1200	$40,800.00	1021	$34,488.75	$34,488.75
Raising			179	$6,086.00	6,086.00
~~Shafts~~ Timbering	240	$1,872.000	29	226.20	226.20
Winzes					
Drilling (Specify)					
Surface Excavation		$1,200.00		$ 384.00	$ 384.00
~~Underground Excavation~~				360.00	360.00
Roads and Trails				$360.00	$360.00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
* Contingencies Underground Rehabilitation		$1,018.00		$210.00	$210.00
New Building, Improvements, etc.		$1,750.00		$1,412.78	$1,412.78
Other (Specify)		960.00		64.00	64.00
Totals		$47,600.00		$43,231.73	* $43,231.73

Agreed

Actual

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

* $210.00 of Contingency authorization spent on rehabilitation of adit tunnel.

Prepared by James Hopkins Date 5-20-58

31398

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Hussell	500
8/13	Talbert	800
8/13	Conlearne	120
"	Johnson	110
	[illegible]	100
		220

AUG 13 [illegible]

Messrs. W. R. Wade and H. G. Obendorf
d/b/a Ottawa Tungsten Company
Marysville, Montana

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Montana
Contract Idm-E490

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated February 25, 1955, all minerals mined or produced from February 24, 1953, to February 24, 1963, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

MMerrithew/mm
8/13/63
cc: Director's Reading File
CA&A Division
Region I
✓Docket
Code 500

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
August 7, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 9 1963

DATE	INITIALS	CODE
8/9		800
	Griswold	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract Idm-E490

This is in reference to Mr. Griswold's memorandum of April 26, and yours of July 26, 1963.

The latter part of May I asked Steve Giulio, consulting engineer headquartered at Helena, Montana, if he was familiar with the subject property. He was not. I have put off replying to the memorandums in hopes I could find time on a field trip to get into the vicinity of the property for a closer check, but so far it has not been reasonably possible.

I have talked to Steve Zoldok at the Bureau of Mines and he feels as I do that it is most unlikely that there has been any production from this property, certainly not in recent years when the price of tungsten has been so low.

I believe the Operator's statement can be accepted.

D. R. MacLaren

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/26	Murphy	500
	[illegible]	500
	[illegible]	130
7/28	Johnson	110
7/	[illegible]	100
7/26	[illegible]	220

JUL 2 6 1963

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract Idm-E490

This is with reference to Mr. Griswold's memorandum of April 26, 1963, relating to closing the subject file. If you have been able to form an opinion in the matter mentioned in the last paragraph, we would appreciate your comments.

George C. Selfridge (gla)

FMMurphy/gla
7-26-63
cc to: Director's Reading File
Review Committee
Docket
Code 500

23263

AEC Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/26	Talbot	800
"	on leave	130
"	Johnson	110
6	[illegible]	100
		220

APR 26 1963

Memorandum

To: Acting Field Officer, Region I

From: Acting Chief, Division of Field Operations

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Montana
Contract Idm-E490

We would like to close this referenced docket, in which the royalty period expired 2-24-63.

A Form 63 sent to the Operators last year was returned 8-1-62 with the check mark of no production but also with the notation "Our lease expired many years ago--property reverted to owner." In an attempt to get more reliable information, we recently sent a Form 63 to Mr. Donald Oker, who signed the Owner's Consent to Lien as "attorney in fact for 17/32 interest." Our form has just been returned with the notation that Mr. Oker is deceased.

Before we close the docket we would appreciate an expression of your opinion as to whether or not we may accept the Operator's statement of no production.

W. R. Griswold
mm

6/3/63
Mac. will answer in a few weeks.
[illegible]

WRGriswold/mm
4/26/63
cc: Director's Reading File
Review Committee
Docket
Code 500

8623

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

OFFICIAL BUSINESS
Office of Minerals Exploration
Washington 25, D. C.

RETURNED TO WRITER

REASON CHECKED
Unclaimed_____ Refused_____
Unknown_____
Insufficient address_____
Moved, Left no address_____
No such post office in state_____
Do not remail in this envelope

Deceased
Date unknown

POSTAGE AND FEES PAID
DEPARTMENT OF THE INTERIOR

CANYON CREEK
APR
17
9AM
1963
MONT.

Griswold

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

April 11, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker Deceased, date unknown

Canyon Creek, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

From January 1, 1958, to February 24, 1963,

1. was there a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

From January 1, 1958, to February 24, 1963,

2. was there any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date _____

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

April 11, 1963

Re: DMRA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker

Canyon Creek, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62
DMRA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, ~~Since~~ was there ~~, has there been~~ a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, ~~Since~~ was there ~~, has there been~~ any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

April 11, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Ida-8490

Mr. Donald Oker

Canyon Creek, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMRA-2658
Idm-2490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, was there a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, was there any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

OFFICIAL BUSINESS

Office of Minerals Exploration
Washington 25, D. C.

No such Post Office in State named.
No Post Office named.
Illegible address.

POSTAGE AND FEES PAID
DEPARTMENT OF THE INTERIOR

PTS

CHI SAV & MPLS
TR 25
MAR 28
1963

Griswold

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

March 25, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker
Canyon Creek,
~~Wolborg~~, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, ~~Since~~ was ~~xxhas~~ there ~~been~~ a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, ~~Since~~ was, ~~xhas~~ there ~~been~~ any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

March 25, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker

Welborn, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, ~~Since~~ was ~~when~~ there ~~been~~ a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, ~~Since~~ was, ~~when~~ there ~~been~~ any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

   _____ Quantity _____ Value _____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

March 25, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker

Welborn, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, ~~Since~~ was ~~when~~ there ~~been~~ a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, ~~Since~~ was, ~~when~~ there ~~been~~ any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____		
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4512

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

March 25, 1963

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Mont.
Contract Idm-E490

Mr. Donald Oker

Helboro, Montana

Dear Mr. Oker:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

This is with reference to the Owner's Consent to Lien signed by you on March 7, 1953. If you will be kind enough to bring us up to date we shall be able to release the Government lien against production from this property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2658
Idm-E490

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. From January 1, 1958, to February 24, 1963, ~~Since~~ was ~~when~~ there ~~been~~ a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. From January 1, 1958, to February 24, 1963, ~~Since~~ was, ~~when~~ there ~~been~~ any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through _____ workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4512

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 1962

DATE	INITIALS	CODE
8/6	[illegible]	800
	[illegible]	140
	[illegible]	100
8/6	[illegible]	110
8/9	[illegible]	500
11	[illegible]	500
	[illegible]	220

July 27, 1962

Re: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis & Clark County, Montana
Contract Idm-E490

Messrs. W. R. Wade and H. G. Obondorf
d/b/a Ottawa Tungsten Company
Marysville, Montana

Dear Sirs:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

Our lease expired many years ago. Property reverted to the owners.

/s/ W. R. Wade

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since December 20, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since December 20, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
None		

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons	None	
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
None		

Submitted by:

Name W. R. Wade Title

Address Maryville Montana Date Aug 1 1962

4511

One

No. 157 Howard Street
Spokane 4, Washington
January 12, 1962

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, Washington, D. C.

From: Acting Field Officer, OME, Region I

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract Idm-1490

There is enclosed a Report of Royalty Review dated December 28, 1961, for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Prentice Property located in Lewis and Clark County, Montana, during the period July 1, 1955, through December 20, 1961.

This Report of Royalty Review is for record purposes only and no copy has been provided for the Operator.

D. E. Maclaren

Enclosure

MLSmelser:mls
cc: CA&A Div., OME
OME
Reading copies to:
Nolan
Guild
Hobbs

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 15 1962

DATE	INITIALS	CODE
1/16/62	gla	500
		220

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 8 1962

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract Idm-E490

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 1-5-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

OFFICIAL FILE COPY

Date	Surname	Code
11-29	gad	220

NOV 29 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract Idm-E490

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that the property under this contract has been inactive since October 1954. If this is so, please confirm by an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama 11-29-61

cc:
Docket
Director's Reading File
CA & A Division

43683

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 27 1958

DATE	INITIALS	CODE
1/28	C	220
"	Com	100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of report: December 20, 1957

Operator: Ottawa Tungsten Company, Marysville, Mont.

Mine name: Prentice property

County and State: Lewis and Clark County, Montana

Docket number and commodity: DMEA-2658 (tungsten)

Contract number: Idm-E490

Property inactive. The royalty status remains the same as reported for January 1 to June 30, 1957.

Signed: George T. Krempasky (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (2)
USBM (AD)

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 11 1957

DATE	INITIALS	CODE
7/11	P.	220
"	Corr	100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: June 6, 1957

Operator: Ottawa Tungsten Company, Marysville, Mont.

Mine name: Prentice property

County and State: Lewis and Clark County, Montana

Docket number and commodity: DMEA-2658 (tungsten)

Contract number: Idm-E490

Project inactive. The status remains the same as reported for the period of January 1 to June 30, 1956.

Mr. Donald Oaker, owner, was interviewed at his home near Welborn, Montana. He stated that no work was being done at the mine and this was confirmed by a visit to the property. He informed me that he had a potential lessee for the property. It was suggested to him that he write the Field Team regarding percentage of production to be paid as royalty.

Signed: George T. Krempasky (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

RECEIVED
JAN 22 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Dec. 18, 1956

Operator: Ottawa Tungsten Company, Marysville, Mont.

Mine name: Prentice property

County and State: Lewis and Clark County, Montana

Docket number and commodity: DMEA-2658 (tungsten)

Contract number: Idm-E490

Mr. Donald Oaker, owner, was interviewed on December 18, 1956. He stated that there has been no production or work at the property during the reporting period.

The property was visited on December 18. There was no one at the mine and no sign of recent activity.

The status of the project remains the same as reported for the period of January 1 to June 30, 1956.

Signed: Eldon C. Pattee (Mining Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

490

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1956 Date of exam: June 12, 1956

Operator: Ottawa Tungsten Company, Marysville, Mont.

Mine name: Prentice property

County and State: Lewis and Clark County, Montana

Docket number and commodity: DMEA-2658 (tungsten)

Contract number: Idm-E490

Date of contract: February 24, 1953

Date of certification: February 25, 1955

Expiration date of royalty payments: February 24, 1963

Total amount of contract: $47,600.00

Total expenditures under contract: $43,231.73

Amount of Government participation at 75%: $32,423.80

Royalty payments this period: none

Previous royalty payments: none

Total royalty payments to date: none

Percent Government participation repaid: none

Royalty due on production to date: none

Royalty remarks: Royalty audit by C. E. Fisher dated August 5, 1955.

Original estimate of reserves (from final Engr.-Geol. report):	2,300 tons 0.4% WO_3
Increase (or decrease) of reserves by work performed subsequent to original and last Field Team estimates:	none
Revised estimates of reserves:	none
Production this period:	none
Amount of previous production (since date of contract):	none
Total DMEA production to date:	none
Percent of revised reserves mined:	none

Production remarks:

Mr. Wade, one of the Operators, was interviewed June 12, 1956. He stated that there had been no activity at the mine during the reporting period. The mine was visited on June 12 accompanied by Mr. Wade. There was no one at the mine and no sign of recent activity.

Other remarks:

Mr. Wade had previously stated (December 1955 report) that the Ottawa Tungsten Company's option on the Prentice property expired approximately January 1, 1955. On June 12, 1956 he stated that he has deeded his portion of the Prentice property to Donald Oaker, one of the previous owners. Mrs. Oaker, mother of Donald, was interviewed at their home near Welborn, Montana on June 12; Donald Oaker was not expected to return for two weeks. She stated that she had no knowledge of Mr. Wade deeding his interest in the property to Donald and that she did not believe he had done so. She also stated that Mr. Brophy of Marysville, Montana, is interested in obtaining a lease on the property but had not obtained the lease.

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

Signed: Eldon C. Pattee (Engineer)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Division of Iron and Ferro-Alloys ~~XXXXXXXXX~~ Date March 3, 1958

Semi-Annual Report - Certified Project Date December 31, 1955

DMEA No. 2658 Operator Ottawa Tungsten Company Contract No. Idm-E 490

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)	2,300	0.4 % WO_3
Increase (Operator)	none	
Total	2,300	0.4 "
Decrease (Production)	none	
Net Available	2,300	0.4 "

Investment

None reported

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

Production remarks:

"Mr. W. R. Wade (partner) was interviewed by telephone on Dec. 20, 1955. He stated that there had been no activity at the mine since the termination of the DMEA contract. The mine was inaccessible on Dec. 20 because of deep snow. Mr. Wade stated that the Ottawa Tungsten Company's option on the Prentice property expired approximately January 1, 1955."

Other Remarks: (Investments, etc.)

"No further exploration work has been done since the termination of the DMEA contract."

Contact by W. Chomichky

S.P.H.

100338

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period:	July 1, 1955 to December 31, 1955
Docket No.:	DMEA-2658
Contract No.:	Idm-E490
Operator:	Ottawa Tungsten Company, Marysville, Montana
Commodity:	Tungsten
Mine name:	Prentice property
County:	Lewis and Clark
State:	Montana

Date of contract:	February 24, 1953
Date of certification:	February 25, 1955
Expiration date of royalty payments:	February 24, 1963
Date of examination for this report:	December 20, 1955

Total amount of contract:	$47,600.00
Total expenditures under contract:	$43,231.73
Amount of Government participation at 75%:	$32,423.80

Royalty payments this period:	none
Previous royalty payments:	none
Total royalty payments to date:	none
% Loan repayment completed:	none

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Amount of royalty due: none

Royalty remarks: Royalty audit by C. E. Fisher, dated August 5, 1955

Original estimate of reserves
(from final Engr.-Geol. report): 2300 tons inferred 0.4% WO_3

Increase (or decrease) of reserves
by work performed subsequent to
expiration or termination of
contract: none

Revised estimate of reserves: none

Production this period (ore or concentrates): none

Amount of previous production (since date of contract): none

Total DMEA production to date: none

% of revised reserves mined: none

Production remarks:

Mr. W. R. Wade (partner) was interviewed by telephone on December 20, 1955. He stated that there has been no activity at the mine since the termination of the DMEA contract.

The mine was inaccessible on December 20 because of deep snow.

Mr. Wade stated that the Ottawa Tungsten Company's option on the Prentice property expired approximately January 1, 1955.

Other remarks: (Investments, etc.)

No further exploration work has been done since the termination of the DMEA contract.

Signed: Eldon C. Pattee (Engr.)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

DOCKET
Surname:
Holt
Martin
F E Johnson

OCT 4 - 1955

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice property
Lewis and Clark County, Montana
Contract No. Idm-2490

Dear Mr. Fredell:

Reference is made to our letter of February 28, 1955, addressed to Mr. Irving Gumbel, transmitting a certification of discovery or development for the above-captioned project.

The Field Team in its Final Report, received September 6, 1955, now estimates ore discovered by project work as 2,300 tons of inferred ore, average assay about 0.4 percent WO_3, instead of 5,000 tons of indicated ore assaying from 0.3 to 0.5 percent WO_3, as reported in our letter to Mr. Gumbel.

Other data given in that letter on the work of the project are not changed by the Field Team report.

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Docket
Adm. Read. File
Code 400--Mr. Martin
Code 800--Mr. Chambers
Code 110--Mr. Johnson
Operating Committee
R. W. Geehan, USBM
W. McInnis, USBM
Thor Kiilsgaard, USGS
Field Team, Region I-Spokane

SPHolt/ls
9/30/55

R.C.S.

IN REPLY REFER TO:

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

RECEIVED
SEP 1 0 1955

September 15, 1955

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Final Field Team Report, DMEA Docket No. 2658, Contract No. Idm-E490 (tungsten), Wade and Obendorf, partners, d/b/a Ottawa Tungsten Company, Marysville, Montana.

I have reviewed the Field Team's Final Report on the above-referenced project.

The exploration, consisting of trench-cutting, drifting, and raising, was completed at a total cost of $43,231.70. The Government's share of the cost was $32,423.80. According to the report the work resulted in the discovery of several thousand tons of ore-grade, or near ore-grade, rock.

A Certification of Discovery or Development was issued the Operator by the Government on February 25, 1955. I agree that the Certification is appropriate.

WPWilliams

W. P. Williams

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP - 6 1955

August 31, 1955

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

Re: Docket No. DMEA 2658 (tungsten)
Wade and Obendorf, Partners
D.B.A. Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Enclosed are four copies of the Field Team final report on the Ottawa Tungsten property, written by John D. Bardill, Bureau of Mines, and Robert A. Weeks, Geological Survey.

A Certification of Discovery or Development was issued February 25, 1955. The authors state that further exploration of the property is not warranted at the present time.

By Field Team, Region I, NW District

A. E. Weissenborn

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

Wing G. Agnew

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

F.T. Final Report

Enclosures

cc: USBM (2)
USGS (SRO)
Weeks

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

RECEIVED
SEP - 6 1955

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I
Northwest District

FINAL REPORT

Contract Idm-El90

by

John D. Bardill
Mining Engineer
U. S. Bureau of Mines

Robert A. Weeks
Geologist
U. S. Geological Survey

W. R. WADE AND H. G. OBENDORF, PARTNERS
D.B.A. OTTAWA TUNGSTEN COMPANY
Marysville, Montana

Docket No.:	DMEA 2658
Commodity:	Tungsten
Contract date:	February 24, 1953
Completion date:	November 24, 1954

PRENTICE PROPERTY
Ottawa Mining District
Lewis and Clark County, Montana

Spokane, Washington

August 1955

Reviewed by
DMEA OPERATING COMMITTEE
9-9-55
(date)

FINAL REPORT

W. R. WADE AND H. G. OBENDORF, PARTNERS
OTTAWA TUNGSTEN COMPANY
Prentice Property
Ottawa Mining District
Lewis and Clark County, Montana

Contract Idm-E490

* * * *

INTRODUCTION

This report describes a project conducted by Ottawa Tungsten Company, a partnership, under an exploration contract with Defense Minerals Exploration Administration, to prospect a scheelite-bearing occurrence known as the Prentice Property in Lewis and Clark County, Montana.

Summary

The property of the Ottawa Tungsten Company was explored for scheelite ore. Reserves of several thousand tons of ore-grade or near ore-grade material can be inferred. The property was explored by means of several bulldozer trenches and by two adits and several short raises. Scheelite occurs in well-defined tactite beds in a sequence of calc-silicate hornfels beds of Precambrian Belt age at and near their contact with an intrusive mass of diorite. The scheelite mineralization is controlled by favorable beds and is limited within these beds to zones adjacent to igneous contacts and faults that acted as channels for the mineralizing solutions.

Recommendations

A Certification of Discovery or Development was issued on February 25, 1955. Although no large tonnage of recoverable tungsten ore has been discovered, some small production of tungsten could be made with present market prices.

Further exploration of the property is not warranted at present. The relatively small tonnage of reserves developed by the present exploration program would probably not be materially increased by further exploration. The mine could produce at present on a "leasing" type operation, but no possibility of large tonnage operations are indicated.

LOCATION AND ACCESSIBILITY

The Ottawa Tungsten Company mine is in sec. 36, T. 12 N., R. 6 W., and secs. 6 and 31 of T. 12 N., R. 5 W., a little less than a mile east of the town of Marysville in Lewis and Clark County, Montana. The mine is accessible by about half a mile of poor road that in part follows the old road bed of an abandoned branch line of the Northern Pacific Railroad. From Marysville a graveled road leads about 4 miles to the oiled highway between Helena and Lincoln. Helena is about 17 miles from Marysville.

The mine lies on a moderately steep north-facing slope of the valley of Silver Creek. It is at an approximate altitude of 5,300 feet. Regionally, the climate is characterized by moderately severe winters and abundant snowfall in the mountains, while a semi-arid climate prevails in the valleys. The Marysville area has a long winter, with snow persisting until May or June; snow storms sometimes occur in each month of the year. Despite the long and relatively severe winters, the mine could be worked throughout the year.

PROPERTY

The exploration project contract covered three patented claims, the Richmond No. 1753, the Prentice No. 1751, and the Woodchopper No. 1752, and three unpatented claims, the June, July, and Mosquito Bar.

These claims are adjacent to the Drumlummon mine, from which a large amount of gold has been mined. Early exploration consisted of 303 feet of adit on the Prentice claim, plus surficial test pitting on the several adjacent claims.

Under the DMEA exploration project, surface trenches were cut and sampled, exposing the contact and disclosing mineralized "tactite" in several small areas. The Railroad Grade adit was advanced 191 feet and 60 feet of raises were driven. In the Prentice adit an additional 823 feet of adit and 119 feet of raises were driven. No permanent surface improvements were made, except for the moving in of a compressor shed to the portal of the Railroad Grade tunnel.

All underground workings are in hard rock and require little timbering except for 34 feet at the portal of the Railroad Grade adit and a few posts and stulls near some of the faults. The original 300 feet of the Prentice adit stood open with essentially no supports for perhaps 50 years, and the same can be expected for the present workings.

GEOLOGY

Regional setting: The geology of the Marysville area has been described in detail by Barrell (Barrell, Joseph, Geology of the Marysville Mining District: U. S. Geol. Survey Prof. Paper 57, 1907), Knopf (Knopf, Adolph, Ore deposits of the Helena Mining Region: U. S. Geol. Survey Bull. 527, 1913), and Pardee and Schrader (Pardee, J. T., and Schrader, F. C., Metalliferous deposits of the greater Helena Mining Region: U. S. Geol. Survey Bull. 842, 1933) who discuss some mines of the Marysville area and describe the geology of the region. Recent and continuing geologic work in the region surrounding the Boulder batholith is described in a number of U. S. Geological Survey reports by Klepper, Weeks, Ruppel, Becraft, and others.

The Marysville district is underlain by sedimentary rocks of the late Precambrian Belt series that have been broadly folded and faulted prior to the intrusion of the Marysville stock, a quartz diorite intrusion related to the Boulder batholith. Folding is not intense, the rocks being arched to form the broad Helena dome, a structure described by Knopf (p. 89). The strata in the Marysville area dip moderately to the north and east, but the structures are more complex in the vicinity of the stock, where faulting associated with emplacement of the stock has affected the country rock.

In the vicinity of the mine only the Helena formation is shown on Barrell's map. It is composed of bluish-gray argillaceous limestone and dolomite with interbedded shale in this region, but in the vicinity of the Marysville stock it is altered to a hard light-gray and brown-banded calc-silicate hornfels. According to Barrell (p. 32), the metamorphosed rocks consist of aggregates of two or more of the following minerals: tremolite, actinolite, diopside, biotite, quartz, feldspar, and subordinate calcite.

The Marysville stock is believed by Barrell to be closely related to the Boulder batholith and possibly continuous with the batholith in depth. It lies about 6 miles north of the nearest exposures of the batholith. The petrology of the stock is described by Barrell who shows it to be a quartz diorite body with several minor variants. The marginal phase of the stock is more basic, and the small intrusive body at the Ottawa Tungsten Company mine is shown on Barrell's map as diorite of the marginal phase.

Local geology: On the property of the Ottawa Tungsten Company the Helena formation was metamorphosed by the intrusive to dense, fine-grained calc-silicate hornfels, with conspicuous color banding. The color banding indicates the rocks were originally thin- to medium-bedded sediments. The hornfels is slightly coarser grained near the contact with the diorite body, but the more pronounced change is the recrystallization of some beds to "tactite" by emanations from the diorite.

The amount of "tactite" is greatest near the diorite and extends outward from the contact for a few hundred feet. During "tactitization", certain favorable horizons were converted to beds now composed largely of garnet, epidote, and actinolite. The "tactitization" was controlled not only by favorable beds but also by fractures and apparently irregular channelways that gave the solutions access to the favorable beds.

Associated with the "tactite", but not confined to it, are small amounts of scheelite. Scheelite was deposited at the same time that the "tactite" was being formed as is clearly shown in a number of places in the mine. The scheelite is most concentrated in the portion of the bed that has been converted to "tactite". The fractures and irregular channelways that served to introduce the "tactite" producing solutions can be identified most easily during black-light examination. The scheelite concentration is greatest along the near vertical feederways and in the favorable beds immediately adjacent to the feeders, gradually decreasing with distance from the feeders. Scheelite is essentially lacking in the intrusive rocks.

The ore bodies consist of restricted portions of "tactite" beds, especially those portions near the principal fractures. The ore consists of scheelite in disseminated grains in a gangue composed of brown garnet, epidote, quartz, and actinolite. The scheelite commonly is in grains about one-sixteenth inch in diameter or smaller, with a few crystals up

to a quarter of an inch long. The scheelite is not easily seen except under black-light examination. The gangue minerals tend to be somewhat coarser grained than the scheelite, with occasional garnet crystals showing faces over a quarter of an inch long. Accessory chalcopyrite and pyrite are present in minor amounts.

The scheelite fluoresces blue-white, except for films and coatings on joints that fluoresce with a pronounced yellowish cast. The yellowish fluorescence is probably due to increased molybdenum content in the material that has been acted on by surficial weathering. The molybdenum content shown in one or two assays is not high.

Thickness of the scheelite-bearing "tactite" bodies ranges from a knife edge to perhaps as much as 8 feet locally, with an average figure of about 2 feet. No individual bed has been mined or developed sufficiently to clearly demonstrate the shape of an ore body. Presumably, the ore fades out along strike and dip in distances comparable to those seen in the various workings. Thus, perhaps a maximum strike length for "tactite" bodies in this mine would be a few hundred feet, and the dip length perhaps a little less.

In addition to distinct beds, ore has developed in more or less pod-shaped masses adjacent to intersections of fractures. One of these is at the intersection of Drifts D1, D2, and D3 in the Prentice adit. Here, one or more beds have been jumbled by faulting before being converted to "tactite". Some of the best samples over the greatest widths were obtained in this area.

From the above discussion, the following conclusions about future work in this mine are believed appropriate. Scheelite mineralization has occurred during, and possibly slightly later than, the development of the "tactite". There are only a small number of favorable beds with appropriate feeder channels. Most of the "tactite" beds are too thin and have too low a tungsten content to be mined. The future of this mine seems to lie in extraction, by small-scale operations, of the few high-grade beds now partly explored. Additional exploration will probably find more "tactite" beds, but probably would not repay the costs of development.

THE PROJECT

Geologic justification of the project was presented in a memorandum by M. R. Klepper, Geological Survey, dated September 12, 1952. Channel samples showed that relatively large amounts of scheelite were present in exposed "tactite" beds, and it was believed that further exploration might discover fairly extensive scheelite-bearing beds in the mine area.

The exploration program was set up in two stages:

Stage I consisted of bulldozing an access road to the Prentice adit, a site for a new adit portal, and two trenches across the granite-hornfels contact. A shed was to be constructed to house the compressor and provide storage. A new adit (Railroad Grade adit) was to be driven 200 feet southwest along the granite-hornfels contact, then a raise would be driven vertically about 60 feet to the surface. The Prentice adit was to be extended 180 feet, with a raise approximately 60 feet to surface.

Stage II provided for extending the Prentice adit approximately an additional 100 feet southeasterly, crosscutting about 200 feet east and west, and raising approximately 100 feet. The new adit was to be extended an additional 200 feet to the southeast with about 100 feet of raises.

The amount of scheelite in the new adit workings at the end of Stage I was disappointing so that the program was modified and footage in Stage II for the new adit was transferred to the Prentice adit by Amendment No. 1, dated April 12, 1954.

The contract was dated February 24, 1953. Work was started in March 1953. Severe winter weather made it necessary to recess the project from January to April 1954. Amendment No. 2, dated August 24, 1954, extended the time from 18 to 21 months in order to permit this recess. The work was completed October 19, 1954.

The following work was completed:

Railroad Grade Adit level:		Feet
Main Adit	146.4	
S.W. Crosscut	51.6	198.0
Raise No. 1	13.0	
Raise No. 2	47.0	60.0
Timbering		29.0

Prentice Adit level:

Main Adit (Drift No. 1)	203.0	
Drift No. 2	51.0	
Drift No. 3	326.7	
Drift No. 4	82.0	
Drift No. 5	160.3	
		823.0 ft.
Raise No. 1	35.0	
Raise No. 2	5.0	
Raise No. 3	5.5	
Raise No. 4	21.0	
Raise No. 5	26.0	
Raise No. 6	13.0	
Raise No. 7	13.5	
		119.0 ft.

Total drifts, crosscuts, and raises	1,200.0 ft.
Total timbering	29.0 ft.

Ore Reserves

Assays of all samples known to have been taken are shown on figure 1. As pointed out by the Operator's final report, some difficulty in getting reproducible assay results from the samples was experienced; thus, the actual value for any one sample may be suspect. The over-all assay picture, however, is considered to be representative, having checked approximately with blacklight examinations.

The three "tactite" beds that contain enough tungsten for computation of ore reserves are shown on figure 1. Bed A is estimated to average 1.8 feet in thickness, to have a strike length of 40 feet, and a dip length of 40 feet. Using a weight factor of 10 cubic feet per ton, this bed contains about 300 tons (288 exact). Bed B is estimated to contain about 1,500 tons, using a thickness of 3 feet, a strike length of 100 feet, and a dip length of 50 feet. Bed C contains about 300 tons, based on a thickness of 1 foot, a strike length of 125 feet, and a dip length of 25 feet. The ore bed shown at the portal of the Railroad Grade tunnel is estimated to contain about 200 tons, based on a thickness of 3 feet, a strike length of 25 feet, and a dip length of 25 feet. These ore bodies have an average grade estimated to be about 0.4 percent WO_3, and a total inferred reserve of about 2,300 tons. If the "cut-off" grade were lowered to about 0.1 to 0.2 percent WO_3, about double this tonnage could be inferred.

Exploitation Possibilities

The total estimated inferred reserves of 2,300 tons averaging 0.4 percent WO_3 are too small to justify construction of a beneficiation plant and too low grade to ship to one.

Summary of Factual Data

Work

The project was completed at the following costs:

Item		Total cost	Unit cost/ft. raises, drifts & crosscuts (1200 feet)
Agreed Unit Costs			
Railroad Grade adit:			
2 raises	60.0 ft. @ $34.00	$2,040.00	$34.00
Drifts & Xcuts	184.75 ft. @ 34.00	6,281.50	34.00
Xcuts	13.25 ft. @ 17.00	225.25	17.00
		$8,546.75	
Prentice adit:			
7 raises	119.0 ft. @ $34.00	$4,046.00	$34.00
Drifts & Xcuts	823.0 ft. @ 34.00	27,982.00	34.00
		$32,028.00	
Timbering - 29 ft. @ $7.80		226.20	.19
(1) Independent Contracts			
Trenching	- 32 hrs. @ $12/hr.	384.00	.32
Access roads	- 30 hrs. @ $12/hr.	360.00	.30
(6) New Buildings, etc.		1,412.78	1.18
(7) Miscellaneous			
16 assays @ $4.00 ea.		64.00	.05
(8) Contingencies			
Cleaning Prentice adit		210.00	.18
Total Cost		$43,231.73	$36.22

The above costs, taken from the DMEA Auditor's Report of Review, have been approved by Washington, D.C. The total contract amount was $47,600.00.

Government participation in the cost of the project was 75 percent of $43,231.73 or $32,423.80.

Operator had the work done on contract so that no account was kept of man-hours expended.

There was no ore production from this project.

Equipment

The Government participated in the purchase, moving, and improving of an old building which was used to house the compressor and for storage. The accepted cost of the building was $777.55. The building was of little value, and because of its isolated location the cost of salvaging it would have been greater than its salvage value so the Government waived its equity in the structure.

Discussion of Conclusions

The project work was conducted in a workmanlike manner by competent miners. Severe weather caused a short recess in work during the winter of 1953-54.

The Operator was a competent, financially responsible mining engineer.

The property was believed to have been adequately prospected, and although a small tonnage of marginal ore was found, no further work seems justified.

Enclosure

Distribution:
- DMEA (4) ✓
- USBM (5)
- USGS (SRO)
- Docket
- Weeks

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1955 to June 30, 1955

Docket No. DMEA 2658 (tungsten) Contract No. Idm-E490

Operator: Ottawa Tungsten Company
Marysville, Montana

Name of mine: Prentice property

County: Lewis and Clark State: Montana

Date certified: February 25, 1955 Date of last inspection: June 14, 1955

Contract amount: $47,600.00 Inspection engineer: G. A. Apell

Amount spent: $43,231.73 Government participation: $32,423.80

Amount repaid to date: none

Reserves: An estimated 5,000 tons of ore averaging 0.3 to 0.5 percent WO_3.

Remarks: On June 14, 1955, Bureau of Mines engineers G. A. Apell and E. C. Pattee went to Marysville, Montana, to interview Mr. W. R. Wade in re: the Prentice tungsten mine. Mr. Wade was in Utah and not expected back until later in the week. Contact was made with Mr. John Brophy, Mr. Wade's associate during DMEA activities at the Prentice mine. At present Mr. Brophy is leasing the Drum-Lummond gold mine which adjoins the Prentice on the north. In 1952, Brophy was mine superintendent for Wade's Montana Rainbow Co. and he is familiar with mining activites in the Marysville area.

The following information came from Mr. Brophy:

The Prentice operations ceased about September 1954.
No ore shipments from the Prentice since September 1952.
No operations or ore shipments to date (June 14) in 1955 and none is anticipated.
The mine is idle; there is no mill on the property.
The ore is bunchy and low grade.
Not enough ore was revealed by DMEA work to justify further development work.

Distributioh:
DMEA (4) -- USGS (2) -- USBM (2) -- USBM (AD)

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

RECEIVED
JUL - 5 1955

June 29, 1955

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

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Wade and Obendorf
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Please refer to your letter of June 20, 1955. The part of the Field Team's final report on the cited contract to be done by the geologist has been typed in rough draft and the map has been drafted; both have been edited. As soon as the Bureau of Mines part is completed, it will be sent to the geologist for final checking. Weeks is on annual leave until about the first of July and will return to his field station about that time.

We will get it to you as soon as possible.

Yours sincerely,

John S. Vhay

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District

cc: USBM (2)
Weeks

DOCKET
SURNAME
400 Rutledge
Martin
Selfridge
Jeffman
Mortendorf

JUN 20 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
Wade and Obendorf
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Weissenborn:

Reference is made to the subject docket and your letter of April 6, 1955 informing us that the Field Team's final report of the cited contract would not be ready for transmittal to Washington in less than a month.

It would be appreciated if you would advise us of the present status of the referenced report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

APPROVED:

J. H. Hedges
Member, Bureau of Mines (SHB)

Thor H. Kiilsgaard
Member, Geological Survey (SHB)

FARUTLEDGE:foc
6-17-55
cc to: Docket
Code 400
Admr. Read. File
Operating Comm.
FT. REG. I - NW DIST.
Messrs. Holliday, USBM
Kiilsgaard, USGS

R.C.H.

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

April 6, 1955

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

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
Wade and Obendorf
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

In answer to your letter of March 22, 1955, regarding the final field team report on the cited contract, I find that due to the pressure of work on the several people involved, the final report probably will not be ready for transmittal to Washington in less than a month. However, we will do our best to get it ready sooner.

Very truly yours,

John S. Vhay

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team Region I, NW District

cc: USBM (2)
Weeks

400 Docket
Surname
Chapman
Martin
Selfridge
Johnson
Wattendorf

MAR 22 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
Wade and Ehrendorf
Lewis and Clark County, Montana
Contract No. Ldm-Mg90

Dear Mr. Weissenborn:

In reviewing our docket on the subject project, we note that in your letter of January 10, 1955, you advised us that the final field team report would be completed and would be transmitted in to us in several weeks. We have not received this report to date and would appreciate your sending it in as soon as possible so that we may close our files on the project.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

APPROVED:

J. H. Hedges (JB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JB)
Member, Geological Survey

TLChapman:fec
3-21-55
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. I- NWD
Robert Holliday, USBM
Thor H. Kiilsgaard, USGS

R.C.S.

DOCKET
Surname:
Chapman
Martin
Chambers
McInnis
Newcomb
Killsgaard
Hedges
F. Johnson

FEB 28 1955

Messrs. W. R. Wade and H. G. Obendorf
Ottawa Tungsten Company
Marysville, Montana

INTERIOR DEPT.
FEB 11 1955
SOLICITOR

Re: Docket No. DMEA 2658 - Tungsten
Prentice property
Lewis and Clark County, Montana
Contract No. Idm-E490

Gentlemen:

Transmitted herewith is a certification of discovery or development for Contract No. Idm-E490, on the Prentice property, Lewis and Clark County, Montana.

By the terms of the exploration project contract and of the certification, all production from the property from the date of the exploration project contract, February 24, 1953, is subject to the Government's percentage royalty as set forth in the contract until the sum of $32,423.80 is paid or until February 24, 1963, whichever occurs first.

Payments should be made to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Northwestern Division - Region I, South 157 Howard Street, Spokane 4, Washington. Checks should be drawn to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Weissenborn of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Weissenborn at 6-month intervals that no production has been made.

Sincerely yours,

C. O. Mittendorf
Administrator

cc: Docket
Adm. Read. File
Oper. Committee
FT, Reg. I-Spokane
H. J. Hedges, USBM
W. McInnis, USBM

cc: Code 400-Mr. Martin
Code 800-Mr. Chambers
Code 110-Mr. Johnson
T. Kiilsgaard, USGS

Enclosure

TLChapman/ls
2/9/55

DOCKET
Surname:
Chapman
Martin
Chambers
McInnis
Newcomb
Killsgaard
Hedges
Johnson

FEB 2 8 1955

Miss Grace Muth
73 North William Street
Lindsay, Ontario, Canada

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. G. Obendorf,
Partners, dba
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Miss Muth:

Transmitted herewith for your information is a copy of a certification of discovery or development issued as a result of the exploration program under the above-referenced contract.

The property as set forth in the contract was leased to Messrs. W. R. Wade and H. G. Obendorf, a partnership, by Ida M. Oker and Donald Oker (owners of a 7/16th interest) and Grace Muth (owner of a 2/16th interest), on July 22, 1952, and is the same property referred to in an Owner's Consent to Lien executed by Donald Oker, Attorney in Fact, on March 7, 1953. The remaining interest in the property was in the Estate of Z. T. Vinson, whose heirs the participants were unable to locate.

By the terms of the exploration project contract and of the certification, all production from the aforesaid lands from the date of the exploration project contract is subject to the Government's percentage royalty as set forth in the contract, until the sum of $32,423.80 is paid or until February 24, 1963, whichever occurs first.

Sincerely yours,

C. O. Mittendorf
(by ESF)
Administrator

cc: Docket
Adm. Read. File
Operating Committee
FT, Reg. I-Spokane
J. H. Hedges, USBM
W. McInnis, USBM
T. Kiilsgaard, USGS
Code 400 - Mr. Martin
Enclosure

Code 800-Mr. Chambers
Code 110 - Mr. Johnson

TLChapman/ls
2/8/55

A.C.h.

DOCKET
Surname:
Chapman
Martin
Chambers
McFann
Newcomb
Johnson

FEB 28 1955

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region I - Northwest Division
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. R. Obendorf,
Partners - dba
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Weissenborn:

Enclosed are copies of a certification of discovery or development for the above-noted property and of related correspondence.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

cc: Docket
Code 400
FT, Reg. I-Spokane
Adm. Read. File
Oper. Comm.
J. H. Hedges, USBM
W. McInnis, USBM
T. Kiilsgaard, USGS
Code 800-Mr. Chambers
Code 116-Mr. Johnson

TLChapman/WSMartin/ls
2/8/55

DOCKET
Surname:
Chapman
Martin
Chambers
McInnis
Newcomb
Kiilsgaard
Wedge
Johnson

400

FEB 28 1955

Miss Ida M. Oker
Mr. Donald Oker
Canyon Creek, Montana

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. G. Obendorf,
Partners, dba
Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Miss and Mr. Oker:

Transmitted herewith for your information is a copy of a certification of discovery or development issued as a result of the exploration program under the above-referenced contract.

The property as set forth in the contract was leased to Messrs. W. R. Wade and H. G. Obendorf, a partnership, by Ida M. Oker and Donald Oker (owners of a 7/16th interest) and Grace Muth (owner of a 2/16th interest), on July 22, 1952, and is the same property referred to in an Owner's Consent to Lien executed by Donald Oker, Attorney in Fact, on March 7, 1953. The remaining interest in the property was in the Estate of Z. T. Vinson, whose heirs the participants were unable to locate.

By the terms of the exploration project contract and of the certification, all production from the aforesaid lands from the date of the exploration project contract is subject to the Government's percentage royalty, as set forth in the contract, until the sum of $32,423.80 is paid or until February 24, 1963, whichever occurs first.

Sincerely yours,

C. O. Mittendorf
by ESJ
Administrator

cc: Code 400-Mr. Martin
Code 800-Mr. Chambers
Code 110-Mr. Johnson

cc: Docket
Adm. Read. File
Operating Committee
FT, Reg. I - Spokane
J. H. Hedges, USBM
W. McInnis, USBM
T. Kiilsgaard, USGS

Enclosure

TLChapman/ls
2/9/55

R.C.G.

DOCKET
Surname:
Chapman
Martin
Chambers
McInnis
Newcomb
Kiilsgaard
Hedges
Johnson

FEB 28 1955

Mr. Irving Gumbel, Acting Director
Materials Division, Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade & H. G. Obendorf, Partners
dba Ottawa Tungsten Company
Prentice Property
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Gumbel:

Enclosed is a certification of discovery or development for the above-noted project.

Contract No. Idm-E490 was executed February 24, 1953. Expenditures up to $47,600.00 were authorized, of which the Government's share at 75 percent was $35,700.00. The cost of the work completed was $43,231.73, of which the Government's share was $32,423.80.

The object of the exploration program was to explore the extensions of known scheelite-bearing tactite beds for additional reserves of tungsten ore. The program employed trenching, drifting, crosscutting, and raising, to determine the possible extensions and occurrences of ore bodies and lenses.

The contract allowed for bulldozing two trenches on the contact, a road to the old adit, and a portal site for new adit. Also 640 feet of drifting, crosscutting, and raising were allowed in the old adit, and 560 feet of drifting, crosscutting and raising in the new adit, or a total of 1,200 feet. Amendment No. 2 changed the drifting, crosscutting, and raising to 940 feet in the old adit and 260 feet in the new adit. All work was completed according to the contract as amended.

It is estimated that about 5,000 tons of ore that will run from 0.3 to 0.5 percent WO_3 are indicated by the exploration project. [redacted]

Sincerely yours,

C. O. Mittendorf

Administrator

cc: Docket
Adm. Reading File
Operating Committee
FT, Region I-Spokane
J. H. Hedges, USBM
W. McInnis, USBM
T. Kiilsgaard, USGS
Enclosure

cc: Code 400-Mr. Martin
Code 800-Mr. Chambers
Code 110-Mr. Johnson

TLChapman/ls 2/10/55

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

January 13, 1955

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA-2658 (tungsten)
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Wade:

Reference is made to your letter of January 8, 1955, stating that you have not yet received a check for the last work done at your property.

You should receive a check in a very few days because it has been scheduled for payment.

Sincerely yours,

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

cc: DMEA (2)
USGS (2)
Books

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 14 1955

January 10, 1955

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

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Enclosed is a short memorandum by Robert A. Weeks dated January 6, 1955, the information for which has been taken from the final Field Team report on the above-cited contract. The final Field Team report is in preparation but will not be ready for transmittal for several weeks. This information is being sent to you at this time for whatever action you wish to take.

The Field Team agrees with the recommendation in this memorandum that the Ottawa Tungsten project should be certified.

By Field Team, Region II

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosure
cc: USBM(2)
USBM(AD)
Weeks

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
JAN 14 1955

January 6, 1955

MEMORANDUM

To: DMEA Field Team, Region II

From: Robert A. Weeks, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2658 (tungsten), Recommendation for Certification of Discovery or Development, Ottawa Tungsten Company, Prentice Property, Lewis and Clark County, Montana, Contract Idm-E490

The property of the Ottawa Tungsten Company has been successfully explored for scheelite ore. Reserves of several thousand tons of ore-grade or near ore-grade material can be inferred.* The property was explored by means of several bulldozer trenches and by two tunnels and appropriate raises. Scheelite occurs in well-defined tactite beds in a sequence of calc-silicate hornfels beds of pre-Cambrian Belt age at and near their contact with an intrusive mass of granodiorite. The scheelite mineralization is controlled by favorable beds and is limited within these beds to zones adjacent to igneous contacts and faults that must have acted as channels for the mineralizing solutions.

A Certification of Discovery or Development should be made. Although no large tonnage of recoverable tungsten ore has been discovered, some small production of tungsten could be made with present market prices. Under more favorable marketing arrangements, that is, either increased tungsten prices or shorter distance from mine-to-market, the mine could be expected to produce from several hundred to a few thousand tons of low-grade scheelite ore.

Distribution:
DMEA(Orig&3)
USBM(2)
USBM(AD)
Docket
Weeks

*The operator in his final report has estimated 5,000 tons between 0.3 and 0.5 percent WO_3. Preliminary estimates by the Field Team agree as to grade but suggest that the tonnage estimate may be slightly but not seriously high.

XXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
January 6, 1955

Mrs. Myrtle Purdy, Certifying Officer
DMEA Field Team, Region II
1201 N. Division St.
Spokane, Washington

Re: Ottawa Tungsten Co.
Contract Idm-E490
Docket No. DMEA 2658

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government participated in the purchase, moving, and improving of an old building which was used to house the compressor and for storage. The accepted cost of this building was $777.55. The structure is of little value and the cost of a salvage operation would be greater than the value of the salvage. The Government's equity in this structure is, therefore, waived by the Executive Officer.

A Certification of Discovery or Development will probably be recommended.

A final Report of Review dated December 21, 1954, by DMEA Auditor, C. A. Turner, has been received.

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

Sincerely yours,

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

mp
cc: DMEA (2)
USGS (2)

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

JAN - 3 1955

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: DMEA-2058, E490
W. R. Wade and
H. G. Obendorf

Dear Mr. Turner:

Receipt is acknowledged of your Report of Review covering the above-cited Exploration Project Contract.

The Report is acceptable and normal distribution may be effected.

Sincerely yours,

(Signed) E. D. Talbert

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

WBorovies/wb
January 3, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
December 21, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Final inspection, Docket No. DMEA 2658 (tungsten), Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E490

A final inspection of this project was made on December 8, 1954 accompanied by Mr. W. R. Wade, one of the Operators.

The southwest drift D3 had been driven 93.1 feet since the last inspection on September 18, 1954. The face of the drift was at Sta. BM 357 + 234.6 feet. No scheelite mineralization of consequence was observed in this last work.

Operator completed the two stages of the project contract on October 19, 1954. The contract was on a unit cost basis with all labor, supplies, equipment, etc., being furnished by the Operator. Pipe, rail, compressor and other equipment and supplies belonging to the Operator have been removed from the property.

The Government participated in the purchase, moving and improving of an old building which was used to house the compressor and for storage. The structure is of little value so that the cost of its removal would exceed its salvage value. The Government will waive all rights to this building.

The following work was completed on a unit cost basis and was agreed upon by the Operator:

32 hours bulldozing trenches to expose geologic structure and sampling

30 hours bulldozing access road and preparation of adit portal sites

16 tungsten assays

Railroad tunnel		Net footage payable under contract
*Drifts and crosscuts		191.0
Raises		60
34 feet of timbering at the portal		
Prentiss tunnel		
7 raises	119.0	
Drifts and crosscuts	823.4	942.4
		1193.4

*The footage at the portal necessary to get underground (13.6 feet) was reduced one-half according to usual practice.

The work was performed in a minerlike manner.

The final report is in preparation. A certification of discovery probably will be recommended.

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
Auditor Turner
JDB/he

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

Department of the Interior
Defense Minerals Administration
DEC - 3 1954

November 26, 1954

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

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Prentice property
Lewis & Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Attached are the original and 2 copies of a final report and maps received November 26, 1954, from W. R. Wade, operator, on the subject contract. You will note that the operator claims that the work has demonstrated a probable 5,000 tons or so of minable ore, but that the ore bodies are small, irregular, and low grade, and that insufficient tonnage has been demonstrated to warrant the construction of a mill.

In general, our field examiners agree with these conclusions; although a noteworthy discovery cannot be claimed, yet the results of the exploration seem to warrant certification. If a mill were available undoubtedly some of the ore could be mined and there is at least a possibility that a discovery sufficient to justify a mill might result from work on the nearby Glineski property (Boulder Ores, Inc., Contract Idm-E588). For this reason a Certification of Discovery or Development will probably be recommended.

A final Field Team report will be prepared as soon as possible.

By Field Team, Region II

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures
cc: USBM (2)
USBM(AD)
Weeks

WILLIAM ROGERS WADE
CONSULTING MINING ENGINEER
AND GEOLOGIST
MARYSVILLE, MONTANA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SPOKANE

DEC - 3 1954

Novemebr 10,1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division St.
Spokane, Washington

Subject Tungsten
D.M.E.A. 2658
Final Report

Gentlemen

Attached please find the final engineering and geological report on the Ottawa Tungsten Co. development project at Marysville, Montana.

Five copies of the map of the underground working are being sent you under separate cover.

Yours truly

W. R. Wade

W.R.Wade

Operator's Final Report

RECEIVED
NOV 26 1954
U. S. G. S.
SPOKANE, WASH.

Final Engineering and Geological Report on the Prentiss or Richmond mine of the Ottawa Tungsten Co. Marysville, Montana

D.M.E.A. 2658 Contract Idm E 490

Location

1 Miles East of the town of Marysville, Lewis & Clark County, Montana

Accessibility

Reached by wagon road 6 miles from the Great Northern Railroad at Silver City, Montana

Property

Patented claims; Richmond 1753, Prentiss 1 752, Woodchopper 1752, and unpatented claims ,June, July, Mosquito Bar.

Power and Water

Power line on property and also property crossed by Ottawa Creek flowing several hundred gallons per minute. Dries in July 1951 flowed 150 gallons per minute over weir.

Geology

The country rock is Pre-Cambrian Helena limestone which has been altered to hard hornstone by the intrusion of the Marysville, Quartz Diorite, stock. There are several small vertical dikes of quartz diorite, hereinafter called granite, which are spurs from the main Marysville stock. These spurs cut the horns tone in this group of claims. The heat and chemical reaction from these dikes formed garnet masses with pyroxenes in the hornstone known as Tactite and introduced calcium tungstate, scheelite.

The general dip of the hornstone is from 10 to 20 degrees. The tactite scheelite bearing lenses are beds in the hornstone and conform to the dip of the hornstone. These ore bodies are lenses and vary from a few inches thich to 6 feet. They extend along the granite contact for 100 to 150 feet before lensing out and extend out at right angles to the contact in the bedding of the hornstone from 50 to 100 feet. There are some minor faultings with a foot to three feet displacement.

Assay value of the ore

This is most difficult to determine in small channel samples. In the first place two assays on the same pulp by diierent assayers may vary from .3 to 1.3% WO_3 as in one of our assays. The sample pulp sent twice to the same assayer after splitting and given a different number has come back with equally great differences in the reported value. There seems to be a very great difficulty in getting accurate results on low grade ore say .2 to .3.% The assayers seem to be about .2% low. Second the ore contains a small percentage of Molybdenum wich seems to increase the difficulty in assaying. Third the values themselves are very spotty along the strike of the ore lenses and vary greatly in a very few feet distance.

It is my guess that the ore will average 0.3 to 0.5% in WO_3. This is based on panning tests. The use of the tungsten lamp and assays and laboratory mill tests.

Development work

With the original 303 feet of drifting existing at the start there are now 1503 linear feet of drifts, cross cuts and raises on the two levels, called the Railroad grade and the Lower or Prentiss tunnel.

Several ore bodies are cut by this work, some small and others up to 6 feet thick. The work has not been done with the idea of outlining each individual ore-body but rather to find more orebodies and get a general picture of the deposit.

Tonnage developed

Thers is no strictly blocked out or proven ore tonnage. The work has demonstrated a probable 5000 tons or so of minable ore up to date. To block out this ore and prove its definite size and grade would require more drifts and cross cuts and raises.

Milling tests

Millings tests have been made on the ore in the Montana School of Mines at Butte, Montana. The ore can be treated by gravity concentration on jigs and tables. The recovery by tabling as shown in the tests was 74.86% making a concentrate assaying 62.4% WO_3. While tests by flotation were not tried it is reasonable to assume the tailings from the gravity concentration could be reground and floated, making a lower grade concentrate for chemical treatment and the entire recovery raised to 85 or 90%.

Conclusions

The ore-bodies so far found are small and irregular and of low grade. There is not enough tonnage demonstrated at present to warrant the construction of a milling plant.

The size and grade of the ore in the lower tunnel was much better than in the railroad grade tunnel 50 feet higher up in elevation.

The showning to date would indicate that a tunnel 50 to 75 feet lower might greatly increase the ore reserves. It is probably several hundred feet below the present lower tunnel to the granite floor below and the ore seems to get better and bigger the closer it gets to the granite dikes.

W. R. Wade

W.R.Wade
Consulting Mining Engineer
and Geologist

Marysville, Montana
Novemeber 1954

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

November 26, 1954

Memorandum

To: Miss Curtin, Statistics and Control Division, DMEA

From: Hazel Berry, Operating Committee, DMEA
By HB

Subject: Amendment to Contract

Attached is the following docket copy of an amendment to a contract which has been reviewed and approved by the commodity division, Contract Administration and Audit Division, and the Legal Division.

OTTAWA TUNGSTEN CO., DMEA-2658, Idm-E490, Amendment No. 2.
The official docket is also attached.

Attachment 1

Rubin

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

November 22, 1954

Memorandum

To: The Administrator, DMEA
Attention: Mr. W. S. Martin

From: Acting Assistant Solicitor, Defense Minerals

Subject: Docket No. DMEA-2658, Wade & Obendorf (Ottawa Tungsten Company), Docket No. DMEA-2658, Contract Idm-E490, Amendment No. 2

We have reviewed this Amendment No. 2 prepared and executed in Region IV.

While there is no legal objection to the amendment, and we have surnamed it, it is noted that although the time for completing the work has been extended, no like extension has been made of the period fixed for the payment of the Government's royalty.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachment

JLHofflund/emd
Copy to: DMEA Docket
Solicitor's Docket
W. S. Martin
J. L. Hofflund
H. C. Rubin
chron.

Defense Minerals Administration
NOV 8 - 1954

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

November 5, 1954

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMA-2698 (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-2490

Dear Mr. Wade:

This will acknowledge receipt of your undated note on November 1, 1954. In answer to your last question about when the final check on the cited contract will be sent to you, that depends upon when a geological and engineering report, with maps, (as specified under Article 7 of the contract) is received from you, and when an audit of your records can be made by a representative of the Contract and Audit Division, as mentioned in our letter of October 12. We have requested the Audit Division to give this account high priority and we expect that it will be done late this month.

Sincerely yours,

John S. Vhay
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)
USBM (AD)
DMEA (2)
Auditor Turner
Weeks

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration RECEIVED JAN 1 1955

Month of Oct. 1954, 195 Docket No. DMEA 2658 Contract No. Idm -E-490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $7,600 Government Participation 75 % Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY WJM: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) In[redacted] Short Form Contracts:						
Drilling Timbering		226.20	266.20			
Bulldozing		744.00	744.00			
Crosscutting						
Drifting 38.81	1319.54	33611.21	34930.75			
Raising		5644.00	5644.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.78	1412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		64.00	64.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Clearing Lower Tunnel		210.00	210.00			
TOTALS	1319.54	41912.19	43231.73	1319.54	41912.19	43231.73

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

Date Oct. 19, 1954 Payee Ottawa Tungsetn Co.

Per W R Wade Title Partner

*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.

1-104 a and [illegible] sent to [illegible]

(Instructions on reverse)

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

$ 989.65

Signature M.P.
(Authorized Certifying Officer)

Date 1-13-55 Vou. No. 1402
(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. E490 in accordance with the terms of the contract.

Signature "S/" Stephen W Zaldok Title Mining Engr Date 1-13-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature "S/" Stephen W Zaldok Title Mining Engr Date 1-13-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 1954 195____ Docket No. DMEA 2658 Contract No. Idm-E-490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

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 38.81	ft.	1319.54	38.81	34,714.95	1021			WSM
Crosscutting						34.00	1200	34.
Raising none				6,086.00	179			
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits				384.00				
Roads and Trails				360.00				
assays				64.00				
Total Distributed Costs		1319.54		41,608.95	1200.			Total Costs Authorized by Contract
Operating Equipment Purchased								47,600.
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1,412.78				
Clearing lower tunnel				210.00				
Total Costs		1319.54		43,231.73				

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. 19,1954 Operator Ottawa Tungsten Co.

Per W. R. Wade W.R.Wade Title Partner

Remarks: Work completed

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)

Payment is being held up -

probably final

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

RECEIVED
OCT 29 1954

Ottawa Tungsten Co.
Marysville, Montana

Oct. 19,1954

Operators Narrative

DMSA 265
Contract Ida 490

The work under this contract has been finished to-day and the final measurements made. The 1200 feet of work is completed. Therefore we are sending in the forms 104 and 104A filled out to-day.

The last few feet of work driven this month was in limestone and showed no ore.

We have had the walls of the work done this summer washed down for inspection, as requested by Mr. Jenks.

Ottawa Tungsten Co.
Marysville, Montana.

By W R Mack Partner
W.R.Mack

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

October 18, 1954

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

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Enclosed are the original and two signed copies of Amendment No. 2 to the above-cited contract, with attached justification.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: Finance Office w/encl.
USBM (2)
Weeks

RECEIVED
NOV 12 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
October 12, 1954

Ottawa Tungsten Co.
Marysville, Montana

Re: Docket No. DMEA 2658
Contract Idm-E490
Monthly Operating Report
for September 1954

Gentlemen:

The subject invoice has been received and processed. However, payment is being withheld until an audit of your records is made by a representative of the Contract and Audit Division of the Defense Minerals Exploration Administration.

This is standard procedure for all contracts as the project nears completion. We are obliged to withhold a portion of the Government's contribution to the cost pending disposition of jointly-owned facilities, receipt of a final engineering report, and final accounting.

By Field Team, Region II

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

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

cc: USGS (2)
DMEA (2)
AD

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

October 5, 1954

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA 2658 (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Wade:

Enclosed are the original and six copies of Amendment No. 2 to the cited contract which will extend the completion period from 18 months to 21 months.

If this amendment meets with your approval, please sign all copies, retain the copy marked for the Operator and return the remaining copies to this office.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
Weeks

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
October 4, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 8 - 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection report, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E440, Docket No. DMEA 2658 (tungsten)

A routine inspection was made of this project on September 18, 1954, accompanied by R. A. Weeks and J. J. Quinlan, both of the U. S. Geological Survey, and W. R. Wade, one of the Operators.

The main Prentiss adit had been driven to the face at Sta. 15 + 161.5 feet for an advance of 7.5 feet, since the last inspection on August 13, 1954.

The southwest drift D3 had been driven to BM 357 + 142 feet for an advance of 96 feet during the period. The face was in tactite sparsely mineralized with scheelite.

The following footages for the contract as of September 18 were agreed upon by Mr. Wade and myself:

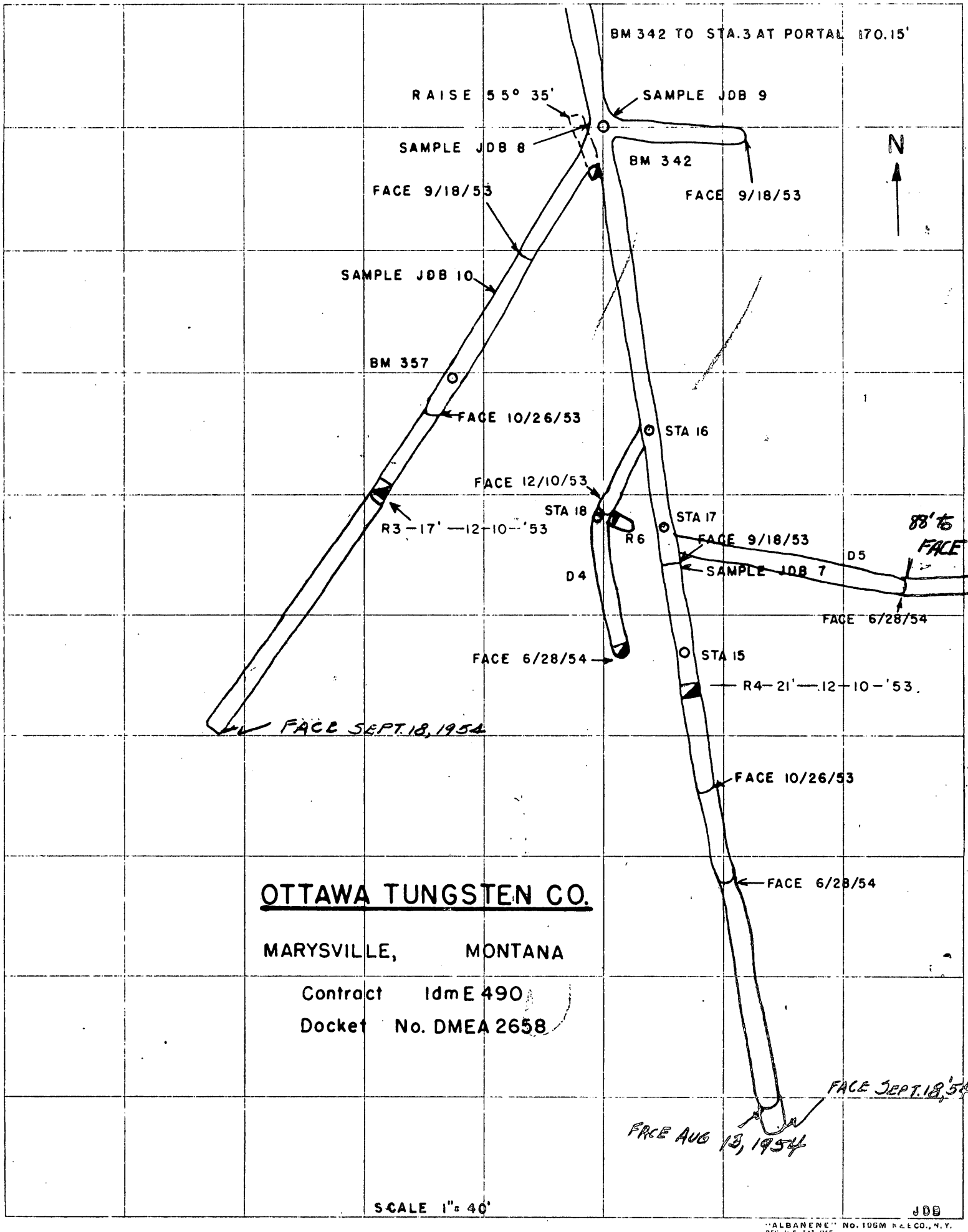
Drifts	730.20	feet
Raises	119.00	"
Railroad Tunnel	244.40	"
	1093.60	"

Approximately 106 feet of drifting, crosscutting and/or raising remains to be driven to complete the contract which the Operator anticipates will be done late in October. Upon completion of the work Operator will have the walls washed so that the geology may be mapped and samples cut.

The Field Team has prepared an amendment to the contract to extend the completion period from 18 months to 21 months; the contract will now terminate on November 24, 1954.

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD—JDB/he



"ALBANENE" No. 105M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

W

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
OCT 29 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Sept. 1954, 195.... Docket No. DMEA 2658 Contract No. Idm-E-490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47,600. Government Participation: 75 % Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Timbering		226.20	226.20			WSM
Drilling		744.00	744.00			
Bulldozing						
Crosscutting 107 feet	3638.00	29,973.21	33,611.21			
Drifting none		5,644.00	5,644.00			
Raising						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1,412.78	1,412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		64.00	64.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify): Labor clearing lower tunnel		210.00	210.00			
TOTALS	3,638.00	38,274.19	41,912.19	3638.00	38274.19	41912.19

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Oct. 3, 1954 *Payee Ottawa Tungsten Co.
Per W. R. Wade Title Partner

*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)

104 a & Marsling
sent to Washington
10/22/54

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

$ 2728 50

Signature M. D. P.
(Authorized Certifying Officer)

Date 10/22/54 Vou. No. 1325
(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. E490 in accordance with the terms of the contract.

Signature 1st John P Bardell Title Metallurgist Date 10/22/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen W Zoldok Title Mining Engr Date 10/22/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPURT

Month of Oct. 1954 195____ Docket No. DMEA 2659 Contract No. Kus-3-490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana

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 107 ft.	ft.	3638.	107	33,395.41	982.19	34.	1200	34
Crosscutting								
Raising none	ft.		none	6,086.00	179.00	34		34.
Shafts								
Winzes					1,161.19			
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00				
Test Pits								
Roads and Trails				360.00				
Total Distributed Costs		3,638.00	107	40,203.41				Total Costs Authorized by Contract 47,600.
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				
Clearing lower tunnel				216.00				
Total Costs		3,638.00		41,912.19				

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.3,1954 Operator Ottawa Tungsten Co.

Per W. P. Wade Title Partner

W.P.Wade

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

(Instructions on reverse)

Remarks: Units remaining under contract on Oct. 1st. "-" 38.81 feet

Total months footage driven in East X-cut in formstone dipping 10 degrees to-ward face. Cut small seam of ore.

Face on measuring day Oct. 1st. in hard limestone. No ore.

(For Government use only)

Payment is being held up as the project is almost completed.

INSTRUCTIONS

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

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

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

GPO 872894

Ottawa Tungsten Co.

Hareville
Montana

Oct. 3 ,1954

Operators narrative

The work for the month was done driving D-3 west 107 feet. No raising was done.

The west x-cut (D-3) was in hornstone most of the month dipping to-ward the face at about 10 degrees.

One small bed of ore was cut. The drive is slowly gaining depth on the beds.

The face on measurement day was in hard limestone without any ore. 38.81 feet completes the contract.

Ottawa Tungsten Co.

By W. R. Wade Partner
W.R.Wade

400

DOCKET
SURNAME

Rutledge
Martin
Selfridge
Johnson

SEP 27 1954

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

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
Ottawa Tungsten property
Lewis & Clark County, Montana
Contract No. Idm-2490

Dear Mr. Weissenborn:

In reviewing the subject contract, we note that the date for completion of the project is August 24, 1954.

A request for an amendment extending the time for completion of the exploration should be submitted if additional time is required to complete the work authorized.

Sincerely yours,

George C. Selfridge (by E.S.)
Chairman, Operating Committee

APPROVED:

Bo H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

FARutledge:foc
9-24-54
cc to: Docket
Code 400
Adm. Reading File
Operating Comm.
FT. REG. II
R. W. Geehan, USBM
Thor H. Kiilsgaard, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
September 8, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection report, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract Idm-E440, Docket No. DMEA 2658 (tungsten)

This project was inspected on August 13, 1954, accompanied by Mr. R. A. Weeks, Geological Survey.

The No. 5 drift had been advanced 88 feet and the main Prentiss crosscut 76 feet since the last inspection on June 28, 1954.

The crosscut had been driven 58 feet into the main granite mass and the No. 5 drift 113 feet. Since these workings appear to have penetrated into the surrounding country rock it was agreed with Mr. Wade that these headings should be stopped and the balance of the contract work expended in the southwest No. 3 drift which is still in tactite.

No new scheelite mineralization of consequence has been encountered.

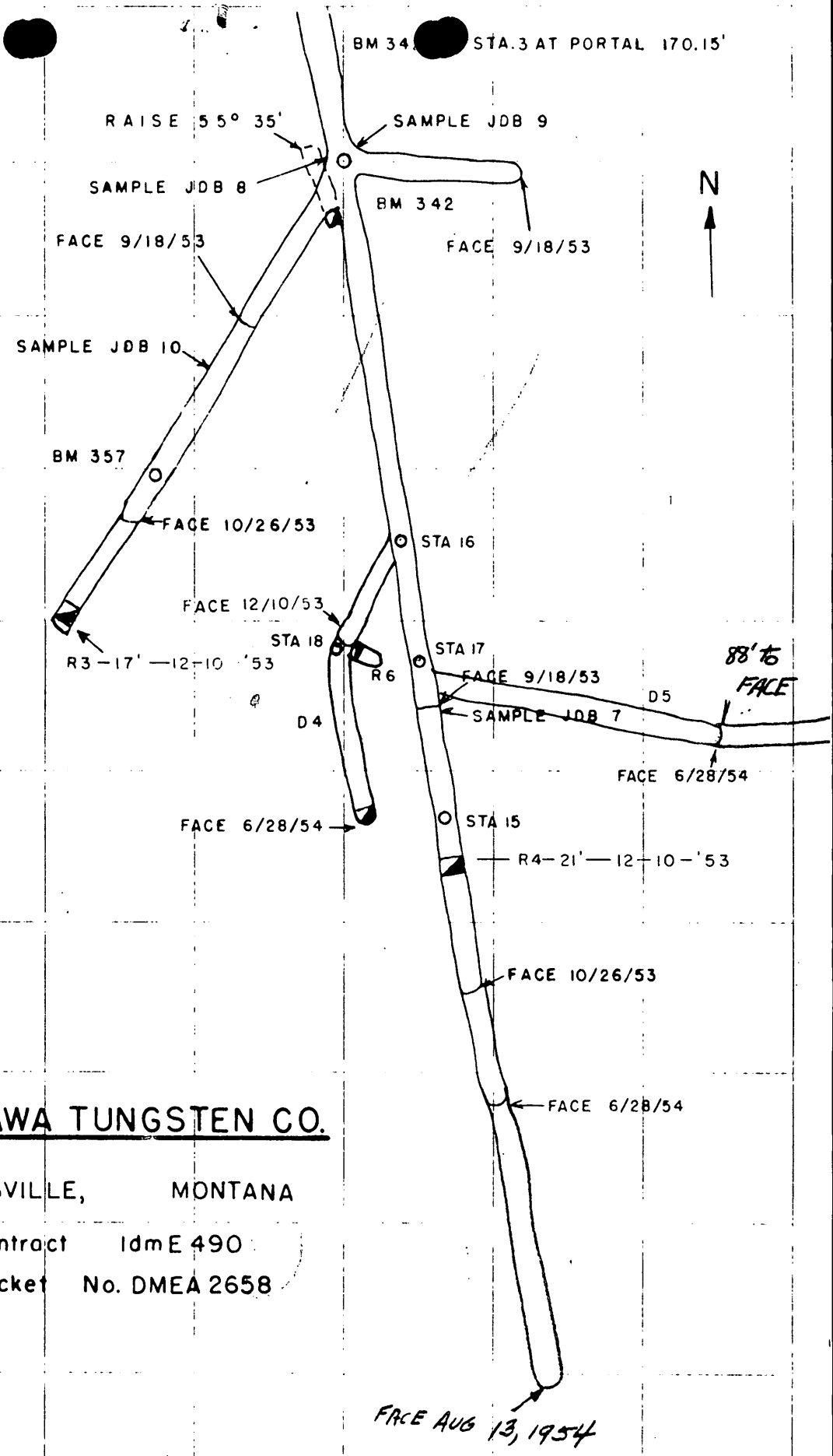
A Brunton compass and tape survey was made of the new work. The following measurements were made:

Drift No. 5		
Sta. 17 + 6 to Point X	S. 84° E.	73 feet
Point X to Point Y	N. 88° E.	35 feet
Point Y to face	S. 80° E.	53 feet
		161 feet
Sta. 17 + 6 to granite contact		48 feet
Prentiss adit		
Sta. 15 to face	S. 16° E.	154 feet
Sta. 15 to granite contact		96 feet

See attached sketch map.

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA—M/D—AD
JDB/he



OTTAWA TUNGSTEN CO.

MARYSVILLE, MONTANA

Contract IdmE 490

Docket No. DMEA 2658

SCALE 1" = 40'

JDB

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

W

400

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1954 Docket No. DMEA 2658 Contract No. Idm-E 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47.600 Government Participation: 75 % Amount, $ 35.700

ITEMS OF COSTS		FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts: Timbering			226.20	226.20		226.20	226.20
Drilling			744.00	744.00		744.00	744.00
Bulldozing							
Crosscutting							
Drifting	81.5	2771.00	27202.21	29973.21	2771.00	27202.21	29973.21
Raising	10.5	357.00	5287.00	5644.00	357.00	5287.00	5644.00
(2) Labor and Supervision:							
Labor							
Supervision							
Technical Services							
(3) Operating Mat'ls. and Supplies:							
Timber							
Explosives							
Pipe							
Track							
(4) Operating Equipment:							
Rental							
Purchase							
Depreciation							
(5) Initial Rehabilitation and Repairs							
(6) New Bldgs., Improvements, etc.			1412.78	1412.78		1412.78	1412.78
(7) Miscellaneous:							
Repairs to Equipment							
Sampling and Analysis							
Payroll Taxes							
Liability Insurance							
Assays			64.00	64.00		64.00	64.00
(8) Contingencies (specify): Clearing lower tunnel			210.00	210.00		210.00	210.00
TOTALS		3128.00	35146.19	38274.19	3128.00	35146.19	38274.19

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

Date Sept. 3, 1954 *Payee Ottawa Tungsten Co.

W. R. Wade

Per W. R. Wade Title Partner

*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:

$2346.00

Signature M.D.P.
(Authorized Certifying Officer)

Date 9/10/54 Vou. No. 1274
(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. E 490 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 9/9/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Goldsch Title Mining Engr Date 9/9/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 13 1954

Month of August 1954 Docket No. DMEA 2658 Contract No. Idm-E 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana

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 81.5	Ft.	2771.00	81.5	29757.41	875.19	34.		
Crosscutting 10.5		357.00	10.5	6086.00	179.00	34.		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00				
Test Pits								
Roads and Trails				360.00				
Assays				64.00				
Total Distributed Costs		3128.00	92.00	36651.41	1054.19			Total Costs Authorized by Contract
Operating Equipment Purchased								$47,600
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				
				210.00				
Total Costs		3128.00		38274.19				

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

Date Sept. 3, 1954 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

Remarks: Drove east drift 10½ ft.
Drove main drift 30 ft.
Drove west drift 41 ft.
Ran raise R-7 10½ ft.

The east drift and main drift in granite. The short raise in ore at the top. The west drift in hornstone with very little ore.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Ottawa Tungsten Co.

Marysville, Montana

Sept. 4,1954

Operators Narrative for AUGUST 1954

The East headings and the main heading going south both seem to be in a large mass of granite that show no signs of passing out of this granite. Therefore these headings were stopped.

The West heading is in a flat bed of hornfels with some mineralization which cross and goes.

A short raise R-7 was extended up two rounds and the top of it is in ore.

Ottawa Tungsten Co.

By W R Wade Foreman

W.R.Wade

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 24, 1954

Memorandum

To: DMEA Field Team, Region II

From: Robert A. Weeks, Geologist, U. S. Geological Survey

Subject: Routine Inspection, Docket No. DMEA-2658 (tungsten), Ottawa Tungsten Company, Lewis & Clark County, Montana, Contract No. Idm-E490.

On August 13, 1954, accompanied by Mr. J. D. Bardill, Bureau of Mines, I examined and lamped the exploration work being done in the Prentiss tunnel on the subject contract. The new workings were measured and checked; however, it was not mapped because it will be necessary to wash the walls in order to see the details.

The progress of the work was discussed with Mr. W. R. Wade, operator, who was indisposed and unable to accompany us on the examination. Agreement was reached to cease advancing the main heading, which has been in intrusive rock for over 40 feet. Work will now be directed only in the southwest heading.

Distribution:
DMEA (orig. & 3)
USBM (2)
Docket
Weeks

W

MV-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

JNR

Month of July 1954, 195 Docket No. DMEA 2658 Contract No. Adm 8 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47,600. Government Participation: 75 % Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Development Short Form Contracts:						
Drilling Blasting		226.20	226.20		226.20	226.20
Bulldozing		744.00	744.00		744.00	744.00
Crosscutting						
Drifting 109.2 ft.	3406.80	23795.41	27202.21	3406.80	23795.41	27202.21
Raising		5287.00	5287.00		5287.00	5287.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.78	1412.78		1412.78	1412.78
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Assays		64.00	64.00		64.00	64.00
(8) Contingencies (specify):						
Clearing lower tunnel		210.00	210.00		210.00	210.00
TOTALS	3406.80	31,939.39	35,346.19	3406.80	31739.39	35146.19

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug. 2, 1954 *Payee Ottawa Tungsten Co.
Per W P Wade Title Partner

*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:

$ 2555 10

Signature MDP
(Authorized Certifying Officer)

Date 8/25/54 Vou. No. 1252
(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. E 490 in accordance with the terms of the contract.

Signature /S/ John D Burdell Title Metallurgist Date 8/16/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 8/18/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DMEA-F-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 195 Docket No. DMEA 2658 Contract No. Ism 3-499
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana

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 100.2	ft.	3406.00	100.2	26986.41	799.69		1200	34.
Crosscutting								
Raising				5729.00	162.5			
Shafts								
Winzes					962.19 total			
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00			100	13.00
Test Pits								
Roads and Trails				360.00				
Assays				64.00				
Total Distributed Costs		3406.00		33543.41				Total Costs Authorized by Contract
Operating Equipment Purchased								47,600
Initial Rehabilitation and Repairs		Rev Bull Inc		1412.78				
New Buildings, Improvements, etc. Clearing lower tunnel				210.00				
Total Costs		3406.00		35146.19				

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.

Aug 1
Date July 1954 Operator Ottawa Tungsten Co.

Per W R Wade Title Partner

Remarks:
Drove East 96 ft. and still in Granite. It seems to be changing.
Drove ahead in main drift 40 ft. in Cornstone with some low grade scheelite, no good.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Marysville, Montana Aug. 2,1954

Ottawa Tungsten Co.

Operators Narrative

We advanced the D-5 heading East for 56 feet and it is still in granite. However it is changing and should break into hornstone soon.

The D-1 or main heading was driven south 44.2 feet in hornstone with some low grade scheelite ore but not good enough to be ore.

We had no troubles and evry thing went ahead well.

Ottawa Tungsten Co.

By W.R. Wade Partner

W.R. Wade

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

1201 N. Division St.
Spokane 2, Washington
July 12, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E490, Docket No. DMEA 2658 (tungsten)

A routine inspection was made June 28, 1954 with Mr. Gunnar Johnson, new contractor, in the absence of Mr. W. R. Wade, Operator.

Work in the Prentiss tunnel level was resumed June 8, 1954 after a winter recess of several months.

The various new working faces are now located as follows:

Main Prentiss crosscut:	Sta. 15 + 78 ft. S 9° E
Raise R 4:	Sta. 15 + 11 ft. S 21 ft. vertically above crosscut back
Drift D 4:	Sta. 16 to Sta. 18, S 32° W 33.9 ft.
	Sta. 18 to face S 10° E 48.1 ft.
	3 ft. vertical raise at face
Raise R 6:	At Sta. 18, bears S 70° E, + 15°, 13 ft.
Drift D 5:	Sta. 17 + 6 ft. to face S 80° E, 80 ft.

See attached sketch map of mine workings.

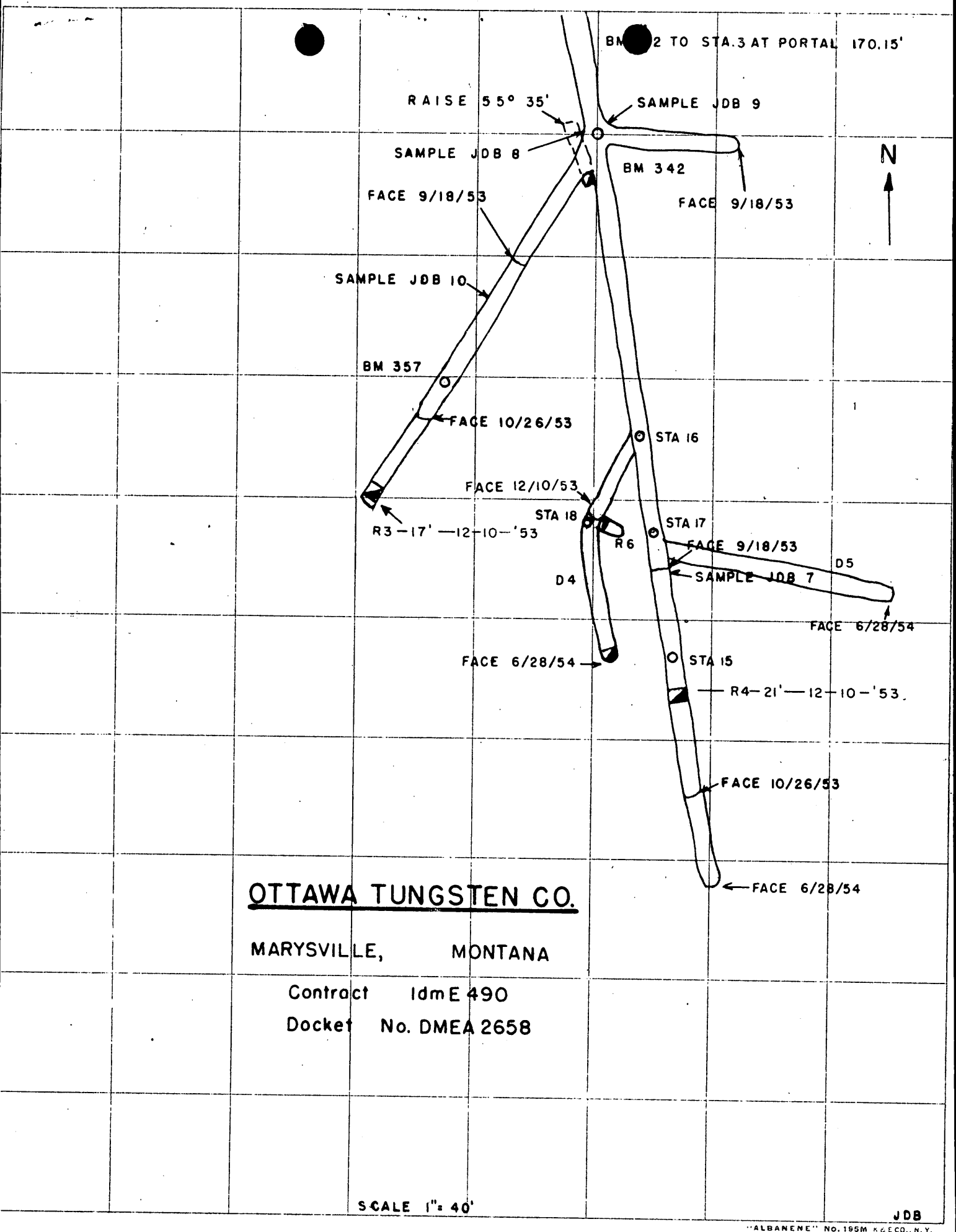
Sparse scheelite mineralization was present in D5 about 15 feet back from the face. The face was in granite.

The face of the Prentiss tunnel main crosscut was in tactite with sparse scheelite.

Amendment No. 1, dated May 12, 1954, transferred 200 feet of drifts and 100 feet of raises from the Railroad Grade adit to the Prentiss tunnel level.

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
JDB/he

John D. Bardill



"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 1954, 195 Docket No. DMEA 2658 Contract No. Idm-E-490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Mont.
Contract Amount, $ $47,600. Government Participation: 75 % Amount, $ 35,700

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) Contracts: Short Form						
Drilling Timbering		226.20	226.20		226.20	226.20
Bulldozing		744.00	744.00		744.00	744.00
Crosscutting 101.8 ft.	3461.20	20,334.21	23,795.41	3461.20	20,334.21	23,795.41
Drifting Raising		5,287.00	5,287.00		5,287.00	5,287.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1,412.78	1,412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Assays		64.00	64.00			
(8) Contingencies (specify):						
Labor Shearing lower tunnel		210.00	210.00			
TOTALS	3461.20	28,278.19	31,739.39	3461.20	28,278.19	31,739.39

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 3, 1954 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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:

$ 2595 90

Signature MJP
(Authorized Certifying Officer)

Date 7/20/54 Vou. No. 1221
(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. E 490 in accordance with the terms of the contract.

Signature John A. Bardell Title Metallurgist Date 7/8/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen W. Zoldok Title Mining Engr Date 7/8/54

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1954 195____ Docket No. DMEA 2658 Contract No. Idm - E- 490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

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 } 101.8	ft.	3461.20	101.8	23,579.61	693.49	34.00	1200	34.00
Crosscutting }								
Raising none		none	none	5729.00	168.5	34.00		
Shafts								
Winzes								
Drilling: Core					861.99			
Churn								
Auger								
Stripping								
Trenching				384.00			100	12.00
Test Pits				360.00				
Roads and Trails				64.00			200	4.00
Assays								
Total Distributed Costs		3461.20		30,116.61				Total Costs Authorized by Contract 47,600.
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1,412.78				
Clearing lower tunnel				210.00				
Total Costs		3461.20		31,739.39				

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

Date July 3, 1954 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

Remarks: Work was resumed about June 8th, after the winter shut down. 51.5 driven East is in Granite parallelling the dike and must be turned 30 degrees to cross over the dike. The main tunnel was driven 50.3 feet and passed the dike and into a 3 foot horizontal bed of ore. This ore is still in the face.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OTTAWA TUNGSTEN CO.
MARYSVILLE, MONTANA

JULY 3,1954

Operators Narrative for June 1954

The work in the Prentiss or lower tunnel was resumed about June8th. after the winter shut down.

The East heading was run 51.5 feet and it was in granite all the way except for the first round or so. The heading will have to be turned south about 30 degrees to get on the other side of the granite dike as it is running parallel to the trend of the dike.

The Main tunnel heading was advanced 50.3 feet. It passed through the granite dike in a couple of rounds after starting and has been in ore for about 43 feet,following a flat band about 3 feet thick.

Small 7/8 inch steel with carbide chisel bits were used in June and they have speeded up the drilling as against the detachable cross four point carbide (Tungsten Carbide) used before. The single edge bit cuts almost twice as fast in this very hard rock. The bit and steel cost is also less for the footage driven.

Ottawa Tungsten Co.

By W. R. Wade Partner
W.R.Wade

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 PERS[redacted]

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

Bu. Vou. No. 1220

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

Voucher prepared at Spokane 7/20/54
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-1490

To a Ottawa Tungsten Co.
(Payee)

Marysville, Montana
(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.
	Jan. 1954	Balance withheld from Voucher 1075, MF-104 dated 2/2/54 for Jan. 1954. Project has now resumed work. Approved for pmt. of $1,167.90 Paid 2/9/54 867.90 Balance this voucher 300.00				300.00	
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	300.00	

(Payee must NOT use this space)

Differences .....

Account verified; correct for 300.00

(Signature or initials) MAP

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

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Minerals Production Act, Interior	$300.00	$300.00

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

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

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

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

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

ABSENCE OF ADVERTISING

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

.....

.....

.....

.....

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

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

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

16—22900a-2

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Hazel Berry

DATE: June 7, 1954

FROM : Letha Scott

SUBJECT: Amendment 1 to DMEA 2658 - Ottawa Tungsten

The engineers of this division have initiated the above-named amendment and sent it to file. However, their oral discussion of the amendment indicated they are not in accord with the action of the Field Team in making the amendment.

L. S.

IN REPLY REFER TO:

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

May 28, 1954

Memorandum

To: W. S. Martin

From: T. P. Thayer

Subject: Docket DMEA-2658 - TUNGSTEN
Ottawa Tungsten Company
Lewis and Clark County, Montana

The Interim Report of May 1, 1954 by J. D. Bardill, with map, and suggesting amending the contract, indicates to me a lack of careful correlation between assay data and geology. Before approving the proposed amendments, I would want more information on the nature of the beds to be followed by the proposed drifts, and more assay data than muck piles.

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

May 26, 1954

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

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-E490

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 1 to the cited contract, with attached justification.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn

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

Attachments as indicated

cc: Finance Office w/encl.
USBM (2)
Weeks

7

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

May 13, 1954

Mr. L. P. Kafe
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. MM-2[illegible] (tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. 1dm-[illegible]0

Dear Mr. Kafe:

Enclosed are the original and six copies of Amendment No. 1 to the subject contract, prepared in accordance with your discussion with Mr. Bardill. If the amendment is agreeable, please sign all copies, retain that copy marked for the Operator, and return the other six to this office.

This shift of work originally planned from the Railroad Grade tunnel to the Prentiss tunnel is to authorize the work as outlined by the second alternative of our letter of March 2, 1954, and as discussed with you by Mr. Bardill. Specifically, work in drifts D-3, D-4 and D-5 and in the main heading is authorized.

By Field Team, Region II

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

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

Enclosure

cc: DMEA (2)
USBM (2)
Weeks

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

1201 N. Division St.
Spokane 2, Washington
May 1, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection report, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract Idm-E490, Docket No. DMEA 2658 (tungsten)

The captioned contract project was discussed with Mr. W. R. Wade, Operator, at Helena, Montana, April 29, 1954.

Reference is made to the Field Team letter dated March 2, 1954 to W. R. Wade regarding changes in exploration in the Prentiss tunnel and transfer of footage from the Railroad Grade tunnel to the Prentiss tunnel. Mr. Wade states that he has carefully examined the hillside downward from the Prentiss tunnel adit level to the creek bottom and has been unable to find any other tactite beds and is therefore convinced that diamond drilling downward would be useless. He agrees that drifting or crosscutting on the present level will contribute to the knowledge of present or possibly other tactite beds.

Mr. Wade has requested the transfer of the 200 feet of drifting and 100 feet of raises provided for on the Railroad Grade tunnel level under Stage II for further exploration on the Prentiss tunnel level to extend drifts D-3, D-4, D-5 and the main Prentiss crosscut. (See attached map.) I concur with this proposal and recommend that the contract be so amended.

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
JDB/he

OTTAWA TUNGSTEN CO.
MARYSVILLE, MONTANA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 13 1954

April 13,1954

Defense Minerals Exploration Administration
So. 157 Howard St. Spokane, Wash.

Re: DEMA 2658 Tungsten
Contract Idn E- 490
Reply Letter Mar. 2,1954

Gentlemen:

Please pardon the delay in answering your letter of Mar. 2,1954.

I have gone over very carefully the idea of diamond drilling in the Prentiss tunnel and I am convinced that the results would be unsatisfactory and misleading, so far as demonstrating any commercial ore. It would tell us the distance to the underlying granite floor but that is not very important.

We should move the work for stage 11 from the upper or Railroad tunnel to the lower tunnel and combine this with the reminder of the stage 11 left for the lower tunnel. This work should continue East on the bed of ore now exposed there in the left hand cross cut nearest the face of the main tunnel and some work should be done on the ore exposed at the intersection of the first East and West Cross Cuts with the main tunnel.
This last work should be run off to the Northwest.
Any remaining footage should be put to driving the main tunnel ahead.
Short raises should be put in as needed if the ore goes up into the roof.
If we can agree of this work let us go ahead and make the proper application to Washington to change the footage over to these points.
If the field team would like to come out here I would be very glad to go over the job underground with them. Please telephone me first as I am away much of the time.
The tunnel is still full of ice and I expect will be so for another 30 days as we do not seem to be getting any spring here as yet.

Yours truly,

W.R.Wade ,Partner
OTTAWA TUNGSTEN CO.

RECEIVED
APR 15 1954
U. S.
SPOKANE, WASH.

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

March 2, 1954

WSM

Mr. W. R. Wade
Ottawa Tungsten Co.
Maryesville, Montana

Re: Docket No. DMEA-2658 (Tungsten)
Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract No. Idm-2490

Dear Mr. Wade:

On February 21, H. W. Smedes and D. M. Pinckney of the Geological Survey examined and brought up-to-date the mapping of the workings in the Prentiss tunnel. R. A. Weeks compiled this mapping and all previous mapping and assays in an attempt to decide the most feasible manner of further exploring your property. A copy of the compilation is herewith transmitted.

In reviewing the work accomplished this far, it becomes evident that only one bed of ore grade is present in the Railroad Grade tunnel, and that one or more horizons in the Prentiss tunnel contain sufficient tungsten mineralization to be considered ore. The uncertainty of how many horizons contain ore is caused by discontinuities due to faulting and intrusion of granodiorite (?) dikes. Lateral continuity of mineralization of individual beds has been checked by the raising and crosscutting program. We now know that mineralization of individual beds is not uniform, and we believe that it decreases away from the granodiorite.

Approximately 300 feet of drifting, originally outlined for Stage II exploration of the Railroad Grade tunnel, has not been authorized by the Field Team on the recommendation of the examiners and with your oral agreement that further work on this level is not the best exploration.

The examiners have recommended two possible ways of using the monies originally provided for that work on exploration in the Prentiss tunnel. These two possibilities are presented herewith for your comments: (1) diamond drilling from the face of the main west crosscut approximately 3 holes, or (2) extending the main west crosscut

on approximately its present heading to the extent of the contract, or until the main mass of granodiorite (?) is encountered. Both of these proposals would determine how many additional horizons are mineralized. The diamond drilling program would direct the first hole about 70° downward to cut the beds at approximately right angles, and would extend about 250 feet or until granodiorite was encountered. The additional holes would be directed downward at moderately steep angles and would be directed south and west, to supply information on any mineralized beds encountered in the first hole and to determine whether beds that were not mineralized in the first hole contained tungsten in other areas. Total footage is hard to predict, but not over 250 feet per hole seems reasonable or a total of 750 feet of drilling. The diamond drilling would provide three (or more, depending on depth of holes) intersections of the beds underlying the ore horizons now exposed. The second alternative provides only one intersection with the beds that would be cut on the present level. The diamond drilling therefore gives more information for the same expenditure.

Of the work that has previously been authorized in your Stage II work on the Prentiss level, it is recommended that the balance of footage should be used in extending the southernmost of the east crosscuts to the granodiorite contact along the mineralized bed, turning its heading to the southeast enough to drift on the tactite zone. If any footage remains, it is recommended that the face of the main tunnel be extended to the south or at least a long-hole be advanced to determine whether the granodiorite in the face is the principal mass of granodiorite or if it is another dike.

In order to do any work beyond that presently authorized in the Prentiss level, it will be necessary to amend the contract, transferring the monies originally set up for the work in Stage II on the Railroad Grade tunnel. We would appreciate your consideration of the exploration plans outlined above, or any alternative exploration plan that you might propose, in order that a mutually agreeable plan can be established and an amendment prepared.

By Field Team, Region II

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

cc: DMEA (2)
UERM (2)
Weeks

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

Enclosure

[redacted]4 (Rev.)
[redacted] 1952)

UNITED STATES
DEPARTMENT OF THE INTERI[redacted]
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan. 1954, 195____ Docket No. DMEA 2658 Contract No. Ldm E 490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

Contract Amount, $ 47,600 Government Participation: 75% % Amount, $ 35,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts:						
Drilling timbering		226.20	226.20			
Bulldozing		744.00	744.00			
Crosscutting 42.8 '	1455.20	18879.01	20334.21			
Drifting Raising 3.0'	102.00	5185.00	5287.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		1412.78	1412.78			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
assays		64.00	64.00			
(8) Contingencies (specify):						
abor clearing lower tunnel		210.00	210.00			
TOTALS	1557.20	26720.99	28278.19	1557.20	26720.99	28278.19

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

Date Feb. 2, 1954 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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

1167.90 amt approved
300.00 amt withheld
867.90 amt pd. 2/9/54

Signature [illegible] (Authorized Certifying Officer)

Date 2/9/54 Vou. No. 1075

(See other side)

$300.00 withheld as project down due to weather.

(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. Ilm E 490 in accordance with the terms of the contract.

Signature [illegible] Title [illegible] Date 2/8/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Stephen L. Zolebolt Title Min Eng Date Feb 8, 1954

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-R1151.1
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
1 — 23 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Jan. 1954 195..... Docket No. DMEA 2658 Contract No. 1215 & 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Emmitsville, Montana

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 } 12.0	ft.	1555.20	12.0	20118.01	591.69	33.99	1200	34.00
Crosscutting }								
Raising 3.00	ft.	102.00	3.0	$729.00	269.59	36.00		
Shafts								
Winzes								
Drilling: Core					(700.19)			
Churn								
Auger								
Stripping								
Trenching				324.00				
Test Pits							100	18.00
Roads and Trails				360.00				
assays				54.00				
Total Distributed Costs		1557.20	93.0	20699.01				Total Costs Authorized by Contract: 67,600.00
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Clearing lower tunnel & laying rails, labor				210.00				
Total Costs		1557.20		20909.01				

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

Date Feb. 2, 1954 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner
W. R. Wade

Remarks: Never cold weather freze all the water into ice 12" thick over tunnel for 100' and continues to freeze faster than we can chop it out. Work suspended until warmer. Drift 4-5 in 4 ft. ore all month. No ore zone in back is poor.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.

Marysville, Montana Feb.2,1954

D.M.E.A. 2658 Idm X 490

Operators Narrative for Jan. 1954

The extremely cold weather froze the small amount of water coming out of the mine and it built up for 12" over the track and extended back 160 feet. We purchased a paving breaker bit and put same in a Jack Hammer without the rotation pawls.
It took one day to break out 50 feet and get the ice out of the tunnel and the next morning it was completely filled in again.
We have only been able to get in 10 shifts during the month.
Even with the weather warmer now,and it was 35 below during the 10 days cold snap, we find the ice is still building up deeper every night. So we have had to stop work until the weather stops freezing both day and night. Night time freezes up every thing we put out in the day time. A curtain at the portal has not helped much.
The east drift D-5 was in an ore bed 4' thick all month.
The west drift D-4 has a small bed of ore in the face but the main 4' bed has gone up into the roof and we started a short raise K-7 to reach it. It lacks two rounds of being up the necessary distance yet as it is only 3 feet up.

Ottawa Tungsten Co.

By W.H.Wade Partner
W.H.Wade

COPY

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. 1075

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

Voucher prepared at 2/17/54
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E490

amer 2658

To Ottawa Tungsten Co.
(Payee)

Marysville, Montana
(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.
	Jan. 1954	Partial payment Jan. 1954 MF-104. Project is temporarily shut down and part of payment is withheld until work is resumed.				867.	90
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	867.	90

(Payee must NOT use this space)

Differences .....

867. 90

Account verified; correct for .....

(Signature or initials) .....

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

WSM

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
14X4401	Defense Minerals Production Act, Revolving Fund- Interior			$867.90		

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

CONTRACT IDM-E 490
$47,600.00

DOCKET No. DMFA 2658 ~~[illegible]~~

ITAWA TUNGSTEN Co. LEWIS & CLARK Co. MO.

RESUME OF PERFOMANCE

MONTH	WORK	FEET ADVANCE MONTH	FEET ADVANCE TO DATE	COST MONTH	COST TO DATE	WAGES	EQUIP	SUPPLIES	OTHER	CONTRACT	COST PER FT MONTH	COST PER FT TO DATE
MARCH 1953	ROAD WORK & TRENCHING			52800	52800					52800		
APRIL	" " "			21600	74400					21600		
MARCH 1953	REHABILITATION & REP.			18579	18579	←	17850?		729			?
APRIL	"			72738	91317		71305		1433			
SEPT.				[illegible]	[illegible]							
MARCH 1953	BLDGS. & IMPROVEMENTS			30729	30729	←	300.00?		729			
APRIL				19232	49961		17800		1432			
?												
							DRIFT 34.00 Ft	TIMBER 7.80 Ft				
MAY 1953	DRIFTING & CROSSCUTTING	44.5	44.5	136575	136575		1287.75	78.00	10'			
JUNE "	" "	76.57	121.07	260338	396913		260338					
JULY "	" "	48.0	169.07	1632.00	5601.13						3400	3313
AUG. "	" "	75.0	244.07	2698.20	8299.33						35.98	3400
SEPT. "	"	107.5	351.57	3655.00	11954.33							
OCT. "	" "	94.12	445.69	3200.08	15154.41							
NOV. "	" "	39.50	485.19	1343.00	16497.41							
DEC "	"	63.70	548.89	2165.80	18663.21							
JULY 1953	RAISES.	60.00	60.00	2040.00	2040.00						3400	
AUG. "	"	21.00	81.00	714.00	2754.00						3400	
SEPT. "	"	14.00	95.00	476.00	3230.00							
OCT. "	"	10.50	105.50	357.00	3587.00							
NOV. "	"	21.00	126.50	714.00	4301.00							
DEC "	"	39	165.50	1326.00	5627.00							

CONTRACT 10M-E490
$47,600.00

DOCKET No. DMEA 2658 TUNGSTEN, OTTAWA TUNGSTEN Co. LEWIS & CLARK Co MONTANA

RESUME OF PERFORMANCE

MONTH	WORK	FEET ADVANCE MONTH	FEET ADVANCE TO DATE	COST MONTH	COST TO DATE	WAGES	EQUIP	SUPPLIES	OTHER	CONTRACT	COST PER FOOT MONTH	COST PER FOOT TO DATE
AUG. 1953	ASSAYING											
SEPT. "	"			64	164.00							
Oct												
Nov.												
Dec												
SEPT. 1953	CONTINGENCIES			210.00	210.00							

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

1201 N. Division St.
Spokane 2, Washington
January 21, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Co., Lewis and Clark County, Montana, Contract Idm-E490, Docket No. DMEA 2658 (tungsten)

A routine inspection of this project was made December 10, 1953, accompanied by Mr. W. R. Wade, Operator.

Since the last routine inspection on November 2, 1953, the following progress had been made:

Raise R4 had been driven vertically a distance of 21 feet from the back of the main Prentiss drift in barren ground. The raise is located 11 feet south of survey station No. 15.

Crosscut XD4, located 70 feet north of survey station No. 15, had been driven 27 feet S. 25° W. from the Prentiss drift. A good scheelite showing was present in the lower south corner of the crosscut, but at the time its strike or dip could not be determined.

Drift D3 had been advanced 21.5 feet. The face was 46 feet southwest of survey station BM 357.

At the end of drift D3 an inclined raise bearing S. 47° W. had been driven at an approximate angle of 40° for a distance of 17 feet. A good 1-foot scheelite-bearing vein was showing in the middle of the raise face.

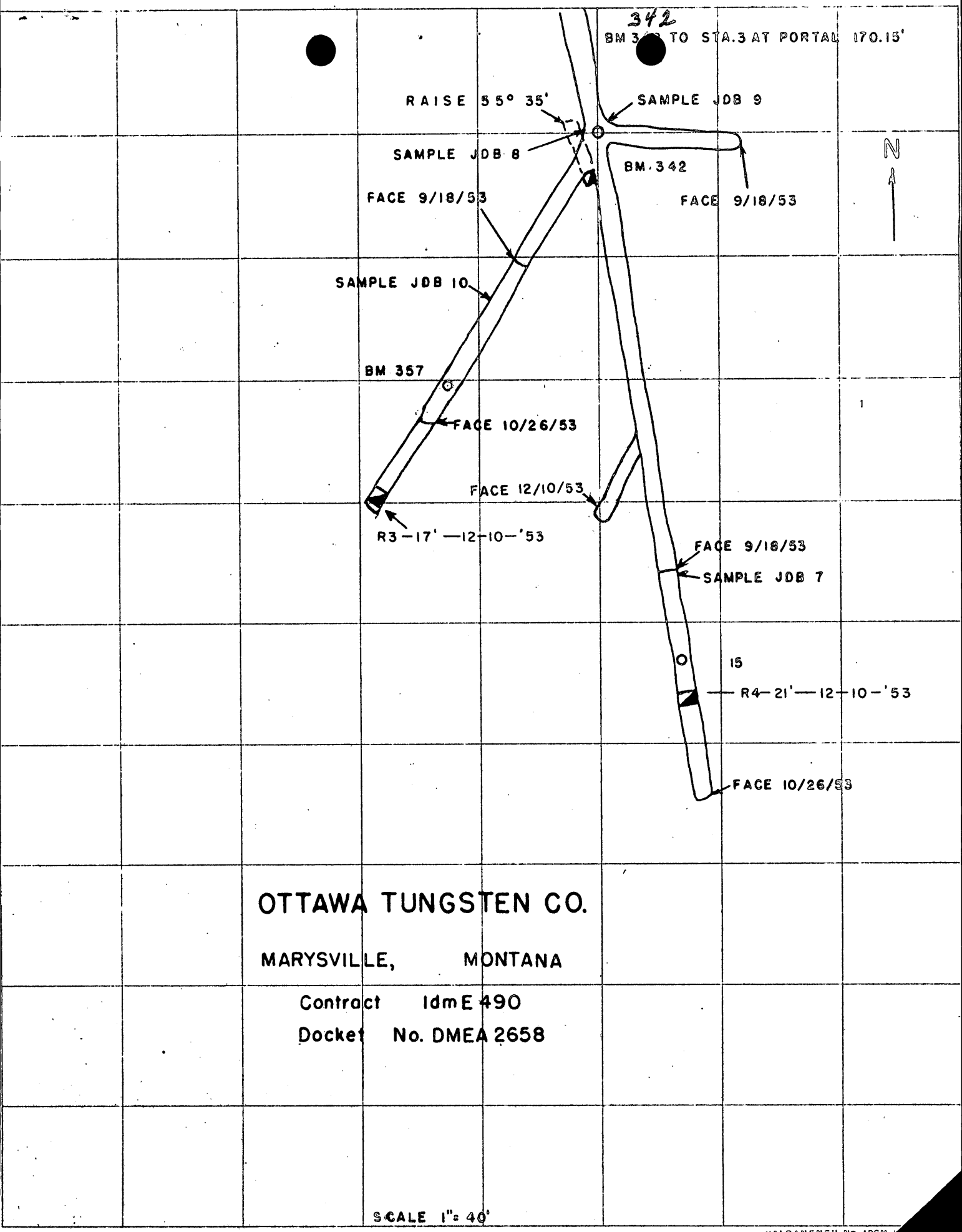
Operator reported the following footage during the month of November:

Drift D3	21.5	feet
Raise R4	21	"
Crosscut XD4	18	"
	60.5	"

The project was inactive for almost two weeks during November for the hunting season.

Orig. & 3 cys - Wash.
USGS (2)
DMEA--MD--AD--JDB/he

J. D. Bardill



"ALDANENE" No. 199M
REG. U.S. PAT. OFF

Form MF-204 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Budget Bureau No. 42-R1036.4
Approval Expires 6-30-53.
RECEIVED
JAN 18 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec. 1953, 195..... Docket No. DMEA 2658 Contract No. Idme B 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47600 Government Participation 75 % Amount, $ 35700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form Timbering		226.20	226.20			WSM
Drilling		744.00	744.00			
Bulldozing						
Crosscutting 63.7 ft.	2165.30	16271.21	18879.01			
Drifting Raising 39 ft	1326.00	4301.00	5185.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.70	1412.73			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Assays		64.00	64.00			
(8) Contingencies (specify): Labor on pipe line and clearing lower tunnel		210.00	210.00			
TOTALS	3491.80	23229.19	26720.99	3491.80	23,229.19	26,720.99

How does this look on a map

Do not Know! Will have to wait on F.T. Interim report

R. Ubdyke

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 1, 1954 *Payee Ottawa Tungsten Co.
Per W R Wade Title Partner

*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:
$ 2,618 85

Signature [signature]
(Authorized Certifying Officer)
Date 1/8/54 Vou. No. 1050
(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. E490 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date Jan 7, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr. Date Jan 7-1954

MONTHLY REPORT OF OPERATOR

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(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-194A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 18 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 1953 195..... Docket No. DMEA2658 Contract No. [illegible] 490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

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 63.7	ft.	2165.80	63.7	18663.21	548.80	$34,001 33.99	1200	34
Crosscutting								
Raising 39.0	ft.	1326.00	39.00	5627.00	165.50	34.		34
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.			100	12.
Test Pits								
Roads and Trails				360				
17 assays				64			200	4.00
Total Distributed Costs		3491.80	102.7					Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				
Clearing lower tunnel labor				210.00				
Total Costs		3491.80		26720.99				

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

Date Jan. 1, 1954 Operator Ottawa Tungsten Co.

Per W. P. Wade Title Partner

Remarks: All faces in ore all month and still in ore on measuring day.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.

Minerals Administration
RECEIVED
JAN 18 1954

Jan. 1,1954

Marysville, Montana
Jan. 1,1954

Operator Narrative

Rock has been plenty hard all month.
63.7 feet of drifts and cross cuts were driven
39. feet of inclune raises were driven ,one on 20 degrees and one on 36 degrees following up on ore.
Drifts or cross cuts,they are the same thing in flat beds, were driven 63.7 feet all in ore.
All faces were in ore all the month and no waste was broken.

Ottawa Tungsten Co.

By W. R. Wade Partner
W.R.Wade

Form MF-1Cd (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Nov. 1953 Docket No. DMEA 2653 Contract No. [illegible]
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Darrville, Montana
Contract Amount, $ 47,600 Government Participation 75 % Amount, $ 35,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling Timbering		226.00	226.00			
Bulldozing		745.00	745.00			
Crosscutting 305 ft.	1269.00	14,973.21	16,271.21			
Drifting 21 ft.	734.00	2,767.00	3,501.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		1412.72	1412.72			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance		64.00				
(8) Contingencies (specify): Labor [illegible] tunnel and laying pipe		210.00	210.00			
TOTALS	2003.00	21,172.19	23,229.19	2257.00	21172.19	23229.19

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov. 3, 1953 *Payee Ottawa Tungsten Co.
Partner
Per W. R. Wade Title

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1542.75

Signature [illegible]
(Authorized Certifying Officer)
Date 12/18/53 Vou. No. 1020
(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. DMEF-49 in accordance with the terms of the contract.

Signature /S/ John D Bardell Title Metallurgist Date Dec 17/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 12/17/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 1953 195____ Docket No. DMEA 2650 Contract No. DEA I 690

Operator's Name Ottawa Tungsten Co.
Address Kingsville, Ontario

Minerals Tungsten

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 33.5	ft.	1343.01	33	16037.02	429.29	37.34	1200	34.
Crosscutting								
Raising 21.	ft.	714.00	21	4081.00	126.50	34.		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				324.			300	12.
Test Pits								
Roads and Trails				360.				
Supply 17				60.			200	6.
Total Distributed Costs		2057.00		21,606.43				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				1513.78				
New Buildings, Improvements, etc.				210.00				
Operating Inter Unit Labor		2057.00		23,329.21				
Total Costs								

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

Date Dec. 3, 1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

Remarks: Only working 5 days due to Thanksgiving vacation of two weeks, so prop footage.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DMEA 2758
Contract Lda E 490

Ottawa Tungsten Co.
Marysville, Montana
Dec. 3,1953

Operators Narrative for month of November 1953

Progress was only 60½ feet in November as the contractors crew took half a month off.
A raise was put up 21 feet beyond the last granite dike near the face of the main tunnel hoping to cut the 4 to 5 foot garnet bed that was cut by the dike. It did not reach the bed,which may be still higher up or it might have been faulted down,so that it is under the floor of the drift past the granite dike.
Crosscutting to the west was started on this thicher ore bed and the first 18 feet was in ore. It is the intention to continue this crosscut to get some idea of the westward extent of this ore.
Also to drive East on this ore bed for a aways.
The No. 3 drive west had some ore in the face at the end of the month but the showing was small.

Ottawa Tungsten Co.

By W R Wade Partner
W.R.Wade

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

1201 N. Division St.
Spokane 2, Washington
November 9, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Co., Lewis and Clark County, Montana, Contract No. Idm-E490, Docket No. DMEA 2658 (tungsten)

A routine inspection of this project was made November 2 accompanied by Messrs. R. A. Weeks and H. Smeades, geologists, U. S. Geological Survey, and Mr. John Brophy, contractor.

The walls of the drift and crosscuts had been thoroughly washed to facilitate mapping by the geologists. Eight scheelite-bearing beds have been exposed in the Prentiss tunnel level workings, two of which may be of commercial grade and width. Four samples were taken. Three were drill hole cuttings and one was a channel sample. Locations of the samples are shown on the attached sketch map.

Sample JDB-7 located at Station 342 + 147 ft. represents cuttings from a 74" angle drill hole through a 42" scheelite-bearing bed.

Sample JDB-8 was located at Station 342 + 6 ft. and was cuttings from a 21" angle drill hole through a 14" bed on the west side of the main tunnel.

Sample JDB-9 was located on the east side at Station 342 + 4 ft. and was taken from a 26" angle drill hole through a bed about 14 in. to 18 in. thick.

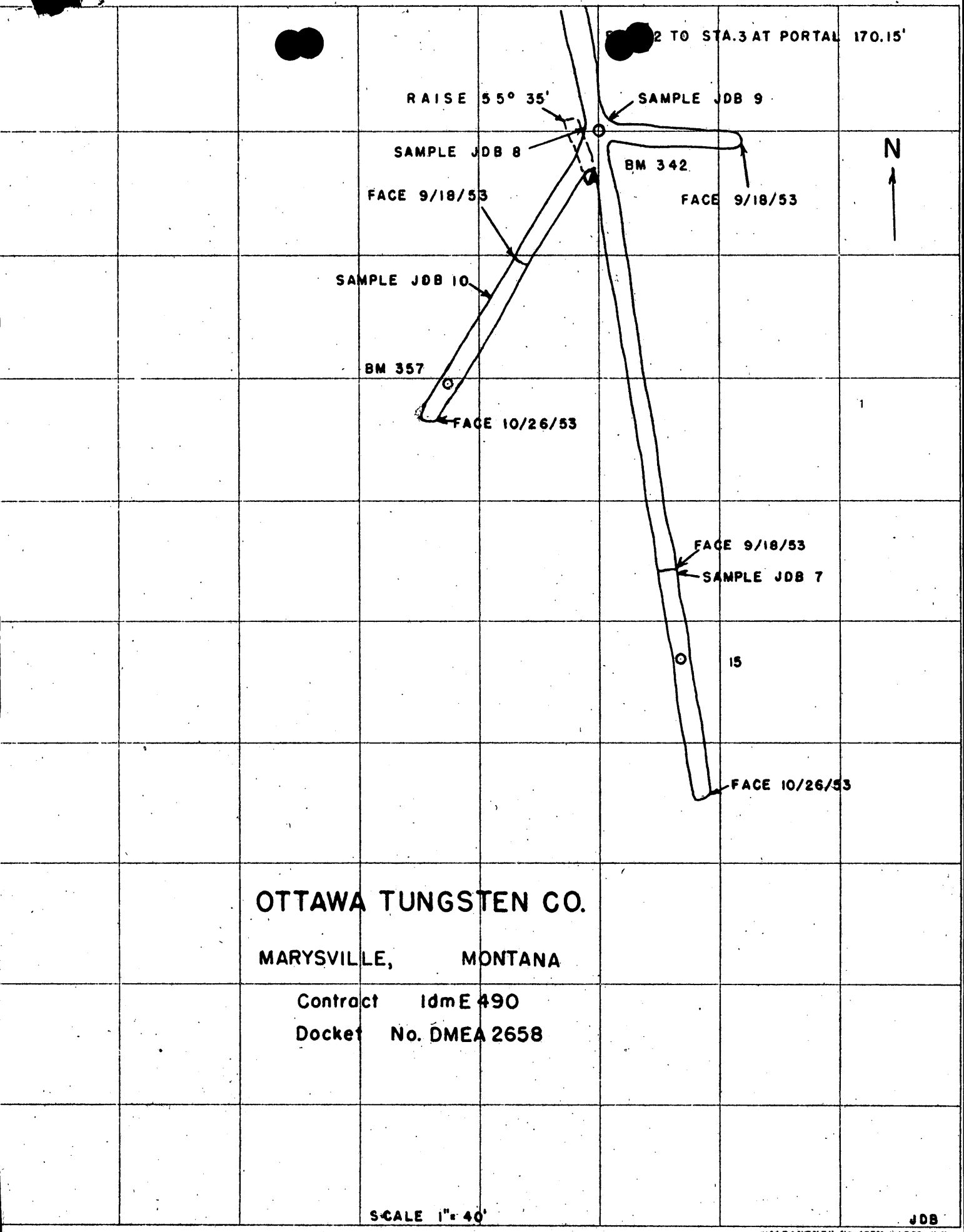
Sample JDB-10 was a chip channel sample of an 8" thick bed in the southwest crosscut at Station 342 + 64 ft.

Analyses of the samples will be reported next month.

The main drift was advanced 74.7 feet and the southwest crosscut was driven 60 feet since the last inspection.

John D. Bardill
J. D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D AD JDB/he


2 TO STA.3 AT PORTAL 170.15'
RAISE 55° 35'
SAMPLE JDB 9
SAMPLE JDB 8
BM 342
N
FACE 9/18/53
FACE 9/18/53
SAMPLE JDB 10
BM 357
1
FACE 10/26/53
FACE 9/18/53
SAMPLE JDB 7
15
FACE 10/26/53
OTTAWA TUNGSTEN CO.
MARYSVILLE, MONTANA
Contract IdmE 490
Docket No. DMEA 2658
SCALE 1" = 40'
JDB
"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1953, 195..... Docket No. DMEA 2658 Contract No. Ida D 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Maryville, Montana
Contract Amount, $ 47,600. Government Participation: 75% Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts:						WSM
Drilling timbering		226.20	226.20			
Bulldozing		744.00	744.00			
Crosscutting) 94.12 ft	3200.08	11728.13	14928.21			
Drifting Raising) 10½ ft.	357.00	3230.00	3587.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		1412.78	1412.78			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance assayer		64.00	64.00			
assayer						
(8) Contingencies (specify):						
Labor on nine line and clearing lower tunnel		210.00	210.00			
TOTALS	3557.08	17615.11	21172.19	3557.08	17615.11	21172.19

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

Date Nov. 3 1953 *Payee Ottawa Tungsten Co.

Per W P Wade Title Partner

*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:

$ 2667 81

Signature (Authorized Certifying Officer)

Date 11/13/53 Vou. No. 964

(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. E490 in accordance with the terms of the contract. 12

Signature /S/ John D Bardill Title Metallurgist Date Nov 12-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date Nov 12-53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1953 195_____ Docket No. DMEA 2658 Contract No. Ida-E-490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

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 94.12ft.	ft.	3200.08	94.12	15154.41	445.69	33.98	(	34.00
Crosscutting							(1200	
Raising 10½ ft.	ft.	357.00	10½	3587.00	105½	34.00	(	34.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00				
Test Pits						~~100x~~	100	12.00
Roads and Trails				360.00				
Assays 17				64.00		~~xx200x~~	200	4.00
TOTAL DISTRIBUTED COSTS		3557.08		19549.41				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				1412.78				
New Buildings, Improvements, etc. Labor clearing lower tunnel, etc.				210.00				
TOTAL COSTS		3557.08		21172.19				

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

Date Nov. 3, 1953 Operator Ottawa Tungsten Co. Marysville, Mont.

Per W. R. Wade Title Partner

REMARKS: Developed ore bed in main tunnel 5 feet thick. Also ore in face of West Cross-cut.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.
Marysville, Montana

Department of the Interior
Defense Minerals Administration
Received
NOV 20 1953

Nov. 3,1953

Operators Narrative for month of October 1953

We drifted and cross-cut 94.12 feet and raised 10½ft. The rock is exceptional hard. Takes between 25 and 30 lbs. of powder to break a foot and 26 holes in the face. The life of carbide bits is very short sometimes under 100 feet of drilling.

The main heading F.D.-1 developed 50 feet long on an ore bed that is about 5 feet thick and a short raise was put up about 5 feet to cut the bed after it worked its way up into the back because it dips about 10 to 15 degrees and is climbing in the heading. The face then passed through a 12 foot granite dike and back into hornstone. This showed a small tungsten bearing bed. Then the face at the end cut another granite probably a small dike. The face is now one round in this granite.

The West cross-cut or drift(which ever one wishes to call it) had its face in hornstone showing very good tungsten under the lamp in the altered limestone (hornstone) with almost no garnet in the rock.

There is no doubt that this lower level is a great improvement in the ore over the uppper level.
Also there are many feeders (small stringers)coming up from the lower level floor and it looks as if the main ore beds were below us yet.

Ottawa Tungsten Co.

By W R Wade Partner
W.R.Wade

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

1201 N. Division St.
Spokane 2, Washington
October 12, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E490, Docket No. DMEA 2658 (tungsten)

A routine inspection of this project was made September 18, 1953, accompanied by Mr. W. R. Wade, partner, and Mr. R. A. Weeks, geologist, U. S. Geological Survey.

The Railroad Grade Tunnel crosscut had been driven 30 feet since the last inspection.

A Brunton and tape survey was made of the Prentiss tunnel and USBM 342 located at the intersection of the two crosscuts.

Point #3 at center of portal timber - USBM 342	S. 9° E.	170.15	feet
USBM 342 to East crosscut face	S. 87° E.	47.1	feet
USBM 342 to West crosscut face	S. 32° W.	50.0	feet
USBM 342 to Prentiss tunnel face	S. 9° E.	146.3	feet

Raise bears N. 65° W. ∠ 55° - 35 feet

The Prentiss tunnel had been advanced 10 feet since the project started and 92.1 feet of crosscuts were driven and 35 feet of raise. The accompanying sketch shows the location of the two new crosscuts and raise.

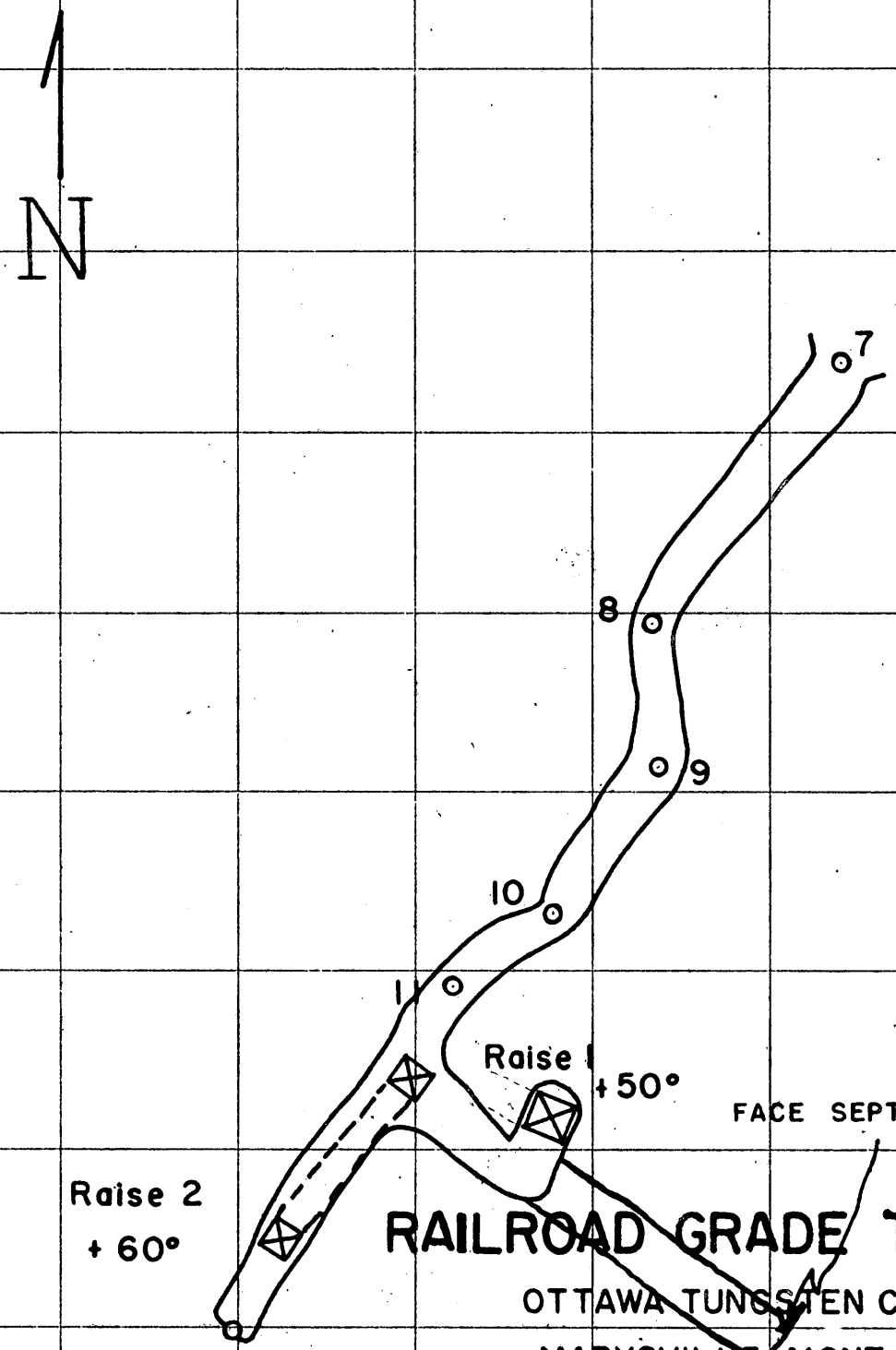
The scheelite showing in the Railroad Grade Tunnel is disappointing so that it was mutually decided with Mr. Wade and Mr. Weeks that the work originally planned under Stage II is not justified, but that the exploration in the Prentiss tunnel is warranted. If the Stage II work discloses more tungsten mineralization it may be advisable to amend the contract to provide for more work in the Prentiss tunnel, using funds available for the upper adit.

The East crosscut exposes a mineralized bed varying from about 4 to 8 feet in thickness. The southwest crosscut also shows scheelite mineralization. Another mineralized bed about 3 feet thick was also exposed in the lower part of the main tunnel face. At least seven beds have been identified.

John D. Bardill

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
JDB/he



RAILROAD GRADE TUNNEL

OTTAWA TUNGSTEN CO.

MARYSVILLE, MONT.

CONTRACT No. Idm.-E49C

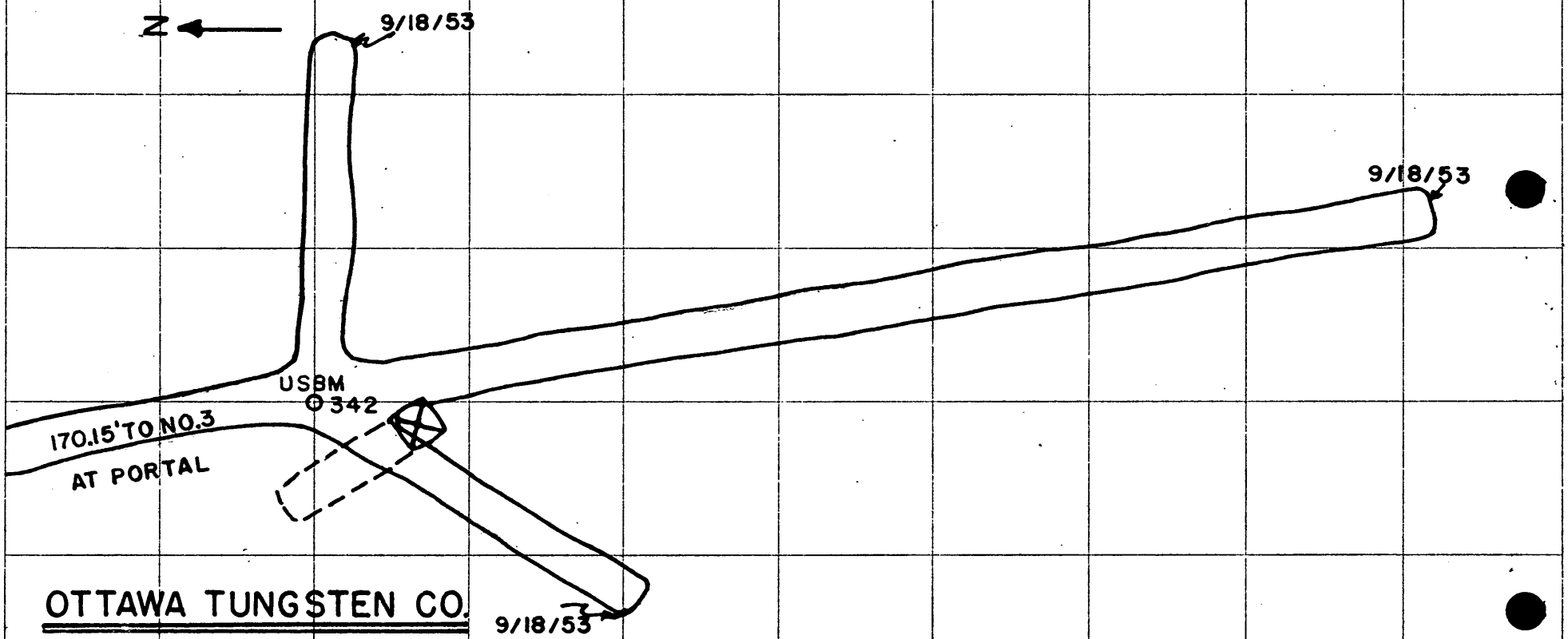
DOCKET No. DMEA 2658

August 7, 1953

Scale 1" = 20'

J.D.B.

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF



OTTAWA TUNGSTEN CO.

MARYSVILLE, MONTANA

CONTRACT Idm. E 490

DOCKET NO. DMEA 2658

SCALE 1" = 20'

"ALBANENE" NO. 106M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

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

Month of Sept. 1953, 195 Docket No. DMEA 2658 Contract No. dm-E-490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47600 Government Participation 75 % Amount, $ 35700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors:						
Drilling Timbering		226.20	226.20			W3
Bulldozing		744.00	744.00			
Crosscutting						
Drifting) 107 ft.	3655.00	8073.13	11728.13			
Crosscut - 14 ft.	476.00	2754.00	3230.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.78	1412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Assays	64.00		64.00			
(8) Contingencies (specify): Labor installing pipe, track and cleaning lower tunnel	210.00		210.00			
TOTALS	4405.00	13210.11	17615.11	[illegible]	13210.11	17615.11

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

Date Oct. 1 1953 *Payee Ottawa Tungsten Co.
Per W. R. Wade Title Partner

*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:

$ 3303.75

Signature [illegible]
(Authorized Certifying Officer)

Date 10/7/53 Vou. No. 932
(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 490 in accordance with the terms of the contract.

Signature /S/ John D Bardill Title Metallurgist Date 10/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 10/5/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 10 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 1953 195..... Docket No. DMEA 2593 Contract No. 26m-2-430

Operator's Name Ottawa Tungsten Co

Address Marysville, Montana

Minerals Tungsten

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 } 107.5 ft.	ft.	1655.00	107.5	11954.23	351.57	33.95	(1200	34.0
Crosscutting }							(	
Raising 140 ft.		476.00	14	3230.00	95.	34.00	(	30.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits				204.00				
Roads and Trails				360.00			100	12.00
Assays 17		64.00	17	~~320.00~~ 64.			300	~~6.30~~
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.70				
Pipe and track placing		210.00						
clearing lower tunnel		1405.00		17615.11				

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. 1, 1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

W. R. Wade

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: The 210. is for labor only in getting lower tunnel ready to operate

(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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 1 0 1953

Ottawa Tungsten Co.
Marysville, Montana

Oct. 22,1953

Operators Narrative

107.5 feet of ~~drifting headings~~ cutting was done in the lower tunnel. As the beds are flat it is hard to say which is a drift and which is a cross cut. 14 ft of Raising
The East cross cut went through bars of granite and the face is not in ore. As there would be only a short distance to go before hitting granite, this heading was stopped.
The West cross cut went through granite at the start and then cut some ore. The face still has some tungsten ore. The cross cut is being driven at a diagonal to parrallel the larger granite mass. All the work so far has shown that the ore is in definite beds and to follow it properly a series of short raises should be put up.
The main heading was driven ahead 29 feet in ore. 58" of ore was encountered in a flat bed dipping about 10%. The bed gradually ~~[illegible] the roof~~ foot round in the roof and it is ore all the way and ore in the top. The bed is over 5 feet thick.
As the main heading advances south short raises should be put up to this bed every 20 or 25 feet. In that way it can be followed.
I would suggest that the work for stage 11 that was to be done on the upper level be transferred to additional raise and drift footage on the lower level say half and half.

Ottawa Tungsten Co.

By. W R Wade Partner

Docket

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

September 24, 1953

WSM

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA-2658 (Tungsten)
Ottawa Tungsten property
Lewis & Clark County, Montana
Contract No. Idm-E490

Dear Mr. Wade:

We have been advised by Messrs. Jack Bardill and R. A. Weeks, DMEA field examiners, that you will soon have completed project work in Stage I of the referenced contract. Field examiners inform us that as a result of this work, they believe that work under Stage II of the contract is justified, but that it be modified somewhat from work outlined in the contract. They state that at their last meeting with you, all were agreed that further work on the new adit level is not warranted at this time, but that work outlined in Stage II, as pertains to the old adit level, should be undertaken.

This is your authorization to commence Stage II of the contract, such work to be devoted to Items 1, 2, and 3 as written in Exhibit "A" of the contract. If, upon completion of this work, or at some future meeting, it shall be decided to do additional work or to change parts of this work, such changes and additions will be given consideration. We believe that it will be possible to work out changes in the project work which will be agreeable to both parties, should the need arise.

By DMEA Field Team, Region II

Thor H. Kiilsgaard, Acting Exec. Officer
(U. S. Geological Survey)

Thomas E. Howard, Acting Member
(U. S. Bureau of Mines)

cc: DMEA (2)
USBM (2)
Weeks

Copy retained 400

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

RECEIVED
OCT - 6 1953

September 21, 1953

Memorandum

To: DMEA Field Team, Region II

From: R. A. Weeks, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2658 (Tungsten), Inspection of Ottawa Tungsten (Wade & Obendorf), Lewis & Clark County, Montana, Contract No. Idm-E490.

On September 18, 1953, together with J. Bardill, U. S. Bureau of Mines, and W. R. Wade, I examined and mapped parts of the Ottawa Tungsten Company mine, to determine whether Stage II of the exploration contract should be authorized.

The contractors have completed 47 feet of crosscutting to the east, 50 feet of crosscutting to the west, and have extended the drift 10 feet to the south in the old adit level. The new adit level is correct as shown on the map furnished by Mr. Wade (this map is in possession of Bardill, and will be duplicated in Spokane when Bardill returns).

Results of the work in the old adit level have been encouraging, in that tungsten mineralization has been found in several beds (at least seven) and seems to be relatively continuous. A bed barely exposed at the former face of the drift has been shown to be about 30 to 36 inches thick, and mineralized with an estimated 0.3 to 0.4 percent WO_3 content. Assays are not yet available on this bed. A second important mineralized bed or beds explored by the eastern crosscut has a maximum width of $7\frac{1}{2}$ feet, and a minimum width of 4 feet. Assays of parts of this have contained 0.7 percent WO_3.

In view of the results to date, Wade, Bardill and I agreed that further work on the new adit level is not warranted. We further agreed that work on the old adit level seems justified. The nature of the work to be done in Stage II is adequately represented in the original contract, except that the portion of the work designated for the new level should not be authorized. The monies available for the new level should be held in the contract to provide for further work on the old level, if necessary, when the planned work of Stage II is completed. This will require an amendment, but the amendment should not be prepared until the work already authorized is completed.

Please look at the plans and let me have your recommendation on this. If we like it we do nothing, but if it's wrong we have to send a wire because of the left handed way Weeks has arranged things on page 2

FT gave permission for 1, 2, & 3 of Stage II WSM 10/14/53

a 9-24-53

The 70 odd feet of work remaining in Stage I will be completed by about October 1, so that if the Field Team does not wish to authorize the modified Stage II proposed here, they should notify both Mr. Wade and me in time to stop the workers before they commence Stage II.

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket
Weeks

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

1201 N. Division St.
Spokane 2, Washington
September 1, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Metallurgist, Bureau of Mines

Subject: Routine inspection, Docket No. DMEA 2658 (tungsten), Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E490

A routine inspection was made of the subject property, August 7, 1953, accompanied by Mr. Brophy, mine foreman. Mr. W. R. Wade, co-partner, was out of town.

A Brunton and tape survey was made of the Railroad Grade Tunnel. Later, Mr. Brophy found Mr. Wade's transit survey notes, which checked with the Brunton survey. The bearings and distances are given below.

Station	6 - 7	S. 20°-27' W.	36.34 ft.
"	7 - 8	S. 35°-27' W.	36.07 ft.
"	8 - 9	S. 1°-24' E.	16.35 ft.
"	9 -10	S. 35°-50' W.	20.1 ft.
"	10 -11	S. 53°-02' W.	13.91 ft.
"	11 to face	S. 33° W.	45.9 ft.
"	11 to face	S. 63° E.	21.3 ft.

Raise No. 1 is approximately 13 feet long at about plus 50 degrees, striking roughly N. 25° E. Raise No. 2 is about 47 feet long, strikes about N. 40° E., inclined approximately plus 60 degrees, and holes through at surface. The top 10 feet of the raise is vertical. See attached sketch map.

During July, 60 feet of raises and 48 feet of drifting was completed by a two man crew. A mucking machine has been rented which should materially increase the daily footage.

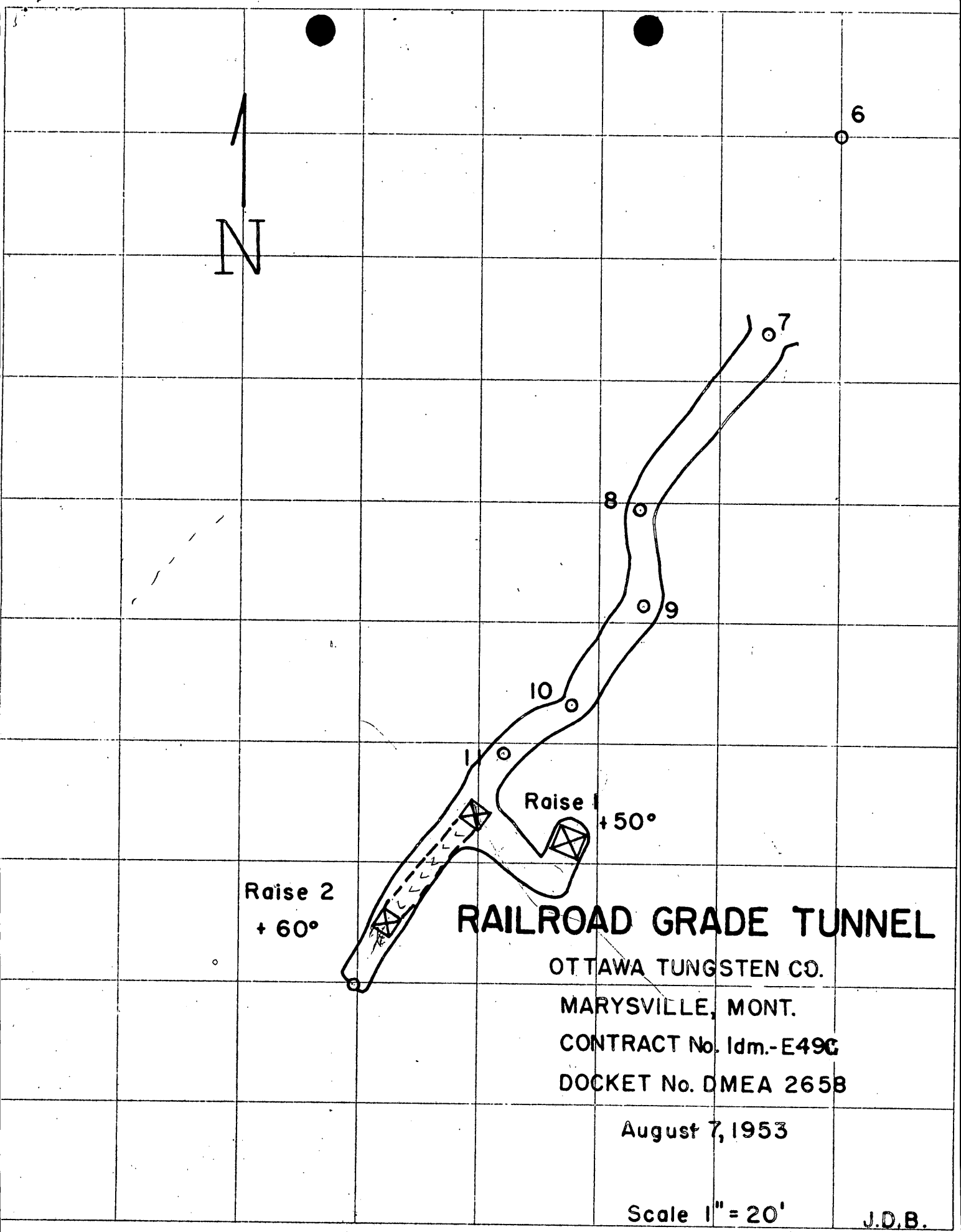
Several check samples were taken in the channel sample cuts of the Operator. Assay results are not yet available.

A bed of scheelite-bearing rock was cut in both raises but appeared to be quite low grade. Two more rounds were to be blasted in the short drift at No. 1 raise, then plans were to move to the lower Prentiss adit to complete drifting, crosscutting, and raises provided under Stage I of the contract. Some retimbering will be necessary near the portal of the adit. The contract did not provide for rail, water and air pipe so that it will be the responsibility of the Operator to provide these materials. Contingency funds are available for labor to install the rail and pipe.

John D. Bardill

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
JDB/he



"ALBANENE" No. 105M R&ECO., N.Y.
REG. U.S. PAT. OFF

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Wash.

SEP 30 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1953, 195.... Docket No. DMEA 2658 Contract No. Idaho I 490
Operator's Name Ottawa Tungsten Co. Minerals
Address Marysville, Montana Tungsten
Contract Amount, $ 47,600. Government Participation: 75 % Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Contracts: Short Form						WSM
Drilling Timbering 19 ft.	148.20	78.00	226.20	148.20		
Bulldozing		744.00	744.00			
Crosscutting						
Drifting 75 ft.	2550.00	5523.13	7773.13	2550.00	5523.13	8073.13
Raising 21 ft.	714.00	2040.00	2754.00	714.00		
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.78	1412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
* Assays 30 at $4.00	120.00	none		-0-		-0.
(8) Contingencies (specify):						
* Labor installing air and water lines and clearing lower tunnel and track laying	210.00			-0-		-0.
TOTALS	3742.20	9797.91	13,540.11	3412.20	9797.21	13210.11

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

Date Sept. 1, 1953 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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:

$ 2559 15

Signature (Authorized Certifying Officer)

Date 9/24/53 Vou. No. 916
(See other side)

* No supporting invoices or payroll.

(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. E490 in accordance with the terms of the contract.

Signature /S/ John D Bardill Title Metallurgist Date 9/9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 9/9/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 30 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 195____ Docket No. DMEA 2658 Contract No. Idaho E 490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Marysville, Montana

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 75 ft.	ft.	2698.20	75	8299.33	244.87	33.90	(1200	34.
Crosscutting							(	
Raising 21 ft.	ft.	714.00	21	2754.00	81	34.	(	
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping							(	
Trenching				384.00			(100	12.00
Test Pits							(	
Roads and Trails				360.00			240	4.00
Assays		120.00	30	120.00				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				1750.00
Contingencies (Labor)		210.00		210.00				1018.00
TOTAL COSTS		3742.20		13540.11				

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

Date Sept. 1,1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

W.R. Wade

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: Upper level work completed for stage 1 Contingencies are the labor used in clearing the lower tunnel, running in air and water lines and laying track and does not include the material used but labor only

(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

OTTAWA TUNGSTEN CO.

Marysville, Montana
Sept. 2, 1953

DMEA 2658
Contract Idaho E 490

Operators Narrative

The work for stage 1 was completed on the upper level in August. Channel samples were cut where the black lamp showed tungsten and an assay map compiled. The work showed the ore to be confined to certain definite beds. As these beds vary in dip and are from one to four feet thick, they are very hard to follow with a drift. The dip is from 5 up to 35 degrees. The assays on the upper level where marked muck samples are the drift round (waste, ore and all). The channel samples are the ore beds only.
The assays as a whole on the upper level are low. The level may be too high in the limestone series for the most favorable beddings, or the level may be too high above the granite base. Anyway the assays in the lower level average out better so far.
The lower tunnel was cleaned out and track installed to the face. Air and water lines were put in and work begun there. Most of the work for the month is in the lower tunnel.

Ottawa Tungsten Co.

By. W R Wade Partner
W.R. Wade

COPY

400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1953

XXXXXXXXXXXXXXXXXX
Spokane, Washington
August 20, 1953

Mr. W. R. Wade
Ottowa Tungsten Company
Marysville, Montana

Subject: Docket No. DMEA 2658
(tungsten)
Contract No. Idm-2490

Dear Mr. Wade:

Your letter of August 17, 1953 to Mr. John D. Bardill submitting a cost estimate for rail, air and water pipe, and labor for installation in the Prentiss tunnel has been received.

One of the main objects in writing contracts on a unit cost basis is to prevent the Government from acquiring partial ownership in material, equipment, and supplies. With the granting of a unit cost for drifting, crosscutting and raising, it is applicant's responsibility to procure the pipe, rails, ties, etc., for this work. Your contract provides $470.00 for Stage I contingencies which we interpret to mean that this money may be used for labor to install the pipe and rail, but not to purchase the material. New Buildings, Improvements, Installations (6) contract funds may not be spent for this purpose.

As you state, there are adequate funds for timbering.

We will appreciate receiving the balance of the assays for the upper level adit.

By Field Team, Region II

JDB;mp
cc: Wash. 2
USGS 2
DMEA
AD
JDB
DF

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

Thomas E. Howard, Acting Member
DMEA Field Team, Region II

9/15

400

FILE COPY
SURNAME: 913

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

AUG 3 1953

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

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark County
Contract Idm-E490

Dear Mr. Weissenborn:

The narrative report for the month of June 1953, by W. R. Wade and the Engineer's inspection report, dated July 13, 1953, on the subject property have been reviewed.

We note that the contact has an entirely different course than was assumed in the application and field team report, and the tunnel on this contact, if it continues on its present course of S. 35 degrees W., will be over the end of the lower tunnel at about 220 feet. Mr. Wade asks about continuing this tunnel to reach this point. According to Stage I of the contract this drift will end at 200 feet, but Stage II allows additional work and the field team may grant permission to continue with this stage if the showing justifies continuance of the operation.

Mr. Wade asks for permission to connect the lower and upper tunnel with a raise if or when the upper tunnel reaches a point over the lower tunnel. We concur with Mr. Wade and Mr. McNabb that this is the reasonable thing to do and an amendment can be prepared to run this raise in lieu of the raise allowed in the contract at the 100 foot point in the lower tunnel.

One of the main objects in writing contracts on a unit cost basis is to prevent the Government from acquiring partial ownership in material, equipment and supplies. With the granting of a unit cost for drifting, crosscutting and raising it will be the applicant's responsibility to procure the pipe, rails, ties, etc. for this work. As only part of the $750.00 allowed for installations has been used the balance may be used for installing the rail and pipe.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (2/3)

Approved:

J. H. Hodges (2/3)
Member, U. S. Bureau of Mines

A. R. Kinkel, Jr. (2/3)
Member, U. S. Geological Survey

FARutledge:foc 7-30-53
cc: Docket
Code 400
Oper. Comm.
FT. Reg. II
Adm. Reading File
R. W. Geehan, USBM
D. M. Lemmon, USGS

R.C.S. 8-3-53

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

Month of July, 1953, 195____ Docket No. DMEA 2658 Contract No. Idma E 490

Operator's Name Ottawa Tungsten Co.

Address Marysville, Mont.

Minerals Tungsten

Contract Amount, $7,600. Government Participation 75 % Amount, $35,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Short Form Contracts:						
Timbering		78.	78.			
Bulldozing		744	744			
Crosscutting						
Drifting 48 ft.	1632.	3891.12	5523.12			
Raises 63 ft.	2040.	none	2040.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.79	1412.79			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3672.00	6125.91	9797.91	3672.00	6125.91	9797.91

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

Date August 1, 1953 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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:

$ 2754.00

Signature _____ (Authorized Certifying Officer)

Date 8/19/53 Vou. No. 877

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

Signature S/ John Bardell Title Metallurgist Date 8/13/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ L. E. Howard Title M. Eng. Date 8/18/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 195 Docket No. DMEA 2658 Contract No. Idma R 490

Operator's Name Ottawa Tungsten Co.

Address Marysville, Montana Minerals Tungsten

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 48 ft.	ft.	1632.	48	5601.13	169.07	33.19	1200	34.00
Crosscutting								
Raising 60 ft.	ft.	2040.	60	2040.00	60.	34.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00				
Test Pits							100	12.00
Roads and Trails				360.00				
Total Distributed Costs		3672.00	108	~~[illegible]~~ 8385.13				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				1750.00
Total Costs		3672.00	108	9797.91				

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

Date August 1, 1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

Remarks: Cut 4 ft. thick bed of ore in Raise. Held raise to surface.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Operator Narrative
for
Month of July 1953

The main drift on the Railroad grade was going NNW following the granite-hornfeld contact. The contact turned a right angles to the left. The main heading was stopped and a drift run to the left following the contact.
Another ore bed was cut in both the main drift and the one to the left. A short raise was put up in the new drift and a raise was put up to daylight in the main drift. Total raise footage 60 ft. Both raises cut ore. The raise in the main drift cut a 4 foot bed of ore that appears to be the best ore so far found in this railroad grade tunnel.
Channel samples were taken the last of the month at 10 foot intervals and the samples sent to Union Assay Office in Salt Lake City.
No returns as yet.
It is our practice to take a general sample of the drift and raise rounds muck and these include all the ore cut and the waste also in each round. A sample map was made with all the information up to August 1st. and is now being printed in Spokane. As the work goes on these sample maps will be brought up to date each month.
5 copies will be furnished as they are available.

Ottawa Tungsten Co.

By W R Wade Partner
W.R.Wade

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

July 22, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: Edward T. Ruppel, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-2658 (Tungsten), Routine Inspection, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E490.

Inspection of the Ottawa Tungsten property was made on July 19, 1953, in company with Mr. W. R. Wade, co-partner.

Since the time of Mr. Wade's monthly report and transit survey of the tunnel along the granite-calc-silicate hornfels contact, the tunnel has been advanced an additional 25 feet S. 33 W. in calc-silicate rock, and a stub drift has been driven about 15 feet S. 60 E. from the face shown on Mr. Wade's map along the contact with the granite. In the S. 33 W. extension of the main tunnel, the calc-silicate rock is cut by a S. 25 E. 10 N. trending shear zone about 20 feet from the present face; the rock contains sparsely disseminated very fine-grained scheelite above the shear zone but is not mineralized below it. The stub drift is entirely in calc-silicate rock with sparsely disseminated very fine grains of scheelite.

Mr. Wade intends to begin raising in this tunnel and has proposed raises at two locations, one at the face shown on his map and one at the face of the stub drift. A third short raise was suggested where the flat shear goes into the back of the tunnel about 10 feet from the present face.

Mr. Wade has not yet channel sampled the walls of the tunnel but has been taking muck samples from each round in calc-silicate rock containing apparent scheelite. Assays of these samples range from 0.008 percent WO_3 to 0.1854 percent WO_3, and average 0.104 percent WO_3. To determine the presence of any higher grade zones that should be explored, Mr. Wade was requested to take systematic channel samples of the walls at the earliest opportunity.

The work is being carried on in an efficient manner.

Distribution:
DMEA(Orig.&3)
USBM(2)
Docket

Ruppel

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

1201 N. Division St.
Spokane 2, Washington
July 13, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: John S. McNabb, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Co., Lewis and Clark County, Montana, Contract Idm-E490, Docket No. DMEA 2658 (tungsten)

A routine inspection of the Ottawa Tungsten property was made on June 25, 1953.

Mr. E. W. Buel, mining engineer, U. S. Bureau of Mines, inspected the subject property on May 5, 1953. At the time of Mr. Buel's inspection, work preliminary to underground exploration had been completed. On May 6, 1953, the railroad grade drift was begun as a part of Stage I of the contract.

The railroad grade drift was originally laid out to be driven in a southeasterly direction. Surface bulldozing has since revealed that the quartz monzonite-limestone contact has a general strike of S. 35° W. in the vicinity of the proposed working. Mr. Wade, co-partner of the Ottawa Tungsten Co., recognized this fact and correctly began his underground exploration in a southwesterly direction.

At the time of my inspection, 13-1/4 feet of cover had been removed to establish the portal site and 85.7 feet of actual underground drifting, 5'x7' cross section, was completed. Mr. Wade was informed that one-half of the initial 13-1/4 feet that had to be removed for the portal site could be charged to the project at a cost of $34.00/ft. as is allowed for drifting in the contract. Three sets of timber were installed at the portal site over a distance of 10 feet.

A brunton-tape survey of the drift was made. Survey tags USBM 243, 244 and 245 were placed in the underground working. Mr. Wade attempted to hold his drift on the limestone-quartz monzonite contact at all times, and the resulting working is consequently a series of

sharp turns. He was informed to hold his drift on a general S. 35° W. strike as it is impossible to hold the contact in the drift at all times, due to the presence of fingers of intrusive that make the contact irregular.

A crew of two miners is doing the drifting at the project. Their work cycle consists of drilling, blasting, and hand mucking a round per shift. An average of 3-1/2 feet of advance is made per shift.

Work completed to date under the contract consists of the following:

1. Installation of a 16'x24' compressor shed at the railroad grade portal site. Cost: $1234.28
2. Initial rehabilitation and repairs. Cost: $178.50
3. Bulldozing - 62 hours @ $12/hr. Cost: $744.00
4. Drifting - 92.4' @ $34/ft. Cost: $3141.60

   10' of timber in drift @ $7.80/ft. Cost: $78.00

The southwesterly strike of the limestone-quartz monzonite contact should carry the exploration drift on the railroad grade level to a point directly above the end of the old adit. Approximately 220' of drifting on the railroad grade level is needed to reach this point. Tungsten mineralization is evident in the old adit at the face. Consequently a raise holing through from the end of the old adit should be considered. Such a working could later be used as an ore pass and would also serve to better ventilate both levels. This work if it were deemed feasible would be performed at a later stage in the contract in lieu of one of the raises already prescribed.

There was no provision made in the contract for the installation of pipe and rail in the 300' old adit. It was apparently omitted through oversight. At such time as this work must be done, it is recommended that the contract be amended providing payment for this work. The unused portion of funds provided for bulldozing and initial rehabilitation would suffice as a source from where the money could be transferred.

John S. McNabb

John S. McNabb

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
JSM/he

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUL 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 1953 195 Docket No. DMEA 2658 Contract No. Lima I 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47,600 Government Participation 75 % Amount, $ 35,700.

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
Development Short Form Contracts:						WSM
Drilling						
Bulldozing		744.00	744.00			
Crosscutting						
Drifting 76.57 ft.	2603.38	1287.75	3891.13			
Timbering 10 ft.		78.00	78.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1412.78	1412.78			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2603.38	3522.53	6125.91	2603.38	3522.53	6125.91

This looks like a "left handed" request for an amendment changing position of raise and increasing allowance for rehabilitation
WSM
7/21/53

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

Date July 1, 1953 *Payee Ottawa Tungsten Co.

Per W. P. Wade Title Partner

*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:

$ 1952.54

Signature (Authorized Certifying Officer)

Date 7/10/53 Vou. No. 821
(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. E490 in accordance with the terms of the contract.

Signature /S/ Stephen W Zoldok Title Mining Engr Date 7/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr. Date 7/6/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

Department of the Interior
Defense Minerals Administration
RECEIVED
JUL 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

2658 Idm B 490

Month of June 1953 Docket No. DMEA Contract No.
Operator's Name Ottawa Tungsten Co. Minerals
Address Marysville, Montana Tungsten

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 76.57 ft.	ft.	2603.38	76.57	3969.13	121.07	32.79	1200	$34.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				384.00				
Test Pits								
Roads and Trails				360.00			100.	12.00
Total Distributed Costs		2603.38	76.57	4713.13				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				1412.78				1750.00
Total Costs		2603.38	76.57	6125.91				

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

Date July 1, 1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner
W.R.Wade

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

(Instructions on reverse)

Remarks: Passed through about 30 feet of a granite dike striking at about right angles to the general contact of the granite and horestone. Present face measuring day July 1st. in garnet rock and lime with tungsten well distributed through the rock.

(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

Ottawa Tungsten Co., Marysville, Montana

DMEA 2658
Contract Idaho 1 490

July 1,1953

Narrative for the operations in June 1953

Drifting was done to the extent of 76.57 feet along the granite hornstone contact. A cross granite dike was encountered about 30 feet through. This is the same dike that shows up in the Prentiss tunnel (that is the tunnel 58 feet below the present workings) Tungsten came back into the face as soon as we got through the granite.
A transit survey was made up to date of June 30th. and the tracing is now being white printed. 5 copies will be sent you as soon as the prints come back from Spokane where the prints are being made.
At the face of the tunnel the beds are getting much less dip than at the start. They are now about 15% dip.
The tunnel has had some tungsten all the way except when it was in granite. The limestone seem to carry tungsten often without any garnet present,but the beds that show garnet seem better grade than the limestone where there is no garnet. The present face looks good,under the black light.
The present upper tunnel should be extended about 100 feet from its present face to bring it over the end of the lower or Prentiss tunnel and a raise put up from the end of the lower tunnel to connect the two,if the present tunnel stays in ore for the next 79 feet which is the distance it is supposed to get under the contract. 200' total. The end of the lower tunnel is in ore and if the raise I am proposing there comes up through the beds in ore it will prove 58' plus the height of the upper drift or say 65' thick of tungsten bearing limestone beds. The additional 21' feet under stage A could be taken off some other part of stage A. There is a raise provided in stage A between the two levels but it is located about 100 feet in from the portal of the lower tunnel,and this proposal would be to put it up from the end of the lower tunnel at a point about 300' in. As I have mentioned before no provision was made in the contract for putting in 300' of pipe and water pipe and rails and cleaning out and repairing the lower tunnel where part of stage A work has to be done very soon. It is my estimate that this work will run $5.00 per foot or $1500. total.

Ottawa Tungsten Co.

By W. R. Wade Partner
W.R.Wade

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

June 14, 1953

Memorandum

To: DMEA Field Team, Region II

From: Edward T. Ruppel, Geologist, U. S. Geological Survey

Subject: Routine inspection, Docket No. DMEA-2658 (tungsten), Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract No. Idm-E268. ~7
2490

Inspection of the Ottawa Tungsten Company property was made on June 10, 1953, in company with Mr. W. R. Wade, co-partner. At the time of my visit, work being done consisted of drifting approximately along the granite-calc-silicate hornfels contact from the old railroad grade.

Since the last inspection of the property, this tunnel has been driven about 60 feet trending about S. 30-40 W. parallel to the granite-hornfels contact and crosscutting hornfels beds that trend about NW and dip 35° NE. The tunnel is now being turned about south to intersect the contact. With the exception of a granitic dike cut near the portal, the tunnel crosscuts beds of calc-silicate hornfels containing considerable finely disseminated scheelite and sparse to moderately abundant scheelite crystals to about one-fourth inch in maximum dimension. Mr. Wade has been taking systematic samples of the ore, but no assay returns were available at the time of my visit.

The work is being carried on in an efficient and workmanlike manner.

His monthly 104's report assays up to 5% WO_3, as I recall

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket
Ruppel

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

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

Wash

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

Month of May 1953, 195 Docket No. DMEA 2658 Contract No. Idm E 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47600 Government Participation: 75 % Amount, $ 35,700.

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		744.	744.		744.00	744.00
Crosscutting						
Drifting 44½ ft.	1287.75	—	1287.75	1287.75		1287.75
Timbering 10 ft.	78.00	—	78.00	78.00		78.00
(2) Labor and Supervision:						
Labor						WSM
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		1369.55	1369.55		1412.78	1412.78
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		7.47	7.47			
Liability Insurance		41.52	41.52			
(8) Contingencies (specify):						
Credit		(5.76)	(5.76)			
TOTALS	1365.75	2156.78	3522.53	1365.75	2156.78	3522.53

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

Date June 2 1953 *Payee Ottawa Tungsten Co.

Per W R Wade Title Partner

*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:

$ 1024.37

Signature (Authorized Certifying Officer)

Date 6/23/53 Vou. No. 800

(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. E-49 in accordance with the terms of the contract.

Signature /s/ Stephen W Zoldok Title Mining Engr Date 6/22/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 6/22/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA 2658 Contract No. [illegible]
Operator's Name Ottawa Tungsten Co.
Address Harrisville, Montana
Minerals Tungsten

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 [illegible] ft.	ft.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1200	30.
Crosscutting		1365.75		1365.75		30.69		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				[illegible]				
Test Pits								
Roads and Trails				[illegible]			100	12.
~~Timbering 10 ft.~~	~~ft.~~	~~28.00~~	~~10.~~	~~[illegible]~~	~~10.~~	~~7.50~~	~~240.~~	~~7.80~~
Total Distributed Costs		1365.75		[illegible]				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				[illegible]				1750.
New Buildings, Improvements, etc.				~~[illegible]~~	1412.78			
Total Costs		1365.75	[illegible]	[illegible]				

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

Date June 2, 1953 Operator Ottawa Tungsten Co.

Per W P Wade Title Partner

Remarks: [illegible] ft. setting timber cover is at half price of drifting.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.
Maysville, Montana

June2,1953

(Operators narrative)

Drifting was done during the month of May on the R.R.Grade tunnel. The first few rounds went through the good garnet ore showing and the face went into granite. The granite was a small tongue crossing the tunnel. Passing through this granite ore caur in again and has been continuous for the last 20 to 24 feet. The drift is following the granite limestone contact and the bar of granite was an arm that ran out airight angles to the main mass. The limestone beds dip to-ward the mouth of the tunnel and the drift is crossing the beds. Therefore the ore is occuring in one bed after another.
The grade of the ore looks as good as the grade at the start of the tunnel which ran from 1½ to 5%. A large bulk sample ran 5%. I would judge by the back light the last 24 feet would average 2%. I have sent a bulk sample to Hammond & Everly at Butte for assay. This is a much sample from the last blasted rounds.

Ottawa Tungsten Co.

W R Wade Partner

Ottawa Tungsten Co.
Marysville, Montana

June
~~May~~ 2,1953

Defense Minerals Exploration Administration
Mr. A.M.Weisenhorn
157 South Howard St.
Mr. M.R.Velin
1201 N. Division St.
Spokane,Wash.

Dear Sirs.

The 88½ ft. of drifting has 13½ feet getting under cover and is therefore a triangle in cross section and not worth the full price of $4 per foot. I discussed this point with Mr. Weisenhorn in March and we agreed on ½ price.

I replied to your letter of May 15th. and gave you the data Mr. Mehmann wished to the best of my ability. As you made no further comment I assume it was satisfactory.

Yours truly,
Ottawa Tungsten Co.
By W R Wade
W.R.Wade

13½ ft. at $17.00 per foot
31½ ft at $4.00 per foot

Ammended

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 April 1953, 195____ Docket No. DMEA 2658 Contract No. Idm -E 490
Operator's Name Ottawa Tungsten C. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47,600 Government Participation: 75 % Amount, $ 35,700

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	216	528	744			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	891.05	478.50	1369.55			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	5.85	1.62	7.47			
Liability Insurance	28.56	12.96	41.52			
(8) Contingencies (specify): Credit on March liability insurance	(5.76)		(5.76)			
TOTALS	1135.70	1021.08	2156.78			

For Co Only

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 15 1953 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

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

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

(Instructions on reverse)

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

$_____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 North Division Street
Spokane 2, Washington

May 26, 1953

To: DMEA Field Team, Region II

From: E. W. Buel, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract Idm-E490, Docket No. DMEA 2658 (tungsten)

The subject property was inspected in company with R. A. Weeks and A. Campbell, Geologists, Geological Survey, on May 5, 1953. Mr. W. R. Wade, co-partner, accompanied the Examining Team.

Work accomplished since the last inspection of March 14, 1953, is as follows:

1. A 16 x 24 foot house, for the compressor, was moved a distance of about a mile and installed at the future adit site on the railroad grade.

2. Equipment installed were a Gardner-Denver 100 H.P. electric compressor with a displacement of 360 cu. ft., a receiver with a capacity of approximately 435 cu. ft., and miscellaneous air and electrical lines.

3. Approachway and cut "G" (see attached map) was bulldozed for a distance of 380 feet. Measurements of the trench proper are 50 feet in length, 15 feet in width, and 2 feet in depth.

4. A portion of the bulldozer time was spent in helping the Montana Power Co. crew put in a power line from the main 13,000 volt line to the compressor house.

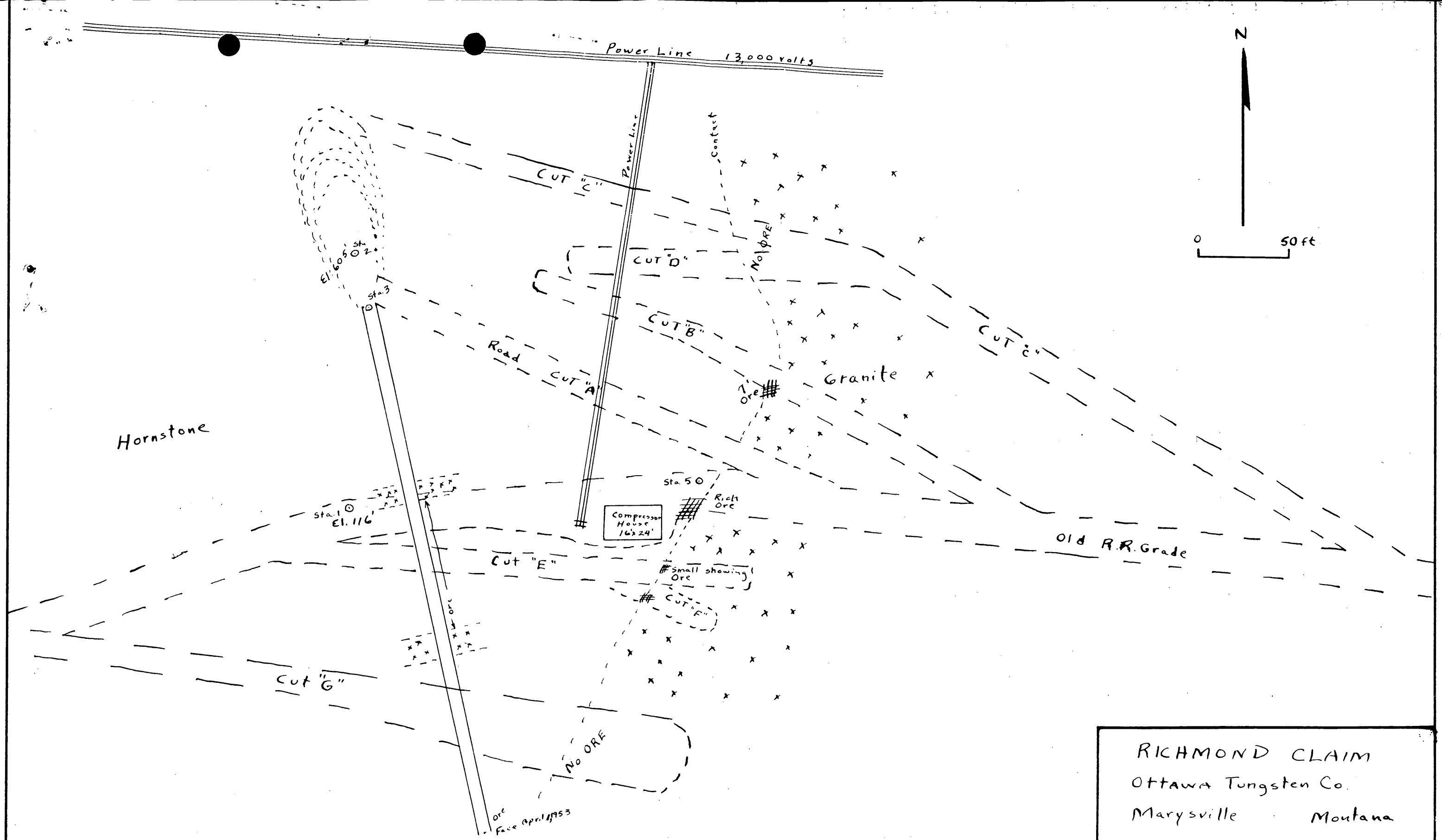
About 33 hours of bulldozing time were expended since the last inspection. Total bulldozing time used to date amounts to 77 hours, leaving 23 hours remaining under the contract.

An examination of the trenches showed that they were generally too shallow and too close together. Topography prohibits adequate spacing of the trenches above Cut "G". It was recommended to the Operator that he do no more trenching at the present time, and that he should begin his adit work as soon as possible.

E. W. Buel

E. W. Buel

Orig. & 3 - Wash.
USGS - 2 DMEA M/D EWB



RICHMOND CLAIM
Ottawa Tungsten Co.
Marysville Montana

Docket No. DMEA 2658
Contract No Idm-c 490

Modified from map drawn by W.R. Wade

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

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

MAY 18 1953

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

Month of April 1953 195 Docket No. DMEA 2658 Contract No. Idm-E 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Marysville, Montana
Contract Amount, $ 47,600 Government Participation: 75 % Amount, $ 35,700

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	216.00	528.00	744.00	216.00		
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	684.50	178.50	863.00	713.05		
(6) New Bldgs., Improvements, etc.	206.55	300.00	506.55	178.00		
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	5.85	1.62	7.47	5.85		
Liability Insurance	28.56	12.96	41.52	22.80		
(8) Contingencies (specify): Credit on employees liability and unemployment for March	(5.76)		(5.76)			
TOTALS	1,135.70	1,021.08	2,156.78	1135.70	1021.08	2156.78

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

Date April 30 1953 Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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:

$ 857.78

Signature (Authorized Certifying Officer)

Date 5/13/53 Vou. No. ~~740~~ 754 (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. EH90 in accordance with the terms of the contract.

Signature /S/ Edward W. Bull Title Mining Engr. Date 5/13/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr. Date 5/13/53

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.

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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).

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

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GPO 83-38476

Form MF-104A
(April 1952)

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

Department of the Interior
Defense Minerals Exploration Administration
MAY 18 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 95 Docket No. DMEA 2655 Contract No. 14[illegible]-[illegible]90
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Henryville, Montana

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	Positions	216.00	18	744.00	62	12.00	100	12.0
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		216.00		744.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				178.50				
New Buildings, Improvements, etc.		891.05		1234.28				
TOTAL COSTS		1107.70		2156.78				

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

Date April 30, 1953 Operator Ottawa Tungsten Co.
Partner
Per M. E. Mack Title

REMARKS: Trenching work completed, but still have tunnel portal work.
Trenching has been very tough because of tough rocks and frozen ground. Upper trench cut 11 ft of ore. Shoot is short, about 100 feet.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.
Marysville, Montana

May 2,1953

Operators Narrative Report for the Month of April 1953

We had several small snow storms during the month at this altitude when it was raining in the valley.
The Montana Power Co. was paid $150. on April 6th. to connect in the power line which they promised to do at once but which they did not do until the very last of the month. At this writing the line is in and the meter connected.
We moved the building into place for the compressor house and have the compressor moved in and set up and the power connected to the compressor. The large air receiver is in place and the air line connected as far as the receiver.
The Montana Rainbow Mining Co.'s bulldozer was used to move the equipment on skids and the bulldozer was needed twice by the power company to help in the line installation. The use of the bulldozer was part of the deal for the power line.
With this narrative you will find maps for the Richmond showing the tunnel,bulldozer cuts etc. You will note that the ore has been exposed in Cuts B and F and on the Railroad grade which latter point was exposed before this development work started.
An upper cut called cut "G" was bulldozed as called for in the contract and no ore was found there. This cut was extra tough going as the ground was frozen,the work was up grade,and the ground had large boulders cemented in sand frozen in and there were plenty of large and small trees. The frozen ground and a soft crust about 6" and then frozen down about 18" which was just enough to tie in the large boulders.

Ottawa Tungsten Co.

By W. R. Wade Partner
W.R.Wade

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

1201 N. Division St.
Spokane 2, Washington
April 14, 1953

MEMORANDUM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 27 1953

To: DMEA Field Team, Region II

From: E. W. Buel, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Ottawa Tungsten Company, Lewis and Clark County, Montana, Contract Idm-E490, Docket No. DMEA 2658 (tungsten)

Work under the DMEA contract was begun March 14, 1953. An inspection was made of the work with Mr. W. R. Wade, co-partner, on April 3, 1953. No work was being done at the time of my visit.

Work accomplished since the beginning of the contract is as follows:

1. A roadway/prospect cut from the old railroad grade towards the site of the old adit on the Richmond claim was bulldozed for a distance of 269 feet at an average depth of 2.5 feet.

2. An adit site of approximately 2,000 square feet was excavated on the old railroad grade.

3. An area measuring 13,000 square feet was cleared of second growth timber and underbrush for a power line right-of-way.

4. A trench was bulldozed for a distance of about 280 feet, at an average depth of 3 feet, above and transverse to the old railroad grade.

5. Two trenches, one measuring 200 feet and the other approximately 700 feet, were bulldozed below and parallel to the roadway. These trenches were cut at the expense of the Operator and are not included as work performed under the DMEA contract.

Total amount of trenching completed under the contract is 44 hours.

An old barn 16x24x20 feet has been braced for movement from the townsite of Marysville to the excavated adit site. A moving contractor has been contracted to move the housing to the adit site, a distance of about 1 mile. The building is to be used principally to house the compressor.

The Operator had to cease work on the project because of the freezing and thawing, and snow conditions which made bulldozing operations difficult to perform. Some minor repairs were needed on the bulldozer. These repairs were principally the building up of the tracks and the installation of a shoe on the dozer blade.

The equipment used for the trenching was a D-7 caterpillar bulldozer.

The tactite zone exposed in the railroad grade cut did not show in the roadway/prospect cut which is closeby to the railroad grade cut. Another cut about 50 feet downslope from the roadway/prospect cut uncovered the tactite zone displaying approximately 7 feet of tungsten ore. Another cut placed 50 feet downslope from this ore showing did not encounter the tactite zone. A trench placed uphill from the railroad grade exposed a tactite zone containing a small tungsten ore showing.

No map was made of the property because of time limitations, and Mr. Wade, a competent mining engineer, said he was preparing a sketch map of the property and would submit a copy of the map to the Examining Team. To date, no copy of the map has been received.

The work is being carried on in a workmanlike manner.

E. W. Buel

E. W. Buel

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
EWB/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
April 9, 1953

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Subject: Ottawa Tungsten Company
Lewis and Clark County, Montana
Contract Idm-E490
Docket No. DMEA 2658 (tungsten)

Dear Mr. Wade:

This is in reference to your DMEA monthly invoices, narrative reports, and maps.

We note that no invoices were sent to substantiate the costs shown on your 104 and 104A forms for March 1953, and that no narrative report of work under the DMEA contract was forwarded. We call to your attention that all actual costs claimed must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless the Government deems it necessary to waive such evidences. A concise narrative progress report discussing work accomplished and unusual conditions encountered must accompany the 104 and 104A forms.

We suggest that you read the instructions on the back of form 104, attached to this letter, particularly those items marked by red pencil.

Your Operator's monthly report and voucher shows under item (2) Labor and Supervision, the amount of $108.00. This cost should be included under item (6) New Buildings, Improvements, etc. as per instructions on the back of form 104.

We are returning your March 1953 invoice forms for correction and are sending you a supply of 104 and 104A forms as requested by you.

Sincerely yours,

H. E. Volin, Member
DMEA Field Team
Region II

cc: DMEA, Wash. (2)
USGS (2)
DMEA
AD
EWB
DE

Enclosures

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.

Defense Minerals Administration
RECEIVED
APR 27 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1953, 195 Docket No. DMEA 2658 Contract No. Idm-b 490
Operator's Name Ottawa Tungsten Co. Minerals Tungsten
Address Martsville, Montana
Contract Amount, $ 47,600 Government Participation 75 % Amount, $ 35,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						WSM
Bulldozing	528.00	none	528.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	178.50	none	178.50			
(6) New Bldgs., Improvements, etc.	300.00	none	300.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	1.62	none	1.62			
Liability Insurance	12.96	none	12.96			
(8) Contingencies (specify):						
TOTALS	1021.08		1021.08	1021.08	—	1021.08

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

Date April 11, 1953 *Payee Ottawa Tungsten Co.

Per W. R. Wade Title Partner

*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:

$ 765.81

Signature [illegible]
(Authorized Certifying Officer)

Date 4/16/53 Vou. No. 732
(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. E 49 O in accordance with the terms of the contract.

Signature /s/ Edward W. Buck Title Mining Engr. Date 4/15/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr. Date 4/15/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

S.B.M. 1201 N. Division St. Spokane Wash.

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

DEPT OF THE INTERIOR
Bureau of Mines
RECEIVED
APR 28 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 195____ Docket No. DMEA 2658 Contract No. Idm-E-490

Operator's Name Ottawa Tungsten Co. Minerals Tungsten

Address Maryville, Montana

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	hours	528.00	44	528.00	44	12.00	100	12.00
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date April 11, 1953 Operator Ottawa Tungsten Co.

Per W. R. Wade Title Partner

REMARKS: Snow and frozen ground made bulldozing harder and slower than usual.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Ottawa Tungsten Co.
Marysville, Montana

April 11, 1953

Monthly Operators Report for March, 1953

DMEA 2658
Contract Idm-M 490

44 Hours of Bulldozing was done under the contract.
Work as follows:
1. Road and prospecting cut from Railroad grade to Prentiss tunnel as per the sketch attached to the contract.
The tungsten contact vein shown at the railroad grade di not show in the new cut. Probably too much overburden where the road went over it.
So without expense to the government we made another cut about 50 feet down the slope and cut the contact vein showing 7 feet of ore about 1 to 2% grade as judged by the black light.
Encouraged by this result another cut was made another 50 feet down the slope and the contact exposed but no ore. This cut was run from the R.R. grade to the bottom of the Prentiss (Richmond) dump.
Where the contact was cut but starting somewhat above it a branch cut was run to find ore without results.
2. The uper cut as called for in the contract was run and a small showing of ore found at the contact.
The ore shoot seems to be about 100 feet long.
About 1200 feet of work was done with the bulldozer but only about 400 or so feet were charged to the contract.
3. The site for the compressor house was bulldozed out.
4. The rightaway for the power line was cleared.
A deal was made with the Montana Power Co. to install the power line for $150. and some assistance from the Ottawa Tungsten Co. with the bulldozer getting the poles in place etc. The Ottawa Tungsten Co also has to install the so called meter loop and furnish the material.

We had warm weather most of March and the snow melted. Then it started to freeze the ground and then snow. This frozen ground slowed the bulldozer work very materially and the snow did not help.
We have had a snow storm every day so far in April and the ground now has 14" on it of new snow.

Ottawa Tungsten Co.

By W. R. Wade

W.R. Wade Partner

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

Spokane, Washington
March 19, 1953

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Subject: Docket No. DMEA 2658 (tungsten)
Contract Idm-5490

Dear Mr. Wade:

Your letter of March 16, 1953 to Mr. Weissenborn, concerning the subject contract has been received.

Your proposal to buy and move a building to the site of the work for use as a compressor house rather than construct a new one is permissible, and the costs quoted will be within the terms of the contract.

Referring to the third paragraph of your letter, supplies purchased for and equipment used for the crosscutting and drifting will remain your property at the termination of the contract. As the Government will contribute to the cost of these items of work on the basis of agreed unit costs in lieu of actual costs, there will be no equity established for the Government in such supplies and equipment.

A representative of this office will contact you in the near future to arrange an inspection of the project. He will be glad to answer any further questions you may have.

By Field Team, Region II

A. L. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

K. E. Volin, Member
U. S. Bureau of Mines
1201 N. Division Street

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

TEH/he

400

FILE COPY
SURNAME:

Rutledge
Mittendorf

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

BW

Air Mail

MAR 18 1953

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

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark County, Montana
Contract No. Ida-E-490

Dear Mr. Weissenborn:

We are enclosing an extra copy of the above-referenced contract for use of your field representatives in making their examinations and reports.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

BL 3/18/53

cc: Docket
Field Team, Region 2
Code 400
Admn. Read. File
R. W. Geehan, USBM
D. M. Lemmon, USGS

FARutledge/hhb
3/18/53

Enclosure

C
O
P
Y

400

MONTANA RAINBOW MINING COMPANY
Marysville, Montana

W. R. Wade
Owner

Mar. 16, 1953

Re. DMEA 2658

Bureau Mines Administration
RECEIVED
MAR 16 1953

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

Dear Mr. Weissenborn

This is to inform you that the work on this Tungsten project DMEA 2658 is already in progress as I have the bulldozer working on the cuts and road. The work started the 14th. of March.

I have a 16x24 foot 1½ story high building. It was a barn that I would like to move to the Richmond for a compressor house and change house and storage building. A moving contractor has bid $114. to move the building if I will widen the road in a couple of spots with the bulldozer. Would it be right and proper for me to sell this building to the partnership (The Ottawa Tungsten Co.) and the government pay 75%. I will take $300. for the building the governments part being 75% of this and contribute the bulldozer time in the moving. In this way the compressor house can be up at once. The total cost will be as follows:

House	300.00	
Moving (independent contractor)	114.00	
Misc. inside repairsand lights	80.00	estimate not to be exceeded.
	494.00	

The allowance is $1000 maximum.

As I understand the contract I am to furnish the compressor and drill steel and bits and pipe and rails as part of the $34. per foot for the drifting and cross cutting. Do I have to leav e the rail and pipe on the job if we do not find ore? Or do I sell them for the joint account? Or take them back? The compressor and rock drills I assume remain my property and I can remove them after the job is done. The compressor is a Gardner Denver 315 cu.ft. actual delivered air on a steel sub-base with a 100 H.P. electric motor and starter and a large air receiver. Also I assume the mine cars can be removed.

Best regards,

Sincerely
/s/ W. R. Wade

P.S. I want to get this compressor house up this week. The power connection may be the ultimate delay as the Montana Power Co. has a 7000 volt line now not 4000 volt and transformers for 7000 are not too common.

Copy retained

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
No. 107 Howard Street
Spokane 4, Washington

DOCKET COPY

March 10, 1953

DMEA-2658

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Mr. W. B. Wade
Montana Fairbow Mining Company
Marysville, Montana

Dear Mr. Wade:

I have received your letter of March 9 enclosing a copy of the Owner's Consent to Lien for the 17/32 divided interest in the Prentice property. This document appears to be satisfactory and consequently we are enclosing herewith your copy of the contract. I infer from your letter that you can start the preliminary work at once, but you will note that in Article 3 of the contract that we have allowed you 30 days from the 24th of February (which would be about the 26th of March) as the date on which you should start work. This will allow you leeway in case of unfavorable weather. We wish you lots of success with this contract.

Sincerely yours

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

Enclosure
cc: DMEA (2)
USBM (2)
Klepper

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

March 10, 1953

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Re: Docket No. DMEA-2658 (tungsten)
Ottawa Tungsten Company
Lewis & Clark Co., Montana
Contract Idm-E490

Dear Mr. Selfridge:

Attached are the Government, the Docket, and Division copies of a contract with W. R. Wade and H. G. Obendorf, partners for exploration of the Idaho Tungsten property. Also attached are the appropriate copies of Owner's Consent to Lien for the 17/32 divided interest in the Prentice property. Mr. Wade states that he previously submitted an Owner's Consent to Lien for this 17/32 interest, but as we have no record of it nor presumably do you, we have requested him to execute another copy.

Also included is a Power of Attorney giving Mr. Wade the right to sign for his partner.

By carbon copy of this letter, a copy of the contract and the Owner's Consent to Lien is being sent to the Finance Officer.

Sincerely yours

A. E. Weissenborn

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

Enclosures as above
cc: USBM (2)
Finance Officer w/encl.
Klepper (Attn: Weeks)

cee
3-16

FILE COPY
SURNAME:

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

Martin
Ordway
Hoffman
Selfridge
Muttendorf

Defense Minerals Exploration Administration
W. S. Martin
5284 3538

March 3, 1953

A. W. Weissenborn, DMEA Executive Officer, Region 2, South 157 Howard Street
Spokane, Washington
Docket DMEA 2658 - Ottawa Tungsten Company - Prentice Property - Lewis and Clark County, Montana

Our letter February 24 requested you obtain Owner's Consent to Lien from Ida M. Oker and Donald Oker and Grace Muth, known owners seventeen thirty-seconds interest in subject property. We will waive Owner's Consent to Lien from unavailable owners remaining seven-sixteenths. No Owner's Consents to Lien in our files. Advise if foregoing answers your March 2 telephone inquiry.

G. C. Selfridge, Chairman
Operating Committee

CC: CONFIRMATION sent to Reg. 2 Field Team.
Docket
Code 400
Admn. Read. File
Operating Committee
Audits Divn., Bur. of Mines

WSMartin/ls 3/3/53

S.H.
3/3/53

FILE COPY
SURNAME:

Rutledge
Martin
Gibson
Selfridge

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

FEB 24 1953

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

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade & M. G. Obendorf
Prentice Property
Lewis & Clark County, Montana

Dear Mr. Weissenborn:

We are enclosing the original and five copies of the above-referenced contract signed by this office for the Government, together with Annex I, Appendix I, Exhibit "A" (4 pages), and one map. Since we do not have the Owner's Consent to Lien for the known 17/32nds interests in the claims, to expedite the completion of this contract it has been signed by the Government with the condition that these be added by your office before the contract is signed by the Operator.

If the terms and conditions of this contract are satisfactory to you and the Operator, all six copies should be signed and the usual distribution made.

If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Please note that the following major changes have been made in the contract as originally outlined:

(1) Number of assays increased from 198 to 240.

(2) A "Contingent" allowance has been added under each stage.

The above changes have increased the amount of the proposed contract from $46,426.80 to $47,600.00.

Under Article 3, the starting date has been left blank and is to be filled in when the contract is signed by the Operator.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GVG)

Enclosures

Approved:

S.N. 2-24-53

J. H. Hedges (JHH)

Member, Bureau of Mines

T. P. Thayer (TPT)

Member, Geological Survey

CC: DOCKET
FIELD TEAM, REG. II
CODE 400
OPER. COMMITTEE
ADMN. READ. FILE
D. M. LEMMON, USGS
R. W. GEEHAN, USBM

FARutledge/ls
2/11/53

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

140

February 18, 1953

Memorandum

To: Administrator

From: Chief Counsel

Subject: Wade and Obendorf - Docket No. DMEA-2658

This operator has a lease from only 9/16ths of the owners, which by itself would not be a sufficient interest in the property to support an exploration contract. However, he has also acquired a 1/32nds interest in the property as a cotenant, which under the Montana law gives him sufficient rights, in my opinion, to support the exploration contract.

J. L. Hofflund
J. L. Hofflund
Chief Counsel

This is in answer to my question regarding the wording of Articles 2 (a) + (b) Appendix I. GCL

FILE COPY
SURNAME:

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

Martin
Selfridge

Interior Department
Defense Minerals Exploration
Administration

STRAIGHT WIRE

February 17, 1953

W. E. Wade

Maryeville, Montana

Reurtel February 16, Docket DMEA 2658. Exploration assistance approved. Contract will be delivered through Weissenborn, Executive Officer, Spokane, who will date then you execute same and give him signed Owner's Consent to Lien. Any costs incurred before execution of contract are for your account. Regret necessity delay.

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

S.H.
2-17-53

WSMartin/ls 2/17/53

cc: DOCKET
CONFIRMATION
FIELD TEAM, REG. II
CODE 400
AUDITS
ADMN. READ. FILE

FILE COPY
SURNAME:

Rutledge
Martin

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

Chief Counsel, DMEA

February 17, 1953

Iron and Ferro-Alloy Division, DMEA

Telegram from Operator regarding status of application for exploration assistance for reply by Legal Division
Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Transmitted herewith is a telegram from W. R. Wade regarding the status of the subject application. Because we have been advised that a legal question is involved, the telegram is referred to your division for appropriate reply.

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge/ls
2/17/53

cc: DOCKET
CODE 400
ADMN. READ. FILE

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

1220

(13)

SYMBOLS:

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

WP004 LONG NL PD=HELENA MONT FEB 14= 1953 FEB 16 AM 9 14

G E SELFRIDGE, CHIEF OF IRON AND FERRO ALLOYS DIVN=

DEFENSE MINERALS EXPLORATION ADMN=

REC WADE AND OBENDORF APPLICATION FOR ASSISTANCE EXPLORATION LOAN DOIKET D.M.E.A. 2658 TUNGSTEN. WE WROTE YOU JANUARY 31 AND SENT PHOTOSTAT OF DEED TO COPER REQUIREMENTS YOUR LEGAL DEPARTMENT. WHAT IS PRESENT STATUS OF LOAN AND WHEN MAY WE EXPECT CONTRACT. WE ARE HOLDING EQUIPMENT FOR THIS JOB THANK YOU FOR YOUR REPLY BY WIRE=

W R WADE MARYSVILLE MONTANA=

D.M.E.A. 2658 31=

2/12/53 to [illegible] OCL 67.T

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1953

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.
FEB 16 9 29 AM '53

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Docket FILE COPY
SURNAME:
140

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

Rubin

February ~~9~~ 10, 1953

Memorandum

To: Administrator

Through: W. S. Martin

From: Chief Counsel

Subject: Wade and Obendorf, Docket No. DMEA-2658 (Tungsten)

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment to the contract of the map described therein, and of the Owner's Consent to Lien of 17/32nds interest, prior to execution.

A. E. Kane
For J. L. Hofflund
Chief Counsel

Attachment

HCRubin/mef
cc to: Mails and Files
Mr. Martin
Mr. Rubin
Mr. Hofflund
Chron.

FILE COPY
SURNAME:

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

Rutledge
Martin

Chief Counsel, DMEA

February 4, 1953

Iron and Ferro-Alloy Division, DMEA

Review and preparation of Exploration Project Contract
Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade & H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Transmitted herewith is a rough draft of a proposed exploration project contract for your use in preparing the contract in final form.

This rough draft has been held in this office since November 5, 1952, until the applicants secured a direct interest in the property.

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge/ls 4/4/53

cc: Docket
Code 400

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

DOCKET N[illegible]MEA 2658

COMMODITY Tungsten

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this .... day of ...., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] W. R. Wade and H. G. Obendorf, partners, ~~doing business under the firm name and style of~~ d/b/a Ottawa Tungsten Company.

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 Montana, County of Lewis and Clark, described ~~as follows~~ [3] Prentice Property composed of ~~the~~ three patented claims, Richmond #1753, Woodchopper #1752 and G. D. Prentice #1751, in the Ottawa Mining District, Sec. 36, T.12N., R.6W.; Sec. 31, T.12N., R.5W.; and Sec. 6, T.11N., R.5W.; and the unpatented claims, June, July and Mosquito Bar, Sec. 31, T.12N., R.5W. and Sec. 36, R.12N., R.6W., ~~as~~ recorded in Book 28, pages 508, 509 and 510 respectively, in the County Recorder's Office, Helena, Montana.

the Operator represents and undertakes: [4]

(*a*) ~~That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~ (and this property is not subject to any claims, liens, or encumbrances)

~~Owners of unpatented June, July and Mosquito Bar claims; lease of patented Richmond, Woodchopper and G. D. Prentice claims under option to purchase 9/16 interest.~~ ~~That the Operator~~ That the Operator is the owner of the June, July and Mosquito Claims; is the owner of a 1/32nd interest in the Prentice Property, and holder of a lease from the owners of 9/16 interest in Prentice Property; that the Operator is

(*b*) ~~That the Operator is a lessee,~~ in possession ~~and~~ entitled to possession, and the Owner's Consent to Lien (BAN) (from holders of 17/32nd interest) 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 .... 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 18 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

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

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

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

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

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

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

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

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

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

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments [illegible]l cases will be based on actual, necessary [illegible]ts (including contract unit prices) incurred not in excess of any "allowable [illegible]ximum," and not in excess of the fixed percent[illegible] 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 $35,700.00, which is 75 percent of $47,600.00, 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

OTTAWA TUNGSTEN COMPANY
(Operator)

By _____

By _____ (Partner)

By _____ (Partner)

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

_____

[CORPORATE SEAL]

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

OTTAWA TUNGSTEN COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA 2658

EXHIBIT "A"

Description of the Work

The work ~~hereto~~ shall be done in two stages, ~~as~~ work is indicated vertically on the map attached ~~hereto and made a part hereof~~ entitled "Map showing proposed exploration work on Richmond and June claims near Marysville".

The tentative locations, directions and extent of the ~~proposed~~ underground workings indicated on the attached map ~~are tentative and~~ may be changed ~~by~~ with prior approval of the Government ~~field team, as conditions warrant. The field team may also approve interchange of drifting, crosscutting, and raising footages without an amendment, if the conditions warrant, as long as the changes remain exploratory in nature.~~

Stage I

Time Schedule: 0 - 8 months.

1. Bulldoze a road from the old railroad grade to the site of the old adit on the Richmond claim. (See attached map)
2. Bulldoze a portal site for the new adit on the granite-hornfels contact. (See attached map)
3. Bulldoze at least two trenches across the granite-hornfels contact. (See attached map)
4. Construct a compressor and storage shed. (to house) (for)
5. Crosscut approximately 145 feet from the old adit. (See attached map)
6. Steel Drift approximately an additional 35 feet to the southeast ~~from~~ in the old adit.
7. Raise approximately 60 feet vertically from the old adit to the surface. (See attached map)
8. Drive a new adit southeast along the granite-hornfels contact for 200 feet from the prepared adit site. (See attached map)
9. Raise approximately 60 feet vertically from the new adit at a site to be determined by the Operator with the approval of the Government.

Crosscutting, drifting, and raising shall be timbered as necessary.

Stage II

Time Schedule: 9 - 15 months.

Stage II ~~is to~~ shall be undertaken ~~only~~ after the completion of Stage I, if ~~in the opinion of~~ the Government approves it in advance. ~~the results of Stage I warrant it.~~

1. Drift extend approximately an additional 100 feet southeasterly ~~from~~ in the old adit. (See attached map)
2. Crosscut a total of approximately 200 feet on the old adit level, ~~at the locations indicated on the attached map~~. (See attached map)
3. Raise approximately 100 feet from the old adit working at a location to be determined by the Operator with the approval of the Government.
4. Drift approximately an additional 200 feet southeasterly along the granite-hornfels contact at the new adit working. (See attached map)
5. Raise approximately a total of 100 feet from the new adit at locations to be determined by the Operator with the approval of the Government.

Estimated Cost of Project
~~(* Indicates allowable maximum)~~

agreed Unit Costs

Stage I

500 feet of crosscutting, drifting and raising at $34.00* per foot including all costs except assaying	17,000.00*	
100 feet of timbering at $7.80* per foot	780.00	17,780.00

Stage II

700 feet of crosscutting, drifting and raising at $34.00* per foot including all costs except assaying	23,800.00*	
140 feet of timbering at $7.80* per foot	1,092.00	24,892.00

The Government will contribute to the costs of crosscutting, drifting, raising and timbering on the basis

(as they accrue, for units of work actually performed)

of these agreed, estimated unit costs in lieu of actual costs. The rest of the described work and that item of the cost of the above work which is excluded therefrom will be contributed to by the Government on the basis of the actual costs specified in Article 6(a) of the contract form for which schedules ~~of which~~ are set forth below:

The agreed unit cost includes all costs of the work & cost assaying.

Actual Costs (* indicates allowable maximum)

(1) Independent Contracts

Stage I

100 hours bulldozing for road building, adit portal preparation, and trenching at $12.00 per hour 1,200.00*

~~Stage II~~

~~None~~

~~(2) Labor, Supervision, Consultants~~

~~Stages I and II~~

~~None~~

~~(3) Operating Materials and Supplies~~

~~Stages I and II~~

~~None~~

~~(4) Operating Equipment~~

~~Stages I and II~~

None

(5) Rehabilitation and Repairs

~~Stages I and II~~

~~None~~

Note: The ~~charge~~ rate per hour for ~~the~~ bulldozer ~~shall~~ includes wages of an operator, fuel, lubrication, transportation, repairs, and all other costs.

(6) New Buildings, Improvements, Installations

Stage I		
Compressor and storage shed, including all costs	1,000.00*	
Installation of equipment and other necessary improvements in preparation for ~~actual~~ exploration, including all costs	750.00*	1,750.00*
~~Stage II~~		
~~None~~		

(7) Miscellaneous

Stage I	
100 Assays @ $4.00 each	400.00
Stage II	
140 Assays @ $4.00 each	560.00

(8) Contingencies

Stage I	470.00
Stage II	548.00

ESTIMATED COST, STAGE I	$21,600.00	
ESTIMATED COST, STAGE II	26,000.00	
TOTAL ESTIMATED COST ~~FOR~~ OF PROJECT		$47,600.00 *
GOVERNMENT PARTICIPATION AT 75 PERCENT		$35,700.00 *

~~Underground maps showing the monthly progress of the exploration, with assays of samples taken concurrently with the advance when in mineralized ground, are to be included in the progress report required under ~~Section 12~~ Article of the project contract.~~

Docket

W. R. WADE
OWNER

~~MONTANA RAINBOW MINING COMPANY~~
~~MARYSVILLE, MONTANA~~

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

Ottawa Tungsten Co.
Marysville, Montana

Jan. 31,1953

WSM

Re; Wade And Obendorf
Docket DMEA 2658
Tungsten

Mr. G.E.Selfridge Chief Iron and Ferro Alloys Div.
Defense Minerals Exploration Administration
Washington, D.C.
Dear Sir:

We are waiting to start our exploration work on the Richmond tungsten property.
It seems the main trouble was in your legal Department as they were holding the matter up until we became co-owners in the property. I enclose a Photostat of deed to 1/32 of the property and believe this covers their requirements. They stated that if we were co-owners even to a very small extent and had a lease from the other co-owners whom we could locate, the mine would be O.K. for this exploration loan.

I would greatly appreciate it if we could get some faster action on this matter as I have been holding all the equipment such as the copressor, cars, drills etc. and bull dozer here for months when it could have been leased out and bringing in some income.
Thanking you for your efforts so far, I remain,

Yours truly

Ottawa Tungsten Co.

By W. R. Wade
W.R.Wade

Know all Men by these Presents:

That H. G. OBENDORF, 1153 Olive Street, Redding, California

has *appointed and does* *hereby appoint*

W. R. Wade, Marysville, Montana

for him *and in* his *name*, *to* as *attorney* *in fact*

carry on all business, sign all papers, contracts, liens, agreements or whatsoever documents necessary in the exploration, development and/or operations of the Richmond Tungsten Property dba Ottawa Tungsten Company. This property located at Marysville, Montana consists of the Richmond, Wood Chopper and G.D. Prentice patented mining claims and the June, July, and Mosquito Bar unpatented mining claims.

Giving *unto* above *said attorney* *authority to do whatever is necessary to be done in and about the aforesaid business as fully as* he *could do if personally present,*

hereby ratifying all that above *said attorney*, W. R. Wade

shall do or cause to be done by virtue of these presents.

In Witness Whereof I *have hereunto set* my *hand* *this* 28th *day of* February *one thousand nine hundred and* fifty-three

Signed and Delivered in the Presence of

Myron E. Wade

H. G. Obendorf

State of California

County of Shasta } ss.

On this 28th day of February in the year of our Lord one thousand nine hundred and fifty-three, before me, Frances A. Hopper a Notary Public in and for the said County of Shasta, State of California, residing therein, duly commissioned and sworn, personally appeared H. G. Chendorf

known to me to be the person described in and whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

In Witness Whereof I have hereunto set my hand and affixed my official seal in said County of Shasta the day and year in this certificate first above written.

Seal

Frances A. Hopper

Notary Public in and for the County of Shasta, State of California.

My commission expires January 15, 1953

Power of Attorney
(SPECIAL)

TO

Dated, 19

Recorded at the Request of

, 19 at min. past o'clock M., in Volume of page County Records.

Recorder

By Deputy Recorder

FORM 1024

FILE COPY
SURNAME:

140

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

Pmtg
C&K

December 15, 1952

Mr. H. G. Obendorf
Ottawa Tungsten Company
Marysville, Montana

Re: Wade and Obendorf
Docket No. DMEA-2658
(Tungsten)

Dear Mr. Obendorf:

This is in response to your letter dated December 5 to me concerning the above-described project.

Your letter states that you can buy a small undivided interest in the land which is the subject of a proposed exploration project contract. Your letter inquires whether, if you purchase an interest in this property and also enter into a contract with the other known co-owners of the property respecting the mining rights in the property, you will then have a sufficient interest in property for the purposes of an exploration project contract. You are informed that if you make the purchase and enter into the contract, as proposed, you will then have a sufficient interest in the property for the purposes of an exploration project contract.

Sincerely yours,

Albert C. Kane
for J. L. Hofflund
Chief Counsel

HCRubin/em
Copy to: Mails and files
G. C. Selfridge
J. L. Hofflund
H. C. Rubin
chron.

W. R. WADE
OWNER

MONTANA RAINBOW MINING COMPANY

MARYSVILLE, MONTANA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

December 5, 1952

Ans. 12/12/52 w/ Rubin/em

Mr. J.L. Hofflund, Chief Counsel
Defense Minerals Exploration Division
U.S. Department of Interior
Washington 25, D.C.

Re: Wade & Obendorf
Docket # DMEA 2658-Tungsten

bb 12/15/52

Dear Mr. Hofflund:

Referring to your letter of November 21, 1952, we are still awaiting opinion from our counsel regarding the questions you brought up regarding the validity of the lease.

Apparently the question you have in mind that needs clarification is whether or not the cotenant has a right to lease the property to a third party.

Mr. Wade & I have just found out that we can buy a small undivided interest in this property thereby becoming co-tenants. Now if we become co-tenants and have from the majority of the other co-tenants their written agreement, under a lease basis or otherwise, to operate the property will this then be acceptable to your Department and put the pending contract in line for approval?

We are still unable to locate some of the heirs of Z.T. Vinson who are co-tenants and until we do thier portion of the proceeds will have to be placed in trust for their account as set forth in the present lease.

The resident 9/16 co-tenants are very anxious to get this operation started and will make any concessions necessary to place the contract into effect. We ahve all the machinery, equipmant and manpower necessary for an immediate start. We will appreciate any suggestions from you that you deem necessary regarding any other changes that could be made in order to give the contract final approval. We will appreciate an early answer, Thanking you, we are

Yours very truly,

OTTAWA TUNGSTEN COMPANY

H.G. Obendorf

H.G. Obendorf

FILE COPY 400
SURNAME:

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

Selfridge
Rutledge
Johnson

DEC 3 1952

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Dear Mr. Wade:

Your letter of November 25, 1952, regarding the referenced application was received November 28, 1952. Our Legal Division had already written you on November 21, 1952, so the two letters crossed in the mail.

The Legal Division has determined: "In the present state of the record, it has not been demonstrated that you have a sufficient interest in property for the purposes of the exploration project contract which you proposed."

"We shall be pleased to review further legal authority on the question involved if you should choose to submit any."

We wish to thank you for your interest in the Defense Minerals Program and will continue with the processing of your application if the legal question is resolved.

Sincerely yours,

SIGNED

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

FARutledge:lm
12/2/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. II
G. C. Selfridge
F. A. Rutledge

IN REPLY REFER TO:

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

December 1, 1952

GCS 12/4/52

Memorandum

To: G. C. Selfridge

From: T. P. Thayer

Subject: DMEA 2658, Tungsten. W. R. Wade and H. R. Obendorf, Marysville, Montana, Prentice property.

The field team report does not suggest a very large target, with ore reserves on the order of 200 tons of 1 percent ore, and lower grade zones which "probably contain several hundred tons of rock that average at least 0.25 percent WO_3".

The revised two-stage project costing $59,900 seems more in line with possibilities than the original $91,000 proposal. I see no reason to reverse the Field Team's recommendation.

T. P. Thayer

T. P. Thayer

Copy retained 400

Docket.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

W. R. WADE
OWNER

MONTANA RAINBOW MINING COMPANY

MARYSVILLE, MONTANA

1952

Nov. 28, 1952

GCL
12/4/52

Mr. J.L. Hofflund, Chief Counsel
Defense Minerals Exploration Division
U.S. Department of Interior
Washington 25, D.C.

Re: Wade & Obendorf
Docket No. 2658-Tungsten

Dear Mr. Hofflund:

We have your letter of November 21st in which you state that your office is not yet entirely satisfied with the validity of our lease covering a portion of our tungsten property.

We have contacted our counsel for more definate information concerning the validity of the lease in question and are enclosing herewith his letter stating he would be unable to furnish this for a few weeks due to other pressing legal work he is now engaged in.

This information will be sent to you as soon as possible so in the meantime please hold up action on the contract until we can iron out the apparent difficulties. Thanking you, we are

Yours very truly,

OTTAWA TUNGSTEN COMPANY

H.G. Obendorf

H.G. Obendorf

RECEIVED
DEC 2 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

LLOYD J. SKEDD
ATTORNEY AT LAW
416 POWER BLOCK
TELEPHONE 3816
HELENA, MONTANA

November 26, 1952

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

In re: Wade and Obendorf - Docket No. DMEA-2658 (Tungsten)

Dear Mr. Wade:

I have read the letter which you sent to me regarding the Chief Counsel of the United States, Department of Interior's, Defense Minerals Exploration Administration, opinion on the lease which I heretofore examined for you and wrote an opinion.

Inasmuch as the court calendar has been called and this office is engaged in the preparation for trial work which the term will call for, it will be impossible to furnish the additional legal authorities as requested in the letter, at this time.

However, within several weeks this office will be in a position to brief the matter fully and to supply you with additional legal authorities to substantiate the position taken in the previous opinion.

Trusting that this meets with your approval, I am,

Very truly yours,

Lloyd J. Skedd

Lloyd J. Skedd

LJS:ml

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 2 1952

[redacted].
So. 157 Howard Street
Spokane 4, Washington

GCS 12/12/52

November 25, 1952

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

Re: Docket DMEA 2658 (Tungsten)
W. R. Wade and H. G. Obendorf
Prentice property
Lewis & Clark County, Montana

Dear Mr. Johnson:

Reference is made to your letter of November 20, 1952, concerning Mr. T. H. Kiilsgaard's letter of November 7, 1952, to Mr. W. R. Wade, applicant.

My letter was in answer to a letter from Mr. Wade dated November 2, 1952, a copy of which is enclosed. It will be noted that Mr. Wade was concerned with the pending field examination of which he had been advised in your letter of September 22, 1952. My answering letter was merely an attempt to allay Mr. Wade's concern on this field examination and to advise that we had made our examination, forwarded our reports to Washington, D. C., and would not make an additional examination unless requested by Washington officials. I erred in that I did not consult the Field Team's letter of October 27, which forwarded the field reports and proposed contract to Washington, and did not advise Mr. Wade that when you wrote him on September 22 you had not received the field reports. At the time I wrote Mr. Wade I knew there was a considerable time-lag between the date on which the examination was made and the date the field reports were forwarded to Washington, D. C., but I assumed Mr. Wade would be content merely to know all field reports had been forwarded from this office. The delay in forwarding the reports was brought on by the fact that neither the application nor the field report contained a map useable as a contract map; consequently, we had to inform our field men in Montana of the required data and then, after these data had been accumulated and returned, draft the map, all of which took time.

Copy, retained 400

In regard to my statement that we felt Washington had sufficient information on hand to render a decision on the subject application, my intent was that our reports contained all the information available at the field office. Mention of the legal problems discussed in your letter of September 18 to the applicant was purposely avoided as we felt such matters would be settled between the applicant and the legal division of DMEA.

After conferring with Mr. Weeks, it has been determined that the field examination of the subject property was made on August 28, 1952, and not on July 28, 1952, as stated in Mr. Klepper's report.

Sincerely yours,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

Enclosure

cc: USBM (2)
Klepper

C
O
P
Y

MONTANA RAINBOW MINING COMPANY
(A Montana Mining Partnership)

Marysville, Montana

November 2, 1952

Mr. A. E. Weissenborn, Executive Officer
DMEA Region II
South 157 Howard Street
Spokane 8, Wash.

Re. Docket No. 2658 - Tungsten
Ottawa Tungsten Co.
W.R. Wade & H.G. Obendorf
Prentice Property
Lewis & Clark Co. Montana

Dear Sir:

We had a letter from G.C. Selfridge on Sept. 18, asking for more information on the lease covering the above property. This information has been furnished him. Then on Sept. 22nd we had a letter from Mr. Mittendorf stating that our application had been reviewed by the Ferro-Alloy Division and had been referred to you in Spokane.

He also stated that "The Regional Office will contact you at an early date in regard to the examination of your property." Since September 22nd we have had no further information regarding our application and are wondering what progress is being made.

We believe that the examination should be made as soon as possible as the ground here is still bare and we may have snow any time now which would cover some of the surface workings and make the examination more difficult. We have good accomodations here for the field team and will lend all the assistance necessary for the examination. We will be pleased to hear from you.

Yours very truly,

OTTAWA TUNGSTEN COMPANY

/s/ W. R. Wade/h

W. R. Wade

HGO/h

W. R. WADE
GENERAL MANAGER

MONTANA RAINBOW MINING COMPANY
(A MONTANA MINING PARTNERSHIP)

MARYSVILLE, MONTANA

Nov. 25, 1952

Mr. C.O. Mittendorf, Admr.
Defense Minerals Exploration Division
U.S. Dept. of Interior
Washington 25, D.C.

Re: Docket No. DMEA 2658-Tungsten
W.R. Wade & H.G. Obendorf
Prentice Property
Lewis & Clark Co. Montana

Dear Mr. Mittendorf:

We thank you for your letter of November 28th stating that the contract had been made up and was in your legal division for final approval. You also stated that the legal division was not entirely satisfied with the opinion from our counsel sent to you on Oct.28, 1952.

As yet we have not heard from your legal division and are wondering just what they have in mind that should be cleared up. It may be that they are wondering about the owners lien agreement from the 7/16 absentee owners. We would suggest, to compensate for this, that the 9/16 owners that have signed the lease pay double the usual royalty required by the DMEA to repay the loan.

We will be glad to hear from your Legal Division and will try to get them the neccessary information or papers required to proceed. Thanking you, we are

Yours very truly,

OTTAWA TUNGSTEN COMPANY

H.G. Obendorf

Legal on 11/21 essentially told applicant he has no lease on which to get a loan. L.S.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 28 1952

FILE COPY
SURNAME:

Butler

140

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

November 21, 1952

n.s. in R.v.R. Per

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Wade and Obendorf
Docket No. DMEA-2658
(Tungsten)

Dear Mr. Wade:

In a letter dated November 18, 1952, the Administrator of this agency stated that this office would write to you regarding a legal question involved in the lease which you hold for the purposes of the proposed exploration project contract.

In a letter dated September 18, 1952, from Mr. George Selfridge to you, it was stated that it is not clear to us that the owners of the 9/16ths interest are authorized to execute a valid lease for a term of 10 years covering the entire property.

We have reviewed the opinion of counsel submitted with your letter dated October 27, 1952, to Mr. George Selfridge and regret that we are still in doubt concerning the validity of the lease which you hold on the property in question, for the purposes of an exploration project contract. The validity of your lease rests upon section 93-2829 of the Montana Revised Code, 1947. Counsel's opinion states, in effect, that the lease of the 9/16ths interest grants you the same rights held by the grantor's of the interest, and therefore, under the statute cited, you may exercise as a lessee the same statutory rights of a cotenant, subject to the same statutory obligations, for the period stated in your lease. However, the case cited by counsel in support of the proposition that a cotenant may contract with reference to the use of common property,(Ayotte v. Nadeau, 32 Mont. 498,81 Pac. 145 (1905)) as we read it, states that cotenants may contract with each other with reference to the common property. It does not support the position that a cotenant may lease to a third party who is not a cotenant the use of all the land for a fixed period to the

exclusion during that period of other cotenants. Moreover, the 5th Decennial Digest, Tenancy in Common, key 49, referred to in the opinion, cites another Montana decision which, from a reading of the comment on that case in the Digest, does not support the proposition in the opinion of Counsel. See page 95 of 5th Decennial Digest, citing Rist v. Toole County, 159 P. (2d) 340, 117 Mont. 426 (1945).

In summary, the statute cited in your lease permits a cotenant to mine the common property. This is a relaxation of former Montana law to the contrary. The statute does not specifically authorize leasing of the property, and the opinion of counsel does not persuade us that leasing is permitted under that statute.

The foregoing is not, nor is it intended to be, either an opinion on the validity of your lease or an opinion on the law of cotenancy in the state of Montana. It is merely comment based upon a review of these legal authorities cited in the opinion referred to us on the subject.

Therefore, in the present state of the record, it has not been demonstrated that you have a sufficient interest in property for the purposes of the exploration project contract which you have proposed.

We shall be pleased to review further legal authority on the question involved if you should choose to submit any.

Sincerely yours,

H.C. Rubin
for J. L. Hofflund
Chief Counsel

HCRubin/ema

cc: Mails + Files
G. C. Selfridge
J. L. Hofflund
H.C. Rubin
Chron

FILE COPY 400
SURNAME:

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

Sec Martin Selfridge

NOV 20 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and E. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Dear Mr. Weissenborn:

This will acknowledge receipt of a copy of Mr. T. H. Kiilsgaard's letter of November 7, 1952, to Mr. W. R. Wade regarding the subject application. Enclosed for your information are copies of Mr. Wade's letter to us of November 10 and our reply of Nov. 18th concerning the same correspondence.

Please review your records and determine, by independent check with Mr. M. R. Klepper if necessary, whether the field examination was made on July 28, 1952, as stated in Mr. Klepper's report of September 12, 1952, or on August 28, 1952, the date of the map prepared by Messrs. Klepper and Weeks showing the geology of the adit on the Prentice property.

According to our files, the application dated August 11, 1952, was transmitted to us with Mr. Hobbs' letter of August 12 which stated that you were keeping a copy of the application to facilitate a field examination if this office determined one was warranted. On September 3, 1952, we received a copy of your letter of August 22 to Mr. Klepper requesting that an examination be made while he was in the area. We learned on October 13, from your September progress report, that the field team had examined the property. Your letter of October 27 (transmitting Mr. Klepper's report of September 12 and Mr. W. S. Anderson's proposed revision of the program, dated October 13) was received here on October 31, and cleared the Operating Committee November 5.

In addition to the above correspondence received from your office, we received from Mr. D. M. Lemmon, U. S. Geological Survey, his memorandum of August 22 recommending that the legal problem concerning title to the property be investigated and that a field examination be made. Accordingly, we referred the docket to our Legal Division and, at the suggestion of Counsel, asked Mr. Wade for further legal evidence by letter of September 18, 1952, copy of which was sent to you.

Furthermore, on September 2, we initiated the preparation of a request for field examination and on September 9 letters to Ottawa Tungsten Company (W. E. Wade) and yourself cleared our Iron and Ferro-Alloy Division. These two letters were sent out under date of September 22. The letter to Mr. Wade was in the usual form advising that a field team examination had been requested. The letter to you stated that we had been holding the field referral while awaiting legal opinion about ownership of the property, but that, as you had a geologist in the area and an examination was contemplated, we were forwarding a review of the application with copies of Mr. Lemmon's memorandum for your information.

Considering all of the foregoing, we believe that Mr. Kiilsgaard's above letter of November 7, 1952, to Mr. Wade would have been more appropriate if it had mentioned that by September 22, when we wrote to tell Mr. Wade that the field team would make an examination of his property, you had not yet reported to us that the examination had already been made. Furthermore, if your file contained, as it should, a copy of our above letter of September 18 to Mr. Wade asking for more legal evidence, it was inadvisable for Mr. Kiilsgaard to say that you felt that Washington had sufficient information on hand to render a decision concerning an exploration contract for the subject property.

Sincerely yours,

(signed) FRANK M. JOHNSON (WB)

Chairman, Operating Committee

Enclosures

WSMartin'lm
11/17/52

Approved:

J. E. Hedges (WB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (WB)
Member, Geological Survey

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. II
Operating Committee
G. G. Selfridge
W. S. Martin

J.H. 11-20-52

FILE COPY 400
SURNAME:

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

Martin
Selfridge
Rubin
Hoffland

NOV 18 1952

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Dear Mr. Wade:

This will acknowledge receipt of your letter of November 10, 1952, inquiring about the present status of the subject application for exploration assistance.

After writing to you on September 22, 1952, that a field examination had been requested, we received a field report, including not only the usual report of examination, but also a revised program, more limited in cost and set up in two stages. According to that same report, the revised program has been discussed with you, or your partner, and has received your approval.

A contract, patterned on the program submitted by the field team, has been drafted and sent to our Legal Division for final preparation. That Division, however, has reasons for not being satisfied with the opinion of counsel sent to us with your letter of October 27, 1952. Our Chief Counsel will, therefore, write directly to you regarding the legal question involved.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WSMartin'lm
11/17/52

cc: Admn. Reading File
~~Docket~~
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. II
G. C. Selfridge
W. S. Martin

11-18-52

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 12 1952

W. R. WADE
GENERAL MANAGER

MONTANA RAINBOW MINING COMPANY
(A MONTANA MINING PARTNERSHIP)
MARYSVILLE, MONTANA

Nov. 10, 1952

Mr. C.O. Mittendorf, Admr.
Defense Minerals Exploration Division
U.S. Department of Interior
Washington 25, D.C.

Re. Docket DMEA 2658-Tungsten
W.R. Wade & H.G. Obendorf
Prentice Property
Lewis & Clark Co. Mont.

Case of F.T. on carrying on 8/18 it would make exam.
F.T. prepared 9/19 B/M held up to Washington. D.C. Rent from letter out on 9/20.
11/5 - Contract draft to legal.

Dear Sir:

We have your letter of Sept. 22nd stating that the above application had been reviewed by the Ferro-Alloy Division and had been referred to Mr. A.E. Weissenborn in Spokane for field examination.

We recently contacted Mr. Weissenborn and he answered as follows: "Our records show that on July 28th, 1952, Mr. M.R. Klepper examined your property accompanied by yourself and Mr. Obendorf. Mr. Klepper's report and reccommendations, together with an accompanying report by Mr. W.S. Anderson of the Bureau of Mines, have since been submitted to Washington for consideration. We can see no reason why another field examination should be made and do not intend to make one unless notified by Washington, D.C. We feel that Washington has suffieient information on hand to render a decision concerning an exploration contract on your property."

Could it be that something is fouled up and that you have not received the examination report? We have men, materials and equipment ready to start on this project and naturally are anxious to get going.. Would you please check into this matter and advise the present status of our application? We will be pleased to hear from you.

Your's very truly,

OTTAWA TUNGSTEN COMPANY

W.R. Wade

W.R. Wade

WRW/h

DMEA 2658

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 13 1952

November 7, 1952

Mr. W. R. Wade
Montana Rainbow Mining Company
Marysville, Montana

Dear Mr. Wade:

This will acknowledge receipt of your letter of November 2 in which you refer to a letter from Mr. Mittendorf dated September 22, which stated that your property would be examined by members of the DMEA Field Team.

Our records show that on July 28, 1952, Mr. M. R. Klepper examined your property accompanied by yourself and Mr. Herbert Obendorf. Mr. Klepper's report and recommendations, together with an accompanying report by Mr. W. S. Anderson of the Bureau of Mines, have since been submitted to Washington for consideration. We can see no reason why another field examination should be made and do not intend to make one unless notified by Washington, D. C. We feel that Washington has sufficient information on hand to render a decision concerning an exploration contract on your property.

Our first impression of Mr. Mittendorf's letter would be that he was unaware of our previous examination and report and was merely informing you that you were not being forgotten by DMEA, but were instead being kept in mind for consideration at the earliest possible date.

If other problems arise or if we may in any way be of assistance to you, please advise.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Klepper

Copy retained 400

FILE COPY
SURNAME:

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

Chief Counsel, DMEA

Nov. 5, 1952

Rutledge
Selfridge

Iron and Ferro-Alloy Division, DMEA

Review and preparation of Exploration Project Contract
Docket No. DMEA 2658 - Tungsten
Ottowa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Transmitted herewith is a rough draft of a proposed exploration project contract for your use in preparing the contract in final form. The docket is at present in your office for a decision regarding the possibility of the Government entering into a contract in a case where the lease was obtained from the owners of a 9/16 interest in the property.

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge'lm
11/5/52

cc: Admn. Reading File
Docket
G. C. Selfridge
F. A. Rutledge

FILE COPY
SURNAME:

Ruthledge
Selfridge

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

October 31, 1952

Mr. John L. Hoffland, Chief Counsel, DMEA

Iron and Ferro-Alloy Division, DMEA

Review of "Opinion regarding lease of mining claim"
Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
(Prentice Property)
Richmond, et al. claims
Lewis and Clark Counties, Montana

Transmitted herewith is the subject docket, with an opinion regarding the leasing, by Lloyd J. Skedd.

Please determine if an exploration contract can be entered into by the Government.

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge:ls

cc: Docket
Admn. Read.File
G. C. Selfridge

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

DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

DOCKET DMEA 2658

COMMODITY Tungsten

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2]

W. R. Wade)
H. G. Obendorf) D.B.A. Ottowa Tungsten Company
Marysville, Montana

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 Montana, County of Lewis and Clark, described as follows:[3] Prentice Property of 3 patented claims (Richmond, Woodchopper and G. D. Prentice) in Ottowa Mining District, T. 12 N., R. 6 W., Sec. 36; T. 12 N., R. 5 W., Sec. 31; T. 11 N., R. 5 W., Sec. 6; also unpatented claims (June, July and Mosquito Bar) T. 12 N., R. 5 W. Sec. 31 and T. 12 N., R. 6 W., Sec. 36 as recorded in Book 28, pages 508, 509, 510 respectively, County Recorder's office, Helena, Montana

the Operator ~~represents~~ and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: Owners of June, July and Mosquito Bar unpatented claim s; lease under option to buy 9/16 interest in patented claims Richmond 1753, Woodchopper 1752, and G. D. Prentice 1751.

(*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 30 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 18 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

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

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

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

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

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

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

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

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

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

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

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

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in [illegible] cases will be based on actual, necessary [illegible] (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 $ 34,820.10, which is 75 percent of $ 46,426.80, 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

Ottowa Tungsten Company
(Operator)

By _____

By _____

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

_____

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
OTTOWA TUNGSTEN COMPANY
DOCKET NO. DMEA 2658

Exhibit "A"

Description of the Work

Stage I

Estimated Time Schedule: 0-8 months

1. Bulldozing road to site of old adit on Richmond claim, bulldozing portal site for new adit on contact, bulldozing at least two trenches across diorite hornfels contact, and construction of shed to house compressor and for storage.

2. Crosscutting and drifting in old adit for 180 feet and raising 60 feet from old adit to surface.

3. Driving a new adit along diorite hornfels contact for 200 feet from portal site to be selected after bulldozer trenching; raising 60 feet along contact from this new adit.

Stage II

Estimated Time Schedule: 8-15 months

1. Drifting, crosscutting, and raising in old adit - 400 feet.

2. Drifting and raising along diorite-hornfels contact in new adit - 300 feet.

Estimated Cost of Project

*Indicates allowable maximum

Stage I

Unit Costs:

500 feet of crosscutting, drifting and raising at $34.00/foot including all costs except assaying	$17,000.00*
100 feet of timbering at $7.82/foot	782.00*

The Government will contribute to the cost of drifting, crosscutting, raising and timbering on the basis of this agreed estimated unit cost in lieu of actual costs. The rest of the described work, and that item of crosscutting, drifting and raising which is excluded therefrom, will be contributed to by the Government on the basis of those actual costs specified in Article 6(a) of the contract form which are scheduled below:

1. Independent contracts

Bulldozing - road, adit and trenching	$1,200.00*

2. Labor, supervision, consultants

Schedule waived.

3. Operating Materials

Schedule waived.

4. Operating equipment

Schedule waived.

5. Rehabilitation and repairs

None

6. New Buildings, improvements, installations

Compressor and storage shed	$1,000.00*
Installation of equipment and other necessary labor required in preparation for actual mining.	$ 750.00*

7. Miscellaneous

Assays - 84 at $4.00/each	$ 336.00*
Total estimated cost - Stage I	$21,068.00
Government participation at 75%	$15,801.00

Stage II

Unit Costs:

700 feet of drifting, crosscutting and raising at $34.00/foot including all costs except assaying	$23,800.00
140 feet timbering at $7.80/foot	1,094.80

The Government will contribute to the cost of drifting, crosscutting, raising and timbering on the basis of this agreed estimated unit cost in lieu of actual costs. The rest of the described work and that item of crosscutting, drifting and raising which is excluded therefrom, will be contributed to by the Government on the basis of those actual costs specified in Article 6(a) of the contract form which are scheduled below:

1. Independent contracts

None.

2. Labor, supervision, consultants

Schedule waived.

3. Operating materials

Schedule waived.

4. Operating equipment

Schedule waived.

5. Rehabilitation and repairs

None.

6. New buildings, improvements, installations

None.

7. Miscellaneous

Assays - 114 at $4.00/each	$ 464.00
Total estimated cost of Stage II	$25,358.80
Government participation at 75%	$19,019.10
Total Estimated Cost of Stage I and II	$46,426.80
Government Participation at 75%	$34,820.10

W. R. WADE
OWNER

MONTANA RAINBOW MINING COMPANY

MARYSVILLE, MONTANA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 30 1952

October 27, 1952

Mr. G.C. Selfridge, Chief
Iron and Ferro Alloys Division
Defense Minerals Exploration Division
Washington 25, D.C.

Re. Docket No. DMEA 2658, Tungsten

Dear Sir:

In reference to your letter of Sept. 16th regarding validity of lease, we were unable to answer sooner as our attorney has been away for quite sometime and just recently returned to his office in Helena.

I am enclosing herewith his opinion regarding the validity of the lease in question. I hope this will clarify the matter so our application may now be processed.

If there are any other questions regarding our application please advise and we will render all assistance possible. Thanking you, we are

Yours very truly,

Ottawa Tungsten Company

W R Wade

W.R. Wade

HGO/h
enc.

Re: Docket No. DMEA 2658 - Tungsten
W.R. Wade and H.G. Obendorf
Prentice Property
Lewis & Clark Counties, Montana

LLOYD J. SKEDD
ATTORNEY AT LAW
416 POWER BLOCK
TELEPHONE 3816
HELENA, MONTANA

October 24, 1952

W. R. Wade
Montana Rainbow Mining Company
Marysville, Montana

Re: Opinion regarding lease of mining claims.

Dear Mr. Wade:

In answer to the following question which you have asked please find herewith submitted my opinion:

QUESTION: What is the effect of a lease on mining claims signed by 9/16ths of the Lessors wherein the lease contains in part a provision as follows:

> "AND WHEREAS, under and by virtue of Section 93-2829 of the Revised codes of Montana, 1947, the said Ida M. Oker, Donald Oker and Grace Muth are empowered and authorized to carry on operations on said above described mining claims, providing a full compliance with said Section 93-2829, Revised Codes of Montana, 1947, is made," etc. The Lease also provides that the proceeds royalties, shall be placed in a trust fund of the Union Bank and Trust Co. for proper distribution to the heirs or owners of the 7/16ths interest.

OPINION: It is my opinion that such a lease conveys to the Lessee a 9/16ths co-tenancy with the 7/16ths who have not joined in the lease for the term contained in said lease. (See Ayotte vs. Naedu 32 Mont., 498, 81 Pac. 145 (1905) wherein the court held in effect that tenants in common may contract with reference to the use of common property.) This is true particularly under Section 93-2829 of the Revised Codes of Montana, 1947, since their respective interests partake in a great measure of the nature of the estates in severalty.

Rist v. Dade County 159 P(2d) 340

For other cases in regard to the right of a co-tenant to contract for his portion or part of the tenancy, see 5th Dicennial Digest following

keys: Joint Tenancy - Key 14; Tenants in Common, key 49; Also see 48 Corpus Juris Secundum, Joint Tenancy, Section 18.

The Lessors of the 9/16ths interest, under the provisions of Section 93-2829 of the Revised Codes of Montana, 1947, may mine and extract ores from common property and those under paragraph cited above the Lessee of the 9/16ths interest would be in the same legal position. Section 93-2829 is in part set out as follows...."Provided, that nothing herein contained shall prevent one co-tenant.....entering on common property.... not then in actual occupancy of the non-joining co-tenancy, and enjoin all rights of occupancy of the property, without waste; and in the case of mining property, from mining the same in a miner-like manner and extracting,milling, and disposing what ore from the common property, paying its or their own expenses, and subject to the accounting of the non-joining co-tenants or joint tenancy from the net profits of such mining operation, if any made/....."

Trusting that the above sets forth the validity of the lease in question, I am,

Very truly yours,

Lloyd J. Skedd

Lloyd J. Skedd

LJS:ml

Docket

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

October 27, 1952

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

RE: Docket No. DMEA-2658
Ottowa Tungsten Company
Marysville, Montana

Dear Mr. Johnson:

Enclosed are the original and two copies of an original examination report by M. R. Klepper dated September 12, 1952 together with the original and three copies of a cost estimate for exploration work by W. S. Anderson dated October 13 with a sample contract in duplicate. A map indicating the relationship of the proposed work with respect to the claims shown on the claim map submitted by the applicant is also enclosed.

The Field Team considers the property to merit exploration. It is believed, however, that the applicant's estimate of costs of the revised program, shown in the attachment to Klepper's report, is excessive. As Anderson's cost estimate appears more realistic it is recommended that a contract similar to the specimen enclosed be offered to the applicant for consideration.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)
So. 157 Howard Street

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)
1201 North Division St.

Enclosures

On Site Exam

O.C. reviewed 11-5-52

Reviewed by
DMEA OPERATING COMMITTEE
11-5-52
(date)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

1201 N. Division St.
Spokane 2, Washington

October 13, 1952

MEMORANDUM

To: Field Team, DMEA, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Cost estimate for exploration work proposed by W. R. Wade and H. G. Obendorf, Ottowa Tungsten Company, Marysville, Montana, Docket No. DMEA 2658

Application for Government assistance for the subject exploration work was made August 11, 1952. M. R. Klepper, U. S. Geological Survey, examined the property July 28, 1952 and submitted his report of field examination and recommendations September 12, 1952. It was requested that the Bureau of Mines review the cost estimate of the exploration work as stated in Mr. Klepper's report.

As I have not visited the property, the following estimate is based on information obtained from Mr. Klepper and from the application. In the estimate it is planned that all work be on a unit cost basis except the bulldozing, construction, assaying and equipment installation.

The proposed exploration work is to be conducted in two stages; Stage II to be initiated only if in the opinion of the Field Team the results of Stage I are adequate to justify further exploration.

The work proposed in Stage I consists of:

(a) Bulldozing road to site of old adit on Richmond claim; bulldozing portal site for new adit on contact, bulldozing at least two trenches across diorite hornfels contact, and construction of shed to house compressor and for storage.

(b) Crosscutting or drifting in old adit for 180 feet and raising 60 feet from old adit to surface.

Reviewed by
DMEA OPERATING COMMITTEE
11-5-52
(date)

(c) Driving a new adit along diorite hornfels contact for 200 feet from portal site, to be selected after bulldozer trenching, and raising 60 feet along contact from this new adit.

Stage II consist of:

(a) Drifting and raising in old adit - 400 feet.

(b) Drifting and raising along diorite hornfels contact in new adit - 300 feet.

Cost Estimate

Unit cost for breaking and mucking on a two-shift basis - average 4' advance per shift (7' x 5' cross section). Total advance for a 26-day month - 208 feet.

Labor & supervision for two shifts	cost/foot
1 miner foreman @ $20/day	$2.50
3 miners @ $16	6.00
1 surface laborer @ $16/day	2.00
plus 10 percent workmen's comp., AOB, unem. ins.	1.05
plus 8-1/3 percent overtime	.87
1 supervisor-engineer, accounting etc. @ $600/month	2.88
Total	$15.30

Operating Equipment

Furnished	New Cost	Ownership expense *	Cost/ft.
1-360 cfm stationary compressor with electric motor	$4,500.00	4.4%	0.96
1-Eimco 12B loader	3,100.00	4.4%	0.66
4-Mine cars @ $300/each	1,200.00	2.9%	0.17
3-Drills with pusher leg @ $650/each	1,950.00	5.4%	0.51
1-3/4 Ton pickup	2,275.00	6.9%	0.75
1-Fan electric	350.00	5.0%	0.08
Total			3.13

*Ownership expense based on Associated General Contractors of America, Inc. schedule. Expenses were calculated using depreciation, and (overhauling, major repairs, painting) percentages for an average use of 8 months a year.

Supplies	Cost/ft.
Powder 15#/ft. @ $21.75/100#	$.3.30
Caps 20/4' round @ $21.60/1000	0.11
Fuse 200'/4' round @ $13.00/1000'	0.52
Steel & bits assume	1.20
Rail 20# @ $7.80/100#	1.03
Spikes, bolts & fish plates	0.15
Air hose 100' $98.00/100')	
Water hose 100' $90/100')	0.16
Air 2" pipe @ $48.63/100')	
Water 1" pipe @ $16.00/100')	0.65
Vent tube 1000' @ $1.00/foot	0.83
Small tools & misc. equipment $360.00	0.30
Power @ $470/month	2.26
Maintenance and repairs	1.50
Pickup operating cost assume 900 miles/month @ $0.03/mile	0.13
Freight $360.00	0.30
Total	$12.44

Recapitulation - Cost of breaking and mucking untimbered heading

	Cost/ft.
Labor and Supervision	$15.30
Operating Equipment furnished	3.13
Supplies	12.44
	30.87
+ 10 percent contingency	3.09
Cost/foot of advance	$ 33.96

$33.96 say $34.00 per foot of advance

Unit Cost of installing timber	Cost/ft.
Drift 5' x 7' in clear	
22 lineal feet of timber for posts and caps/set @.25/lineal foot	$ 1.10
3" logging for back 90 bd. ft. @ $65/1000 bd. ft.	1.17
Labor:	
2 men for 3 hours/set @ $2.00/hour each $12.00	2.40
1 man framing 1 set, 2 hours @ $2.00/hour - $4.00	0.80
Power	0.17
Supervision	1.54
Plus 10 percent workmen's comp., OAB, unemp. ins.	0.32
Plus 10 percent contingencies	0.32
Total	$7.82

Bulldozing access road, trenches and portal sites, 100 hours @ $12/hour	$1,200.00

Assaying	$ 800.00
Installation of equipment and other necessary labor required before actual mining can begin	750.00
Construction of compressor and storage shed	1,000.00

Total Cost of Project

Stage I

1.	Bulldozing 100 hours at $12.00/hour	$1,200.00
2.	Construction of Compressor & storage shed	1,000.00
3.	Installation of equipment and other necessary labor required in preparation for actual mining operations	750.00
4.	500 feet of drifting, crosscutting and raising at $34.00/foot	17,000.00
*5.	Timbering 100' at $7.82/foot	782.00
6.	Assaying	336.00
	Estimated total cost of Stage I	$21,068.00

Stage II

1.	Drifting, crosscutting and raising 700 feet @ $34.00/foot	$23,800.00
2.	Timbering 140 feet @ $7.82/foot	1,094.80
3.	Assaying	464.00
	Estimated total cost of Stage II	$25,358.80
	Estimated total cost of Stages I and II	$46,426.80

W. S. Anderson

W. S. Anderson

WSA:kt

CC: 3-Wash.
2-USGS
WSA
M/D
DMEA
D/F

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

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

So. 157 Howard Street
Spokane 4, Washington

September 12, 1952

Memorandum

To: DMEA Field Team, Region II

From: M. R. Klepper, Geologist, U. S. Geological Survey

Subject: Examination of Prentice property, Ottawa Mining District, Lewis and Clark County, Montana, W. R. Wade and H. R. Obendorf, Marysville, Montana, applicants (d.b.a. Ottawa Tungsten Company), Docket No. DMEA-2658 - Tungsten.

Summary, Conclusions, and Recommendations

The applicant proposes to explore a zone of scheelite-bearing tactite beds in a hornfels sequence at and near the contact of a thick diorite dike. Exposures in the zone are limited to one 300-foot adit of slight crosscut value and one shallow bulldozer cut. The showing warrants further exploration. It is therefore recommended that a contract be drawn up along the line suggested in the body of this report.

General

On July 28 R. A. Weeks and I examined the Prentice group of claims (specifically the Richmond lode, Survey no. 1753, and the June location, which joins the Richmond to the east) on the south side of Ottawa Creek, about one mile east of the center of Marysville, in Lewis and Clark County, Montana. These claims are in the western part of Sec. 31, T. 12 N., R. 5 W. and the eastern part of Sec. 36, T. 12 N., R. 6 W.; they are crossed by the all-weather Marysville to Helena highway and by a 7,000 volt power line. W. R. Wade and Herbert Obendorf, applicants (d.b.a. Ottawa Tungsten Company), accompanied us on the examination. A total of 8 hours was spent on the property. During this time a short adit was mapped and examined with an ultra-violet lamp, exposures in a bulldozer cut as well as dump and float rock were examined with an ultra-violet lamp, and the amount and method of exploration was discussed with the applicants.

The applicants are experienced in the field of exploration and mining and are entirely capable of undertaking the proposed project. W. R. Wade, a well-known and reputable Montana mining man, was formerly associated with Phelps-Dodge in a supervisory capacity and with John Hays Hammond as a partner. In more recent years he has successfully operated the Drumlummon gold mine at Marysville. Herbert Obendorf has had a variety of managerial experience. The applicants hold the June, July, and Mosquito Bar claims by location (recorded in Book 28, pp. 508-

10, County Recorders office, Helena, Montana), and have a lease and option to buy 9/16 interest in the patented Richmond (Survey no. 1753), Woodchopper (Survey no. 1752), and Prentice (Survey no. 1752) claims. The whereabouts of the owner or owners of the remaining 7/16 interest in the above listed patented claims is unknown. The lease and option appears to be valid under Sec. 93-2829 of the Revised Codes of Montana, 1949. If the owner or owners of the 7/16 interest cannot be found, possibly the applicant's personal guarantee can be substituted for the usual "Owner's Consent to Lien."

Description of Property

The principal part of the property is on the timbered and moderately steep south slope of Ottawa Creek. An abandoned railroad grade, passable to truck, leads from the adit on the Richmond claim (see map accompanying application) to the Drumlummon Mill on the outskirts of Marysville, a distance of about 2,000 feet. There are no surface facilities on the property; however, a Montana Power Company 7,000 volt line crosses just below the adit. Workings consist of an adit, 305 feet long and a shallow bulldozer cut (see applicant's map). The adit is said to have been driven at least 50 years ago in an attempt to crosscut the Drumlummon gold vein. Scheelite was first observed in this adit a few years ago, but no attempt to explore or develop the showing has previously been made.

Geology

The property is underlain by carbonatic sediments of the pre-Cambrian Helena dolomite. These sedimentary rocks have been metamorphosed to dense, light-colored diopside hornfelses, which locally have been replaced by dark coarser-grained silicate rock (tactite) that contains scheelite. A thick north-trending dike of fine-grained diorite cuts the hornfelsed dolomite on the June and Richmond claims (see applicant's map), and thin tongues of diorite cut it in the adit (see geologic map). The east margin of the Marysville stock is 1500-2000 feet west of the adit.

Exposures on the part of the property under consideration are limited to those in the adit and a few in the old railroad grade 60 feet above the adit. The adit cuts at a low angle across the hornfels beds. Because of minor faults and broken zones it was not possible to determine the exact thickness of beds crosscut; 25 feet is believed to be a reasonable estimate. Within this 25-foot-thick zone three or more beds, each up to 2 feet thick, are more or less persistently replaced by tactite with some scheelite. Sporadic scheelite also occurs in less persistently replaced beds and in narrow and generally steep fractures that cross the beds at sharp angles. Scheelite is also present in two conspicuous fractured zones that are veined by coarse calcite, but it is probable that the scheelite may be older than the calcite that is abundant in these two zones. The greatest concentration of scheelite in the adit is in a zone 90 feet long between two narrow diorite dikes (see geologic map). In the

northern part of this zone one bed up to 1 foot thick and another up to 1.5 feet thick, may average about 0.5 percent WO_3. These two beds are separated by several feet of very low-grade hornfels. In the southern part of the zone is the richest bed exposed underground. A composite of 2 samples taken by the applicants averaged 1.7 feet at 1.47 percent WO_3. This high-grade bed is overlain and underlain by weakly mineralized hornfels with sporadic streaks of higher-grade rock. In the southmost 30 feet of the adit at least three distinct mineralized bed zones angle across the drift. These range up to 3 feet in thickness and up to 0.4 percent in estimated content of WO_3.

The most impressive showing on the property is a bed exposed in a recent bulldozer cut along the old railroad grade. This bed crops out about 60 feet vertically and 50 feet stratigraphically above the mineralized beds in the adit (see applicant's map). It is exposed for a length of about 20 feet from diorite contact to cover of overburden. In this distance it averaged between 2 and 2.5 feet in thickness and probably contains at least 1 percent WO_3. Channel samples cut across this zone by the applicants ran 1.17 percent and 0.94 percent WO_3; a bulk sample of it taken to the Montana School of Mines for metallurgical testing assayed 4.7 percent WO_3. The writer took two samples from this showing, one a chip sample across the bed at 2 random places, assayed 1.42 percent WO_3 and the other a random grab of about 20 chips from the bulk ore pile sorted out from the bulldozed material which assayed 0.54 percent WO_3.

The area outlined for exploration by the applicants appears to be geologically favorable for the occurrence of scheelite. There is no reason to believe that all--or even the best--occurrences have been exposed in the old adit driven to crosscut a gold vein and in the one shallow surface trench dug in search for scheelite. These workings do suggest, however, that the best grade of ore may be closely related to bodies of diorite, and that a number of beds or groups of beds may have been mineralized when they were in the proper environment.

Although the higher grade beds that are exposed are relatively narrow (0.5 to 2.5 feet at 1 percent WO_3 or better), the amount of scheelite present and its localization within certain zones is considered adequate to justify further exploration. Furthermore, the possibility exists that a substantial tonnage of ore approximating 0.25 percent WO_3 might be revealed by further exploration.

The applicants map appears to be essentially correct; several matters of interpretation, however, should be commented upon briefly:

(1) On the plan, the red coloration is indicative of ore zone and not of a continuous minable ore bed or ore body. Also the surface ore at the diorite contact appears to be a single bed from 2 to 2.5 feet thick, as noted above, rather than 3 beds as shown by the applicant. The dip here also appears to be 15° or 20° east. The diorite contact is based on float on a heavily timbered and mantled slope and is therefore subject to revision.

(2) On cross-section B-B, again only one bed is known at the surface and the dip does not appear to steepen at the contact as shown. The mineralized fissures emanating from a postulated underlying body of "granite" (diorite) are also interpretive; however, it should be noted that mineralized steep fissures in hornfels and tactite do occur in the adit.

(3) In the vertical cross-section along the adit, the solid red color again denotes ore zone rather than continuous ore body or ore bed.

Ore Reserve

The limited exposures are insufficient to outline any tonnage of measured or indicated ore. The tabular body exposed at the surface may conservatively be inferred to contain at least 50 tons of 1 percent WO_3 ore and the principal showing in the adit may be inferred to contain at least 75 tons of 1 percent WO_3. In addition, lower grade zones in the adit probably contain several hundred tons of rock that average at least 0.25 percent WO_3.

Recommended Exploration

In the application (see applicant's map) it is proposed to extend the adit, crosscut east and west from the best showing in the adit, sink a winze below the adit, drive two raises above the adit, drift along the diorite ("granite")-hornfels contact, and periodically crosscut and raise from this drift; some bulldozer trenching is also proposed. The total estimated cost of this work is about $91,000.

The writer believes that a more limited program, set up in two stages, would be more desirable. This has been discussed with the applicants and the following mutually acceptable program has been worked out. It is hoped that all of the recommended work, except the bulldozing, construction, and assaying, can be done on a unit cost basis.

M. R. Klepper
Geologist

Enclosures 2
cc: DMEA (4)
USBM (2)
USGS (SRO)
Klepper

Statement of Work

The proposed exploration work shall be conducted in two stages; Stage II shall be undertaken only if, in the opinion of technical representatives of the Government, the results of Stage I are adequate to justify further exploration.

Stage I shall consist of: (a) bulldozing road to site of old adit on Richmond claim, bulldozing portal site for new adit on contact, bulldozing at least two trenches across diorite-hornfels contact, and construction of shed to house compressor, store equipment, etc.; (b) crosscutting or drifting in old adit--180 feet, and raising from old adit to surface--60 feet; and (c) driving a new adit along diorite-hornfels contact from portal site to be selected after bulldozer trenching--200 feet, and raising 60 feet along contact from this new adit.

Stage II shall consist of: (d) drifting, crosscutting, and raising in old adit--400 feet; and (e) drifting and raising along diorite-hornfels contact in new adit--300 feet.

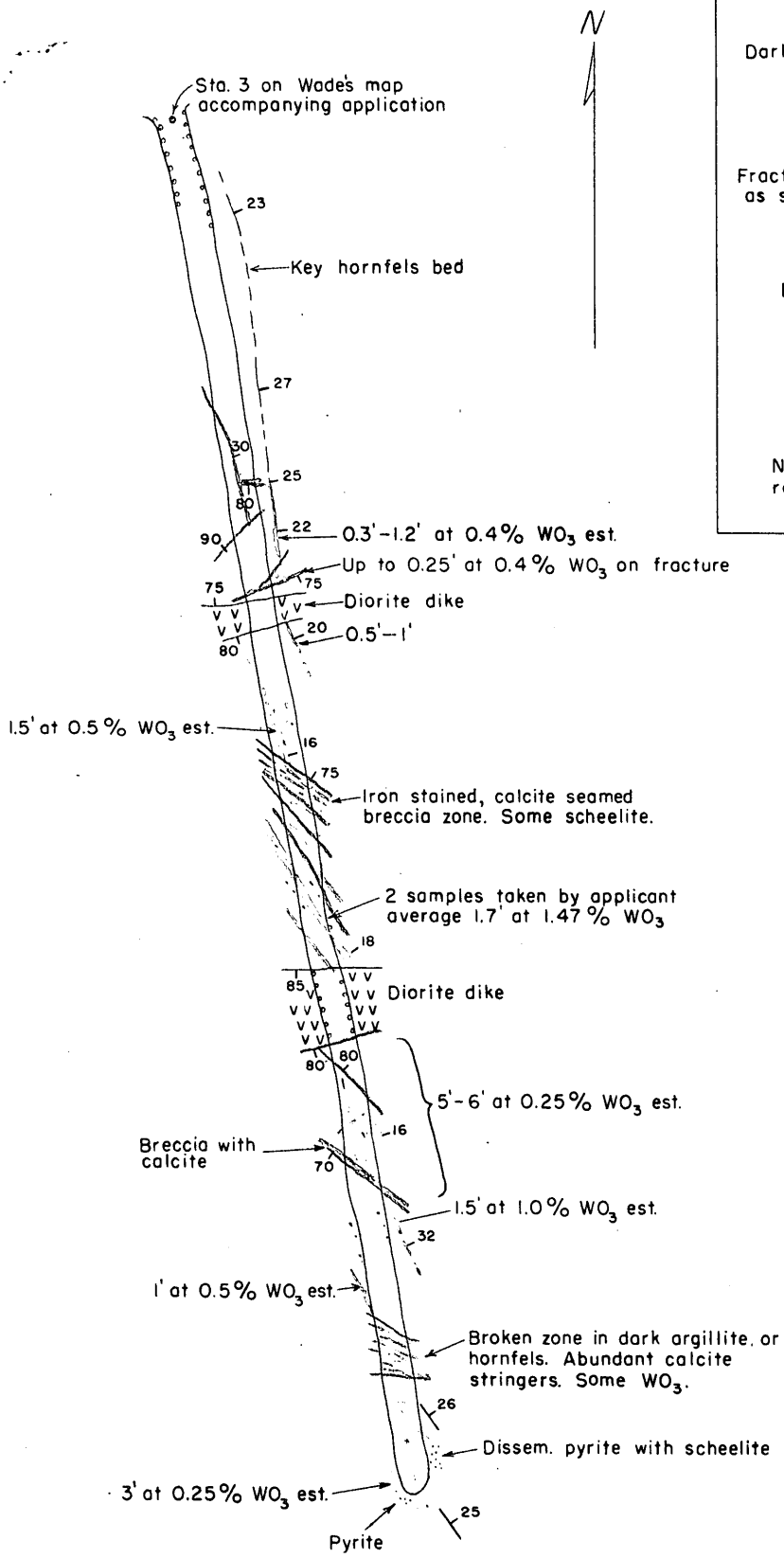
Estimated cost of work

Stage I: To be completed within 8 months after effective date of contract.

Bulldozing: D-7 dozer at $12 per hour, not to exceed....	$1,200
Construction: Compressor-storage shed, not to exceed....	1,000
Preparation for mining: Moving and installation of equipment, etc., not to exceed.....	750
Drifting, crosscutting, and raising: 240 feet in old adit and 260 feet in new adit, all at $45.00 per foot unit cost (including all costs of equipment, supplies, labor, supervision, and engineering).....	22,500
Assaying: not to exceed.....	500
Contingency: not to exceed.....	750
Total cost of Stage I, not to exceed.....	$26,700

Stage II: To be completed within 15 months of effective date of contract.

Drifting, crosscutting, and raising; 400 feet in old adit and 300 feet in new adit, all at $45 per foot unit cost (including all costs of equipment, supplies, labor, supervision, and engineering.....	$31,500
Assaying: not to exceed.....	700
Contingency: not to exceed.....	1,000
Total cost of Stage II, not to exceed.....	$33,200
Total cost of Stages I and II, not to exceed...	$59,900



EXPLANATION

Dark silicate rock (garnet, diopside, epidote, quartz, etc.) with scheelite

Fractures; some are mineralized with scheelite as shown; most contain more or less calcite and some silica

Prominent calcite stringers or pods, in fractured zones

vvv
vvv

Fine grained diorite (dikes)

NOTE: Unless otherwise indicated all rock in adit is very fine grained light greenish gray diopside hornfels

Geology by M.R. Klepper & R.A. Weeks, U.S.G.S., 8/28/52.

GEOLOGY OF ADIT ON RICHMOND CLAIM, PRENTICE PROPERTY MARYSVILLE DIST., LEWIS & CLARK COUNTY, MONTANA

0 20 40 80 120 FEET

400

FILE COPY
SURNAME:

Rutledge
Martin
Burkom

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

SEP 2 2 1952

Mr. A. E. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obenderf
Prentice Property
Lewis and Clark County, Montana

Dear Mr. Weissenborn:

Reference is made to the subject application. We have been holding this field referral pending a decision by the Legal Division, Defense Minerals Exploration Administration, as to the ownership of the property. However, since you have a geologist in the area and an examination is being contemplated, we are forwarding a review of the application with copies of a memorandum by D. M. Lemmon, U. S. Geological Survey, for your information.

Sincerely yours,

9-22

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Enclosures

FARutledge'lm
9/9/52

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. II
Operating Committee
W. S. Martin
F. A. Rutledge

Docket
Z.A.R.
WSM

SEP 2 2 1952

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 2658

Commodity Tungsten

Total Amount $90,879.00

Govt. Participation $68,159.25

1. Name and Address of Applicant Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Marysville, Montana

2. Location of Property Prentice property, Richmond et al Claims, 1/2 mile east of Marysville in Lewis and Clark County, Montana

3. Mineral or metal Tungsten Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination XX

e) Is there an alternative and favorable project? Yes-See Lemson's Memo
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? No
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes - 10 years and renewable for additional 5 years.

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202? _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? _____

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? _____

10. Exhibit A. (question 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes, but program is much too large.

If not, what part of it is? Possibly some alternate program would give comparable result with less expenditure of funds.

_____

_____

Is this part a worthwhile exploration project? ——

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? _____ If so, attach a draft.

e) Are the cost estimates reasonable? No

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? Operator's equipment should be placed on depreciation basis.

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? No

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? No

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? No

c) Reasonable? Do not know.

d) Field check needed? Yes

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? See Geological Survey memo attached.

FAPutledge'lm
9/9/52

Reviewed by: F. A. Putledge

Date 9/2/52

FILE COPY
SURNAME:

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

Rutledge
Martin
Hyman
Thayer
Hedges
Johnson

SEP 22 1952

Ottawa Tungsten Company
Mr. W. R. Wade
Marysville, Montana

Re: Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
Prentice Property
Richmond et al Claims
Lewis and Clark Counties, Montana

Dear Mr. Wade:

Your application for assistance in exploring tungsten occurrences on the Prentice Property has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. H. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington, for a field examination.

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you can render the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (RW) 9.22

Administrator

FARutledge'lm
9/9/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
Field Team Reg. II
D. M. Lemmon, USGS
W. S. Martin
F. A. Rutledge

FILE COPY
SURNAME:

Martin
Selfridge
Anson
Hoffman
Mittenberg

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

SEP 18 1952

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Re: Docket No. DMEA 2658 - Tungsten
W. R. Wade and H. G. Obendorf
Prentice Property
Lewis and Clark Counties, Montana

Dear Mr. Wade:

Reference is made to copy of lease of July 22, 1952, attached to and made a part of the subject application for exploration aid.

After reviewing the above lease and examining the statutory provision cited therein, it is not clear to us that the owners of the 9/16ths interest in 3 claims (G. D. Prentice 1751, Woodchopper 1752, and Richmond 1753) are authorized to execute a valid lease covering the entire property and for a term of 10 years, nor do the annotations to the statute enlighten us on this point.

In order to process your application, we need further legal evidence, containing citations of legal authority, concerning the validity of your lease. It will be appreciated, therefore, if you will submit such evidence to us at your early convenience.

Sincerely yours,

George C. Selfridge

9-18-52

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

WSMartin:ls
9/15/52

cc: Docket
Admn. Read. File
W. S. Martin
G. C. Selfridge
Field Team, Region II
D. M. Lemmon, USGS
R. W. Geehan, USBM

FILE COPY
SURNAME:

140

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

Putting

September 11, 1952

Memorandum

N.S. in R.v.l.

To: Mr. G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

From: Chief Counsel

Subject: Contract Docket No. DMEA-2658, Wade & Obendorf

This responds to your memorandum to me dated August 25, which asks the question whether the above-described applicant, holder of a lease for a term of 10 years executed by the owners of a 9/16ths interest in land located in Montana, may, under the circumstances described in the lease, qualify for a DMEA contract.

We understand from the recitals in the lease, that the heirs of the 7/16ths interest in the land cannot be located. The legal authority relied upon by the lessors to enter into the lease is cited in the lease as section 93-2829 of the Montana Revised Code, 1947, annotated. This section provides, in pertinent part, as follows:

> "*** provided, that nothing herein contained shall prevent one cotenant *** or any number of cotenants *** acting together less than all, from entering on the common property *** and enjoying all rights of occupancy of the property, without waste; and in the case of mining property, from mining the same in a minerlike manner, and extracting, milling, and disposing of the ore from the common property *** subject to accounting to the nonjoining cotenant *** for the net profits of such mining operations ***"

A literal reading of this statutory provision indicates that some of the cotenants may occupy and mine all of the property and account to the absent cotenants. The provision, however, is silent as to the right of a cotenant to lease the entire property, and for a term of 10 years. An examination of the annotations to the statute does not enlighten us on this point.

Moreover, assuming that the cotenants of the 9/16ths interest may lease the property, it does not appear that they may validly execute an Owner's Consent to Lien for more than their 9/16ths interest in the property.

As a specific provision of a Montana statute is relied upon in this case for authority to execute the above-described lease, and as it is not clear to us that the provision cited authorizes the valid execution of the lease, the applicant should be requested to present further legal evidence, containing citations of legal authority, concerning the validity of his lease.

In addition, administrative consideration should be given to the propriety of waiving an Owner's Consent to Lien covering the 7/16ths interest in the property.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

HCRubin/mef
cc to: Mails and Files
Mr. Selfridge
Mr. Hofflund
Mr. Rubin
Chron.

FILE COPY 400
SURNAME:

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

John L. Hofflund, Chief Counsel, DMEA

August 25, 1952

Cushing
Selfridge

Iron and Ferro-Alloy Division, DMEA

Review and opinion on legality of lease
Docket No. DMEA 2658 - Tungsten
Ottawa Tungsten Company
W. R. Wade and H. G. Obendorf
(Prentice Property)
Richmond et al claims
Lewis and Clark Counties, Montana

Transmitted herewith is the subject docket for your review. The lease and option agreement covers only a 9/16 interest in the property. The other 7/16 interest is in an estate, the heirs to which are unknown.

Please determine if an exploration contract can be entered into by the Government on this basis or what steps are necessary to satisfy DMEA requirements regarding property rights.

~~Cushing~~ 400
George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Attachment

FARutledge:lm
8/25/52

cc: Admn. Reading File
Docket
G. C. Selfridge
F. A. Rutledge

IN REPLY REFER TO:

G-MD-CF

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

August 22, 1952

Memorandum

To: George C. Selfridge, DMEA

From: D. M. Lemmon, USGS

Subject: Exploration application $90,879 DMEA 2658 - Tungsten
Ottawa Tungsten Co.
W. R. Wade and H. G. Obendorf~~er~~
Marysville, Montana

Property: Prentice property of 3 patented claims (Richmond, Woodchopper and G. D. Prentice), in which applicant holds 9/16 interest. Also 3 wholly-owned unpatented claims (June, July, Mosquito Bar). Location: 22 miles northwest from Helena, Lewis and Clark County, and 1/2 mile from Marysville, in sec. 36, T. 12 N., R. 6 W., sec. 31, T. 12 N., R. 5 W., sec. 6, T. 11 N., R. 5 W.

Proposal: It is proposed to drift and crosscut 1,100 feet from the Richmond adit (300 feet long), to drive 4 raises totaling 300 feet, to sink a 50-foot winze, and to trench the surface with a bulldozer.

Geology: The geology and ore deposits of the Marysville district, Montana have been described in the following publications of the Geological Survey, none of which mention tungsten:

Prof. Paper 57: Geology of the Marysville Mining District, by J. Barrell, 1907.
Bulletin 527: Ore deposits of the Helena mining region, by Adolph Knopf, 1913.
Bulletin 842: Metalliferous deposits of the Greater Helena mining region, 1933.

Scheelite was first identified in the district in 1941, and about 6 localities were examined in 1942 by Adolph Knopf for the Geological Survey. The deposit in the Richmond adit (DMEA 2658) was recognized at that time. No tungsten production has been made from the district, and the known tungsten occurrences have not previously been considered to be ore.

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George C. Selfridge

At the Richmond adit, scheelite in tactite is present in thin flat beds for a distance of 190 feet. The mineralized bed is 1 to 3 feet thick. The applicant reports that 2 channel samples taken alongside a dike assayed 0.7 and 1.1 percent of WO_3; the assayer is not specified, and a thorough sampling job was not done.

Comment on proposed exploration. The cost of the proposed exploration is much greater than seems warranted by the information available about the occurrence of tungsten in the district. It appears that about 2000 feet of diamond drilling from the surface would provide more information at a much lower cost. It is questionable whether the structure of the limestone is sufficiently well known to be reasonably sure that the ore bed is not offset above or below the adit level.

Proposed supervision costs are excessive.

Recommendation. The legal problem concerning the title to the property should be investigated first to determine what steps, if any, are necessary to satisfy DMEA requirements regarding property rights. The applicants hold a lease and option on 9/16 interest, and the remaining 7/16 is in an estate the heirs to which are unknown.

Second, I suggest that the Field Team be requested to examine the property, sample the adit, and any outcrops of ore, investigate the geologic structure, and comment on the feasibility of diamond drilling.

D M Lemmon

402

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

So. 157 Howard Street
Spokane 4, Washington

August 22, 1952

Mr. M. R. Klepper
U. S. Geological Survey
P. O. Box 416
Townsend, Montana

Re: Application
Docket No. DMEA-2658
Wade & Obendorf
Lewis & Clark Co., Mont.

Dear Monty:

Enclosed is the subject docket for your use in making a field examination. In our letter to Mr. Johnson of August 12 we indicated we would wait for a referral but since you are in the area and on the basis of the information presented in the application it is felt that an examination prior to referral is justified.

We would appreciate a report as soon as it can be worked into your schedule.

Very truly yours,

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

Enclosure

cc: Operating Committee, DMEA
Attn: Mr. Selfridge

USBM, Spokane

August 18, 1952

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Acting Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

Listed below you will find the assigned docket number to an application recently submitted from Region II.

DMEA-2658 - Wade & Obendorf

Sincerely yours,

SIGNED

Wingfield Chamberlain
Acting Chief, Operation's
Control and Statistics Division

Mr. W. R. Wade
Ottawa Tungsten Company
Marysville, Montana

Subject: DMEA-2658
Re: Exploration Assistance
Prentice Property
August 18, 1952

My dear Mr. Wade:

The receipt of your application dated August 11, 1952, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

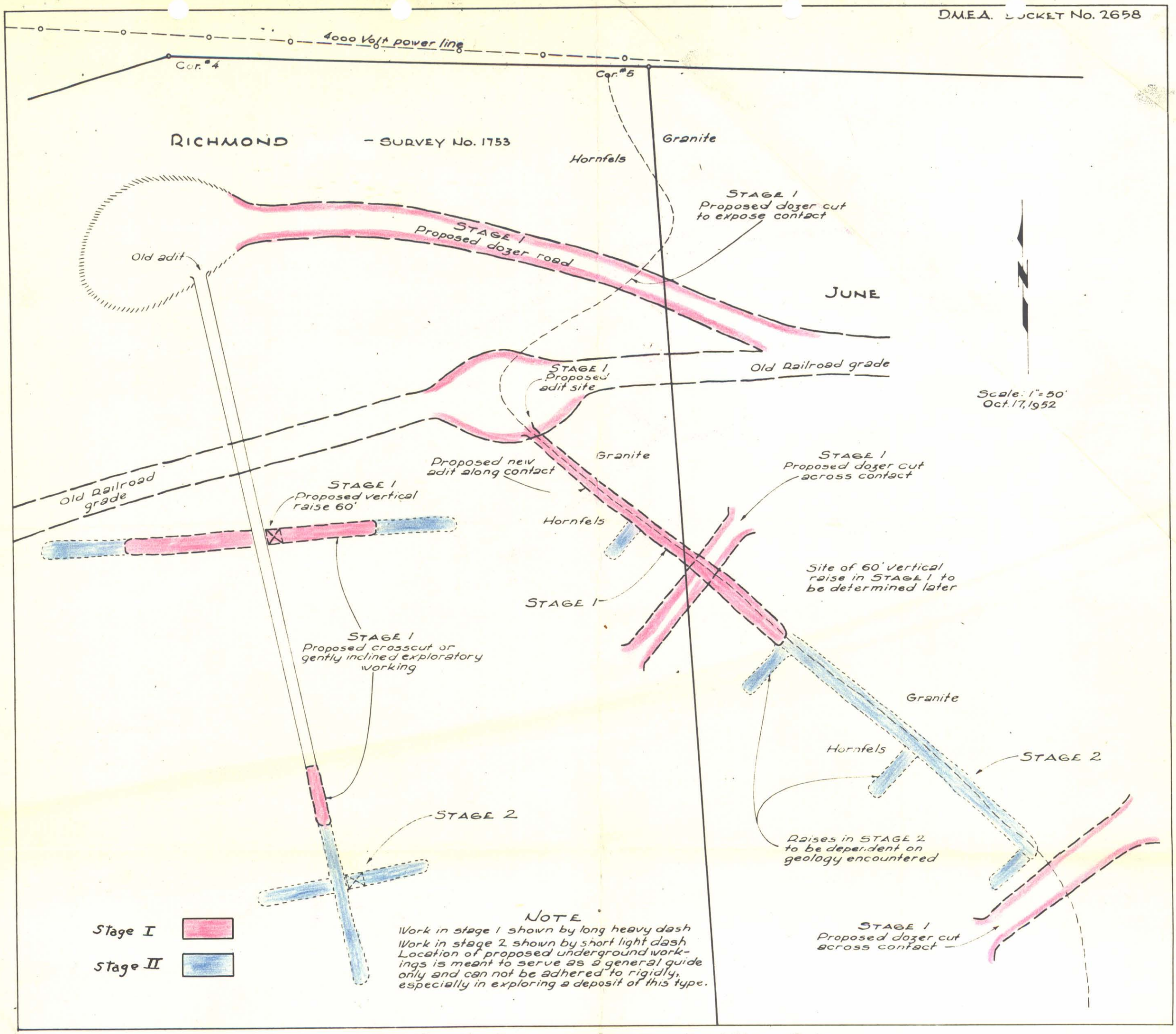
Your application has been assigned Docket Number DMEA-2658 and referred to the Iron and Ferro-Alloys Division.

Kindly refer to DMEA-2658 in any future correspondence relating to your application.

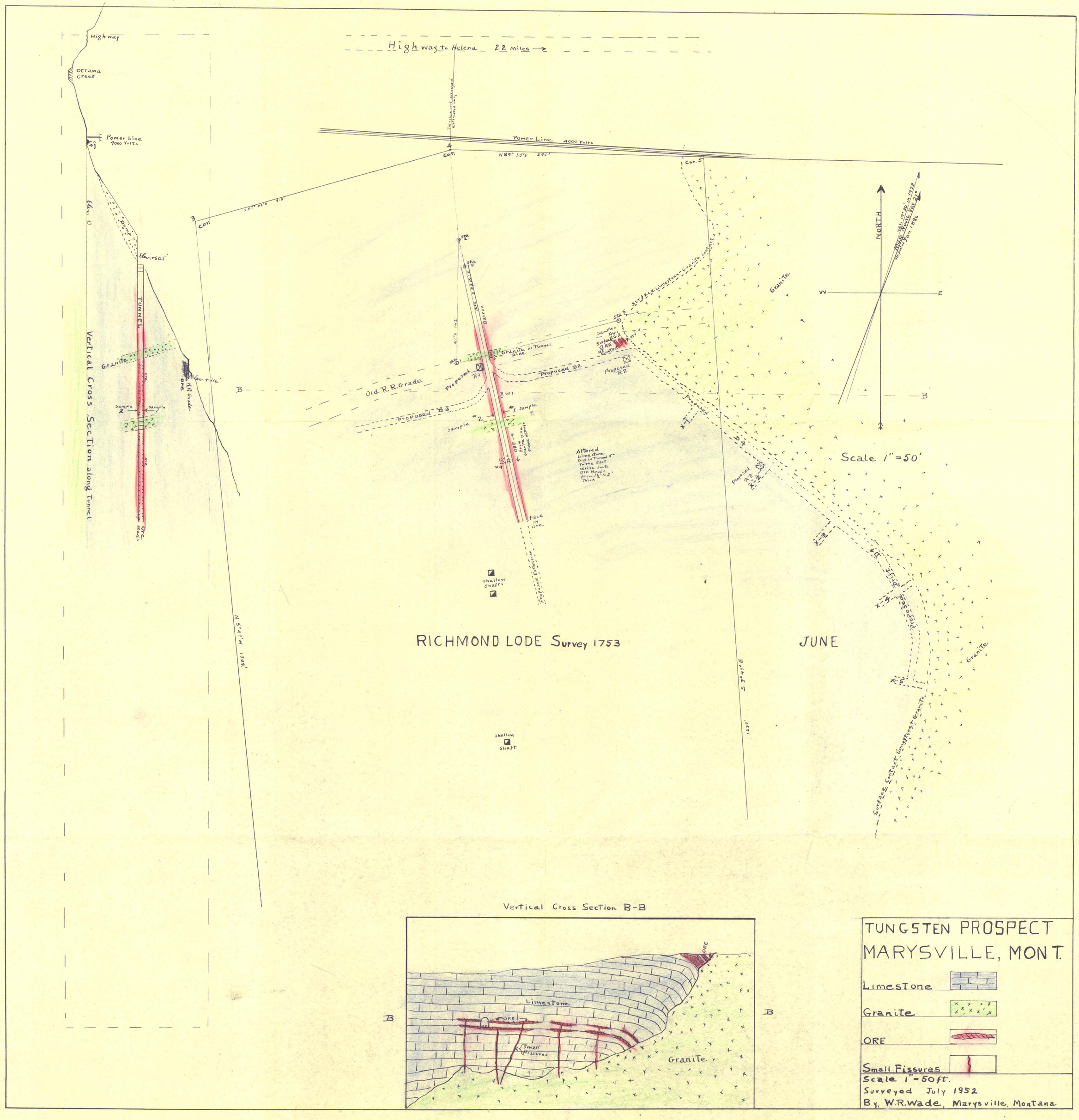
Sincerely yours,

SIGNED
Wingfield Chamberlain
Acting Chief, Operation's
Control and Statistics Division

25451



MAP SHOWING PROPOSED EXPLORATION WORK ON RICHMOND AND JUNE CLAIMS NEAR MARYSVILLE



Vertical Cross Section B-B

TUNGSTEN PROSPECT
MARYSVILLE, MONT.

Limestone
Granite
ORE
Small Fissures

Scale 1" = 50 ft.
Surveyed July 1952
By W.R. Wade, Marysville, Montana