E-1032

For royalty payment of $236.51, dated May 27, 1963, see transmittal letter file.

ROYALTY
AUDIT REPORT

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the production, sales, and royalty accounts and records pertaining to the sale of minerals during the period May 8, 1959, through May 13, 1963, by

Tungsten Mining Corporation
Division of Howe Sound Company
Star Route 36130
Henderson, North Carolina
and
500 Fifth Avenue
New York 36, New York

produced from Hamme Mine located in Vance County, North Carolina, on which royalty is payable to the U. S. Government under terms of Contract Idm-E1032, Docket DMEA-4216 (tungsten), dated November 2, 1956, as amended.

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

The audit established the total value of minerals sold subject to Government royalty for this period to be $122,396.36. Royalty payable to the Government at the rate specified in the contract is $6,119.81.

A prior Report of Royalty Review for the period November 2, 1956, through May 7, 1959, found the sales subject to Government royalty to be $30,360.06 which added to the sales for this subsequent period make a total of $152,756.42. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$1,518.00
Total Royalty Paid	1,515.48
Balance of Royalty Due	$ 2.52

As of May 13, 1963, the royalty account of this project was found to be:

Total Royalty Payable	$7,637.81
Total Royalty Paid	7,401.31
Balance of Royalty Due	$ 236.50

C. E. Fisher

C. E. Fisher, OME Auditor

May 17, 1963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT REPORT

I. INTRODUCTION

On May 13, 1963, an audit was made of the production, sales, and royalty accounts and records of

Tungsten Mining Corporation
Division of Howe Sound Company
Star Route 36130
Henderson, North Carolina
and
500 Fifth Avenue
New York 36, New York

pertaining to the sale of minerals during the period May 8, 1959, through May 13, 1963, produced from Hamme Mine located in Vance County, North Carolina, on which royalty is payable to the U. S. Government under terms of Contract Idm-E1032, Docket DMRA-4216 (tungsten), dated November 2, 1956, as amended.

At the time this exploration contract was entered into 69½ percent of the capital stock of Tungsten Mining Corporation was owned by Haile Mines, Inc., and 30½ percent of the capital stock was owned by General Electric Company. On July 1, 1958, Haile Mines, Inc., and Howe Sound Company, a Maine corporation, merged and re-incorporated in Delaware under the name of Howe Sound Company. Since that date the Tungsten Mining Corporation has been a division of Howe Sound Company, 500 Fifth Avenue, New York City. In February 1963 the General Electric interest in Tungsten Mining was acquired by Howe Sound.

This audit was performed in the Operator's mine office near Townsville, North Carolina. Mr. W. L. Kendrick, vice president and general manager, made the records pertaining to the period covered by the audit freely available to this auditor. His cooperation and assistance greatly expedited the audit work.

II. GENERAL INFORMATION

Article 6 of the contract provides if the Government certifies that a discovery or development has resulted from the exploration work under the contract, the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land described in

the contract during a period of 15 years from the date of the contract or until the amount contributed by the Government to the exploration costs has been repaid without interest, whichever occurs first. Article 10 of the contract further provides for the payment of royalty to the Government on all minerals, regardless of where mined or produced, which are transported or passed through any workings to the cost of which the Government contributed.

The land subject to this exploration contract is set forth in Annex I and consists of certain land owned in fee by the Operator and other lands in which the Operator either possesses the mineral rights by ownership or by virtue of 99-year leases. In lieu of Owner's Consent to Lien, Haile Mines, Inc., executed a Guaranty of Royalty dated November 10, 1956, guaranteeing the payment to the Government of any royalty that may fall due under the provisions of this contract.

A certification of discovery or development was issued on December 19, 1958.

According to a Report of Review in lieu of final cost audit dated August 4, 1958, the accepted exploration costs amounted to $244,342.60 with the Government's contribution, on a 75 percent basis being $183,256.95.

During the exploration period tungsten ore was mined from the subordinated land. Processing through the mill resulted in a huberuite concentrate which was sold to General Electric. Mill rejects were further processed in the chemical plant producing a synthetic scheelite concentrate which was sold to Wah Chang Corporation. Production from the subordinated land ceased in May 1958 and the exploration work was completed in June 1958. The total value of such production sold amounted to $30,360.06 on which royalty of $1,518.00 was payable to the Government as more fully set forth in a Report of Royalty Review dated May 15, 1959, covering the period November 2, 1956, through May 7, 1959.

Between June 1958 and November 1961 no ores were mined from the contract area, but from December 1961 until February 14, 1963, the date all mining operations were discontinued, ores were produced from the contract area and commingled with other production during milling. At no time since the date of the exploration contract, however, have any minerals, other than the ores produced from the contract area, been transported or passed through any workings to the cost of which the Government contributed.

Effective April 1, 1960, a three-year contract was entered into with General Electric by which that company agreed to purchase the huberite concentrate production of the mine at prevailing market prices. It was further agreed that should the market price fall below $19.00 per short ton unit, General Electric would pay $19.00 per STU or the Operator's production cost plus $1.00 per STU, whichever were lower.

In 1960 a separate unit was installed in the mill for recovery of lead-copper-silver concentrates. These concentrates were sold to American Smelting and Refining Company. Furthermore, the Operator qualified as a producer eligible for stabilization payments under Public Law 87-347 and has received such payments from the General Services Administration on its sales of lead between January 1962 and February 1963.

III. SCOPE OF AUDIT AND FINDINGS

A considerable amount of preaudit work was accomplished in the OME Washington, D. C., office prior to the site audit. During this preaudit work a tabulation was made of the monthly statements furnished by the Operator in support of royalty payments. All computations in the statements were recomputed and the royalty receipts were verified with deposits made by the Department's Fiscal Section. This tabulation is filed with my audit work papers.

During the site audit it was ascertained that production from the contract area was commingled with other mine production during the milling process. The production and its value subject to Government royalty were determined in the following manner:

(1) Tonnage mined in the contract area was based on car counts and assays of grab samples. The tonnage was converted to dry tons based on such sampling and average WO_3 contents were computed.

(2) Mill head assays of all ore processed during a month were determined, any differences were allocated to the production from the various areas, and corrected assays based on actual WO_3 values in the ore from each area were determined and applied to the tonnage from the contract area to produce the number of STU of WO_3 resulting from such production.

(3) The average mill recovery percentage for the month was applied to the STU determined as outlined in (2).

(4) The monthly average huberite concentrate percentage applicable to the total recovery was applied to the STU determined as outlined in (3).

(5) The total huberite concentrate thus determined as applicable to the contract area during the month was multiplied by the average price at which sales were made during that month and royalty was paid on the value thus determined.

(6) WO_3 middling rejects produced during milling operations were further processed in the chemical plant resulting in a synthetic scheelite product. To the quantities applicable to ore produced from the contract area the average recovery percentage was applied to determine the quantity of scheelite subject to Government royalty. When sales were made the Government royalty was computed and paid on the basis of sales price of the scheelite.

(7) No assay data were maintained with respect to lead-copper-silver contents in the ore produced in the various sections of the mine. Under the Operator's accounting procedure the value of such concentrates was determined and recorded in the month in which the ore was milled. The first royalty payment to the Government related to the period December 1961 through October 1962 and was based on ratio of total tonnage from the contract area to total tonnage from the mine during that period applied to the total value of such concentrate production during the period. Subsequently, the royalty computation was made on a monthly basis.

(8) Stabilization payments from the General Services Administration were included in proceeds from lead concentrates during the month they were received and were apportioned on the current tonnage basis between the amount subject to Government royalty and that not subject to royalty.

During the audit numerous test-checks were made of the various mine and mill production, assay, recovery, and pricing data used in the computation of royalty payments to the Government. The records were found to have been carefully maintained and no improprieties requiring adjustment were noted.

My investigation has determined that all production of hubernite concentrates have been accounted for and that all royalty due to the Government on the value of such concentrates obtained from ore recovered from the contract area has been paid.

Royalty also has been paid on all production of scheelite concentrates applicable to the contract area, except for 282.48 STU produced during December 1962 and January and February 1963. These concentrates are part of a shipment made to Firth Sterling Company, Pittsburgh, Pa., in March 1963 under terms of sale allowing 60 days for inspection, analysis and settlement. The anticipated price, but not yet a firm price, is $16.00 STU. For the purpose of this audit the royalty due to the Government is estimated to be $225.98 (282.48 x $16.00 = $4,519.68 x 5 percent).

Royalty due to the Government has been paid on all lead concentrates applicable to production from the contract area. Royalty also has been paid on the stabilization payments for the year 1962; however, royalty is due to the Government on a portion of the stabilization payments for January and February 1963, as follows:

Month		SDT Total	SDT DMEA	% DMEA	Stabilization Total	Stabilization DMEA	Royalty Due
January	1963	28798	2453	8.52	$1,958.86	$166.89	$ 8.34
February		13174	571	4.33	1,007.04	43.60	2.18
					Total royalty due		$10.52

IV. CONCLUSION

A summary analysis of the production, sales, and royalty payable and paid during the period covered by this audit follows:

		Quantity	Averages	Value
Total ore mined		390,544 SDT		
Mined in contract area		8,450 SDT	2.164%	
Assay - WO_3		7,027.84 STU	0.832%	
Mill recovery:		6,216.76 STU	88.46%	
Hubernite	5,511.89 STU		88.66%	
Middlings	704.87 STU		11.34%	
Hubernite sales		5,511.89 STU	$19.45	$107,220.60

		Quantity	Averages	Value
Processing of middlings (704.87 STU):				
Scheelite		660.28 STU	93.67%	
Completed sales	377.80 STU		$18.00	$ 6,800.40
Incomplete sales	282.48 STU		$16.00	4,519.68
Totals - WO_3		6,172.17 STU	$19.21	$118,540.68
Lead concentrates:				
	Proceeds	% BMEA		
Smelter value	$141,278.18	2.29		$ 3,238.75
Stabilization	18,518.26	3.33		616.93
Totals	$159,796.44			$ 3,855.68
Total proceeds from contract area production				$122,396.36
Per ton of ore production (8,450 SDT):				
Tungsten		$14.03		
Lead cons.		.46		
Total		$14.49		
Total Royalty Payable @ 5%				$ 6,119.81
Total Royalty Paid				5,883.31
Balance of Royalty Due (See Section III)				$ 236.50

The value of production from the contract area during the exploration period was stated by the Report of Royalty Review dated May 15, 1959, to be $30,360.06 for 1,281.10 STU of huberniite and scheelite concentrates obtained from milling 2,577 tons of ore mined in the contract area. Royalty in the amount of $1,518.00 on these prior sales of production has been received by the Government.

The status of the royalty account pertaining to this project at May 13, 1963, was found to be as follows:

Total Royalty Payable	$7,637.81
Total Royalty Paid	7,401.31
Balance of Royalty Due	$ 236.50

The audit results were discussed with Mr. Kendrick at the conclusion of my examination. He indicated that his estimate approximately agreed with the findings and that the balance of royalty due to the Government will be paid as soon as final settlement has been made with respect to the scheelite sales to Firth Sterling Company.

C. E. Fisher

C. E. Fisher, OME Auditor

May 17, 1963

800

MAY 2 2 1963

Tungsten Mining Corporation
Division of Rare Earth Company
Star Route 14130
Henderson, North Carolina

Re: [illegible]-4216 (Tungsten)
Tungsten Mining Corporation
Kenna Mine
Vance County, North Carolina
Contract [illegible]

Gentlemen:

Enclosed for your information and files are one copy each of a Royalty Audit Certificate and Royalty Audit Report, both dated May 17, 1963, prepared by our Division of Contract Administration and Audit.

We sincerely appreciate the courtesies shown Mr. C. E. Fisher during his visit to Henderson.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Field Operations

Enclosures

GCSelfridge/gla (5-22-63)

Copy to: Regional
Director's Reading File
GAAA Division
G. C. Selfridge
R. A. Lemvente, UMGS, Reg. IV
Avery Reed, UMEM, Reg. IV

MAY 22 1963

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OAL

Subject: 3MLA-A216 (Tungsten)
Tungsten Mining Corporation
Hanna Mine
Vance County, North Carolina
Contract I&m-21032

Enclosed for your files are the originals of a Royalty Audit Certificate and Royalty Audit Report, both dated May 17, 1963, on the subject contract.

Fletcher W. Selfridge

Enclosures
CCSelfridge/gla (5-22-63)
Copy to: Docket
Director's Reading File
CA&A Division ✓
G. C. Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Royalty Audit Certificate and Royalty Audit Report dtd 5/17/63, orig. cy of memo dtd. 5/21/63 to Chief, Div. of Field Operations from CA&A Div., and cy letr. to Operator.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

MAY 21 1963

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-E1032

Enclosed are the original and three copies of a Royalty Audit Certificate and Royalty Audit Report covering the subject Region IV contract. 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;
(b) One copy to the Operator; and
(c) Two copies to Region IV files.

As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished this Division. If for any reason you do not concur, the original and all copies should be returned to this Division with your comments.

Enclosures

CEFisher/ama 5-21-63

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

May 6, 1963

Memorandum

To: The Files

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

Subject: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-E1032

Mr. W. L. Kendrick telephoned this date in response to the Director's May 3 letter regarding an audit of the Operator's production and sales records. He advised that only the records pertaining to 1961 and later operations are available in his office and that all prior records are in the New York offices.

He suggested that the auditor take the Sunday afternoon train from Washington and call him at his residence on arrival (Telephone: GE 8-3349). He will then pick up the auditor on Monday morning, May 13, and provide transportation to the offices, which presently are occupied by only himself and his secretary. He also suggested the Lake Drive Motel for over-night accomodations, as the local hotel left much to be desired.

EDTalbert/ama 5-6-63

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

MAY 3 1963

Tungsten Mining Corporation
Star Route 36130
Henderson, North Carolina

Attention: Mr. W. L. Kendrick
Vice President & General Manager

Re: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-E1032

Gentlemen:

It is our policy to occasionally audit an Operator's records pertaining to production subject to royalty under a DMEA exploration project contract.

We contemplate having Clarence E. Fisher visit your office on May 13, 1963, for the purpose of confirming the status of the royalty account under the referenced contract. Your cooperation in making available to Mr. Fisher the pertinent production and sales records will be appreciated.

Your advice as to the exact location of your office and the availability of transportation from Henderson also will be appreciated.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 5-2-63

cc:
Docket
Director's Reading File
CA & A Division
Mr. Fisher
Region IV Files (2)

E-1032

For royalty payment of $278.87, dated March 15, 1963, see transmittal letter file.

E-1032

For royalty payment of $1,310.16, dated February 14, 1963, see transmittal letter file.

E-1032

For royalty payment of $697.81, dated January 28, 1963, see trnasmittal letter file.

E-1032

For royalty payment of $709.43, dated December 14, 1962, see transmittal letter file.

DEC 4 1962

Defense Materials Service
General Services Administration
Washington 25, D. C.

Re: DMSA-4216 (Tungsten)
Tungsten Mining Corporation
Hanna Mine
Vance County, North Carolina
Contract Ido-E1032

Gentlemen:

By letter dated November 16 we requested that payments to Tungsten Mining Corporation under the Lead and Zinc Stabilization Program be withheld until the facts in a possible indebtedness under the referenced contract were established.

The matter in question has now been settled by Tungsten Mining Corporation's payment of royalty on lead, silver, and copper production from the area of the Hanna Mine under the DMSA contract. The remittance included the Government's royalty on an allocated portion of your recent $11,708.54 lead subsidy payment. Accordingly, our request to withhold payments is hereby rescinded.

Thanks again for your cooperation.

Sincerely yours,

(signed) FRANK E. JOHNSON

ACTING Director

EDTalbert/ama 12-4-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)
Mr. Clarence A. Fredell, Director
Technical Research and Development Staff
Defense Materials Service, GSA

E-1032

For royalty payment of $67.72, dated November 30, 1962, see transmittal letter file.

HOWE SOUND

TUNGSTEN MINING CORPORATION

A SUBSIDIARY OF HOWE SOUND COMPANY

STAR ROUTE 36130 • HENDERSON, NORTH CAROLINA

November 28, 1962

800
120
500

U. S. Department of Interior
Office of Minerals Exploration
Washington 25, D. C.

Att: Mr. George Rumrick

RE: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine, Vance County, N. C.
Contract I4m-E1032

Dear Sir,

Check for royalty on minerals other than tungsten has been mailed to Knoxville DMM office today.

To clear the records as requested in your letter 26 November the following is stated and certified

(1) From November 1956 thru May 1958 inclusive, no minerals other than tungsten concentrates were recovered from ores produced lands of subject contract nor transported thru workings to the use of which the Government contributed

(2) From June 1958 thru November 1961, inclusive, no ores were mined from contract area nor was any material transported thru workings to the use of which the Government contributed

When resuming of mine and mill in 1961 a separate unit was installed in the mill for recovery of lead, copper, silver concentrates and thus when production of ore from subject contract area was started in December 1961, and since, minerals other than tungsten have been recovered and marketed.

Very truly yours,

TUNGSTEN MINING CORPORATION

W. L. Kendrick
Vice President & General Manager

WLK:mak

Tungsten Mining Corporation
Star Route 36130
Henderson, North Carolina

Attention: Mr. W. L. Kendrick
Vice President & General Manager

Re: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-E1032

Gentlemen:

Receipt is acknowledged of your November 20 reply to my inquiry of November 16 in regard to royalty payable to the Government under the referenced contract. The courtesy of your prompt reply is appreciated.

Your method of distributing the smelter returns on lead, silver, and copper concentrates from the commingled mine production is accepted subject to future audit of your records by the Government. Your prompt submission of the calculated $67.73 royalty to the OME Field Office, Region IV, Room 11, Post Office Building, Knoxville 2, Tennessee, is solicited.

It appears from your November 20 letter and prior correspondence and reports in our files that:

(1) from November 1956 through May 1958, inclusive, no minerals other than tungsten concentrates were recovered from ores produced from the land under the contract or transported through the workings to the cost of which the Government contributed; and
(2) from June 1958 through November 1961, inclusive, no ores whatsoever were produced from the land under the contract or transported through workings to the cost of which the Government contributed.

In order to clarify our records, your specific confirmation of these two statements will be appreciated.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama
11-26-62

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2) (w/cys of incoming ltr.)

Form Code 999
Budget 8-4130

TUNGSTEN MINING CORPORATION

A SUBSIDIARY OF HOWE SOUND COMPANY

STAR ROUTE 36130 • HENDERSON, NORTH CAROLINA

November 20, 1962

21

800

U. S. Department of Interior
Office of Minerals Exploration
Washington 25, D. C.

ATT: Mr. George Pumich, Jr.

RE: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Ramme Mine, Vance County, N. C.
Contract I4m-81032

Dear Sir,

Thank you for reminding us of royalty due on lead and other minerals under the subject contract. This sale of other minerals is such a very small proportion of our operation. It was simply an oversight on our part.

The lead, silver, copper concentrate recovered is a by-product operation started when we resumed operation in 1960. The gravity tungsten concentrates are run thru a bulk sulfide float to remove the pyrite and other sulfides from the tungsten concentrates before sending them to magnetic concentration. This bulk float product is pumped to a selective flotation section which for now 4 days a week single shift. About 11 to 12 tons of bulk sulfides are produced per day from the 950 to 1,000 tons fed to the plant. From this one to two tons of lead concentrate is produced per day which is accumulated and shipped to the smelter at El Paso, Texas.

The crude ore from the mine analysis less than 0.1% Pb and less than 0.05% Cu so no assays are run on the crude as it would be impractical.

Thus we have no records of the content of other minerals from any section of the mine in particular but have found that our lead product increases with the increase in tonnage from the lower levels. There are no records of the lead or copper content from the ore from the subject contract.

We have therefore prepared the attached statement so that you may see the highest distribution of values from the ore from the subject contract.

There was no sulfide float operation during the original term of the contract so have confined this report to ore mined in and since January 1961.

The tabulation shows the total tonnage of mine each year, the royalty from the DMEA Contract section and the net smelter receipts for each year, including the $11,788.50 subsidy payment received in October.

As noted, the ore from the subject contract amounted to 1.219% of the total ore treated. Therefore, 1.219% of the total net smelter returns has been computed and 5% royalty computed on this figure, to show $67.73 due DMEA on other minerals taken from the subject contract area.

Frankly we cannot come up with any other method of calculating this royalty. Actually the heavy shipments in January and February result from accumulation of concentrates from the latter part of [illegible] before any DMEA ore was treated but it would be impractical to try and compute the amount actually recovered.

We propose this calculation and will submit this to [illegible] with check to cover the $67.73 if this is satisfactory.

We will appreciate your comments on this matter.

Very truly yours,

TUNGSTEN MINING CORPORATION

W. L. Kendrick
Vice President & General Manager

WLKrmk

Enclosure

DMEA Contract Idn E1032

Calculation of Royalty on Lead Concentrates

Month	Total D.S.T.	DMEA D.S.T.	Net Smelter Returns from Lead, Silver, Copper Concentrates
November 1961	26,374	348	Shipped in January 1962
December 1961	28,278	357	$15,934.33
January	25,705	418	12,815.42
February	27,108	160	7,449.22
April 61	25,657	269	11,512.73
May	27,917	410	5,588.70
[illegible]	26,845	297	11,826.[illegible]
[illegible]	81,639	219	7,449.[illegible]
[illegible]	27,795	366	6,971.[illegible]
[illegible]	27,164	358	9,131.[illegible]
October	28,655	417	22,444.76 *
Total	293,137	3,573	$111,124.83

* Includes $11,708.58 GSA Lead Subsidy Payment for first mine [illegible] 1962.

Calculation of Royalty

$$\frac{3573 \times 100}{293,137} = 1.219\% \text{ of Total Tons}$$

0.012197 X $111,124.83 = $1,354.61
Royalty @ 5.0% = $67.73

OR

$$\frac{111,124.83 \times 3573}{293,137} = \$1,354.49$$

Royalty @ 5% = $67.72

NOV 16 1962

Defense Materials Service
General Services Administration
Washington 25, D. C.

Re: DMSA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-Ei032

Gentlemen:

Under the referenced exploration project contract a royalty is payable to the Government on all minerals produced from or transported through certain areas of the Hamme Mine. To date royalty has been paid on tungsten concentrates only.

Your quarterly report on the Lead and Zinc Stabilization Program under Public Law 87-347, however, indicates that the Operator has been certified for participation therein. Accordingly, we have requested the Operator for advice as to the production of minerals, other than tungsten, which may be subject to royalty under the exploration project contract.

In the meantime, in order to protect the Government's royalty interest, it is requested that payments to Tungsten Mining Corporation be withheld until the facts in this possible indebtedness are established.

Your cooperation in this matter will be appreciated.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 11-16-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)
Mr. Clarence A. Fredell, Director
Technical Research and Development Staff
Defense Materials Service, GSA

NOV 1 6 1962

Tungsten Mining Corporation
Star Route 36130
Henderson, North Carolina

Re: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hanna Mine
Vance County, North Carolina
Contract Idm-X1032

Gentlemen:

Article 6(b) of the referenced contract, as amended by Article 10 thereof, provides that royalty shall be paid to the Government on all minerals produced from the land under the contract and also on all minerals, regardless of where produced, transported through any workings to which the Government contributed. Our records, however, indicate that since the date of the contract royalty has been paid only on the proceeds from sales of tungsten concentrates.

Inasmuch as you have applied to the General Services Administration for participation in the Lead and Zinc Stabilization Program (Public Law 87-347), the question arises as to your indebtedness for royalty on past production of minerals other than tungsten concentrates.

Your advice in the matter will be appreciated.

Sincerely yours,

Director

KSTalbert/mm
11-15-62
cc: Director's Reading File
Region IV (2)
CAAA Division
Docket
Code 500

E-1032

For royalty payment of $573.36, dated November 16, 1962, see transmittal letter file.

800

E1032

TUNGSTEN MINING CORPORATION

DMEA ROYALTIES - OCTOBER 1962

Ore Mined During October 1962

417 D.S.T. @ 0.957% WO_3	-	399.07 S.T.U. Contained
Mill Recovery 89.91%	-	358.80 S.T.U. Recovered
G. E. Grade Recovered 89.38%	-	320.70 S.T.U.
Secondary Concentrates Recovered	-	38.10 S.T.U.

Chemical Plant Operated on Secondary Concentrates.
Recovery 93.94%

Secondary Concentrate on hand October 1	279.71
Secondary Concentrate Recovered October	38.10
Secondary Concentrate - Total	317.81

All treated 317.81 @ 93.94% = 298.55 S.T.U. as Synthetic Scheelite.

Sales, all to General Electric

320.70 S.T.U. G. E. Grade @ $19.00	=	$6,093.30
298.55 S.T.U. Scheelite @ $18.00	=	5,373.90
Total Sales		$11,467.20
Royalty @ 5%	=	$ 573.36

This eliminates all stored DMEA Units from Inventory.

The above production was obtained from ore from subject contract co-mingled with ore from balance of the mine.

The production, mill recoveries, chemical plant recoveries, average short ton unit prices and proceeds as set forth above are certified as correct.

TUNGSTEN MINING CORPORATION

W. L. Kendrick
Vice President & General Manager

RECEIVED
NOV 16 1962
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

E-1032

For royalty payment of $293.92, dated October 8, 1962, see transmittal letter file.

E-1032

For royalty payment of $229.83, dated September 20, 1962, see transmittal letter file.

E-1032

For royalty payment of $132.67, dated August 13, 1962, see transmittal letter file.

E-1032

For royalty payment of $660.39, dated July 16, 1962, see transmittal letter file.

Tungsten Mining Corporation
Star Route 36130
Henderson, North Carolina

Re: DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-81032

Gentlemen:

Receipt is acknowledged of your June 22 letter, with which you enclosed two copies of the certified statement requested in my June 20 letter. Your promptness in this matter is appreciated.

In reply to your question, your monthly remittances and two copies of certified supporting statements should be sent to the OMA Field Office, Region IV, Room 11, Post Office Building, Knoxville 2, Tennessee.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 6-26-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2) (w/cys of incoming ltr. and attachment)

800

TUNGSTEN MINING CORPORATION
Henderson, North Carolina

DMEA Royalties - March 1, 1961 - March 31, 1962

December No Mining until December 1961			
Mined - 348 D.S.T. @ 0.824% WO_3	=	286.75 S.T.U. Contained	
Mill Recovery - 85.91%	=	246.25 S.T.U. Recovered	
G. E. Grade - 85.93% of Recovered	=	211.69 S.T.U. @ $20.50	
Secondary Concentrates Recovered			34.66 S.T.U.
January			
Mined - 337 D.S.T. @ 0.690% WO_3	=	232.53 S.T.U. Contained	
Mill Recovery - 88.02%	=	204.67 S.T.U. Recovered	
G. E. Grade - 88.10% of Recovered	=	180.31 S.T.U. @ $21.56	
Secondary Concentrates Recovered			24.36 S.T.U.
February			
Mined - 418 D.S.T. @ 0.991% WO_3	=	414.24 S.T.U. Contained	
Mill Recovery - 89.29%	=	369.87 S.T.U. Recovered	
G. E. Grade - 87.43% of Recovered	=	323.38 S.T.U. @ $22.00	
Secondary Concentrates			46.49 S.T.U.
March			
Mined - 160 D.S.T. @ 1.26% WO_3	=	201.60 S.T.U. Contained	
Mill Recovery - 87.98%	=	177.37 S.T.U. Recovered	
G. E. Grade - 89.78% of Recovered	=	159.24 S.T.U. @ $20.35	
Secondary Concentrates			18.13 S.T.U.
Total G. E. Grade - Recovered	=	874.62 S.T.U.	
Total Secondary Concentrates Recovered	=		123.64 S.T.U.

All G. E. Grade Concentrates shipped to General Electric Company, Cleveland, Ohio,

December	211.69 S.T.U.	@	$20.50	$ 4,339.65
January	180.31 S.T.U.	@	21.56	3,887.48
February	323.38 S.T.U.	@	22.00	7,114.36
March	159.24 S.T.U.	@	20.35	3,240.53
	874.62			$18,583.02

Royalty at 5% = $929.15

Secondary Concentrates stored for future further treatment or sale. This is a low middling product.

December	34.66 S.T.U.	@	28.59% WO_3		
January	24.36 S.T.U.	@	33.88% WO_3		
February	46.49 S.T.U.	@	30.14% WO_3		
March	18.13 S.T.U.	@	30.43% WO_3		
	123.64 S.T.U.		30.48% WO_3	=	4.56 ST.

The above production was obtained from ore from subject contract comingled with ore from the balance of the mining area.

The production, mill recovery, average short ton unit prices and proceeds as set forth above are certified as correct.

TUNGSTEN MINING CORPORATION

W. L. Kendrick

W. L. Kendrick
Vice President & General Manager

JUN 20 1962

Tungsten Mining Corporation
Star Route 36130
Henderson, North Carolina

Re: OMA-4216 (Tungsten)
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract Idm-51032

Gentlemen:

On May 3 our Region IV office received your check no. 31173 in the amount of $929.15 for royalty due the Government on sales of production during the period of December 1, 1961, through March 31, 1962, from property under the referenced contract. This remittance was accompanied by the enclosed uncertified statement.

Your remittance is appreciated, but regrettably your statement without certification is not acceptable documentation. Article 5(d) of the contract specifies:

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

If the production subject to royalty is not commingled with other production, two copies of each sales document should be provided this office. If the production is commingled, two copies of a summary similar to the enclosed statement, but appropriately certified, should be submitted. The certification, over the signature and title of a company official, should state that the production, mill recovery, average short ton unit prices, and proceeds are correctly set forth.

Your prompt submission of acceptable documentation in support of the December through March production will be appreciated. Also, your prompt remittance of royalty due for April and May, together with supporting documentation, and thereafter on a monthly basis, is requested.

Sincerely yours,

George Fumich, Jr.

Director

Enclosure

cc: Docket
Director's Reading File
CA & A Division
Region IV files (2)

EDHelbert/ama
6-20-62

E-1032

For royalty payment of $929.15, dated May 3, 1962, see transmittal letter file.

TUNGSTEN MINING CORPORATION

STAR ROUTE 36130
HENDERSON, N. C.
TELEPHONE NO GENEVA 8-4139

DMEA [illegible]

[illegible]			
[illegible]		[illegible]ained	
[illegible]		[illegible]ered	
[illegible]		[illegible]	
			[illegible]
[illegible]			
Mined [illegible]		[illegible] Contained	
Mill Recovery - [illegible]	[illegible]	[illegible] Recovered	
[illegible]		[illegible] 371.55	
Se[illegible]			24 [illegible]
[illegible]			
Mined [illegible]		[illegible]ained	
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Ma[illegible]		[illegible] 114.36	
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TRIPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

6/15/59 (Date sent)

14-23-070-80 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 5369

(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Oak Ridge, Tennessee

Deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

(3) The Sum of $ 2.52

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 2.52 (Idm-B1032 Tungsten Mining Corp.- roygilty payment)		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5)
Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

JUN 15 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor for his retained copy.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 18 1959

DATE	INITIALS	CODE

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Iron and Ferro-Alloys, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-81032, Docket No. DMEA-4216 (Tungsten), dated November 2, 1956, with

Tungsten Mining Corporation
Box 931
Henderson, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of WO_3 from property referred to as Hamme Mine located in Vance County, North Carolina, during the period November 2, 1956, through May 7, 1959.

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

The review established the total sales of WO_3 for this period to be $30,360.06. Royalty due the U. S. Government at the contract rate of 5 percent is $1,518.00. The royalty paid and balance due are as follows:

Total Royalty Due	$1,518.00
Total Royalty Paid	1,515.48
Balance of Royalty Due (Exhibit "A")	$ 2.52

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

May 15, 1959

(Check Sheet of Examining Engineer filed in Docket)

TUNGSTEN MINING CORPORATION

Contract No. Idm-E1032 Docket No. DMEA-4216

STATUS OF PROJECT, DESCRIPTION
OF REVIEW AND REASONS THEREFOR

A certification of discovery or development was issued on December 19, 1958, and, in accordance with Articles 6 and 10 of the contract, royalty is payable by the Operator or his successor on the net value of production from the land described in Article 2 or transported or passed through any workings to the cost of which the Government has contributed. Said royalty shall be payable during a period of 15 years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid or said 15 years have elapsed, whichever occurs first. A Report of Review in lieu of final cost audit dated August 4, 1958, indicated accepted costs under the exploration contract amounting to $244,342.60 with the Government's contribution, on a 75 percent basis, being $183,256.95.

My review consisted of a tabulation and recomputation of copies of settlement data furnished by the Executive Officer, OME Field Team, Region V, pertaining to royalty receipts and reconciliation of such receipts with copies of deposit slips furnished by the regional finance office. The last receipt of royalty included in this report was an amount of $41.09 pertaining to royalty on the value of WO_3 from ore recovered during January and May, 1958, while drifting was being performed in connection with the exploration work under the contract. That amount was deposited in Hamilton National Bank, Knoxville, Tennessee, on July 3, 1958, by Deposit No. 14-23-070-2.

The review was made in lieu of an on-site royalty audit of the accounts and records for the following reasons:

(1) All of the production on which royalty has been received was incidental to the exploration work;
(2) There has been no production of ore from the land subject to the contract or transported or passed through any workings to which the Government has contributed since completion of the exploration;
(3) The method used by the Operator in computing the value of that portion of its entire production subject to Government royalty is considered to be fair and equitable; and
(4) 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 additional royalty which might be disclosed.

Exhibit "A"

TUNGSTEN MINING CORPORATION

Contract No. Idm-R1032 Docket No. DMEA-4216

Underpayment of Royalty

Month	S.T.U.	Av. Price	Value	Royalty	
Sept., 1957	119.51	$22.00	$ 2,629.22		
Oct.	406.88	21.47	8,735.71		
Nov.	208.40	22.17	4,620.23		
Dec.	179.05	21.34	3,820.93		
Totals - Period	913.84		$19,806.09	$990.30	
TMC Settlement	913.84	21.67	$19,802.91	990.15	$ .15
Jan., 1958	39.33	21.2485	$ 835.70		
May	1.64	20.43	33.51		
Totals-Period	40.97		$ 869.21	$ 43.46	
TMC Settlement	40.97	20.0605	$ 821.88	41.09	2.37
Total underpayment					$2.52

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO.
14-23-070-2

$ 73.21

For credit of 5369 Br. Tray. He[redacted]al Office, Oak Ridge, Tenn. [redacted]/58
(Name, title, and distinguishing or identification symbol of accountable officer) (Type text)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E1106 Howard Boone (Royalty Payment)	32.12
	Idm-E1032 Tungsten Mining Co. (Royalty Payment)	41.09

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

JUL 3 1958
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-66

For credit of 5369 Br. Trsy. National Office, Oak Ridge, Tenn. 1/21/58
(Name, title, and disbursing or other identification symbol of accountable officer) (Place sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 990.15

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E1032 Tungsten Mining Corp. (Royalty Payment)	$990.15

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

JAN 31 1958
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

For Certificate of Deposit No. 106, dated May 21, 1957, giving royalty payment of $92.82, see E-57.

For Certificate of Deposit No. 30, dated October 1, 1957, giving royalty payment of $252.18, see E-57.

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO.
14-23-070-2

$ 160.91

For credit of 5369 Br. Trav, R[illegible]onal Office, Oak Ridge, Tenn. [illegible]8/57
(Name, title, and disbursing or ot[illegible] identification symbol of accountable officer) [illegible]e sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E1054 John Jarrett (Royalty Payment)	$21.67
	Idm-E1032 Tungsten Mining Co (Roya.ty Payment)	139.24

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen H. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
DMEA
RECEIVED JUN 20 1957

DATE	INITIALS	CODE
		800

June 18, 1957

Mr. J. R. Sweet,
Vice-President & Gen'l Mgr.
Tungsten Mining Corp.
P.O. Box 931
Henderson, N.C.

Re: DMEA-4216(tungsten)
Hamme Mine, Vance County, N.C.
Contract No. Idm-E1032

Dear Mr. Sweet:

Your letter of June 13, requesting an amendment to the contract, has been forwarded to our Washington office for appropriate action. I will notify you when a decision is obtained.

In another connection, please refer to your letter of May 18, which accompanied your check for $92.82 as royalties.

Please note that Article 6(c) of the contract provides that " The Government's royalty shall be a percentage of the gross proceeds...from the production sold, in the form in which sold (ore, concentrates, metal or equivalent)..." and that Article 6(e) provides that "the percentages of the Government's royalty shall be...percent of amounts (gross proceeds" or"value.")... per ton of production in the form in which sold..."

Therefore the royalty should have been based on the value of the concentrate $3,299.62 per ton. At the 5 percent rate, this would be $232.06 instead of $92.82 as calculated by you. The difference ($139.24) should be added to your next royalty payment, or you may send a check for that amount how if you prefer.

Very truly yours,

Robert A. Laurence, Executive Officer
DMEA Field Team, Region V

RAL/sm
cc
Opr. Com.-2
Millar
Finance
Lynch
Files

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Tungsten Mining Corporation
P. O. Box 931
Henderson, North Carolina

pertaining to Exploration Project Contract No. Idm-E1032, DMEA No. 4216, including Amendments Nos. 1, 2, 3, and 4 for November 1956 to June 1958, inclusive, covering a tungsten project at the Harmme Mine, Vance County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 reason that:

all of the costs were under a contract provision for payment by the Government at fixed unit costs for work performed.

The findings of this review are stated in the following summary:

Total cost billed by Operator		$244,342.60
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Accepted cost claimed by Operator		$244,342.60

The contract calls for a 75 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$183,256.95
Paid to date	182,761.96
Balance due Operator	$ 494.99

August 4, 1958

E. D. Talbert, Auditor

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 18, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4216 (Tungsten)
Tungsten Mining Corporation
Contract No. Idm-E1938

Dear Mr. Laurence:

The original and three copies of the Report of Review in lieu of a final audit, as requested by your memorandum of July 28, are enclosed.

This Report of Review is premised on the acceptable performance of a total of 6,699 feet of drifting and crosscutting rather than the 5,825 feet (4,231 feet of drifting and 1,594 feet of crosscutting) confirmed by your memorandum. If you concur with this, as well as the facts stated in the Report of Review, the original and one copy should be submitted to the regional finance officer, one copy should be forwarded to the Operator, and one copy should be retained in your files. If for any reason you do not concur, please return the original and all copies with your comments to this Division.

The final (June 1958) MF-104 and attachments, together with the assay sheets supporting prior forms MF-104, are being returned by certified mail to Mrs. Miller with a copy of this letter.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

cc: Docket
Admr. Reading File
Helen R. Miller w/104, attachments, and assay sheets - via certified mail
Mr. Chambers
Mr. Talbert

EDTalbert/GMcC
August 4, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 1 1958

DATE	INITIALS	CODE
8/1	C	220
		800

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

REGISTERED MAIL

July 29, 1958

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Personal Assistant, Norris, Tennessee

Subject: Report of Review in Lieu of Final Audit - Idm-E1032

A Report of Review in Lieu of Final Audit is requested on Contract Idm-E1032, Docket No. DMEA-4216, Hamme Mine, Vance County, North Carolina, Tungsten Mining Corporation. The following documents are attached:

1. Original copies of MF-104; 104A and attachments
2. Memo from Executive Officer regarding completion of contract
3. Assay Sheets covering a total of 102 samples

Helen R. Miller

Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 1 1958

DATE	INITIALS	CODE

July 28, 1958

Memorandum

To: Jay L. Chambers, DMEA - WAshington, D. C.

From: Executive Officer, DMEA - Region V ~~- Knoxville, Tenn.~~

Subject: DMEA-4216, Ⅲdm-E1032(tungsten) Hamme Mine, Vance County, North Carolina. Tungsten Mining Corp.

Work on the subject contract has been completed. The following units of work have been acceptably performed as verified by our Field Examiners:

1) Drifting completed----------4231 feet
2) Crosscutting completed----------1594 "
3) Timbering in drifts and crosscuts 874 "
4) Diamond drilling completed-------- 4000 "
5) Number pf analyses made---------- 102 "

An adequate engineering and geological report has been received. This project was completed June 16, 1958.

A report of review is requested.

Robert A. Laurence

Robert A. Laurence

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-8

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1958 Docket No. DMEA 4216 Contract No. D-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.
Contract Amount, $ 246,660.00 Government Participation 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drilling: Drifts Not Timbered	-	$148,085.00	$148,085.00			
Bulldozing: Drifts Timbered	-	10,141.20	10,141.20			
Crosscutting: Not timbered	-	55,790.00	55,790.00			
Drilling: XC Timbered	-	18,176.40	18,176.40			
Timbering	-	5,254.00	5,254.00			
(2) Labor and Supervision: Labor Core Drilling	660.00	5,940.00	6,600.00			
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.						
(7) Miscellaneous:						
Repairs to Equipment	-	306.00	306.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$660.00	$243,682.60	$244,342.60	$660.00	$243,682.60	$244,342.60

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

Date July 1, 1958 *Payee Tungsten Mining Corporation

Per J. R. Sweet Title Vice Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 494.99

Signature Helen R. Miller
(Authorized Certifying Officer)

Date AUG 11 1958 Vou. No. 19

(See other side)

165.01

(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 1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 7/2/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date AUG 4 1958

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

RECEIVED AUG 18 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1958 Docket No. DMEA 4216 Contract No. E-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.

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: Not timbered	Ft.	-	-	$148,085.00	4291	35.00		
Drifting: Timbered	Ft.	-	-	10,141.20	319	32.40		
Crosscutting: XC not timbered	Ft.	-	-	55,790.00	1594	35.00		
Crosscutting: XC timbered	Ft.	-	-	18,176.40	561	32.40		
Raising								
Shafts								
Winzes	Ft.	660.00	400	6,600.00	4000	1.65		
Drilling: Core								
Drilling: Churn								
Drilling: Auger								
Stripping: Sampling	Ea.	-	-	306.00	102	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	-	-	5,244.00	874	6.00		
Total Distributed Costs		660.00	-	$244,342.60				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 July 1, 1958 Operator TUNGSTEN MINING CORPORATION

Per J. P. Sweet Title Vice Pres & Gen Mgr.
J. H. Sweet

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

Remarks:

(Instructions on reverse)

(For Government use only)

W. P. Burmeister
7/2/58

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT June 23, 1958

Month of June 1958 NMBA NO. 4216 CONTRACT NO. 1032

PROJECT A

	Feet This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	-	1494	1494
Drifting, timbered @ $32.40	-	214	214
Crosscutting @ $35.00	-	224	224
Crosscutting, timbered @ $32.40	-	268	268
Timbering	-	482	482
Diamond Drilling	171	1446	1617
Number of Assays	-	13	13

The only work performed in Project A consisted of diamond drilling which amounted to 171 feet.

The drill hole started last month was 45 ft deep at the end of May. This hole (U-1316) is located at coordinates N21528, E-21852 and was drilled on a bearing of N73½E, to a depth of 108 ft.

This hole was drilled into the hanging wall to explore for possible other structures. No well defined structure was encountered. The hole was in gneiss and chlorite schist and intercepted one foot of barren quartz from 64 to 65 feet.

Another drill hole (U-1317) was drilled into the footwall. This hole is collared at a point with coordinates N21529, E21841 and was drilled on a bearing of N37½W to a depth of 108 feet.

No definite structure was encountered. From 40 ft to the end of the hole at 108 feet, the rock was diorite dike.

Drilling in Project A was completed on June 6, 1958.

AHS/hs

6-23-58

EXPLORATION PROJECT - SUPPLEMENTAL REPORT June 23, 1958

Month of June 1958 DMEA NO. 4216 CONTRACT NO. 1032

PROJECT B

	FEET THIS MONTH	FEET, PREVIOUS	FEET, TO DATE
Drifting @ $35.00	-	1015	1015
Drifting, timbered @ $32.40	-	40	40
Crosscutting @ $35.00	-	245	245
Crosscutting, timbered @ $32.40	-	0	0
Timbering	-	40	40
Diamond Drilling	229	812	1041
Number of Assays	-	19	19

One additional diamond drill hole was drilled in Project B during the month of June 1958.

This hole (U-1318) is located at a point with coordinates N19534, E19081, and was drilled on a bearing of N53½ W to a depth of 229 ft.

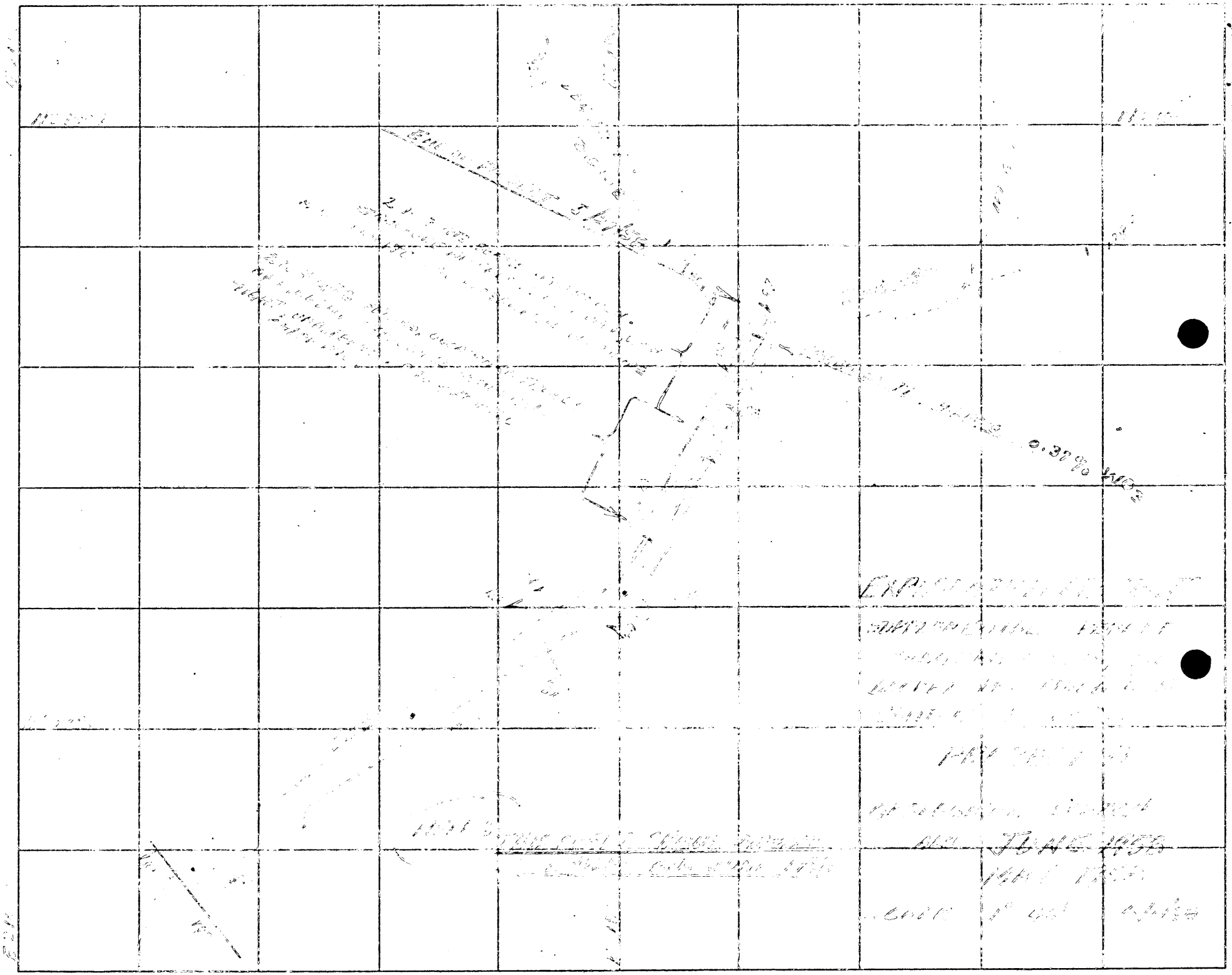
This hole was drilled to test the junction of the structure which is in the drift between survey stations 1429 and 1420, and the schist contact.

From 0 to 5 ft, there was scattered light mineralization in quartz seams in sericitic schist. The schist contact is at 152½ ft. No well-defined structure or veins were cut. From 205 ft 206 there is a siliceous zone with some quartz and possibly some brecciation.

Drilling was completed in this Project on June 16, 1958, which also marked the completion of all DMEA work under the contract.

AMS/hs

6-23-58



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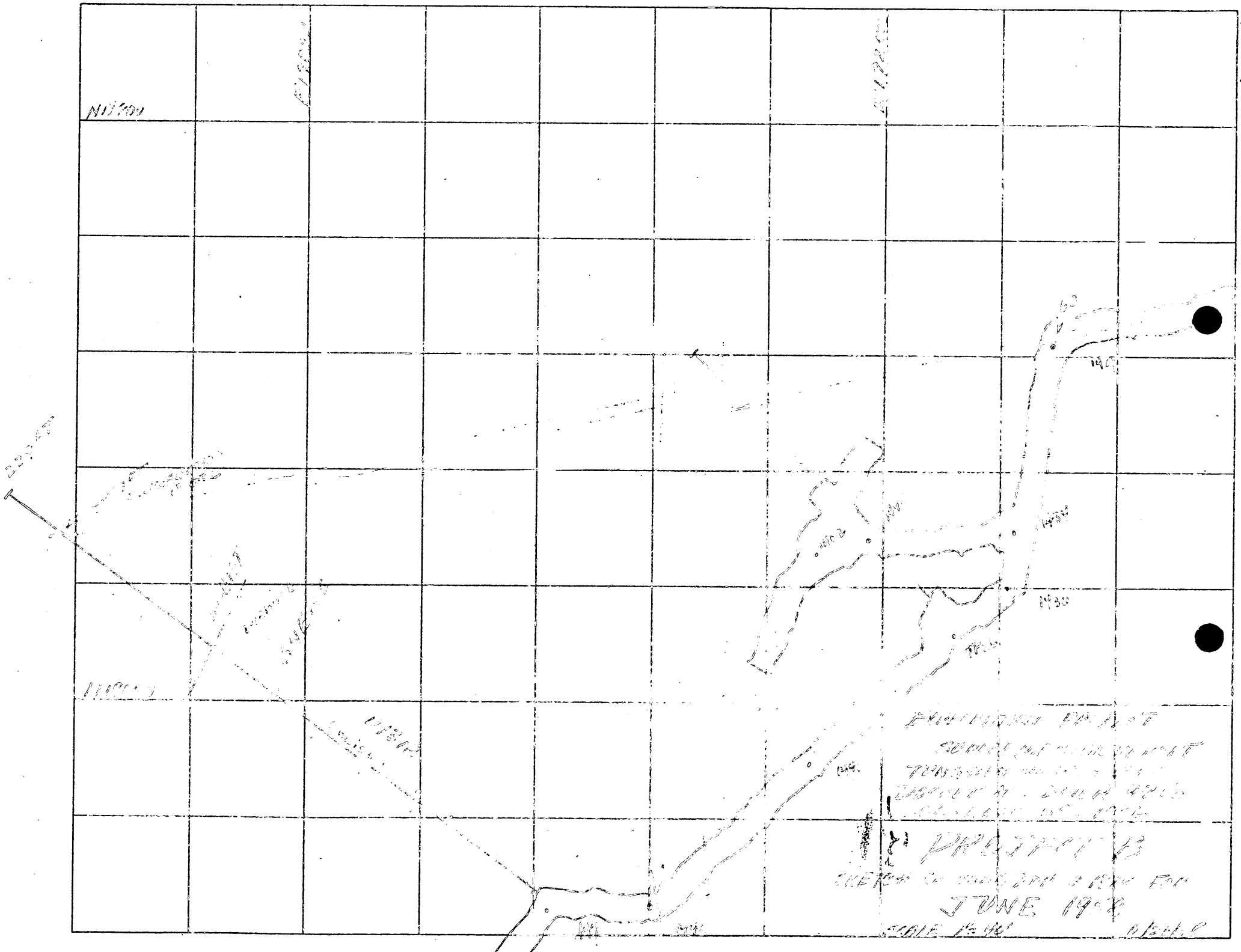
RECEIVED AUG 13 1958

DATE	INITIALS	CODE



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D M E A
RECEIVED AUG 13 1958

DATE	INITIALS	CODE

TRANSCONTINENTAL CORPORATION
HENDERSON, [illegible]

Hole No. [illegible]	BEARING [illegible]	COORDINATES
DATE [illegible]	DIP [illegible]	N [illegible]
DATE [illegible]	DEPTH [illegible]	E [illegible]

Interval (ft)	Description of Core
0 - 12	Chloritic schist with minor quartz interval and traces of carbonate at 1/2 ft. and at 4-1/2 ft.
12 - 24	Gneiss
24 - 34-1/2	Chloritic schist with minor quartz veins
34-1/2 - 64	Predominantly chloritic gneiss with two 6-foot intervals of chloritic schist at 40-1/2 ft. and 45 ft.
64 - 65	Quartz, no [illegible].
65 - 74	Chloritic schist
74 - 94	Gneiss
94 - 105	Chloritic schist
105 - 108	Gneiss

END

TURNBULL MINING CORPORATION
HENDERSON, N.Y.

No. [illegible] Hole No. DDH [illegible]-1317	BEARING [illegible] 37-1/2° W	COORDINATES
PROPERTY [illegible]	DIP 0°	N [illegible]
DATE [illegible]	DEPTH [illegible]	E [illegible]

Interval (Ft)	Description of Core
0 - 5	Chloritic schist with 1 inch of quartz at [illegible] ft.
5 - 6	Gneiss
6 - 6-3/4	Impure quartz and schist
6-3/4 - 8-1/2	Diabase dike with 2 inches of quartz at 7-1/2 ft.
8-1/2 - 29	Gneiss
29 - 35-1/2	Diabase dike with schist seams
35-1/2 - 39	Gneiss with 1 inch of quartz at 38-1/2 ft.
39 - 40	Schist with traces of scheelite and 1 inch of quartz at 40 ft.
40 - 103	Diorite dike.

END

CANADIAN MINING CORPORATION
[illegible]

E. W. Hole No. [illegible]	BEARING [illegible]	COORDINATES
PROJECT [illegible]	DIP [illegible]	N [illegible]
DATE [illegible]	LENGTH [illegible]	E [illegible]

Interval (ft)	Description of Core
0 - 6	Semi-to schist with traces of actinolite from 0 to 4-1/2 ft. 4 inches of quartz at 1 ft. with some chlorite and actinolite and 1 inch of quartz at 5 ft. with crystals actinolite and actinolite. Chloritic schist from 4-1/2 to 6-1/2 ft.
6 - 13-1/2	Gneiss
13-1/2 - 15	Semi-to schist
15 - 34	Gneiss with 1 inch of quartz at 32 ft.
34 - 40	Semi-to schist with a 1 inch of quartz at 35 ft.
40 - 42-1/2	Gneiss
42-1/2 - 47-1/2	Semi-to schist with 2 inches of quartz at 45 ft.
47-1/2 - 74	Gneiss with 1 inch of quartz at 66 ft. and a semi-to interval from 66 to 67 ft.
74 - 91-1/2	Gneiss with 6 inches of hornblende at 93 ft.
91-1/2 - 107	Gneiss with quartz parallel with core axis from 100 to 102 ft.
107 - 109	Chlorite
109 - 124	Gneiss with 4 inches of quartz at [illegible] ft.
124 - 134-1/2	Gneiss with 4 inches of dike at 134-1/2 ft.
134-1/2 - 141	Diabase dike.
141 - 152-1/2	Gneiss with 1-1/2 inches of dark quartz at 152-1/2 ft.
152-1/2 - 164	Chlorite schist
164 - 199	Chlorite schist, semi-to, with 1/2 inch of quartz containing a trace of actinolite at 172-1/2 ft.
199 - 205	Chlorite schist
205 - 206	Siliceous chlorite schist with 1 inch of quartz
206 - 229	Chlorite schist

END

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 3

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1958 Docket No. DMEA 4216 Contract No. B-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.
Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drifts Not timbered	2870.00	145,215.00	148,085.00			
Drifts timbered	-	10,141.20	10,141.20			
Crosscutting Not timbered	-	55,790.00	55,790.00			
XC Timbered	-	18,176.40	18,176.40			
Timbering	-	5,244.00	5,244.00			
(2) Labor and Supervision:						
Core Drilling	74.25	5,865.75	5,940.00			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	3.00	303.00	306.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2947.25	240,735.35	243,682.60	2947.25	240,735.35	243,682.60

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

Date June 9, 1958 *Payee Tungsten Mining Corporation

Per J. R. Sweet Title Vice Pres & Gen Mgr.

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

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

(Instructions on reverse)

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

$ 2210.44

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUL 11 1958 Vou. No.
(See other side)

726.81

(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-1032 in accordance with the terms of the contract.

Signature R. A. Burmeister Title Mining Engr. Date 6/13/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Kauffman Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUL 7 1958

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).

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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.

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.

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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

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

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Drifting	[illegible]	-	-	[illegible]	[illegible]	[illegible]		
Crosscutting	[illegible]	-	-	[illegible]	[illegible]	[illegible]		
Raising	[illegible]	-	-	[illegible]	[illegible]	[illegible]		
Shafts	[illegible]	-	-	[illegible]	[illegible]	[illegible]		
Winzes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Drilling: Core								
Churn								
Auger								
Stripping	[illegible]	[illegible]	1	[illegible]	[illegible]	[illegible]		
Trenching								
Test Pits								
Roads and Trails	[illegible]	-	-	[illegible]	[illegible]	[illegible]		
Total Distributed Costs		[illegible]	-	[illegible]				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 [illegible] Operator [illegible]

Per [illegible] Title [illegible]

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

Remarks:

(Instructions on reverse)

(For Government use only)

[illegible] 6/13/58

MINING ENGINEER
U. S. BUREAU OF MINES

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT June 9, 1958

Month of May 1958 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	82	1412	1494
Drifting, timbered @ $32.40	-	214	214
Crosscutting @ $35.00	-	224	224
Crosscutting @ $32.40	-	268	268
Timbering	-	482	482
Diamond Drilling	45	1401	1446
Number of Assays	1	12	13

Drifting to the northeast was continued on the vein structure encountered last month.

The advance was 82 ft and this advance completed the drifting and crosscutting footage assigned to this Project, namely 2200 ft. This work was completed on May 29, 1958.

The first 40 ft of advance was on relatively tight chloritic structure with 2 to 4 narrow quartz seams with occasional spots of mineralization. The last 42 ft of advance was on much livelier structure, drift wide, with more sericitization and hydrothermal alteration. In this last 42 ft there were 2 to 3 quartz seams usually less than 1 ft in width, but they normally had some light mineralization. In one area one of these seams widened out to about 4 ft in width but it pinched down rapidly. One sample was taken in this wide area. For a width of 4.2 ft, the assay was 0.37% WO_3.

Also from this are 28 tons of "ore" were taken out. Grab samples of this "ore" ran 0.07% WO_3.

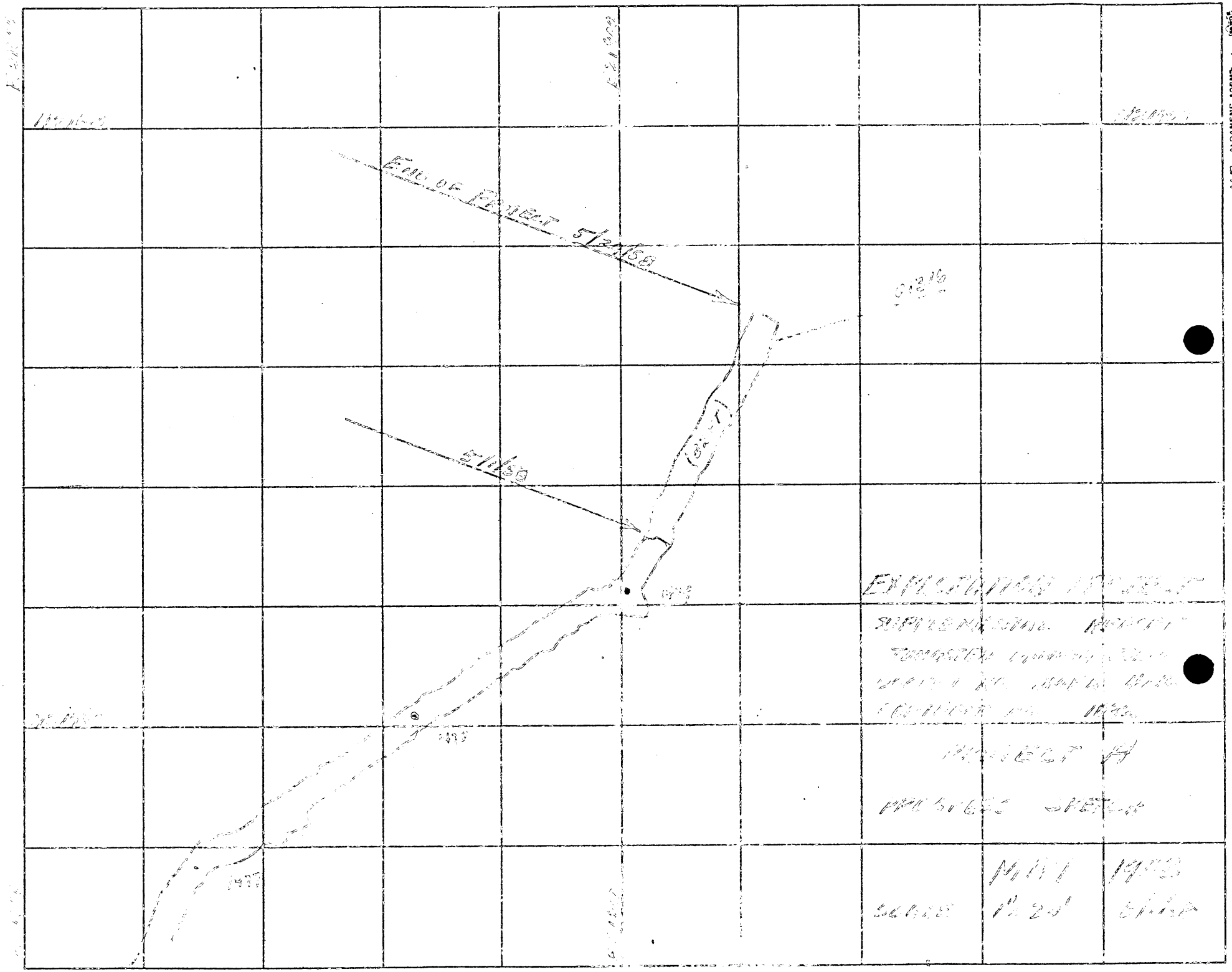
The occurence of this mineralization is regarded as being encouraging. It is certainly the best appearing structure that has been encountered in this drift in the last 1200 ft or so.

One diamond drill hole was started into the hanging wall on a bearing of about N74E and located about 97 ft ahead of survey station 1479. This hole was 45 ft deep at the end of the month. It is planned to drill to a depth of about 100 ft. Another hole will be drilled into the footwall to about the same depth.

No timber was installed during the month.

NOTE: One additional diamond drill hole is planned in Project B to complete the drilling program.

AWS/hs


END OF PROJECT TRAVEL
TRAVEL

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

RECEIVED MAY 14 1958 D.M.E.A.

Budget Bureau No. 42-R1086.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1958 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, N. C.

Contract Amount, $ 246,660.00 Government Participation: 75% Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors:						
Short Ream Drifts not timbered	$ 770.00	$144,445.00	$145,215.00			
Drifts Timbered	-	10,141.20	10,141.20			
Crosscutting Not timbered	2415.00	53,375.00	55,790.00			
XC Timbered	-	18,176.40	18,176.40			
Timbering	-	5,244.00	5,244.00			
(2) Labor and Supervision:						
Core drilling	-	5,865.75	5,865.75			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	3.00	300.00	303.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3188.00	$237,547.35	$240,735.35	3188.00	237,547.35	240,735.35

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

Date May 5, 1958 Payee TUNGSTEN MINING CORPORATION

Per J. R. Sweet Title VICE PRES. & GEN. MGR.

J. R. Sweet

*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:

$ 2391.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 12 1958 Vou. No. 70
(See other side)

797.00

(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 1032 in accordance with the terms of the contract.

Signature W. C. Burmeister Title Mining Engr. Date 5/7/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date MAY 9 1958

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

RECEIVED MAY 14 1958 D.M.E.A.

Month of April 1958 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, N. C.

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 Not timbered	Ft.	$ 770.00	22	$145,215.00	4149	$ 35.00		
Drilling Timbered	Ft.	-	-	10,141.20	313	32.40		
Cross-cutting XC not timbered	Ft.	2415.00	69	55,790.00	1594	35.00		
Raising XC Timbered	Ft.	-	-	18,176.40	561	32.40		
Winzes								
Drilling: Core	Ft.	-	-	5,865.75	3555	1.65		
Churn								
Auger								
Stripping Sampling	Ea.	3.00	1	303.00	101	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	-	-	5,244.00	874	6.00		
TOTAL DISTRIBUTED COSTS		$3188.00	-	$240,735.35				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.

REMARKS:

Date May 5, 1958 Operator TUNGSTEN MINING CORPORATION

Per J. R. Sweet Title VICE PRES. & GEN MGR.

J.R.Sweet

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)

H. L. Burmeister 5/7/58 (For Government use only)

MINING ENGINEER
U. S. BUREAU OF MINES

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT 5-3-58

Month of April 1958 DMEA No. 4216 Contract No. 1032

PROJECT A

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	22	1390	1412
Drifting, timbered @ $32.40	-	214	214
Crosscutting @ $35.00	69	155	224
Crosscutting, timbered @ $32.40	-	268	268
Timbering	-	482	482
Diamond Drilling	-	1401	1401
Number of Assays	1	11	12

Crosscutting was continued in Project A in dike to a point about 49 ft ahead of survey station 1478. At this point several gneiss and dike seams were encountered.

Shortly thereafter, the crosscut was turned to the east to crosscut to the structure more rapidly. Within a few feet a structure was encountered.

This structure is 3 to 4 feet wide and contains a vein averaging about 1 ft. wide. The vein has some fair mineralization but it is very erratic in occurence, being spotty both along the strike and the dip. The structure lacks hydrothermal alteration.

The vein strikes about N30E. Dips are generally very steep and where first encountered reverse of that normally expected. One sample was taken over a width of 0.9 ft. The assay was 0.51% WO_3.

There was 69 ft of crosscutting advance and 22 ft of drifting advance.

82 ft of drifts and crosscuts remain to be driven to attain the 2200 ft alloted to this Project.

No timber was installed during the month and no ore production was obtained. There was no diamond drilling.

AMB/hs

Form [illegible]F-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 53

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1958 Docket No. DMEA 4216 Contract No. E-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.
Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drifts not timbered	$2065.00	$146,510.00	$144,445.00			
Drifts timbered	1911.60	8,229.60	10,141.20			
Crosscutting not timbered	[illegible]	54,985.00	53,375.00			
XC timbered	2592.00	15,584.40	18,176.40			
Timbering	834.00	4,410.00	5,244.00			
(2) Labor and Supervision:						
Core drilling	-	5,865.75	5,865.75			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	300.00	300.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1662.60	$235,884.75	$237,547.35	1662.60	235,884.75	237547.35

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4-5-58 *Payee TUNGSTEN MINING CORPORATION
Per J. R. Sweet Title VICE PRES & GEN MGR.
J. R. Sweet

*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:
$ 1246.95
Signature Helen R. Mullis
(Authorized Certifying Officer)
Date APR 18 1958 Vou. No. 158
(See other side)

16th

415.65

(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. E103R in accordance with the terms of the contract.

Signature R. L. Burmeister Title Mining Engr. Date 4/15/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date APR 17 1958

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

RECEIVED
APR 21 1958
D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1958 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, N. C.

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 Not timbered	Ft.	$2065.00	-	$144,445.00	4127	$ 35.00		
Drifting timbered	Ft.	1911.60	-	10,141.20	313	32.40		
XC Not timbered	Ft.	[illegible]	20	53,375.00	1525	35.00		
XC timbered	Ft.	2592.00	14	18,176.40	561	32.40		
Winzes								
Drilling: Core	Ft.	-	-	5,865.75	3555	1.65		
Churn								
Auger								
Sampling	Ea.	-	-	300.00	100	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	834.00	139	5,244.00	874	6.00		
Total Distributed Costs		$1,662.60	-	$237,547.35				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 5, 1958 Operator TUNGSTEN MINING CORPORATION

Per J. R. Sweet Title VICE PRES & GEN MGR.

J. R. Sweet

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: Adjusted for timbering in crosscuts and drifts in March that was previously reported as not timbered.

(Instructions on reverse)

(For Government use only)

H. W. Burmester 4/15/58

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

EXPLORATION PROJECT SUPPLEMENTAL REPORT 4/2/58

Month of March 1958 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	-	(1449 -59) = 1390'	1390
Drifting, timbered @ $32.40	-	(155 /59) = 214	214
Crosscutting @ $35.00	20	(201 -66) = 135'	155
Crosscutting, timbered @ $32.40	14	(188 /66 = 254'	268
Timbering	139	343	482
Diamond Drilling	-	1401	1401
Number of Assays	-	11	11

Crosscutting was continued in Project A through March 6, 1958, on a one-shift basis. At this time it became necessary to timber the ground in the dike and about 45 ft south of the dike.

Timbering was done on a one-shift basis from March 6, 1958 to March 26, 1958. On March 26th, advance to the northeast was resumed and is being conducted on a one-shift basis as of April 1, 1958.

The advance has been all in diorite dike which air-slacks badly and requires timbering.

During the month 29 sets of timber covering 139 lineal feet were placed.

Fifty-nine feet of drift previously reported as untimbered, was timbered in March. Sixty-six feet of crosscut previously reported as untimbered was timbered in March. This is a total of 125 ft previously reported as untimbered at $35.00 a foot which must be adjusted to $32.40 per foot. This 125 ft plus the 14 ft of timbered crosscut reported this month totals 139 ft, the total timbering footage for the month of March 1958.

These figures are reflected in the "Feet, Previous" column in this report.

No diamond drilling was performed during the month; no assays were obtained, and no ore production was obtained during this month.

AMS/hs
4/4/58

Form MR-104 (Rev. April 1952)

RECEIVED MAR 13 1958

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1958 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, N. C.

Contract Amount $246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drifting Not timbered	$2100.00	$144,410.00	$146,510.00			
Drifting Timbered	-	8,229.60	8,229.60			
Crosscutting Not timbered	2310.00	52,675.00	54,985.00			
Crosscutting Timbered	-	15,584.40	15,584.40			
Timbering	-	4,410.00	4,410.00			
(2) Labor and Supervision:						
Core Drilling	199.65	5,666.10	5,865.75			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	300.00	300.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$4609.65	$231,275.10	$235,884.75	4609.65	231,275.10	235,884.75

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

Date 3-5-58 *Payee TUNGSTEN MINING CORPORATION

Per J. R. Street Title VICE PRES. & GEN. MGR.

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

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

(Instructions on reverse)

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

$ 3457.24

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAR 11 1958 Vou. No. 145

(See other side)

1152.41

(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-1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 3/7/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: EXECUTIVE OFFICER DMEA FIELD TEAM

Signature [illegible] Title [illegible] Date MAR 10 1958

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

RECEIVED MAR 13 1958 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 8 Docket No. DMEA 4216 Contract No. [illegible]-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.

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
Not timbered	Ft.	$2100.00	60	$146,510.00	4186	$35.00		
Timbered	Ft.	-	-	8,229.60	254	32.40		
Crosscutting								
Not timbered	Ft.	2310.00	66	54,985.00	1571	35.00		
Raising								
XC Timbered	Ft.	-	-	15,584.40	481	32.40		
Shafts								
Winzes								
Drilling: Core	Ft.	199.65	121	5,865.75	3555	1.65		
Churn								
Auger								
Sampling	Ea.	-	-	300.00	100	3.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	-	-	4,410.00	735	6.00		
Total Distributed Costs		$4609.65	-	$235,884.75				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 3-5-58 Operator TUNGSTEN MINING CORPORATION

Per J. R. Sweet Title VICE PRES & GEN. MGR.

J. R. Sweet

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:

(For Government use only)

W. L. Burmeister 3/7/58

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

EXPLORATION PROJECT - [illegible]

Month of February 1958 DMA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	60	1389	1449
Drifting, timbered @ $32.40	-	155	155
Crosscutting @ $35.00	66	135	201
Crosscutting, timbered @ $32.40	-	188	188
Timbering	-	343	343
Diamond Drilling	70	1331	1401
Number of Assays	-	11	11

Drifting was continued on the relatively tight structure for a distance of about 46 ft at which point a diorite dike was encountered.

A few feet beyond this point a crosscut was started to cut across the dike on a bearing of N56E. This crosscut has been in diorite dike all the way.

Since the drift was not turned immediately upon encountering the dike, the advance was 60 ft of drifting and 66 ft of crosscutting as shown in the accompanying sketch.

This diorite dike was encountered in DH Hole U-1312 which cut about 70 ft of dike but did not go through it. From surface indications it appears this dike may be up to 130 ft thick. Plans are to crosscut the dike and pick up the structure on the north side of the dike.

During the month one diamond drill hole was drilled in Project A, U-1313, at the location of the first lens of ore encountered north of the first dike in the Project. This hole was collared at a point with coordinates N20,034,E20,723 and was drilled on a bearing of S58E to a depth of 70 ft.

The hole was drilled to check results obtained in DH Hole U-1242 which encountered considerable widths of vein with traces of mineralization.

Drill hole U-1313 encountered several quartz veins.

Intersected vein widths were 1 ft, 2 1/2 ft, 3 1/2 ft, and 2 1/2 ft. The last three showed traces of mineralization.

No timber was placed during the month, although some may be necessary in the dike as work progresses.

No ore was produced during the month.

AES/s

EXPLORATION PROJECT - SHIPPLE METAL MINE

Month of February 1958 DMSA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	-	793	793
Drifting, timbered @ $32.40	-	0	0
Crosscutting @ $35.00	-	914	914
Crosscutting, timbered @ $32.40	-	293	293
Timbering	-	293	293
Diamond Drilling	51	804	855
Number of Assays	-	65	65

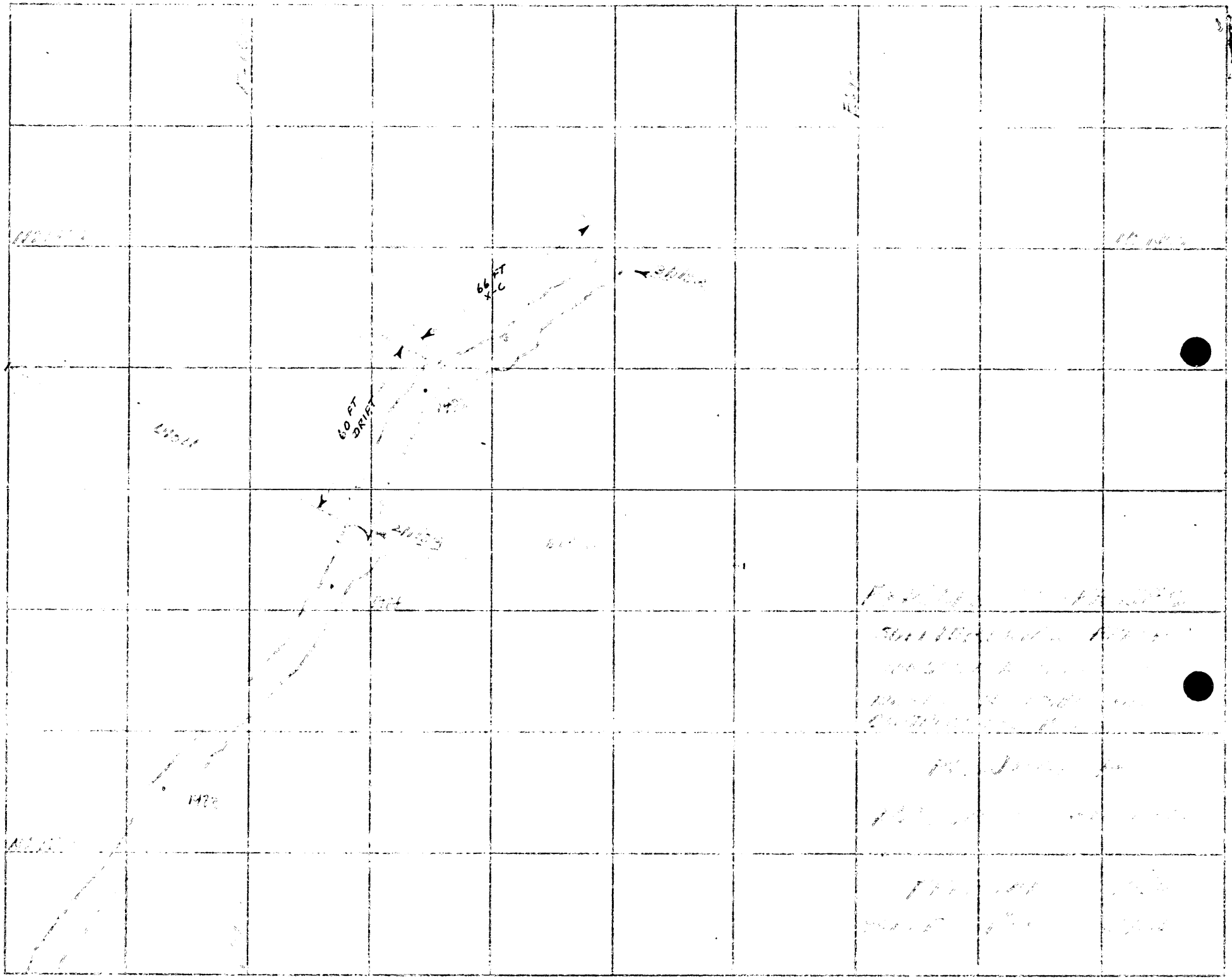
Drifting and crosscutting in Project D was completed in January 1958, therefore there is no additional advance.

During the month of February one hole, D-1315, was drilled in the north drift of Project D to test the foot-wall for possible structure correlating with the structure near survey station 1455.

The hole D-1315, was collared at a point with coordinates N17541, E-17247, and drilled on a bearing of S89½E to a depth of 51 ft. From 0' to 23' the hole was in sericite-schist with some indication of structure from 21½ ft to 23 ft. No mineralization was encountered and only minor quartz seams were present.

No timber was placed and no ore was produced during the month.

AAS/s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EXTRA COPY
DMEA
RECEIVED MAR 13 1958

DATE	INITIALS	CODE

TUNGSTEN MINING CORPORATION
HENDERSON, N. C.

D. D. HOLE NO. DMGA H-1313	BEARING S58°E	COORDINATES
PROJECT A	DIP 00	N 20,033.5
DATE 2-3-48	DEPTH 70 ft.	E 20,720.3

INTERVAL (Ft.)	Description of Core
0 - 20	Sericite schist with several 1 to 3-inch quartz intervals.
20 - 30	Sericite schist, gneissic in appearance, and chloritic from 29 to 30 feet.
30 - 31	Quartz with small schist seams.
31 - 32½	Sericite - chlorite schist.
32½ - 35	Quartz vein with several specks of scheelite at 33 ft.
35 - 40	Mostly chloritic schist with three narrow quartz seams.
40 - 43½	Quartz vein with several specks of scheelite.
43½ - 46	Sericite schist.
46 - 51½	Mostly chloritic schist, some sericitic, with several specks of scheelite at 50 ft.
51½ - 54	Quartz vein with several specks of scheelite at 54 ft.
54 - 55	Siliceous sericite schist.
[illegible] - 70	Granite.

End.

TUNGSTEN MINING CORPORATION
HENDERSON, N.V.

D. D. HOLE NO.	DMEA U 1315	BEARING	S 85½° E	COORDINATES	
PROJECT	D	DIP	0°	N	17,540.7
DATE	2-17-58	DEPTH	51 ft.	E	17,246.0

INTERVAL (Ft.)	Description of Core
0 - 21½	Sericite - chlorite schist, predominately sericitic, with 1 inch of quartz and 1 inch of fluorite at 7 ft., and 1 inch of quartz at 21 ft.
21½ - 23	Sericite schist with quartz-fluorite seam. Possible structure.
23 - 36	Sericite - chlorite schist with two minor quartz intervals.
36 - 51	Chlorite - sericite schist, mostly chlorite.

End.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-42

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1958 Docket No. DMEA 4216 Contract No. E-1032
Operator's Name Tungsten Mining Corp. Minerals Tungsten
Address Box 931 Henderson, North Carolina
Contract Amount, $246,660.00 Government Participation: 75 % Amount, $184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drifts Not Timbered	10885.00	133525.00	144410.00			
Drifts Timbered	--	8229.60	8229.60			
Crosscutting not Timbered	--	52675.00	52675.00			
X-Cuts Timbered	--	15584.40	15584.40			
Timbering	--	4410.00	4410.00			
(2) Labor and Supervision:						
Core Drilling	838.20	4827.90	5666.10			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	36.00	264.00	300.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	11759.20	219515.90	231275.10	11759.20	219515.90	231275.10

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

Date 2-5-58 *Payee Tungsten Mining Corp.

Per J. R. Sweet Title Vice Pres. & Gen. Mgr.
J. R. Sweet

*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:

$ 8819.40

Signature Helen R. Miller
(Authorized Certifying Officer)

Date FEB 25 1958 Vou. No. 132
(See other side)

14

2939-80

(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 1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 2/10/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date FEB 18 1958

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 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED FEB 27 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1958 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corp. Minerals Tungsten

Address Box 931 Henderson, N. C.

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 not timbered	Ft.	10885.00	311	144410.00	4126	35.00		
Drifting timbered	Ft.	--	--	8229.60	254	32.40		
Raising not timbered	Ft.	--	--	52675.00	1505	35.00		
Shafts XC timbered	Ft.	--	--	15584.40	481	32.40		
Winzes								
Drilling: Core	Ft.	838.20	508	5666.10	3434	1.65		
Churn								
Auger								
Sampling	ea.	36.00	12	300.00	100	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	--	--	4410.00	735	6.00		
Total Distributed Costs		11759.20	--	231275.10				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 2-5-58 Operator Tungsten Mining Corp.

Per J. R. Sweet Title Vice Pres. & Gen. Mgr.
J.R. Sweet

Remarks:

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

(Instructions on reverse)

H. S. Bunmeister 2/10/58

(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

EXPLORATION PROJECT SUPPLEMENTAL REPORT

Month of January 1958 | DMEA No. 4216 | Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	136	1253	1389
Drifting, timbered @ $32.40	-	155	155
Crosscutting @ $35.00	-	135	135
Crosscutting, timbered @ $32.40	-	188	188
Timbering	-	343	343
Diamond Drilling	348	983	1331
Number of Assays	1	10	11

Drifting to the northeast was continued on the structure which is from 1 to 2 ft. wide. Some quartz in two short lenses was encountered, but no mineralization is present. Generally, the structure does not appear to have had much alteration, although some gouge is present.

The drilling started last month in Project A was completed with hole U1306; being collared at a point with coordinates N21180, E 21557 and drilled S87½E to a depth of 105 ft. This hole failed to indicate the presence of any hanging wall structure.

In view of these drilling results the drift was advanced as explained above. Toward the end of the month two more holes were drilled to test both walls. Neither hole encountered any structure and both holes bottomed in dike.

Hole U1311 was collared at a point with coordinates N21303, E21629 and drilled N62½W to a depth of 123 ft.

Hole U1312 was collared at a point with coordinates N21298, E21643 and was drilled on a bearing of S85½E to a depth of 120 ft.

Total advance was 136 ft.

No timber was placed during the month.

12 tons of ore estimated to assay 0.45 WO_3 were produced as a result of clean-up of the backdrifting performed in December on the first ore lens encountered in this Project.

A car transfer point was excavated during the month.

AMS/mlb

EXPLORATION PROJECT SUPPLEMENTAL REPORT

Month of January 1958 | DMEA No. 4216 | Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	175	618	793
Drifting, timbered @ $37.40	0	0	0
Crosscutting @ $35.00	0	914	914
Crosscutting, timbered @ $32.40	0	293	293
Timbering	0	293	293
Diamond Drilling	160	644	804
Number of Assays	11	54	65

The southwest drift was advanced 109 ft., encountering a new lens of mineralized vein in the hanging wall side. The mineralization in this lens is a good deal lower grade than that of previous lenses encountered. The average of 7 samples is 0.36% WO_3. The lens pinched out rapidly but averages about 5 or 6 ft. wide for a length of about 40 ft. Some mineralization is still present in the face.

Two diamond drill holes were drilled in the south drift, one into the footwall (D1307) and one into the hanging wall (D1308).

Hole D1307 was collared at a point with coordinates N17241, E16991 and was drilled on a bearing of 371½° to a depth of 68 ft. The first 15 ft. was in rather lively structure but no mineralization is present.

Hole D1308 was collared at a point with coordinates N17133, E16886 and was drilled due West to a depth of 100 ft. The first five feet of this hole was in lively structure with a trace of mineralization.

The northeast drift was advanced 66 ft., encountering a short irregular lens with good values. Only about 20 ft. in length of this lens is of mineable width. When this lens pinched down the drift was turned into the footwall to prospect a likely looking shear which left the drift at a point about 30 ft. back of the present face, but no favorable structure was encountered.

Drifting and crosscutting in this Project was completed in the south drift on January 30, 1958, although one more diamond drill hole is planned in the north drift to explore the lively structure exposed in the crosscut at survey station 1455.

Total advance in Project D was 175 ft. for the month.

No timber was placed during the month.

During the month 166 tons of ore were produced. Grab samples of this ore assayed 0.25% WO_3.

AMS/mlb

Form DF-104 (Rev. April 1952)

RECEIVED JAN 20 1958 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-35

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
~~Drifting~~ Drilling Not timbered	$10815.00	$122,710.00	$122,710.00	10815.00	122710.00	133,525.00
~~Drifting~~ Drilling Timbered	-	8,229.60	8,229.60	-	8229.60	8229.60
Crosscutting Not timbered	-	52,675.00	52,675.00	-	52675.00	52675.00
~~Drifting~~ Core Drilling XC. Timbered		15,584.40	15,584.40	-	15584.40	15584.40
	-	4,410.00	4,410.00	-	4410.00	4410.00
(2) Labor and Supervision:						
Labor	693.00	4,134.90	4,827.90	693.00	4134.90	4827.90
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	63.00	201.00	264.00	63.00	201.00	264.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$11571.00	$207,944.90	$219,515.90	11571.00	207944.90	219,515.90

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

Date Jan. 6, 1958 *Payee TUNGSTEN MINING CORPORATION

Per J. R. Lucas Title Vice Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 8678.25

Signature Helen R. Miller (Authorized Certifying Officer)

Date JAN 16 1958 Vou. No. 115

(See other side)

13

2892.75

(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. E1032 in accordance with the terms of the contract.

Signature [illegible] Burmeister Title Mining Engr. Date 1/10/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JAN 15 1958

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

RECEIVED JAN 20 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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 Not timbered	Ft.	$10815.00	309	$133,525.00	3815	$35.00		
Drifting Timbered	Ft.	-	-	8,229.60	254	32.40		
Crosscutting Not timbered	Ft.	-	-	52,675.00	1505	35.00		
Raising X-C Timbered	Ft.	-	-	15,584.40	481	32.40		
Shafts								
Winzes								
Drilling: Core	Ft.	693.00	420	4,827.90	2926	1.65		
Churn								
Auger								
Stripping Sampling	Ea.	63.00	21	264.00	88	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	-	-	4410.00	735	6.00		
Total Distributed Costs		$11571.00	-	$ 219,515.90				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 Jan. 6, 1958 Operator TUNGSTEN MINING CORPORATION

Per J. R. Sweet Title VICE PRES. & GEN. MGR.

J. R. Sweet

Remarks:

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

(Instructions on reverse)

(For Government use only)

H. S. Burmeister 1/10/58

MINING ENGINEER
U. S. BUREAU OF MINES

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

EXPLORATION PROJECT SUPPLEMENTAL REPORT

Month of December 1957 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	151	1102	1253
Drifting, timbered @ $32.40	-	155	155
Crosscutting @ $35.00	-	135	135
Crosscutting, timbered @ $32.40	-	188	188
Timbering	-	343	343
Diamond Drilling	45	938	983
Number of Assays	5	5	10

Drifting was continued to the north east on the structure encountered beyond the dike last month. The structure is fairly prominent but a good deal tighter than previously. No quartz or mineralization is present and there is not much hydrothermal alteration present.

In view of the possibility that the drifting might be on the footwall structure of two structures as indicated by surface drilling, two diamond drill holes were planned to test the hanging wall. One of these U-1305, was drilled to a depth of 45 ft from the short crosscut north of the dike. The other has not as yet been started.

D.D.H. U-1305 was collared at coordinates N-21076, E-21532 and drilled on a bearing of S65E to a depth of 45 ft.

No definite structure is indicated. One foot of silicified, altered schist (silexite) at 38 to 39 ft may possibly compose the hanging wall structure. A second hole near the present face will be started immediately. If any likely structure is encountered, it is planned to crosscut to it and pursue further drifting to the northeast. Correlating the present structure to the surface and to surface drilling it appears that the better structure should be in the hanging wall.

The drifting to the north east accounted for 96 ft of advance.

There was also 55 ft of drifting advance to the southwest starting at a point with coordinates N-20042 E-20720, on the lens of ore encountered beyond the first dike near the start of the Project. This advance was almost all in ore va ying in width from 11 ft to about 6 ft. The grade of this ore is fair. Five samples averaged 0.41% WO3. The ore continued to the dike which was exposed in the last round.

Advance to the northeast will be resumed as soon as the drilling in the north face is completed.

Total advance in the Project was 151 ft.

No timber was placed during the month

241 tons of ore were produced as a result of the back drifting on the lens of ore mentioned above. Grab samples of this ore assayed 0.22% WO3.

AMS/hs

EXPLORATION PROJECT SUPPLEMENTAL REPORT

Month of December 1957 DMEA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	158	460	618
Drifting, timbered @ $32.40	-	0	0
Crosscutting @ $35.00	-	914	914
Crosscutting, timbered @ $32.40	-	293	293
Timbering	-	293	293
Diamond Drilling	375	269	644
Number of Assays	16	38	54

The drift to the southwest was advanced 158 ft. Most of this advance was on a mineralized vein averaging about 3 ft wide.

The lens of ore which was reported upon in the last montly report lensed out abruptly at a point about 73 ft southwest of survey station 1465, and a new lens in the hanging wall was encountered; however, as indicated above the widths in this new lens are relatively narrow. At months' end this lens also had completely pinched out.

D.D.H. U-1302 which was started last month, being 10 ft deep, was drilled to a depth of 168 ft. It encountered 2½ ft fo structure from 97 to 99½ ft, but no well-defined vein.

D.D.H. U-1303 was collared at coordinates N-17418, E-17123 and drilled on a bearing of N65W to a depth of 141 ft. No veins were encountered.

D.D.H. U-1304 was collared at coordinates N-17409, E-17134 and drilled on a bearing of 557½ E to a depth of 76 ft. This hole encountered 1½ ft of barren vein from 10 to 11½ ft, and 1½ ft of vein from 73½ to 75 ft.

During the month 277 tons of ore were produced. Grab samples of this ore assayed 0.55% WO3.

No timber was placed during the month.

AMS/hs

Form MF-101 (Rev.)
(April 1952)

RECEIVED
DEC 19 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 30

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1957 Docket No. DMEA 4216 Contract No. R-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931 Henderson North Carolina
Contract Amount, $246,660.00 Government Participation: 75% Amount, $184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Dr. not Timbered	$8890.00	113820.00	122710.00			
Dr. Timbered	--	8229.60	8229.60			
Crosscutting not Timbered	1015.00	51660.00	52675.00			
XC - Timbered	2430.00	13154.40	15584.40			
Timbering	450.00	3960.00	4410.00			
(2) Labor and Supervision:						
Core Drilling	443.85	3691.05	4134.90			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	51.00	150.00	201.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$13279.85	194665.05	207944.90	13279.85	194665.05	207944.90

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

Date Nov. 6, 1957 *Payee Tungsten Mining Corp.

Per J. R. Lucas Title Vice Pres. & Gen. Mgr.

*Where 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:

$ 9,959.89

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 17 1957 Vou. No. 98

(See other side)

12

3319.96

(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-1032 in accordance with the terms of the contract.

Signature W. L. Burmeister Title Mining Engr. Date 12/9/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date DEC 12 1957

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

RECEIVED
DEC 19 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corp. Minerals Tungsten

Address Box 931 Henderson, North Carolina

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 not timbered	Ft.	$8890.00	254	$122,710.00	3506	$35.00		
Drifting timbered	Ft.	--	0	8,229.60	254	32.40		
XC not timbered	Ft.	1015.00	29	52,675.00	1505	35.00		
XC Timbered	Ft.	2430.00	75	15,584.40	481	32.40		
Winzes								
Drilling: Core	Ft.	443.85	269	4,134.90	2506	1.65		
Churn								
Auger								
Sampling	ea	51.00	17	201.00	67	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft.	450.00	75	4,410.00	735	6.00		
Total Distributed Costs		$13279.85		$207,944.90				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 Nov. 6, 1957 Operator Tungsten Mining Corp.

Per J. R. Sweet Title Vice-Pres. & General Manager

J.R. Sweet

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

Remarks:

(Instructions on reverse)

(For Government use only)

H. S. Burmeister 12/9/57

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of November 1957 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, to Date
Drifting @ $35.00	20	1082	1102
Drifting, timbered @ $32.40	-	155	155
Crosscutting @ $35.00	23	112	135
Crosscutting, timbered @ $32.40	75	113	188
Timbering	75	268	343
Diamond Drilling	-	938	938
Number of Assays	-	5	5

The crosscut started last month was continued going through the dike which was about 55 ft. wide on the line of the crosscut. The crosscut was continued on the same bearing encountering a structure.

To ascertain that other parallel structures were present in the hanging wall side, the crosscut was turned sharply to the southeast and advanced about 31 ft.

The above crosscutting accounted for 98 ft. of advance.

Since no lively structures were encountered by this additional crosscutting a drift to the northeast was started on the structure in the vicinity of station 1467. This drift has been advanced 20 ft. The last 10 ft. or so has been on a very strong shear zone with up to 2 ft. of gouge, with small lenses of quarts and traces of mineralization.

Total advance was 98 ft. of crosscut and 20 ft. of drifting or 118 ft.

During the month 16 sets of timber covering 75 lineal ft. of crosscut were placed.

No ore was produced during the month.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT 12/5/57

Month of November 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, to Date
Drifting @ $35.00	53	962	1015
Drifting, timbered @ $32.40	-	40	40
Crosscutting, @ $35.00	-	245	245
Crosscutting, timbered @ $32.40	-	0	0
Timbering	-	40	40
Diamond Drilling	-	812	812
Number of Assays	1	18	19

Work in this Project was completed on November 26, 1957.

During the month there was a total of 53 ft. of advance in the area of the "room" near survey station 1440.

36 ft. of advance was made to the southwest on the structure which split up and pinched out. The first 15 or 20 ft. was mineralized lightly. Thereafter, the structure tightened.

17 ft. of advance was made to the northeast on the same structure. The structure continues northward but here too, it pinches. The best mineralization in this drift is on a cross-vein coming into the drift from the east side.

Total advance was 53 ft, completing the contract at 1300 ft.

During the month 9 tons of ore were produced, estimated to assay 0.35%WO_3.

No timber was placed.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of November 1957 | DMEA No. 4216 | Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	181	279	460
Drifting, timbered @ $32.40	0	0	0
Crosscutting, @ $35.00	6	908	914
Crosscutting, timbered @ $32.40	0	293	293
Timbering	0	293	293
Diamond Drilling	269	0	269
Number of Assays	16	22	38

Drifting to the south was continued on a mineralized vein. The first 10 ft. of this advance was on vein 3 to 4 ft. wide. Thereafter the vein, consisting of several lenses, averaged 1 to 2 ft. wide to a point about 10 ft. south of survey station 1465.

At this point, there were indications on the west side of the drift that a new lens might be present in the hanging wall. A crosscut round into the hanging wall exposed the apparent start of a new lens and drifting to the south was started on this new lens accounting for 51 ft. of additional drifting in good ore, more than drift wide. A Leyner test hole indicates possibly 10 or 11 ft. of ore at one location. Three samples of the ore on this new lens average 0.82% WO_3.

Following the starting of the drift on this new lens an additional 6 ft. of drifting was done in the original heading, to expose more fully a narrow vein in the footwall side, which is 1½ ft wide and has some mineralization. Although it does not appear commercial at this point, this footwall vein should be tested later by a short drill hole.

In the north drift, there was 15 ft. of drifting advance on structure, rather tight, with a small amount of mineralized quartz.

Summarizing, there was 166 ft. of drifting to the south, 15 ft. of drifting to the north, and 6 ft. of crosscutting in the south drift, or a total of 187 ft. of advance.

In addition, there was 6 ft. of crosscutting in the south drift to establish a diamond-drill station. This footage is not included in the DMEA contract footage.

269 ft. of diamond drilling was performed. One hole U1301 was collared at coordinates N17501, E17175, and drilled N65W to a depth of 259 ft. This hole is on the line of the original crosscut to test the hanging wall. Several veins were cut, and one structure at 152 ft. looks quite lively.

Another hole 01302 was started from the north drift, at coordinates N17541, E17230 on a bearing of N37W. This hole was only 10 ft. deep at the end of the month.

During the month, 283 tons of ore were produced. Grab samples of this ore assayed 0.85% WO_3.

No timber was placed during the month.

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

RECEIVED NOV 18 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-24

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr. not timbered	$13510.00	$100310.00	$113820.00			
Bulldozing Dr. timbered	-	8229.60	8229.60			
Crosscutting not timbered	2485.00	49175.00	51660.00			
Drifting XC timbered	-	13154.40	13154.40			
Timbering	-	3960.00	3960.00			
(2) Labor and Supervision:						
Labor Core Drilling	$443.85	3247.20	3691.05			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	54.00	96.00	150.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$16492.85	$178172.20	$194665.05	16492.85	178172.20	194665.05

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

Date Nov. 6, 1957 *Payee Tungsten Mining Corp.

Per J. R. Sweet Title Vice-Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 12 369.64

Signature Helen R. Miller (Authorized Certifying Officer)

Date NOV 14 1957 Vou. No. 84

(See other side)

11

4123.21

(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-1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 11/8/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date NOV 12 1957

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

RECEIVED NOV 18 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 195 7 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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 Dr. not timbered	ft.	$13510.00	386	$113820.00	3252	$35.00		
timbered	ft.	-	-	8229.60	254	32.40		
Crosscutting XC not timbered	ft.	2485.00	71	51660.00	1476	35.00		
timbered	ft.	-	-	13154.40	406	32.40		
Raising XR								
Shafts								
Winzes								
Drilling: Core	ft.	$443.85	269	3691.05	2237	1.65		
Churn								
Auger								
Stripping Sampling	ea.	54.00	18	150.00	50	3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft.	-	-	3960.00	660	6.00		
Total Distributed Costs		$16492.85		$194665.05				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 Nov. 6, 1957 Operator Tungsten Mining Corporation

Per J. R. Lucas Title Vice-Pres. & Gen. Mgr.

Remarks:

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

(Instructions on reverse)

W. S. Burmeister 11/8/57

(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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of October 1957 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, to Date
Drifting @ $35.00	84	998	1082
Drifting, timbered @ $32.40	-	155	155
Crosscutting @ $35.00	11	101	112
Crosscutting, timbered @ $32.40	-	113	113
Timbering	-	268	268
Diamond Drilling	269	669	938
Number of Assays	-	5	5

The drift was turned to the northwest to get back on the structure, and was advanced 84 ft. encountering diabase dike and going into it for about 20 ft. to ascertain that it was the main dike expected and not a minor narrow dike.

A crosscut was started on a bearing of N 70 E to crosscut the dike and locate the structure on the other side of the dike.

No timber was placed during the month, and no ore was produced in October.

During the month, two diamond drill holes were drilled, one in the footwall, and one in the hanging wall. No major veins were intersected, but structure was encountered in each.

D. D. Hole U 1299 was drilled in the hanging wall; collared at coordinates N 20791, E 21218, on a bearing of S 55½ E. and drilled to a depth of 131 ft.

D. D. Hole U 1300 was driled in the footwall; collared at coordinates N 20990, E 21354, on a bearing of N 30 W and drilled to a depth of 138 ft.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of October 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	30	932	962
Drifting, timbered @ $32.40	-	40	40
Crosscutting @ $35.00	55	190	245
Crosscutting, timbered @ $32.40	-	0	0
Timbering	-	40	40
Diamond Drilling	-	812	812
Number of Assays	-	18	18

The crosscut started last month was continued and accounted for 55 ft. of advance, encountering the structure indicated by drill holes U 1296 and U 1297.

Drifting on this structure to the southwest accounted for 26 ft. of additional advance.

Where the crosscut encountered the structure, it looked fairly lively consisting of about 4 inches of quartz with a trace of mineralization, and a small amount of gouge. As the drift was advanced to the southwest, the structure tightened and little or no quartz remained.

Inasmuch as there are drill hole intersections on both ends of this drift, it was agreed with the DMEA officials to limit the drifting in this area and apply the remaining footage to further exploratory work in the ore lens near survey station 1440.

There was 4 ft. of drifting advance in the above area to the northeast. This advance, near survey station 1440 is shown on a separate sheet. The round exposed numerous quartz seams striking north east and dipping to the southeast. Only a trace of mineralization is present.

Total advance for October is thus 30 ft. of drifting advance and 55 ft. of crosscutting advance.

No timber was placed, and no ore was produced during the month.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of October 1957 DMEA No. 4216 Contract No. 1032

Project C

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	63	866	929
Drifting, timbered @ $32.40	-	59	59
Crosscutting @ $35.00	-	211	211
Crosscutting, timbered @ $32.40	-	0	0
Timbering	-	59	59
Diamond Drilling	-	487	487
Number of Assays	-	5	5

The drift on the structure being followed was advanced 63 ft. The structure consists of 3 to 6 inches of quartz, with no mineralization at the face, a diabase dike was encountered, it being about 2 ft. thick.

The advance of 63 ft. brings the total footage of this Project to 1199 ft. at which point the work in this Project was terminated.

No timber was placed and no ore was produced during the month.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of October 1957 DMEA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	209	70	279
Drifting, timbered @ $32.40	-	0	0
Crosscutting @ $35.00	5	903	908
Crosscutting, timbered @ $32.40	-	293	293
Timbering	-	293	293
Diamond Drilling	-	0	0
Number of Assays	18	4	22

From the crosscut, at the vein location, a drift to the north was started and advanced 81 ft. The ore remained drift wide for about 50 ft. at which point it started to narrow down. In the next 31 ft. the ore lens pinched down and only a few inches of vein remains in the present face.

At a point about 25 ft. back from this face a test hole in the hanging wall indicated the presence of an additional vein. A crosscut round was blasted into the hanging wall, (accounting for 5 ft. of advance) to explore this showing. A flat-dipping vein 2 to 3 ft. wide was exposed, but no mineralization is present.

The drift south was advanced 128 ft. on vein. At a point about 45 ft. south of survey station 1457, the ore lensed out. However, a new ore lens came into the drift on the hanging wall side and persisted for the remainder of the advance. This new lens is fairly good ore, but is considerably narrower averaging only about 3½ ft. wide. A small dike about 1 ft. wide, entered the drift and stayed within the vein for a length of about 60 ft. At the month's end, the vein was about 3½ ft. wide and contained fairly good mineralization.

During the month, 18 samples were taken in these drifts. The weigned average of these samples is 1.08% WO_3.

As a result of this drifting, 594 tons of ore were produced. Grab samples of this ore assayed 0.81% WO_3.

Total advance was 214 ft. in this Project. No timber was placed.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAYING VOUCHER & SCHEDULE OF PAYMENTS K-21

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 195 7 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors: Short Form						
Drilling: Dr not timbered	$14350.00	$85960.00	$100310.00			
Bulldozing: Dr timbered	$ 162.00	$ 8067.60	$ 8229.60			
Crosscutting: XC not timbered	$ 1680.00	$47495.00	$ 49175.00			
Drifting: XC timbered	$ 972.00	$12182.40	$ 13154.40			
Timbering	$ 210.00	$ 3750.00	$ 3960.00			
(2) Labor and Supervision: Core Drilling	$ 514.80	$ 2732.40	$ 3247.20			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 30.00	$ 66.00	$ 96.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$17918.80	$160253.40	$178172.20	17918.80	160253.40	178172.20

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

Date Oct 4.1957 *Payee Tungsten Mining Corporation

Per J. R. Lucas Title Vice Pres & Gen Mgr.

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

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

(Instructions on reverse)

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

$ 13439.10

Signature Helen R. Miller (Authorized Certifying Officer)

Date OCT 23 1957 Vou. No. 76

(See other side)

10

4479.70

(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-1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 10/14/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date OCT 16 1957

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

RECEIVED
OCT 25 1957
D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 7 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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: Dr not timbered	ft.	$14350.00	410	$100310.00	2866	$35.00		
Crosscutting: Dr timbered	ft.	$ 162.00	5	$ 8229.60	254	$32.40		
Raising: XC not timbered	ft.	$ 1680.00	48	$ 49175.00	1405	$35.00		
Shafts: XC timbered	ft.	$ 972.00	30	$ 13154.40	406	$32.40		
Winzes								
Drilling: Core	ft.	$ 514.80	312	$ 3247.20	1968	$ 1.65		
Churn								
Auger								
Stripping: Sampling	ea.	$ 30.00	10	96.00	32	$ 3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft.	$ 210.00	35	$ 3960.00	660	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$17918.80		$ 178172.20				

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 4, 1957 Operator Tungsten Mining Corporation

Per J. R. Sherrard Title Vice Pres. & Gen Mgr.

Remarks:

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

(Instructions on reverse)

(For Government use only)

W. L. Burmeister 10/7/57

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of September 1957 DMEA No. 4216 Contract No.1032

Project A

	Feet, This Month	Feet, Previous	Feet, To Date
Crosscutting @ $35.00	0	101	101
Crosscutting, timbered @ $32.40	0	113	113
Drifting @ $35.00	155	843	998
Drifting, timbered @ $32.40	0	155	155
Timbering	0	268	268
Diamond Drilling	0	669	669
Number of Assays	0	5	5

This month's advance was 155 ft. on a fairly strong sheer, with some gouge. A small dike has cut across the structure near the face. The last two rounds have diverged from the structure, but the drift will be turned back into thes structure. Very little quartz is present in the structure and no mineralization is present.

No timber was placed during the month, and no ore production came from this Project in September.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of September 1957 | DMEA No. 4216 | Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	51	881	932
Drifting, Timbered @ $32.40	5	35	40
Crosscutting @ $35.00	6	184	190
Timbering	5	35	40
Diamond Drilling	312	500	812
Number of Assays	1	17	18

The drift was continued for 56 feet along the lamprophyre. Whereas previously the structure contained considerable quartz, this advance had very minor amounts of quartz.

Since this advance looked rather poor, two holes were drilled in the footwall. Both of these holes indicated presence of structure and a narrow vein. Crosscutting to this structure is now in progress, started at the point where DDH U-1296 was collared. This accounts for 6 feet of crosscutting advance.

DD Hole U-1296 was collared at a point with coordinates N-19426, E-18996 on a bearing of N57W and was drilled to a depth of 72 feet.

D.D.Hole U-1297 was collared at a point with coordinates N-19398, E-18990, on a bearing of S65W and was drilled to a depth of 130 feet.

A third hole was drilled to check the structure southwest of the ore lens previously developed in the vicinity of survey station 1440. This hole, U-1298 was drilled at ∠ 33 degrees and encountered a 1½ ft vein with some fair scheelite mineralization about 47 feet above the back of the level. This hole was collared at coordinates N-19621, E-19215 on a bearing of N87½W, at ∠ 33 degrees.

One sample was taken and assayed in the vicinity of survey station 1447.

One set of timber was installed in the vicinity of survey station 1429.

Total advance was 62 feet.

No ore production came from this project during the month.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of September 1957 DMEA No. 4216 Contract No. 1032

Project C

	Feet, this month	Feet, Previous	Feet, To Date
Drifting @ $35.00	134	732	866
Drifting, timbered @ $32.40	0	59	59
Crosscutting @ $35.00	0	211	211
Timbering	0	59	59
Diamond Drilling	0	487	487
Number of Assays	5	0	5

A drift was started on the structure encountered the previous month. This structure strikes about N26E and dips to the southeast at 38 to 43 degrees. The structure is quite tight but has 3 to 4 inches of quartz. No mineralization has been noted.

Total advance was 134 ft.

No timber was placed.

Five samples were taken of mineralization encountered at the start of Project C near survey stations 1369 and 1380.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of September 1957 | DMEA No. 4216 | Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	70	0	70
Drifting, timbered, @ $32.40	0	0	0
Crosscutting @ $35.00	42	861	903
Crosscutting, timbered @ $32.40	30	263	293
Timbering	30	263	293
Diamond Drilling	0	0	0
Number of Assays	4	0	4

At a point about 7 ft southeast of the face as of September 1, 1957 there was a structure on the southwest side of the crosscut. It was not until after the first of the month that some mineralization was noted in this structure.

After advancing the crosscut about 20 ft, a drift to the southwest was started on this structure. For the first 20 or 25 ft this vein was 1 ft or less in width but had some high-grade mineralization. For the remainder of the footage driven in this drift, the vein was 2 to 2½ ft wide, but the mineralization was much weaker. The advance in this drift was 52 ft.

The crosscut was then advanced again and encountered a vein about 9 ft wide. This vein is well mineralized and appears to be of mineable grade and width. After crosscutting this structure a drift to the south west was started on this ore and was advanced 18 ft. The vein remains strong.

Advance in the crosscut was 72 ft.

Four samples were taken of mineralization in both veins.

During the month, 7 sets of timber, covering 30 lineal ft, were installed.

Production from Project D amounted to 107 tons. Grab samples of this ore assayed 1.34% WO_3.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 12

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1957 Docket No. DMEA 4216 Contract No. E- 1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 246,660.00 Government Participation: 75% Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr. not timbered	$ 6055.00	$ 79905.00	$ 85960.00			
Bulldozing Dr. timbered	$ 3240.00	$ 4827.60	$ 8067.60			
Crosscutting XC not timbered	$ 10990.00	$ 36505.00	$ 47495.00			
Drifting XC timbered	-	$ 12182.40	$ 12182.40			
Timbering	$ 600.00	$ 3150.00	$ 3750.00			
(2) Labor and Supervision:						
Labor Core Drlg	-	$ 2732.40	$ 2732.40			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	$ 66.00	$ 66.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 20885.00	$ 139368.40	$ 160,253.40	20,885.00	139,368.40	160,253.40

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

Date Sept 6, 1957 *Payee Tungsten Mining Corporation

Per J. R. Swart Title Vice Pres. & Gen Mgr

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

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

(Instructions on reverse)

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

$15,663.75

Signature Helen R. Muller
(Authorized Certifying Officer)

Date SEP 12 1957 Vou. No. 49

(See other side)

9

5,221.25

(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 1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 9/9/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 11 1957

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.

RECEIVED SEP 9 1957 D.M.E.A.

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

Month of August 1957 195____ Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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 Dr not timbered	ft.	$6055.00	173	$85960.00	2456	$35.00		
Crosscutting Dr timbered	ft.	$3240.00	100	$ 8067.60	249	$32.40		
Raising XC not timbered	ft.	$10990.00	314	$47495.00	1357	$35.00		
Shafts XC timbered	ft.	-	-	$12182.40	376	$32.40		
Winzes								
Drilling: Core	ft.	-	-	$ 2732.40	1656	$ 1.65		
Churn								
Auger								
Stripping Sampling	ea.	-	-	$ 66.00	22	$ 3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbereing	ft.	$ 600.00	100	$ 3750.00	625	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$20885.00		$160253.40				

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 September 6, 1957 Operator Tungsten Mining Corporation

Per J. R. Secrest Title Vice Pres. & Gen Mgr.

Remarks:

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

(Instructions on reverse)

(For Government use only)

RECEIVED SEP 16 1957 D.M.E.A.

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of August 1957 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To Date
Crosscutting @ $35.00	0	101	101
Crosscutting, timbered @ $32.40	0	113	113
Drifting @ $35.00	32	811	843
Drifting, timbered @ $32.40	85	70	155
Timbering	85	183	268
Diamond Drilling	0	669	669
Number of Assays	0	5	5

All of this month's advance was on the same strong shear, striking about N 30 E. As was the case last month, the shear is about drift wide and there is gouge on both walls. No sizeable lenses of quartz were encountered. There is only one place, near the face, where any diverging structure may be present.

The advance for the month was 117 ft.

During the month it was necessary to install 85 lineal feet of timber, in an area where continual sloughing of the back made timbering necessary.

Also, during the month, room was excavated for a car transfer.

No ore was produced from this Project in August.

OFFICIAL FILE COPY
DMEA
SEP 16 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of August 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	141	740	881
Drifting, timbered @ $32.40	15	20	35
Crosscutting @ $35.00	0	184	184
Timbering	15	20	35
Diamond Drilling	0	500	500
Number of Assays	0	17	17

The drift to the west which had been started at the end of July was advanced about 27 ft. encountering a vein which was about 3 ft. wide on the north side of the drift, but pinched rapidly on the south side of the drift. This vein is fairly well mineralized, estimated to assay 0.40% WO_3.

The drift was then turned on this structure and has been advanced 129 ft. The vein pinched rapidly but the structure continues fairly strong with quartz in varying widths from 1 to 3 ft. No mineralization is present in the structure which consists of lamprophyre, and quartz.

During the month it was necessary to install 4 sets of timber covering 15 lineal feet, in an area where continued sloughing of gouge loosened up the back.

During the month 3 tons of ore were hand sorted from muck remaining in the area in the vicinity of survey station 1440. This ore is estimated to assay 0.75% WO_3 which is the same as the assay for grab samples of 264 tons extracted in July.

Total advance was 156 ft. for the month of August.

Official
~~EXTRA~~ COPY
DMEA
RECEIVED SEP 16 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of August 1957 | DMEA No. 4216 | Contract No. 1032

Project C

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	0	732	732
Drifting, timbered @ $32.40	0	59	59
Crosscutting @ $35.00	142	69	211
Timbering	0	59	59
Diamond Drilling	0	487	487
Number of Assays	0	0	0

There was 4 ft. of crosscutting advance in the short crosscut northwest of survey station TP 12, to prospect for the structure. No new structures were encountered. The remaining 138 ft. of advance was on D. D. Hole U 1292. This advance encountered only one structure which has the strike and dip expected of the structure which left the drift near survey station 1421. This structure consists of about 3 inches of quartz and correlates fairly well with a tight structure exposed in the short crosscut northwest of TP 12.

Plans are to drift to the northeast on this structure, identified as "A" on the accompanying sketch.

Total advance for the month was 142 ft.

No timber was placed during the month and no ore was produced.

Official
~~EXTRA~~ COPY
DMEA
RECEIVED SEP 16 1957
DATE | INITIALS | CODE

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of August 1957 DMEA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting	0	0	0
Crosscutting @ $35.00	172	689	861
Crosscutting, timbered @ $32.40	0	263	263
Timbering	0	263	263
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting was continued in Project D on the original course and accounted for 172 ft. of advance.

This advance was all in chloritic rock and numerous narrow quartz veins were encountered. Three rather lively structures were intersected. Those marked "A" and "B" on the accompanying sketch appear to be the most promising encountered to date in this Project. Both show the presence of the right type of vein quartz, gouge, and brecciation. The presence of considerable silicification on the footwall of "A" is also noteworthy. All are but a few inches wide.

During the month, a car turnout was excavated in the Project.

No timber was placed and no ore production came from Project D. during the month.

ORIGINAL FILE COPY
D M E A
RECEIVED SEP 16 1957
DATE | INITIALS | CODE

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

RECEIVED AUG 1957 D.M.E.A.

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 7

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Sungsten Mining Corporation Minerals Sungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 240,000.00 Government Participation: 75 % Amount, $ 104,925.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr.not timbered	$ 13510.00	$ 66395.00	$ 79905.00			
Bulldozing Dr.timbered	$ 448.00	4179.60	$ 4627.60			
Crosscutting XC.not timbered	$ 7420.00	29085.00	$ 36505.00			
Drifting XC.timbered	$ -	12182.40	$ 12182.40			
Timbering	$ 120.00	3030.00	$ 3150.00			
(2) Labor and Supervision:						
Labor Core Drlg	$ 669.90	2062.50	$ 2732.40			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 33.00	$ 33.00	$ 66.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 22400.90	116967.50	139368.40	22400.90	116967.50	139368.40

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

Date August 6, 1957 Payee Sungsten Mining Corporation

Per J. R. Lucas Title Vice Pres & Gen Mgr.

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

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

(Instructions on reverse)

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

$ 16800.67

Signature Helen R. Miller (Authorized Certifying Officer)

Date AUG 20 1957 Vou. No. 33

(See other side)

5600.23

(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-1032 in accordance with the terms of the contract.

Signature R. L. Burmeister Title Mining Engr. Date 8/9/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date AUG 15 1957

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

Month of July 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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: Dr not timb	ft.	$13510.00	386	$79905.00	2283	$35.00		
Crosscutting: Dr timbered	ft.	$ 648.00	20	$ 4027.60	149	$32.40		
Raising: XC not timb	ft.	$ 7420.00	212	$36505.00	1043	$35.00		
Shafts: XC timbered	ft.	-	-	$12182.40	376	$32.40		
Winzes								
Drilling: Core	ft.	$ 669.90	406	$ 2732.40	1656	$ 1.65		
Churn								
Auger								
Stripping: Sampling	ea.	$ 33.00	11	$ 66.00	22	$ 3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft.	$ 120.00	20	$ 3150.00	525	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$22400.90		$139368.40				

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 6, 1957 Operator Tungsten Mining Corporation

Per F. R. Lucas Title Vice-Pres & Gen Mgr.

Remarks:

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

(Instructions on reverse)

(For Government use only)

R. S. Burmeister 8/9/57

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of July 1957 DMEA No. 4216 Contract No. 1032

PROJECT A

	Feet, This Month	Feet, Previous	Feet, To Date
Crosscutting @ $35.00	0	101	101
Crosscutting, timbered @ $32.40	0	113	113
Drifting @ $35.00	177	634	811
Drifting, timbered @ $32.40	0	70	70
Timbering	0	183	183
Diamond Drilling	0	669	669
Number of Assays	2	3	5

All of this month's advance was on a strong shear striking about N 30 E. The structure averages about drift wide and there is gouge on both walls. Two narrow short lenses of quartz were encountered. Mineralization was nil.

In view of the strong structure being followed, it was not deemed necessary to test the walls, especially since there are no structures diverging from the drift.

Advance was 177 ft. of drifting.

No timber was installed and no ore was produced during the month.

Two samples were taken in Project A in the vicinity of station 1427 at request of DMEA, although this particular lens is not deemed mineable. A separate sheet shows the location and results of these samples.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of July 1957 DMEA No. 4216 Contract No. 1039

PROJECT B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	120	620	740
Drifting, timbered @ $32.40	20	0	20
Crosscutting @ $35.00	0	184	184
Timbering	20	0	20
Diamond Drilling	149	351	500
Number of Assays	9	8	17

In Project B, the drift to the west from Survey Station 1434 was continued and advanced 49 ft. in ore from 2 ft. to about 5 ft. in width. At a point about 70 ft. west of station 1434 a strong structure cut the ore off. This advance accounted for 49 ft. of advance. Since at this point there was still good ore on both sides of the drift, one round was taken to the northeast and one round to the southwest accounting for 5 ft. and 6 ft. of advance respectively. The only unexplored ore at that time was on the north side of the drift about 53 ft. ahead of Station 1434 where drill hole U 1283 indicated more ore to the north. A drift was started on this ore and accounted for 22 ft. of additional advance, mostly in ore.

A total of nine samples was taken in this ore. Based on the true thickness of the vein, these samples averaged 0.46% WO_3. Although the vertical continuity of this ore is quite uncertain, it is felt that this area is of mineable size and grade.

Having fully explored the ore in this section, the main drift southwest of station 1441 was again advanced and this advance amounted to 58 ft. A diabase dike was encountered, being about 20 ft. in width. The drift was then turned on a bearing of due west in the hopes of encountering No. 3 Vein structure which probably lies northwest of the drift in which ~~points~~ stations 1430 and 1441 are located. Following the normal pattern, No. 3 vein should be on the far side of the dike somewhat northwest of its position on the near side of the dike.

Two diamond-drill holes were drilled in Project B during the month on the hanging wall side to determine if No. 3 Vein was in this side of the drift. Neither hole encountered any structure which could be identified as No. 3 Vein. These holes are U 1289, on a bearing of S 26½ E., to a depth of 80 ft. and at coordinates N 19618, E 19225, and hole U 1290 on a bearing of S 11½ E. to a depth of 69 ft. and at coordinates N 19558, E 19160.

During the month 264 tons of ore were produced from Project B. Grab samples of this ore assayed 0.75% WO_3.

During the month 5 sets of timber covering 20 ft. were installed.

Total advance for the month was 140 ft. of drifting.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of July 1957 DMEA No. 4216 Contract No. 1032

PROJECT C

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	89	643	732
Drifting, timbered @ $32.40	0	59	59
Crosscutting @ $35.00	26	43	69
Timbering	0	59	59
Diamond Drilling	257	230	487
Number of Assays	0	0	0

Drifting was continued on a bearing of about N 30 E on the average strike of the vein accounting for 89 ft. of advance. However, the tight shear being followed pinched out and although several other shears were encountered, none tied in well with the expected strike and dip of the vein. Two drill holes were then drilled to check both walls. Numerous shears were indicated in both holes, but no ore was located.

At this point it was deemed advisable to drive a short crosscut to cut any structure which Drill Hole U 1265 failed to show up. This was done with government approval. The advance amounted to 26 ft. No definite structure correlating with the structure apparently leaving the drift near survey point 1421 was located.

Since the structure should lie northwest of the main drift, plans are to crosscut on hole U 1292 to prospect the various indicated structures.

Total advance for the month was 89 ft. of drifting and 26 ft. of crosscutting.

Drill hole U 1292 is on a bearing of N 19½ W to a depth of 160 ft. at coordinate N 17686, E 18694. Drill hole U 1293 is on a bearing of N 79½ E to a depth of 97 ft., at coordinates N 17675, E 18698.

No timber was placed during the month, and no ore production came from this Project during July.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of July 1957 DMEA No. 4216 Contract No. 1032

PROJECT D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	0	0	0
Crosscutting @ $35.00	186	503	689
Crosscutting, timbered, @ $32.40	0	263	263
Timbering	0	263	263
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting was continued in Project D on the original course and accounted for 186 ft. of advance.

The advance was in chloritic rock. Several quartz veins were cut, usually quite narrow and all barren; however, their presence is encouraging.

No timber was placed during the month, and no ore production came from this Project.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS No. 2

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1957 Docket No. DMEA 4216 Contract No. E-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, North Carolina
Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr. not timb.	$ 5950.00	$ 60445.00	$ 66395.00			
Bulldozing Dr timbered.	$ -	$ 4179.60	$ 4179.60			
Crosscutting Xc not timb.	$ 3500.00	$ 25585.00	$ 29085.00			
Drifting XC timbered.	$ -	$ 12182.40	$ 12182.40			
Timbering	$ -	$ 3030.00	$ 3030.00			
(2) Labor and Supervision:						
Labor Core drilling	$ 267.30	$ 1795.20	$ 2062.50			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 12.00	$ 21.00	$ 33.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 9729.30	$107238.20	$ 116967.50	9729.30	107,238.20	116,967.50

RECEIVED JUL 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 3, 1957 *Payee Tungsten Mining Corporation
Per J. R. Swan Title Vice Pres. & Gen Mgr.

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 7296.98
Signature Helen R. Miller
(Authorized Certifying Officer)
Date JUL 12 1957 Vou. No. 5
(See other side)

2432.32

(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-1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 7/5/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUL 10 1957

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 872893

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

Month of June 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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 Dr. not timb.	ft.	$ 5950.00	170	$ 66395.00	1897	$35.00		
Crosscutting timbered.	ft.	$ -	-	$ 4179.60	129	$32.40		
Raising XC not timb.	ft.	$ 3500.00	100	$ 29085.00	831	$35.00		
Shafts XC timbered	ft.	$ -	-	$ 12182.40	376	$32.40		
Winzes								
Drilling: Core	ft.	$ 267.30	162	$ 2062.50	1250	$ 1.65		
Churn								
Auger								
Stripping Sampling	ea.	$ 12.00	4	$ 33.00	11	$ 3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft.	$ -	-	$ 3030.00	505	$ 6.00		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$ 9729.30		$ 116967.50				

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.

REMARKS:

Date July 3, 1957 Operator Tungsten Mining Corporation

Per J. R. Lucas Title Vice-Pres & Gen Mgr.

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)

W. A. Burmeister 7/5/57

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of June 1957 DMEA No. 4216 Contract No. 1032

Project A

	Feet, This Month	Feet, Previous	Feet, To-Date
Crosscutting @ $35.00	0	101	101
Crosscutting, timbered @ $32.40	0	113	113
Drifting @ $35.00	85	549	634
Drifting, timbered @ $32.40	0	70	70
Timbering	0	183	183
Diamond Drilling	0	669	669
Number of Assays	0	3	3

All of this month's advance was on a distinct shear striking about N 30 E. The Shear consists of gouge from 1 to 2 ft. wide. Occasional narrow seams of quartz are present, usually less than 6 inches wide, with traces of mineralization.

The drifting advance was 85 ft. for the month.

No timber was installed during the month and no ore was produced.

No work was performed during the last two weeks of June, due to the plant vacation period.

Room for a car transfer was slabbed out during the month.

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Exploration Project - Supplemental Report

Month of June 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	42	578	620
Crosscutting @ $35.00	0	184	184
Timbering	0	0	0
Diamond Drilling	162	189	351
Number of Assays	4	4	8

The drift on a bearing of about S 44 W was continued for 17 ft. This advance was granite with no semblance of any structure correlating with No. 3 Vein.

In the meantime drilling was being performed in the footwall side. One drill hole encountered 25½ ft. of vein, some of which was good ore; another hole drilled to the north encountered 3 ft. of vein, lightly mineralized. These intersections seemed to correlate well with the narrow vein encountered at a point 21 ft. north of survey station 1430.

Based upon these drilling results, and the lack of any structure in the southwest heading, a new drift was started toward these two drill intersections at a point about 21 ft. north of station 1430.

This drift has advanced 25 ft., on the vein which averages about 3 ft. wide and has erratic mineralization. The strike is somewhat more westerly than it was in the crosscut and the dip also varies considerably from 65 degrees to about 50 degrees to the south.

Drill hole U 1283, 115 ft. deep, was started at a point with coordinates N 19636, E 19215 and drilled on a bearing of N. 44 W.

Assays as follows:

22½' - 30'	- 0.36% WO_3	
30' - 40'	- Nil	
40' - 48'	- 0.75% WO_3	
Average 25.5 Ft.	@ 0.34% WO_3	

Drill hole U 1284, 47 ft. deep was started at a point with coordinates N 19638, E 19217 and drilled on a bearing of N 9½ W.

Assay:

17' - 20' - 0.02% WO_3

Further drilling is planned to test the hanging wall area for possible structure on which drifting can be maintained to the southwest.

No timber was placed during the month and no ore was produced.

No work was performed during the last two weeks of June due to the plant vacation period.

Exploration Project - Supplemental Report

Month of June 1957 DMEA No. 4216 Contract No. 1032

Project C

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	43	600	643
Drifting, timbered @ $32.40	0	59	59
Crosscutting @ $35.00	0	43	43
Timbering	0	59	59
Diamond Drilling	0	230	230
Number of Assays	0	0	0

The drift started in May was continued and advanced 43 ft. Some structure is present in this drift, striking about N 30 E and dipping about 75 degrees to the south east. However, this structure is very tight and does not appear to be very promising. No mineralization is present.

No timber was placed during the month, and no ore was produced.

No work was performed during the last two weeks of June due to the plant vacation period.

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RECEIVED JUL 1 1957
DATE

Exploration Project - Supplemental Report

Month of June 1957 DMEA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting	0	0	0
Crosscutting @ $35.00	100	403	503
Crosscutting, timbered @ $32.40	0	263	263
Timbering	0	263	263
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting was continued in Project D on the original course and accounted for 100 ft. of advance.

The advance was in chloritic schist with considerable epidote, and with numerous irregular quartz seams, usually one to three inches wide.

No timber was placed during the month and no ore production came from this Project.

No work was performed during the last two weeks of June due to the plant vacation period.

RECEIVED
DATE

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 78

Month of May, 1957 Docket No. DMEA 4216 Contract No. E- 1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, North Carolina
Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drilling Dr not timb	$ 6930.00	$ 53515.00	$ 60445.00			
Bulldozing Dr timbered	$ 2268.00	$ 1911.60	$ 4179.60			
Crosscutting not timb	$ 12145.00	$ 13440.00	$ 25585.00			
Drifting XC timbered	$ -	$ 12182.40	$ 12182.40			
Timbering	$ 420.00	$ 2610.00	$ 3030.00			
(2) Labor and Supervision:						
Labor Core Drlg	$ 493.35	$ 1301.85	$ 1795.20			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ -	$ 21.00	$ 21.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 22256.35	$ 84981.85	$ 107238.20	22256.35	84981.85	107238.20

RECEIVED JUN 24 1957 D.M.E.A.

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

Date June 6, 1957 *Payee Tungsten Mining Corporation

Per J. R. Lucas Title Vice Pres & Gen Mgr.

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

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

(Instructions on reverse)

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

$ 16692.26

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 20 1957 Vou. No. 208
(See other side)

5564.09

(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. E1032 in accordance with the terms of the contract.

Signature H. L. Burmister Title Mining Engr. Date 6/14/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date JUN 1 1957

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.

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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).

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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".

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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 872893

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

Month of May 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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: Dr. not timb	ft	$6930.00	198	$60445.00	1727	$35.00		
Dr. timbered	ft	$2268.00	70	$4179.60	129	$32.40		
Crosscutting: XC not timb	ft	$12145.00	347	$25585.00	731	$35.00		
XC timbered	ft	-	-	$12192.40	376	$32.40		
Raising								
Shafts								
Winzes	ft	$493.35	299	$1795.20	1088	$1.65		
Drilling: Core								
Churn								
Auger								
Sampling	ea.	-	-	$21.00	7	$3.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft	$420.00	70	$3030.00	505	$6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$22256.35		$107238.20				

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 6, 1957 Operator Tungsten Mining Corporation

Per J. R. Lucas Title Vice Pres & Gen Mgr.

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

Remarks:

(Instructions on reverse)

(For Government use only)

H. V. Burmeister 6/14/57

RECEIVED JUN 20 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of May 1957 DMEA No. 4216 Contract No. 1032

PROJECT A

	Feet, this Month	Feet, Previous	Feet, To-Date
Crosscutting @ $35.00	0	101	101
Crosscutting, timbered @ $32.40	0	113	113
Drifting @ $35.00	82	467	549
Drifting, timbered @ $32.40	70	0	70
Timbering	70	113	183
Diamond Drilling	269	400	669
Number of Assays	0	3	3

Except for the last 50 ft., this month's advance has been in very lively structure with several irregular lenses of vein which contain light mineralization. Although these lenses do not appear to be of mineable size at this level, it is possible that they could develop into ore bodies below the level or above the level.

One lens is about 35 ft. long with widths up to 3½ ft, and another lens is about 45 ft. long and the width is from 1½ ft. to 2 ft.

The shear zone has tightened considerably in the last 50 ft. from a width of four feet down to 6 to 12 inches. The shear is being followed presently.

Total drifting advance was 152 ft. during May.

During the month 70 ft. of timber was placed in the area where the shear was wide and loose.

Three diamond drill holes were drilled during the month accounting for 269 ft. of drilling.

Hole U 1278 was drilled in the hanging wall and encountered possible structure from 67½ ft. to 73 ft., but no mineralization. This hole was collared at coordinates N 20531, E 21053 on a bearing of S 84½ E. Depth was 100 ft.

Hole U 1279 was drilled in the footwall to a depth of 101 ft. This hole encountered possible structure from 58½ ft. to 80 ft. with traces of mineralization, at 79½ ft. This hole was collared at coordinates N 20526, E 21038 on a bearing of N 31½ W.

Hole U 1280 was drilled to depth of 68 ft. to check the south end of the lens of quartz which enters the drift from the hanging wall side near survey point 1423. This hole was collared at coordinates N 20324, E 20933 on a bearing of N 80 E. Aside from the structure adjacent to the drift, no favorable results were obtained.

During the month 49 tons of ore were produced from Project A. Grab samples of this ore assayed 0.57% WO_3.

DATE

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of May 1957 DMEA No. 4216 Contract No. 1032

PROJECT B

	Feet, this Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	102	476	578
Crosscutting @ $35.00	85	99	184
Timbering	0	0	0
Diamond Drilling	0	189	189
Number of Assays	0	4	4

The crosscut started in April was continued for a distance of 72 ft., encountering the vein indicated by D. D. H. U 1269.

At a point about 63 ft. ahead of survey station 1429, a narrow vein, 1 to 1½ ft. wide, was encountered. This vein is estimated to assay 0.40% WO_3.

At a point about 78 ft. ahead of station 1429, the structure assumed to be No. 3 Vein was encountered. This vein, also 1 to 1½ ft. wide and estimated to assay 0.50% WO_3 was drifted upon, exposing a length of about 35 ft. At this point the structure died out. However, since at this location there was considerable mineralized quartz on the northwest side of the drift, a prospect crosscut was driven to the northwest, exposing several stringers of mineralized quartz, but none of these appeared to have the proper attitude or inclination correlating with No. 3 Vein structure. This crosscut accounted for 13 ft. of advance.

Rather than going off on a tangent on any of these showings, it was deemed advisable to advance on a course S 44 W and to later test the walls for any evidence of No. 3 Vein.

Two structures were cut in the subsequent drift advance but these do not correlate with No. 3 Vein.

Drilling will probably be undertaken shortly to test the walls and to test the structure previously followed between survey stations 1420 and 1429.

Drifting advance for the month was 102 ft. Crosscutting advance was 72 ft. and 13 ft. for a total of 85 ft.

No production of ore came from this Project during May.

No timber was required.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of May 1957 DMEA No. 4216 Contract No. 1032

PROJECT C

	Feet, this Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	14	586	600
Drifting, timbered @ $32.40	0	59	59
Crosscutting @ $35.00	43	0	43
Timbering	0	59	59
Diamond Drilling	30	200	230
Number of Assays	0	0	0

A crosscut was started and advanced 43 ft. in a northerly direction to cross the lamprophyre dike. It was assumed the structure was on the northwest side of this dike and that it would stay on that side of the dike. However, having crossed the dike, there was no evidence of any structure, and based on results of D. D. H. U 1265, none could be expected. It also became apparent that the lamprophyre dike had taken a turn to the north and following the dike would throw the drift off the general strike of the structure.

A drift was therefore started at a point about 20 ft. ahead of survey station 1432 on a bearing of N 30 E. Some structure is present in this face dipping at about 67 degrees to the southeast and striking about N 30 E although this may not be the correct structure. There is about 2 ft. of shearing present, but no quartz. This drift accounted for 14 ft. of advance.

During the month, D. D. H. U 1265 was deepened by 30 ft. to a depth of 70 ft. No structure was indicated.

Total advance for the month was thus, 43 ft. of crosscutting and 14 ft. of drifting.

No timber was installed during the month.

No production of ore was realized from this Project during the month.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of May 1957 DMEA No. 4216 Contract No. 1032

PROJECT B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	0	0	0
Crosscutting @ $35.00	219	184	403
Crosscutting, timbered @ $32.40	0	263	263
Timbering	0	263	263
Diamond Drilling	0	0	0
Number of Assays	0	0	0

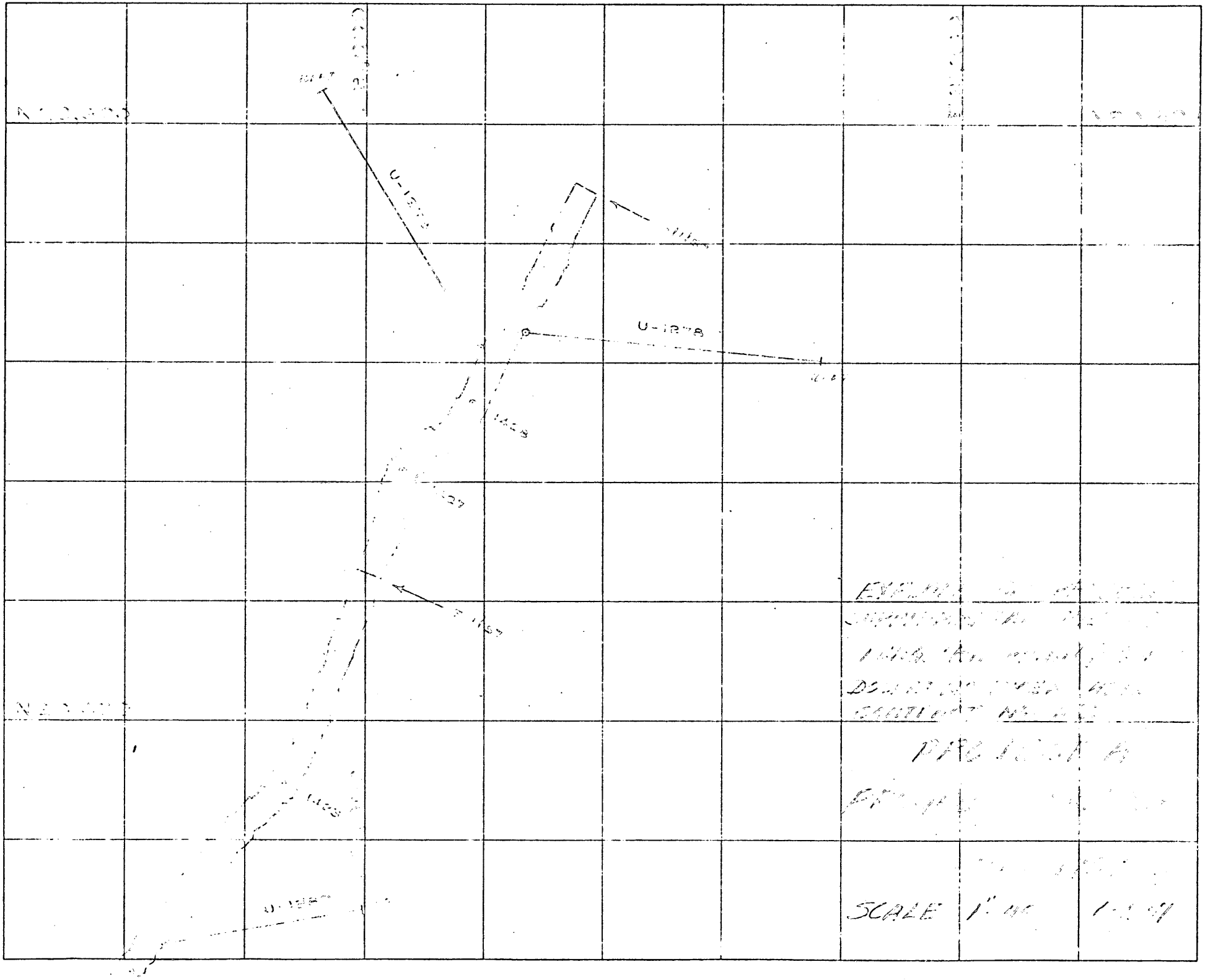
Crosscutting was continued in Project B on the original course and accounted for 219 ft. of advance.

The advance was in chloritic schist. Several shears were encountered but no mineralization is present.

The ground is standing well and no timber was placed.

No production of ore came from the Project during the month.

A car turnout was excavated during the month. This footage is not included in the 219 ft. of advance reported.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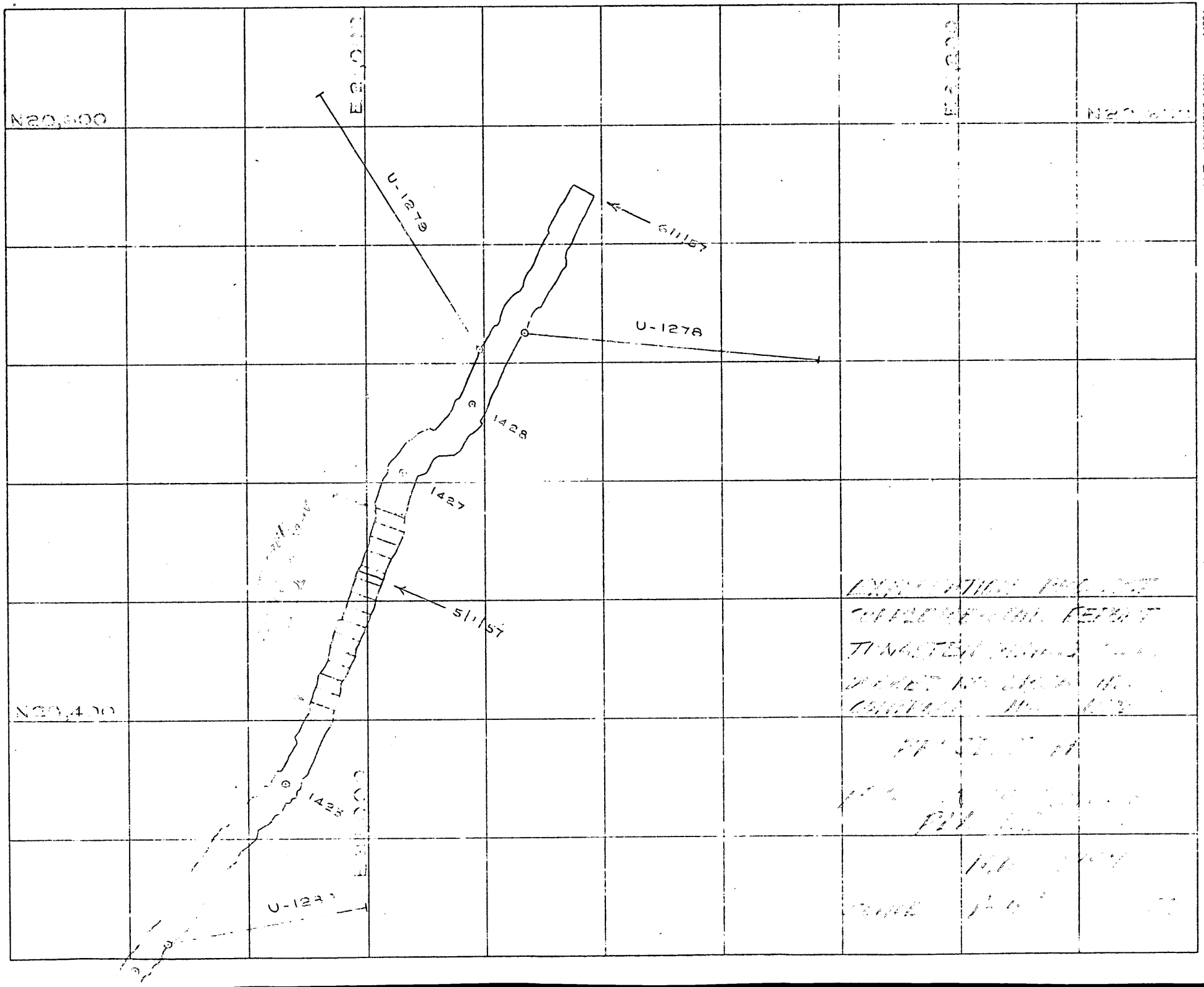

K+E ALBANENE 100M TRACING PAPER 14004

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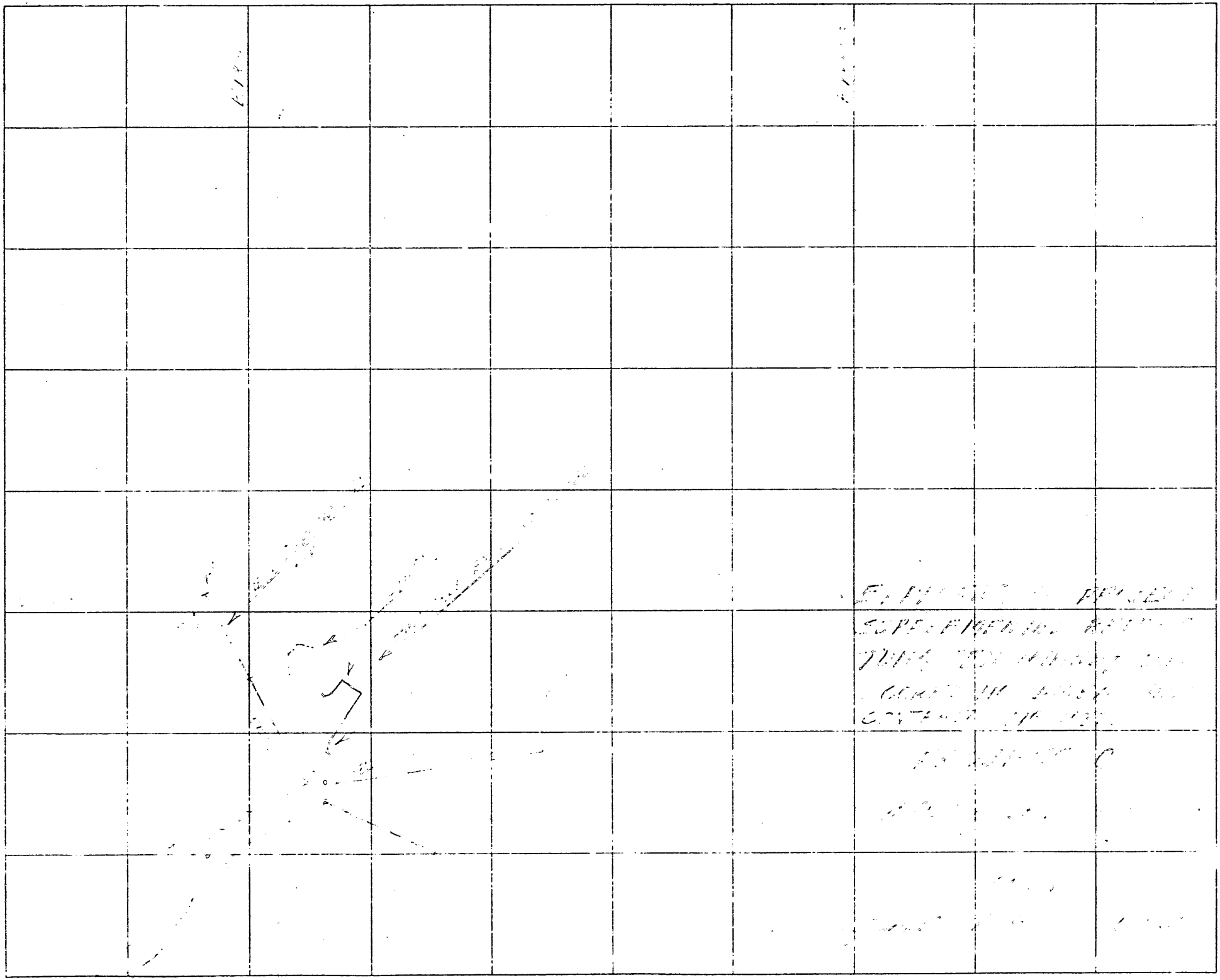

K+E ALDARENE 100M TRACING PAPER 10084

K+E ALDANENE 10GM 16004
TRACING PAPER

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 71

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 7 4216 E-1032

Operator's Name Tungsten Mining Corporation No. DMEA Contract Tungsten

Address P.O. Box 931, Henderson, N.C. Minerals

Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractor: Short Form						
Drilling Dr not timb	$13125.00	$40390.00	$ 53515.00			
Bulldozing Dr timbered	$ -	$1911.60	$ 1911.60			
Crosscutting xc not timb	$ 2450.00	$10990.00	$ 13440.00			
Drifting xc timbered	$ 2980.00	$ 9201.60	$ 12182.40			
Timbering	$ 552.00	$ 2058.00	$ 2610.00			
(2) Labor and Supervision: Core Drlg	$ 641.85	$ 660.00	$ 1301.85			
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.						
(7) Miscellaneous:						
Repairs to Equipment	-	$ 21.00	$ 21.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$19749.65	$65232.20	$ 84981.85	19749.65	65232.20	84981.85

RECEIVED MAY 20 1957 D.M.E.A.

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

Date May 14, 1957 *Payee Tungsten Mining Corporation

Per G. V. Boyd Title Ass't Secretary

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

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

(Instructions on reverse)

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

$ 14,812.24

Signature Peter R. Mullin
(Authorized Certifying Officer)

Date MAY 17 1957 Vou. No. 192

(See other side)

4937.41

(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 1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 5/13/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date MAY 15 1957

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

Month of: April 7 4216

Operator's Name: Tungsten Mining Corporation Docket No. DMEA

Address: Box 931, Henderson, North Carolina

Contract No. E-1032

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: Dr not timb	ft	$13125.00	375	$ 53515.00	1529	$35.00		
Dr timbered	ft	$ -	-	$ 1911.60	59	$32.40		
Crosscutting: xc not timb	ft	$ 2450.00	70	$ 13440.00	384	$35.00		
xc timbered	ft	$ 2980.80	92	$ 12182.40	376	$32.40		
Raising								
Shafts								
Winzes	ft	$ 641.85	389	$ 1301.85	789	$ 1.65		
Drilling: Core								
Churn								
Auger								
Sampling	ea	-	-	$ 21.00	7	$ 3.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft	$ 552.00	92	$ 2610.00	435	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$19749.65		$ 84981.85				

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: May 4,1957 Operator: Tungsten Mining Corporation

Per: G. V. Boyd Title: Ass't Secretary

For April 1957, footage for crosscut timbered (92') exceeded footage of timbered crosscut driven (87') by 5 ft. Therefore credit crosscutting @ $35.00 by 5 ft and debit crosscutting timbered @ $32.40 by 5 ft.

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)

R. L. Burmeister 5/13/57

RECEIVED MAY 30 1957 D.M.E.A.

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

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

Month of April 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

OPERATION	Unit	Costs This Month	Actual Units This Month	Adjusted Costs to Date Units Apr'57	Units to Date	Unit Costs to Date	Authorized by Contract Units	Authorized by Contract Unit Costs
Drifting Dr not timb	ft		375	375				
Crosscutting Dr timbered	ft		-	-				
Raising xc not timbe	ft		75	70				
Shafts xc timbered	ft		87	92				
Winzes								
Drilling: Core	ft		389	389				
Churn								
Auger								
Stripping Sampling	ea							
Trenching								
Test Pits								
Roads and Trails								
Timbering	ft		92	92				
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 May 4,1957 Operator Tungsten Mining Corporation

Per _____ Title Ass't Secretary

Remarks: For April'57 footage of crosscut timbered(92') exceeded footage of timbered crosscut driven (87') by 5 ft. Therefore credit crosscutting @ $35.00 by 5 ft and debit crosscutting timbered @ $32.40 by 5 ft.

→ 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)

RECEIVED MAY 20 1957 D.M.E.A.

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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

MONTH OF APRIL 1957 DMEA NO. 4216 CONTRACT NO. 1032

PROJECT A

	Feet, This Month	Feet, Previous	Feet, To Date
Crosscutting @ $35.00	(5)	106	101
Crosscutting, timbered @ $32.40	5	108	113
Drifting @ $35.00	182	285	467
Timbering	5	108	113
Diamond Drilling	0	400	400
Assays	0	3	3

At the end of March, the structure in Project A was quite tight and not too lively. At a point about 45 ft. ahead of the face on March 31, a shear came into the drift from the footwall side and this shear is being followed presently. Actually it is the strongest structure encountered to date in Project A. The structure consists of sericite schist, strongly sheared with considerable gouge and irregular lenses of quartz with traces of mineralization. In one area about 10 ft. long, the mineralization is good. The width of this structure is about 4 ft. in the last 80 ft. driven. This type of structure is considered favorable for ore occurrence.

Total drifting advance for the month was 182 ft. No timber was placed in this advance, but some may be necessary later because the sheared area is loose.

During the month it was necessary to place an additional set of timber in the original crosscut just beyond the dike, about 15 ft. ahead of Station 1379.

In the early part of April, a car turnout was excavated. No production of ore was realized from Project A during April.

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of April 1957 DMEA No. 4216 Contract No. 1032

PROJECT B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	135	341	476
Crosscutting @ $35.00	19	80	99
Timbering	0	0	0
Diamond Drilling	189	0	189
Number of Assays	0	4	4

As indicated in last month's report, the structure tightened up considerably. The drift got off the structure having been turned too far to the north. This area was turned into a car turnout and this footage is not included in this report.

The drift was subsequently turned to the south and a fairly strong structure was encountered and was followed for about 100 ft. However, it became apparent that this structure did not correlate well with the strike and dip of No. 3 Vein, even though up to three feet of fairly good looking quartz is present in the face.

At this point drilling was undertaken to test for the No. 3 Vein shear zone. Two holes were drilled indicating the presence of the zone on about the normal strike of the vein heretofore.

Hole U 1269, 107 ft. deep, was collared at a point with coordinates N. 19720; E 19258 and drilled on a bearing of S 8½ W. This hole encountered the structure at 78½ ft., indicating 1½ ft. of vein with traces of mineralization.

Hole U 1270, 82 ft. deep, was collared at a point with coordinates N 19737; E 19328 and was drilled on a bearing of S 30½ W. The structure was encountered at 50 ft. with only stringers of quartz present.

As a result of this drilling and the wrong attitude of the structure being followed a crosscut to the structure was started on Drill Hole U 1269 and was advanced 19 ft.

Drifting advance accounted for 135 ft. of advance. Crosscutting accounted for 19 ft. of advance.

No production of ore came from this Project during April.

No timber was installed.

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

MONTH OF APRIL 1957 DMEA NO. 4216 CONTRACT NO. 1032

PROJECT C

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting @ $35.00	58	528	586
Drifting @ $32.40	0	59	59
Crosscutting	0	0	0
Timbering	0	59	59
Diamond Drilling	200	0	200
Number of Assays	0	0	0

Drifting was continued in Project C, but the strength of the structure was dissipated along the lamprophyre and when no definite structure remained, drilling was undertaken to test the walls. Three holes were drilled in the hanging wall and one hole in the footwall. The hanging wall holes failed to indicate any structure correlating with that of No. 28 Vein. The footwall hole did show some schist following the lamprophyre, however this hole may be deepened further in view of geological information obtained from Dr. C. D. Hulin.

In any case, it appears that the structure should be on the footwall side of the lamprophyre and when drifting is again resumed, the drift will be turned northward to cross the lamprophyre and get back on the structure which is expected to strengthen again.

Holes drilled were:

U 1264	N 17538 E 18624	S 65 E, HoR 40 ft.
U 1265	N 17543 E 18617	N 26½ W, HoR 40 ft.
U 1266	N 17543 E 18627	N 81½ E, HoR 70 ft.
U 1267	N 17526 E 18603	S 6½ E, HoR 50 ft.

Progress in Project C was 58 ft. of drifting. The work was sporadic, since efforts are concentrated in advancing Project D.

No timber was installed during the month.

No ore was produced during the month.

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

MONTH OF APRIL 1957 DMEA NO. 4216 CONTRACT NO. 1032

PROJECT D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	0	0	0
Crosscutting @ $35.00	56	128	184
Crosscutting @ $32.40	87	176	263
Timbering	87	176	263
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting was continued in Project D on the original course and accounted for 143 ft. of advance.

The advance was in dark, baked schist. One zone of silicification was encountered and one zone of faulting. No mineralization is present.

During the month 16 sets of timber, covering 87 lineal feet, were installed. The ground seems somewhat more stable than heretofore.

No production of ore came from Project D during the month.

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Form MF-103 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K 63

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address P.O. Box 931, Henderson, N.C.

Contract Amount, $ 246,660.00 Government Participation: 75 % Amount, $ 184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr Not Timb	$ 10430.00	$29960.00	$ 40390.00			
Bulldozing Dr Timbered	$ 1911.60	-	$ 1911.60			
Crosscutting XC Not Timb	$ 2555.00	$ 8435.00	$ 10990.00			
Drifting XC Timbered	$ 1296.00	$ 7905.60	$ 9201.60			
Timbering	$ 594.00	$ 1464.00	$ 2058.00			
(2) Labor and Supervision:						
Labor Core Drlg	$ 346.50	$ 313.50	$ 660.00			
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.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 12.00	$ 9.00	$ 21.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 17145.10	$48087.10	$65232.20	17145.10	48087.10	65232.20

RECEIVED APR 1957 D.M.E.A.

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

Date April 6, 1957 *Payee Tungsten Mining Corporation

Per J. R. Lewis Title Vice Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 2,858.83 ~~8572.55~~

Signature Helen R. Miles
(Authorized Certifying Officer)

Date APR 18 1957 Vou. No. 174

(See other side)

8572.55

(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 1032 in accordance with the terms of the contract.

Signature R. L. Burmeister Title Mining Engr. Date 4/12/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lauman Title EXECUTIVE OFFICER DMEA REGION V Date APR 25 1957

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

RECEIVED APR 1957 DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 7 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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
Dr Not Timb	ft	$ 1043.00	298	$ 40390.00	1154	$35.00		
Drifting Dr Timbered	ft	$ 1911.60	59	$ 1911.60	59	$32.40		
Crosscutting XC Not Timb	ft	$ 2555.00	73	$ 10990.00	314	$35.00		
Raising XC Timbered	ft	$ 1296.00	40	$ 9201.60	284	$32.40		
Shafts								
Winzes	ft	$ 346.50	210	$ 660.00	400	$ 1.65		
Drilling: Core								
Churn								
Auger Sampling	ea	$ 12.00	4	$ 21.00	7	$ 3.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails Timbering	ft	$ 594.00	99	$ 2058.00	343	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$17145.10		$65232.20				

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 6, 1957 Operator Tungsten Mining Corporation

Per J. R. Sherrard Title Vice Pres & Gen Mgr

→ 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:

W. S. Burmeister 4/12/57

(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

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of March 1957 DMEA No. 4216 Contract No. 1032

PROJECT A

	Feet, This Month	Feet, Previous	Feet, To-Date
Crosscutting @ $35.00	0	106	106
Crosscutting, timbered @ $32.40	0	108	108
Drifting @ $35.00	148	137	285
Timbering	0	108	108
Diamond Drilling	210	190	400
Number of Assays	0	3	3

At the end of February, the drift in Project A had very little structure and drilling was undertaken to test the walls for any structure which may have been by-passed.

Two diamond-drill holes were drilled, U 1252, into the footwall and U 1254 into the hanging wall. Hole U 1252 with coordinates N 20164, E 20248, and on a bearing of N 14½ W was drilled into the footwall to a depth of 120 ft. which was sufficient to test all structures previously encountered. Hole U 1254 with coordinates N 20156, E 20854 on a bearing of N 64½ E was drilled into the hanging wall to a depth of 90 ft., being deep enough to test the entire structure.

Hole U 1252 encountered 1½ ft. of vein from 6 ft. to 7½ ft. estimated to assay 0.50% WO_3. The best structure in the hole appeared to be from 2½ ft. to 8 ft. The remainder of the hole was in chlorite schist, with some gneiss.

Hole U 1254 was mostly in chlorite schist but did encounter a fairly lively structure from 60 ft. to 82 ft. The liveliest portion of this structure appeared to be from 72 ft. to 82 ft., with only a minute trace of mineralization; however, this structure should be checked at intervals by further drilling.

In view of this drilling, the drift was turned slightly to the north to get on the structure indicated by Hole U 1252. The vein was encountered and varied from 6 inches to 2 ft. wide until it pinched out after about 45 ft. of drifting upon it. Values for the wider portion of this vein were fair, estimated at 0.50% WO_3.

As this vein pinched out, the structure tightened up, and the drift is being continued on this structure which consists of chlorite-sericite schist with quartz stringers sometimes up to one foot wide. Only an occasional trace of mineralization is present.

The total drifting advance was 148 ft.

No timber was installed during March, and no production of ore was realized from Project A during the month.

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of March 1957 DMEA No. 4216 Contract No. 1032

PROJECT B

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	126	215	341
Crosscutting @ $35.00	0	80	80
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	4	0	4

Drifting on the vein structure was continued in Project B and accounted for 126 ft. of advance.

At a point about 15 ft. ahead of last month's point of furthest advance a narrow but lively vein was encountered and persisted for a length of about 30 ft. The vein varied in width from 1 ft. to 2 ft. and the estimated assay for it was from 0.10% WO_3 to 0.20% WO_3.

At a point 55 ft. from last month's advance and about 24 ft. southwest of survey station 1408, a lens of ore was encountered. The width of this lens averages about 5.5 ft. and the grade is fairly good as indicated by four chip samples taken of this ore. The ore lens is about 45 ft. long and appears to be of mineable size and grade.

As this lens pinched out, the structure tightened up again and little quartz is present.

Results of samples taken:

Sample No. 354	4.7 ft. width	1.24% WO_3
Sample No. 355	5.3 ft. width	0.65% WO_3
Sample No. 356	5.5 ft. width	0.27% WO_3
Sample No. 357	6.6 ft. width	0.48% WO_3
Average	5.5 ft. width	0.63% WO_3

During March, 165 tons of ore were stockpiled from Project B. A Grab Sample of this ore assayed 0.39% WO_3.

No timber was installed in March.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of March 1957 DMEA No. 4216 Contract No. 1032

PROJECT C

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	24	504	528
Drifting @ $32.40	59	0	59
Crosscutting	0	0	0
Timbering	59	0	59
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Drifting on the vein structure was continued and accounted for 83 ft. of advance during March.

As indicated last month, the structure has turned further to the east and maintains a strike of about N 37 E, which is on about the expected strike. Where the structure made the change in strike, it also appeared to steepen, with some dips as steep as 68 degrees to the southeast.

In the vicinity of the turn, the shearing became more intense and required timbering in a section.

The structure is not very lively and only a minor amount of quartz is present. No values are present.

During the month, 13 sets of timber were installed covering 59 lineal ft. of drift.

A turnout for switching cars was cut out during the month.

No production of ore was realized in Project C during March.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of March 1957 DMEA No. 4216 Contract No. 1032

PROJECT D

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting	0	0	0
Crosscutting @ $35.00	73	55	128
Crosscutting, Timbered @ $32.40	40	136	176
Timbering	40	136	176
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting was continued in Project D on the original course and accounted for 113 ft. of advance.

At a point about 18 ft. ahead of last month's point of advance, the crosscut left the dike. The width of the dike on the course of the crosscut is about 200 ft.

The remainder of the advance, about 95 ft., was in baked, black schist with diabase seams. There is definite indication of banding, and quartz stringers are present.

During the month 9 sets of timber were placed in two sections, covering 40 lineal ft. of crosscut.

A turnout for switching cars was cut out during the month.

No production of ore came from Project D during the month.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 57

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address P.O. Box 931, Henderson, North Carolina

Contract Amount, $246,660.00 Government Participation: 75 % Amount, $184,995.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Dr. Not Timb	$9695.00	$20,265.00	$29,960.00			
Bulldozing Dr. Timbered	-					
Crosscutting Xc Not Timb	$ 35.00	$ 8,470.00	$ 8,435.00			
Drifting Xc Timbered	$ 4406.40	$3499.20	$ 7,905.60			
Timbering	$ 816.00	$ 648.00	$ 1,464.00			
(2) Labor and Supervision:						
Labor Core Drlg	$ 313.50	-	$ 313.50			
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.						
(7) Miscellaneous:						
Repairs to Equipment	$ 6.00	$ 3.00	$ 9.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$15,201.90	$32,885.20	$48,087.10	15201.90	32,885.20	48,087.10

RECEIVED MAR 25 1957 D.M.E.A.

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

Date March 8, 1957 *Payee Tungsten Mining Corporation

Per J. R. Swan Title Vice-Pres & Gen Mgr

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

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

(Instructions on reverse)

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

$ 11,401.42

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 22 1957 Vou. No. 152
(See other side)

Note: Costs for February, 1957 and costs to date conform with contract as amended Jan30'57

3800.48

(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 1032 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 3/12/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA REGION V Date MAR 14 1957

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

RECEIVED MAR 25 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1957 Docket No. DMEA 4216 Contract No. E-1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

OPERATION	Unit	Costs This Month	Adjusted Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting Dr. Not Timb	Ft	$9695.00	277	$29,960.00	856	$35.00		
Crosscutting Dr. Timb								
Raising XC Not Timb	Ft	$ 35.00	1	$ 8,435.00	241	$35.00		
Shafts Xc Timbered	Ft	$4406.40	136	$ 7905. 60	244	$32.40		
Winzes								
Drilling: Core	Ft	$ 313.50	190	$ 313.50	190	$ 1.65		
Churn								
Auger								
Stripping Sampling	ea.	$ 6.00	2	$ 9.00	3	$ 3.00		
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	$ 816.00	136	$ 1464.00	244	$ 6.00		
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$15,201.90		$48,087.10				

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 March 8,1957 Operator Tungsten Mining Corporation

Per J. R. Lucas Title Vice-Pres & Gen Mgr.

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: Costs for February'57 and costs to date conform with contract as amended Jan 30,1957

For February '57, footage of crosscut timbering(136') exceeded footage of timbered crosscut driven (61') by 75 ft-therefore debit crosscut timbered by 75 feet and credit crosscut not timbered by 75 ft.

(For Government use only)

H. L. Burmeister 3/12/57

MINING ENGINEER
U. S. BUREAU OF MINES

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

Form MF-104A
(April 1952)

UNIT ADJUSTMENT SHEET ONLY
February 1957

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAR 25 1957 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1957 Docket No. DMEA 4216 Contract No. E-1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, North Carolina

OPERATION	Unit	Costs This Month	Actual Units This Month	Adjusted Costs to Date Units, Feb'57	Units to Date	Unit Costs to Date	Authorized by Contract Units	Authorized by Contract Unit Costs
~~Drifting~~ Dr Not Timb			277	277				
~~Crosscutting~~ Dr Timbered			-	-				
~~Raising~~ Xc Not Timb			74	1				
~~Shafts~~ Xc Timbered			61	136				
Winzes								
Drilling: Core			190	190				
Churn								
Auger								
~~Stripping~~ Sampling			2	2				
Trenching								
Test Pits								
Roads and Trails								
Timbering			136	136				
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 March 8, 1957 Operator Tungsten Mining Corporation

Per J. R. Lucas Title Vice-Pres & Gen Mgr.

Remarks: For February'57, footage of crosscut timbering(136') exceeded footage of timbered crosscut driven(61') by 75 ft-therefore debit crosscut timbered by 75 feet and credit crosscut not timbered by 75 ft.

→ 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

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EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of February 1957 DMEA No. 4216 Contract No. 103[illegible]

Project A

	Feet, This Month	Feet, Previous	Feet, To Date
Crosscutting A $35.00	54	52	106
Crosscutting, timbered @ $32.40	0	108	108
Drifting @ $35.00	114	23	137
Timbering	0	108	108
Diamond Drilling	190	0	190
Number of Assays	2	1	3

The drift started last month was continued on the structure for a distance of about 57 ft., at which point the lens of ore and the structure pinched out. Of this advance, the first 10 ft. was in rather lean ore which pinched down from a width of 6½ ft. to about 2 ft. Additional mineralization continued for a distance of 35 ft., the vein averaging 1 to 2 ft. wide and containing fairly good mineralization, estimated to assay 0.60% WO_3.

At this point, diamond drilling was undertaken to test the hanging wall. Hole U1241 was drilled at a point with coordinates N 20,103, E 20,777 on a bearing of N 82½ E. This hole encountered good structure from 13 ft. to 50 ft., with several mineralized quartz seams, the widest being 12 inches from 32½ to 33½ ft. The hole was 100 ft. deep.

A second diamond drill hole U 1242 was drilled at a point with coordinates N 20,049 and E 20,737 on a bearing of N 86 E. This hole encountered 8 inches of mineralized quartz at 19 ft. and a wide, almost barren vein from 36½ ft. to 47½ ft. This hole was 90 ft. deep.

As a result of this drilling, the structure was crosscut encountering four separate vein seams, the first being almost barren and but a few inches wide. The second was from 1 to 2 ft. wide and had fair mineralization; the third varied from 2½ ft. to nil in width and was lightly mineralized; the fourth varied from 1 to 1½ ft. in width and was also lightly mineralized.

Inasmuch as the strength of the structure appeared to be on the hanging wall (see Hole U 1242) a drift was started again from the end of this crosscut on a bearing of about N 30 E. The small lens of ore pinched out in about 15 ft. and although some semblance of structure remained, it was not too encouraging. The drift was continued for another 42 ft. in anticipation of further drilling the footwall to determine if the structure in the footwall is the one carrying the mineralization. This will be done shortly.

In general, the south side of the crosscut looks livelier than the north side.

A total of 168 ft. of drifting and crosscutting was performed; 57 ft. of drifting in the original heading, then 54 ft. of crosscutting, and then 57 ft. of additional drifting.

Two additional samples were taken of the vein in the original drift. Sample No. 352 was 14.5 ft. northeast of survey station 1384 and Sample No. 353 was 24.5 ft. ahead of station 1384.

Month of February 1957 DMEA No. 4216 Contract No. 1032

Project A (Cont'd)

Results as follows:

Sample No. 352	5.5 ft.	0.13% WO_3
Sample No. 353	6.5 ft.	0.16% WO_3

No timber was installed during the month of February.

During the month 68 tons of ore from Project A were stockpiled. A grab sample of this ore assayed 0.14% WO_3.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of February 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	36	179	215
Crosscutting @ $35.00	0	80	80
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Drifting on the vein structure was continued sporadically in Project B, at times when it was not possible to work in Project A.

The advance was 36 ft. on tight structure with up to 1 or 1½ ft. of quartz present. No mineralization was encountered.

No timbering was required.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of February 1957 DMEA No. 4216 Contract No. 1032

Project C

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting @ $35.00	127	377	504
Crosscutting	0	0	0
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Drifting in Project C was continued on the vein structure. The vein structure was liveliest for the first 45 ft. of this month's advance averaging 1 to 2 ft. wide, with practically no mineralization present. The remainder of the advance was on a rather tight structure averaging 6 inches wide with no quartz present. The last 50 ft. of advance indicates the structure takes a definite turn to the northeast.

Drifting accounted for 127 ft. of advance. No timber was installed but some may be necessary in a few areas where the back is loose.

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of February 1957 DMEA No. 4216 Contract No. 1032

Project D

	Actual Feet, This Month	Adjusted Units-Feb.	Feet, Previous	Feet, To-Date
Drifting	0	0	0	0
Crosscutting, Timbered @ $32.40	61	136	0	136
Crosscutting @ $35.00	20	55	110	55
Timbering	136	136	0	136
Diamond Drilling	0	0	0	0
Number of Assays	0	0	0	0

Crosscutting advance was 81 ft. in diorite dike. The dike rock which at first appears to stand fairly well becomes loose and blocky upon continued exposure and almost the entire crosscut will be timbered, including most of the area which was previously roof-bolted.

Of the 43 ft. reported as untimbered in November, 8 ft. was timbered in February.

The 13 ft. reported untimbered in December was timbered in February.

The 54 ft. reported as untimbered in January was timbered in February.

Of the 81 ft. advance in February, 61 ft. was timbered and 20 ft. was untimbered.

All together 28 sets of timber was placed covering 136 lineal feet.

No mineralization was encountered, nor is expected in the dike.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 53

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1957 Docket No. DMEA 4216 Contract No. 1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

Contract Amount, $ 250,340.00 Government Participation: 75 % Amount, $ 187,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drifting - no timber ~~Drilling~~				12,110.00	8155.00	20,265.00
crosscutting ~~Bulldozing~~ no timber.				2975.00	5495.00	8470.00
Crosscutting	$ 4375.00	$7875.00	$12,250.00			
Drifting	$12,110.00	$8155.00	$20,265.00			
Crosscutting - Timbered.				1296.00	2203.20	3499.20
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	$ 240.00	$ 408.00	$648.00	240.00	408.00	648.00
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	$ 3.00	*	$ 3.00	3.00	-	3.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$16,728.00	$16,438.00	$33,166.00	16,624.00	16261.20	32,885.20

RECEIVED MAR 4 1957 D.M.E.A.

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

Date Feb 6, 1957 *Payee Tungsten Mining Corporation

Per J. R. Scott Title Vice-Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 12 468.00

Signature Helen R. Mellin (Authorized Certifying Officer)

Date MAR 1 1957 Vou. No. 138

(See other side)

4156.00

(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. E1032 in accordance with the terms of the contract.

Signature H. L. Burmeister Title Mining Engr. Date 2/12/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 27 1957

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

RECEIVED MAR 4 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1957 Docket No. DMEA 4216 Contract No. 1032

Operator's Name Tungsten Mining Corporation Minerals Tungsten

Address Box 931, Henderson, North Carolina

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	Feet	$12,110.00	346	$20,265.00	579	$35.00		
Crosscutting	Feet	$ 4,375.00	125	$12,250.00	350	$35.00		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet	$ 240.00	40	$ 648.00	108	$ 6.00		
TOTAL DISTRIBUTED COSTS		$16,725.00		$33,163.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Assays		$ 3.00	1	$ 3.00	Assays @ $3.00 ea.			
TOTAL COSTS		$16,728.00		$33,166.00				

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

Date Feb 6,1957 Operator Tungsten Mining Corporation

Per J. R. Secrest Title Vice-Pres. & Gen. Mgr.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Subject to adjustment of unit cost by amendment.
H. L. Burmester

Form MF-104 Corrected to Conform to Amendment No. 1.
V. J. Lynch

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

EXPLORATION PROJECT - Supplemental Report

Month of: January 1957 DMEA No. 4216 Contract No. 1032

Project A (Partially Timbered)

	Feet, This Month	Feet, Previous	Feet, to Date
Drifting	23	0	23
Crosscutting	71	89	160
Timbering	40	68	108
Diamond Drilling	0	0	0
Number of Assays	1	0	1

Crosscutting was continued on a bearing of N. 80 E. At a point about 13 ft. ahead of survey station 1379, the crosscut went through the N E side of the diabase dike. A few feet ahead, a vein 1 to 1½ ft. wide was encountered, but since the vein did not appear lively, the crosscut was continued and at a point about 40 ft. ahead of station 1379 another vein was encountered. This vein was crosscut to the apparent hanging wall and proved to be about 16 ft. wide (in plan). The vein carried good mineralization, and a sample taken across the back assayed 1.02% WO_3 for 15.7 ft. although this appears somewhat high.

The above crosscutting accounted for 71 ft. of advance.

As soon as this vein had been crosscut, a drift to the north east on a bearing of approximately N 30 E was started on the footwall of this vein. However, after one round, an inclusion of schist came into the face and the only ore remaining appeared to be on the hanging wall side of the drift. The drift was turned slightly to the hanging-wall side and at the month's end, about 4 ft. of vein had been exposed, although the grade of the ore was not very good.

The above drifting accounted for 23 ft. of advance.

A car switch and a safety "dog-hole" were cut out during the month. Inasmuch as other parallel lenses may exist in this area, diamond drilling will be undertaken shortly to test the hanging wall.

Eight additional sets of timber were installed covering 40 lineal feet. It is quite probable that additional timber will not be required in this area.

During the month, 154 tons of ore were stockpiled. Car grab samples taken of this rock assayed 0.32% WO_3.

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SUPPLEMENTAL REPORTS

EXPLORATION PROJECT - Supplemental Report

Month of January 1957 DMEA No. 4216 Contract No. 1032

Project B

	Feet, this Month	Feet, Previous	Feet, To-Date
Drifting	137	42	179
Crosscutting	0	80	80
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Drifting on the vein structure was continued and accounted for 137 ft. of advance. The structure has attained a strike of about S 40 W which is about the same as that of the vein on the 500 Level. The dip correlation is good also.

The structure has averaged 2 to 3 ft. wide with the quarts being that wide also in a few areas. Generally no mineralization was present except the last 15 or 20 ft. where there were a few small crystals of hubnerite.

No timbering was required.

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EXPLORATION PROJECT - Supplemental Report

Month of January 1957 DMEA No. 4216 Contract No. 1032

Project C

	Feet, This Month	Feet, Previous	Feet, To-Date
Drifting	186	191	377
Crosscutting	0	0	0
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Drifting was continued in Project C on the vein structure. The dike reported as being in the face of the project at the end of the December was about 2 feet thick. The vein was picked up on the other side of this dike and has averaged about 2 ft. wide to the present face.

The mineralization which was good on the south side of dike, dropped off on the north side. Very little mineralization was encountered in this month's drifting and the quartz does not appear to be very lively.

A car switch was completed and as a result of this slabbing 17 tons of rock were stockpiled for ore, estimated to assay 0.27% WO_3.

Drifting accounted for 186 ft. of advance. No timbering was required.

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EXPLORATION PROJECT - Supplemental Report

Month of January 1957 DMEA No. 4216 Contract No. 1032

Project D

	Feet, this Month	Feet, Previous	Feet, to Date
Drifting	0	0	0
Crosscutting	54	56	110
Timbering	0	0	0
Diamond Drilling	0	0	0
Number of Assays	0	0	0

Crosscutting advance was 54 ft. in diorite dike which stands up somewhat better than heretofore. Probably no timbering will be required. No additional roof bolts were placed.

No mineralization was encountered and none is expected in the dike.

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 53

Month of December, 1956 Docket No. DMEA 4216 Contract No. 1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, North Carolina
Contract Amount, $ 250,340.00 Government Participation: 75 % Amount, $ 187,750.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: Short Form						
Drifting - no timber (~~Drilling~~)				8155.00	–	8155.00
Crosscutting - no timber (~~Bulldozing~~)				3430.00	2065.00	5495.00
Crosscutting	$5180.00	$ 2695.00	$ 7875.00			
Drifting	$8155.00	$ 00.	$ 8155.00			
Crosscutting - timbered				1573.20	630.00	2203.20
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	300.00	108.00	408.00	300.00	108.00	408.00
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$13,635.00	$2803.00	$16,438.00	13458.20	2803.00	16261.20

RECEIVED MAR 4 1957 D.M.E.A.

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

Date Jan. 7, 1957 *Payee Tungsten Mining Corporation

Per J. R. Sugg Title Vice-Pres. & Gen. Mgr.

*When 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:

$ 10,093.65

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 1 1957 Vou. No. 138
(See other side)

3364.55

(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-1032 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date FEB 27 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date FEB 27 1957

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

RECEIVED MAR 4 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1956 Docket No. DMEA 4216 Contract No. 1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, North Carolina

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	Feet	$8155.00	233	$8155.00	233	$35.00	-	
Crosscutting	Feet	$5180.00	148	$7875.00	225	$35.00	6700	$35.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet	$300.00	50	$ 408.00	68	$6.00	1415	$6.00
TOTAL DISTRIBUTED COSTS		$13,635.00	-	$16,438.00				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 January 7, 1957 Operator Tungsten Mining Corporation

Per J. R. Swart Title Vice-Pres. & Gen. Mgr.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

Form MF-104 corrected to conform to Amendment No. 1

W. F. Lynch.
MINING ENGINEER
U. S. BUREAU OF MINES

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

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

January 5, 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of: December 1956 DMEA No. 4216 Contract No. 1032

PROJECT A (Timbered Crosscut)

	Feet, This Month	Feet Previous	Feet, To Date
Drifting	0	0	0
Crosscutting	55	34	89
Timbering	50	18	68
Diamond Drilling	0	0	0

All of the advance in Project A to date, is or will be timbered. (89 ft).

Crosscutting was continued in Project A on a bearing of N80°E. The advance was 55 feet.

Ten additional sets of timber were installed covering 50 lineal feet.

The advance was in diabase dike which is still very blocky and requires timber support throughout. The advance was rather slow due to the time consumed in timbering. Sets installed have a mininum width inside of posts of 5 feet 8 inches and a height of 7 feet 6 inches above the rail.

No mineralization was encountered, nor is expected in dike.

Note: In the November Report advance listed as "Drifting" for Project A, (34 feet), was actually crosscutting advance.

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

January 5, 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of: December 1956 DMEA No. 4216 Contract No. 1032

PROJECT B

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	42	0	42
Crosscutting	80	0	80
Timbering	0	0	0
Diamond Drilling	0	0	0

Crosscutting to the expected location of No. 3 Vein was started on the dayshift of Saturday, December 1, 1956. The crosscut was started at a point with coordinates N20,021.5 and E19630.5, and 2.5 feet ahead of survey station 1358.

The crosscut encountered a narrow vein (1 to 1½ ft of mineralized quartz) at a point 36 ft ahead of survey station 1358; the vein striking about S12W and dipping 70° to the east. When this vein was encountered it was not recognized as the No. 3 Vein structure because its strike did not correlate with that of No. 3 Vein as known to the north east of this level. The crosscut was continued to the vicinity of the intersection of 3 feet of quartz in DDH U-831. As no structure was present at this location, it became apparent that the small vein previously encountered must be No. 3 Vein which had changed strike very abruptly.

The presence of the 3 ft of quartz in D.D.H. U-831 is explained by the presence of several narrow flat-lying quartz seams exposed in the face of the crosscut.

On December 18, 1956 Tungsten Mining Corporation obtained permission by phone from Mr. H. L. Burmeister, to discontinue crosscutting and to commence drifting on the small vein encountered.

Drifting was started and has been advanced 42 feet from the starting point. The first ten to fifteen feet remained lively with up to 2 feet of mineralized quartz vein present. Subsequently the vein pinched but the structure continues fairly strong being 2 to 2½ ft wide, with no mineralization present.

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

January 5, 1957

 EXPLORATION PROJECT - SUPPLEMENTAL REPORT

PROJECT B

As the drifting progresses it appears that the strike of the vein becomes more westerly, thus assuming a strike more nearly expected of No. 3 Vein and correlating better with the strike of No. 3 Vein as known on the 500 Level.

Crosscutting amounted to 80 feet; drifting to 42 feet, for a total advance of 122 feet. No timbering was required.

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

January 5, 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of: December 1956 DMEA No. 4216 Contract No. 1032

PROJECT C

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	191	0	191
Crosscutting	0	0	0
Timbering	0	0	0
Diamond Drilling	0	0	0

Drifting was started on the dayshift of Monday, Dec. 3, 1956, starting at a point with coordinates N17,019.0, E18,292.0, and 16.8 ft ahead of survey station 1368.

The first 25 ft of drifting was on tight structure w ith only traces of mineralization. The remainder of the advance was on a mineralized vein which varied in width from 1½ ft up to 3½ ft, probably averaging out 2½ ft wide; however, at the end of the month a diabase dike striking to the north west came into the drift from the right hand side and appears to cut the vein off completely.

The vein also appears to have flattened somewhat. At the starting point dips were about 65 degrees to the south, but as drifting progresses, dips of 50 to 55 degrees were more common, and in one area close to the face, the vein flattened to about 40 degrees.

A few feet ahead of the starting point, the drift entered the granite-gneiss complex as expected.

As a result of the drifting on this vein, 140 tons of rock was stockpiled for ore. Car grab samples taken of this rock assayed 0.27% WO_3.

Total drift advance was 191 ft. No timbering was required.

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

January 5, 1957

EXPLORATION PROJECT - SUPPLEMENTAL REPORT

Month of: December 1956 DMEA No. 4216 Contract No. 1032

Project D

	Feet, This Month	Feet, Previous	Feet, To Date
Drifting	0	0	0
Crosscutting	13	43	56
Timbering	0	0	0
Diamond Drilling	0	0	0

Crosscutting advance was 13 feet in diorite dike which is quite blocky but appears to stand somewhat better than the first advance of 43 feet for the previous month.

During the month, 28 roof bolts were installed to support the back.

The advance was 13 ft. No mineralization was encountered, nor is expected in the dike.

FEB 8 1957

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines
P. O. Box 217
Morris, Tennessee

Re: Docket No. [illegible]-4216 (Tungsten)
Tungsten Mining Corporation
Frame Mine
Vance County, North Carolina
Contract No. [illegible] 1032

Dear Mrs. Miller:

By memorandum dated February 5, 1957, you request advice relative to the payment of the December, 1956, Form [illegible]-104 submitted by the referenced Operator and approved with reservations by the [illegible] examining engineer. The December [illegible]-104, as well as the previously paid November [illegible]-104, covers work not fully meeting the specifications with respect to timbered drifts as set forth in the contract.

The original and five copies of a proposed Amendment No. 1 to the contract, signed by the Administrator for the Government, was sent to Mr. Laurence on January 30, 1957, for the purpose of obtaining the Operator's signature thereon. This proposed amendment, to be effective November 2, 1956, changes the specifications for timbered drifts and crosscuts and establishes a reduced fixed unit cost of [illegible]2.40 (in lieu of [illegible]35.00) a foot for such work.

It is suggested, therefore, that payment of the December [illegible]-104 be withheld until the Operator has executed the proposed amendment. Thereafter payment should be made, after adjustment in the "approved" column for disallowance of [illegible]2.60 a foot for the 68 feet of timbered drift claimed through December, 1956.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
February 8, 1957

Copy to: Docket
Admr. Reading File
Mr. Laurence, Region V
Mr. Martin
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR

BUREAU OF MINES
Region V

ELECTROTECHNICAL LABORATORY

NORRIS, TENNESSEE

RECEIVED FEB 7 1957 D.M.E.A.
RECEIVED 1957 D.M.E.A.

P. O. Box 217
February 5, 1957

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly report and Voucher

We have received the Tungsten Mining Corporation's monthly report and voucher for December 1956, covering contract Idm-F1032 (tungsten), Docket No. DMEA-4216 (Hamme Mine, Vance County, North Carolina. This report was transmitted from Mr. H. L. Burmeister, Mine Examination and Exploration Engineer, College Park, Maryland.

Mr. Burmeister advises that he certifies the number of units recorded in the report, but he has not certified the voucher because the "Timber has been used only in Project "A" but this timbering and the size of drift necessary to hold the timbering does not meet specifications as expressed in the present contract." He also advises that the Operator has requested an amendment of contract to decrease the unit cost per foot of drift or crosscut in timbered areas, and suggests that the voucher be paid withholding ten percent of the total voucher and adjusting at a later date.

Since the voucher submitted does not meet specifications in the present contract and we do not know whether or not the amendment will be granted and made effective as of the date of contract, please advise what action is to be taken on this voucher. An immediate reply will be appreciated. Thank you.

Helen R. Miller

Attachment
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

College Park, Md.

January 23, 1957

RECEIVED
FEB 7 1957
D.M.E.A.

Memorandum

To: V. J. Lynch, Member DMEA Field Team, Region V

From: Mine Examination and Exploration Engineer

Subject: Docket No. DMEA-4216 - Contract Idm-E1032 (tungsten)
Tungsten Mining Corp., Hamme Mine, Vance County, N. C.

Enclosed are the original and three (3) copies of the Operator's Monthly Report and Voucher for December 1956. One copy has been retained in this office.

I hereby certify the number of units recorded in this report but I have not certified the voucher for the following reason.

Timber has been used only in Project "A" but this timbering and the size of drift necessary to hold the timbering does not meet specifications as expressed in the present contract.

The Operator has requested an amendment of contract to decrease the unit cost per foot of drift or crosscut in timbered areas. This request is now being considered by the legal department in Washington. If the request for amendment is granted and made effective as of the date of contract, a downward adjustment will have to be made in costs for all timbered areas completed up to the date of the amendment. Such an adjustment could be made most easily at one time, after revision of the unit cost per foot in timbered areas.

To protect the Government, it is suggested that ten percent of this voucher total be withheld from payment. An adjustment of this ten percent and the proposed unit cost differential can then be made on receipt of the January 1957 Operator's report.

It is noted that to Jan. 1, 1957 the cost differential would apply to 18 feet of timbered area done in Nov. 1956 and 50 feet of timbered area done in Dec. 1956 or a total of 68 feet.

Please acquaint us with the manner in which this voucher will be handled in order that adjustments may be properly made on succeeding reports.

/s/ H. L. Burmeister

Region V

RECEIVED
FEB 7 1957
D.M.E.A.

P. O. Box 217
February 5, 1957

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Assistant, Electrotechnical Experiment Station, Norris, Tennessee

Subject: Monthly report and Voucher

We have received the Tungsten Mining Corporation's monthly report and voucher for December 1956, covering contract Idm-F1032 (tungsten), Docket No. DMFA-4216 (Hamme Mine, Vance County, North Carolina. This report was transmitted from Mr. H. L. Burmeister, Mine Examination and Exploration Engineer, College Park, Maryland.

Mr. Burmeister advises that he certifies the number of units recorded in the report, but he has not certified the voucher because the "Timber has been used only in Project "A" but this timbering and the size of drift necessary to hold the timbering does not meet specifications as expressed in the present contract." He also advises that the Operator has requested an amendment of contract to decrease the unit cost per foot of drift or crosscut in timbered areas, and suggests that the voucher be paid withholding ten percent of the total voucher and adjusting at a later date.

Since the voucher submitted does not meet specifications in the present contract and we do not know whether or not the amendment will be granted and made effective as of the date of contract, please advise what action is to be taken on this voucher. An immediate reply will be appreciated. Thank you.

Helen R. Miller

/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 37

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1956 Docket No. DMEA - 4216 Contract No. 1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.
Contract Amount, $ 250,340.00 Government Participation: 75 % Amount, $ 187,755.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$ 2695.00	0.00	$2695.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	$ 108.00	0.00	$ 108.00			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2803.00	0.00	$2803.00	2803.00	—	2803.00

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

Date Dec. 6, 1956 *Payee Tungsten Mining Corporation

Per J. R. Sweet Title Vice-Pres. & Gen. Mgr.

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

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

(Instructions on reverse)

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

$ 2102.25

Signature Helen R. Mullis
(Authorized Certifying Officer)

Date DEC 19 1956 Vou. No. 95
(See other side)

5 700.75

(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 1032 in accordance with the terms of the contract.

Signature R. L. Burmeister Title Mining Engr. Date 12/7/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch ACTING EXECUTIVE OFFICER DMEA - REGION V Date DEC 18 1956

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

Month of November 1956 Docket No. DMEA -4216 Contract No. 1032
Operator's Name Tungsten Mining Corporation Minerals Tungsten
Address Box 931, Henderson, N. C.

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	Feet	$2695.00	77	$2695.00	77	$35.00	6700	$35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Timbering	Feet	$108.00	18	$108.00	18	$6.00	1415	$6.00
TOTAL DISTRIBUTED COSTS		$2803.00	-	$2803.00				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 Dec. 6, 1956 Operator Tungsten Mining Corporation

Per J. R. Sweet Title Vice-Pres. & Gen. Mgr.
J. R. Sweet

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:

(For Government use only)

Drifting and crosscutting should have been separated and will be corrected on next report.

H. L. Burmeister

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

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

RECEIVED DEC 27 1956 DMEA

December 6, 1956

EXPLORATION PROJECT - SUPPLEMENTARY REPORT

Month of: November, 1956 DMEA No. - 4216 Contract No. - 1032

Project A

Advance - Drifting	-	34 ft.
Drift Timbered	-	18 ft.

Crosscutting in Project A was started on the night shift of Monday, November 19, 1956, at coordinates N 20,019.97, E 20,583.72, and 33.4 ft. ahead of survey station 1061.

The crosscut was turned to the east to attain a bearing of N 80 E on which it will be continued through the dike. The advance was 34 ft.

The advance has all been in diabase dike which is very blocky and is continually spalling off. Timbering is required. Five sets of timber were placed, covering 18 ft. of drift timbered.

No mineralization was encountered, nor is expected in dike.

3

TUNGSTEN MINING CORP.
BOX 81
HENDERSON, N. C.
TELEPHONE NO. 1100

December 6, 1956

EXPLORATION PROJECT - SUPPLEMENTARY REPORT

Month of: November, 1956 DMEA No. - 4216 Contract No. - 1032

Project D

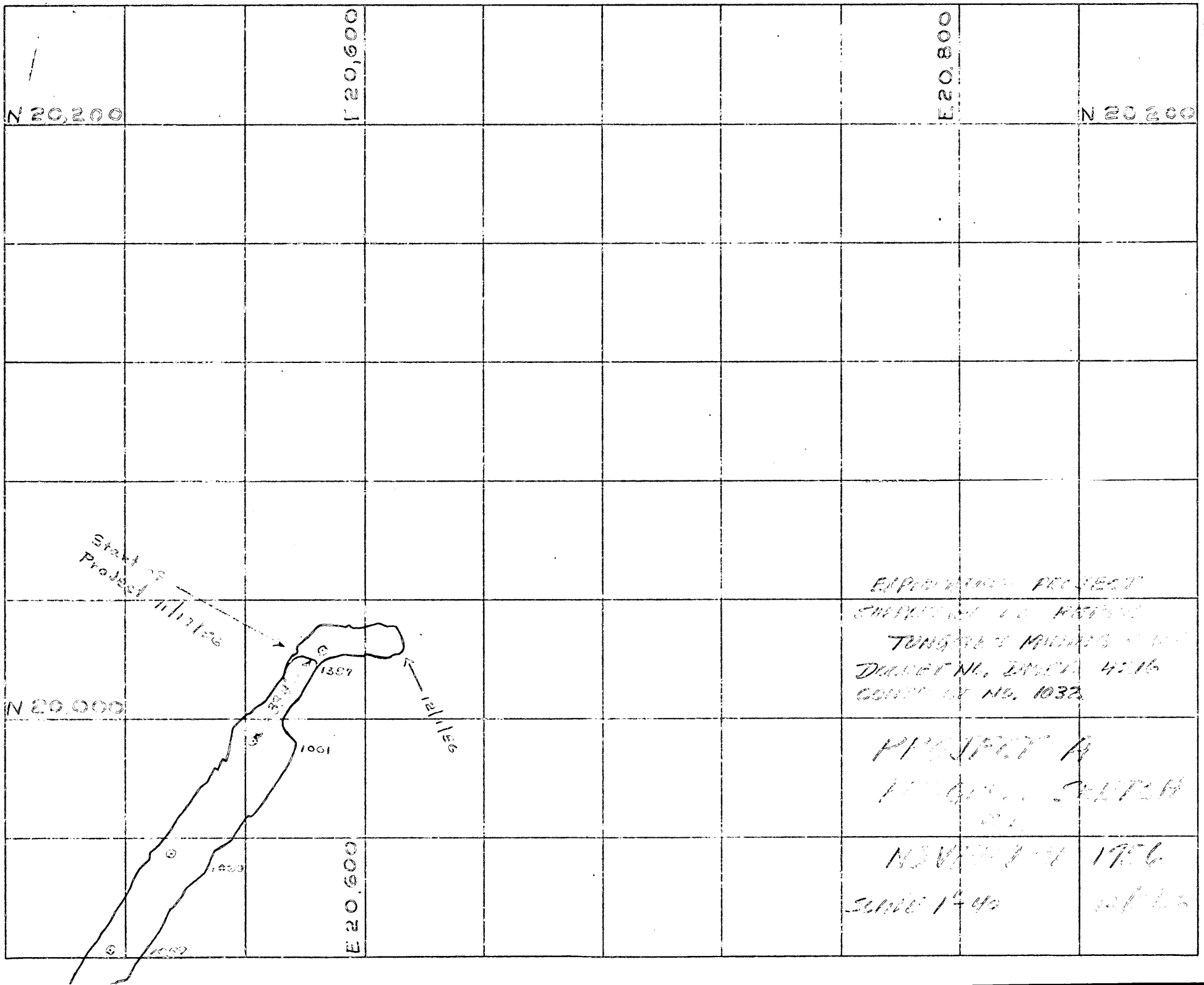
Advance - Drifting	-	43 ft.
Drift Timbered	-	0

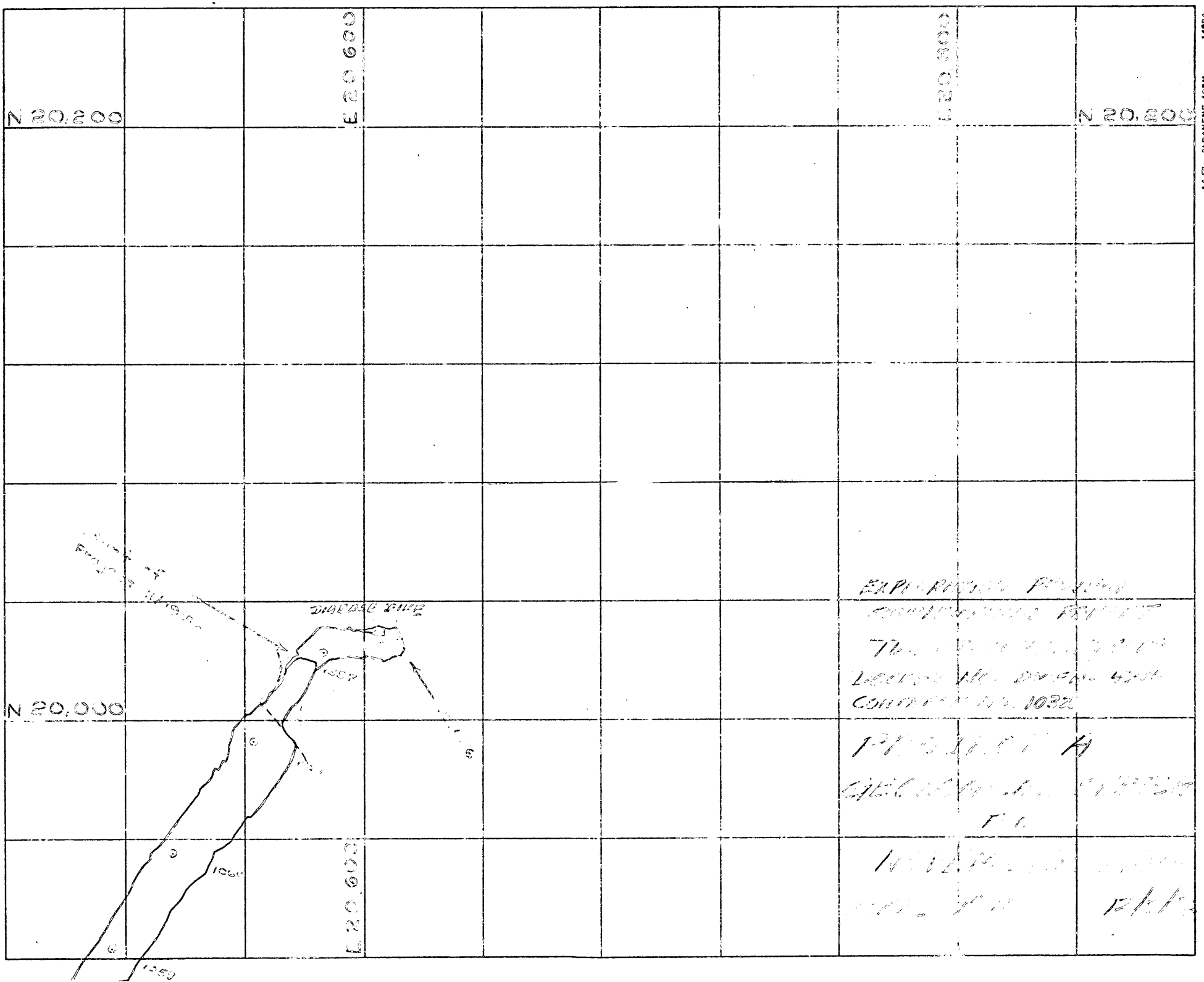
Crosscutting in Project D was started on the dayshift of Monday, November 26, 1956, on a bearing of N 65 W from a point with coordinates N 16994.63, 18,259.69 E and 30.8 ft. ahead of survey station 1354.

The first seven feet of advance was in dark,banded chloritic schist, the next nine feet was in rather banded diabase dike, and the remaining footage was in diorite dike.

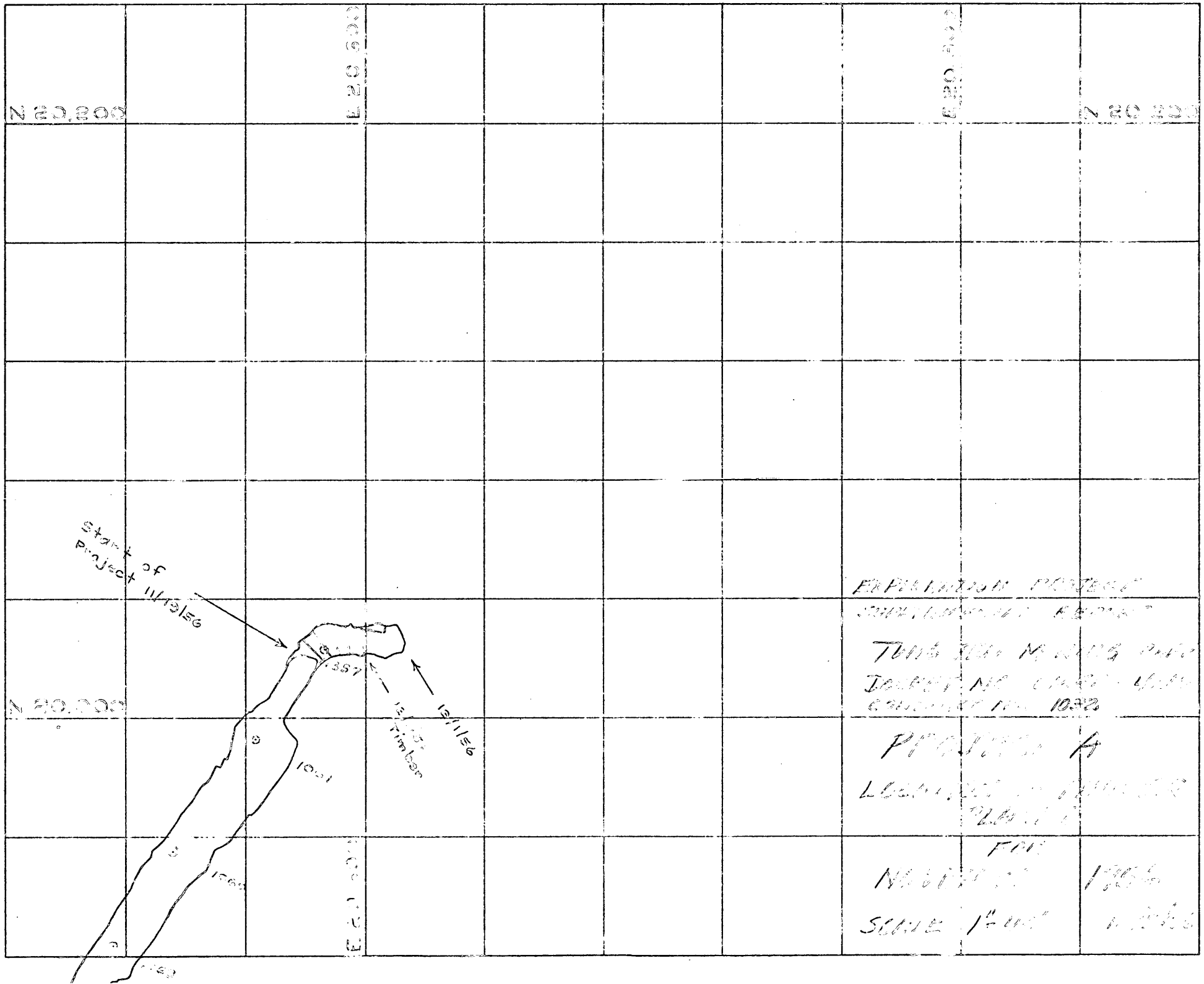
The diorite is rather blocky and timber support may be required.

The total advance was 43 ft. No mineralization was encountered nor is expected in the dike.

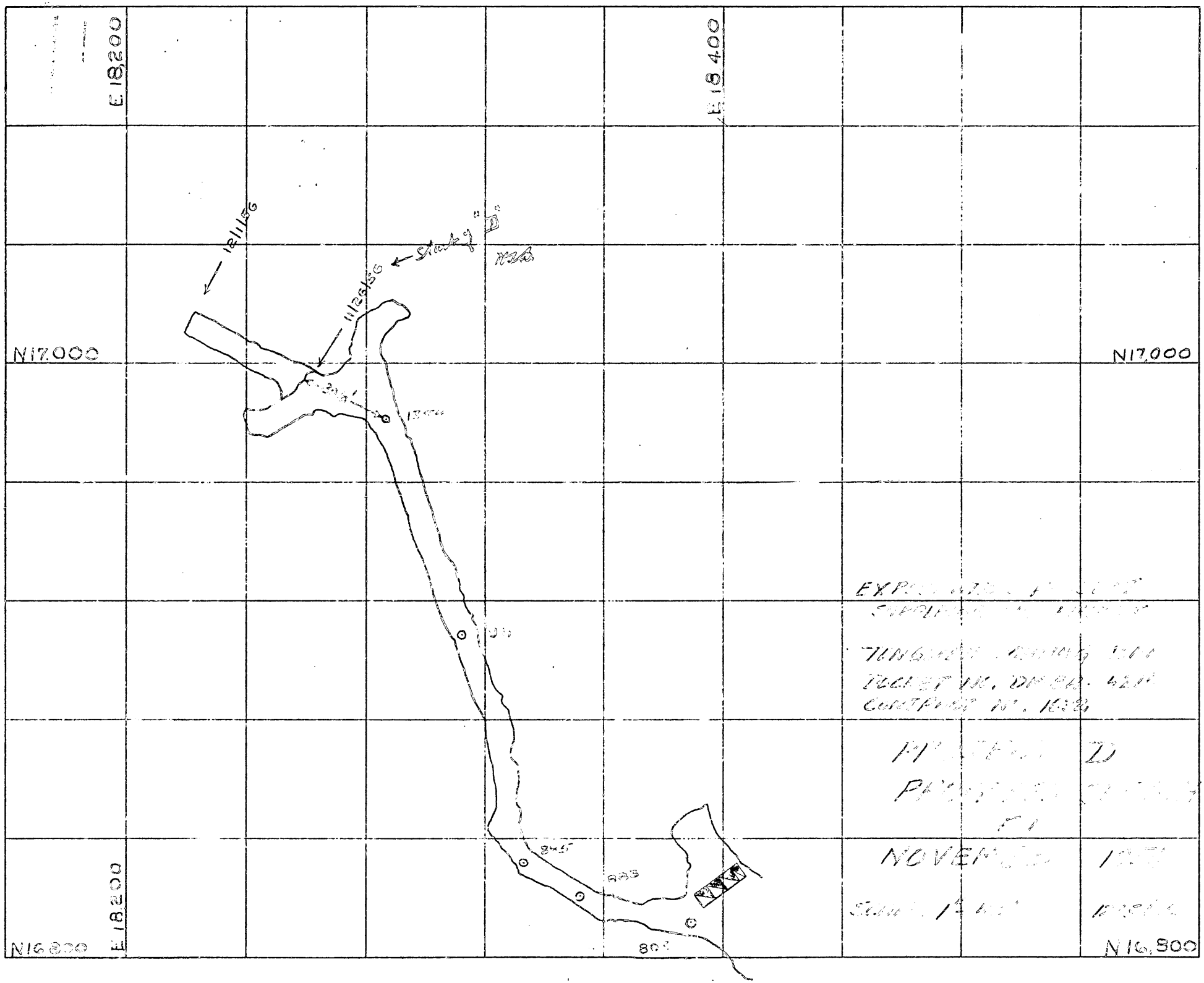

N 20,200
E 20,600
E 20,800
N 20,200
N 20,000
E 20,600
Start of Project 11/17/86
12/1/86
1387
1001
1400
1087
PROJECT A
NOVEMBER 1986
SCALE 1" = 40'
ALBANENE 105M
TRACING PAPER
K+E

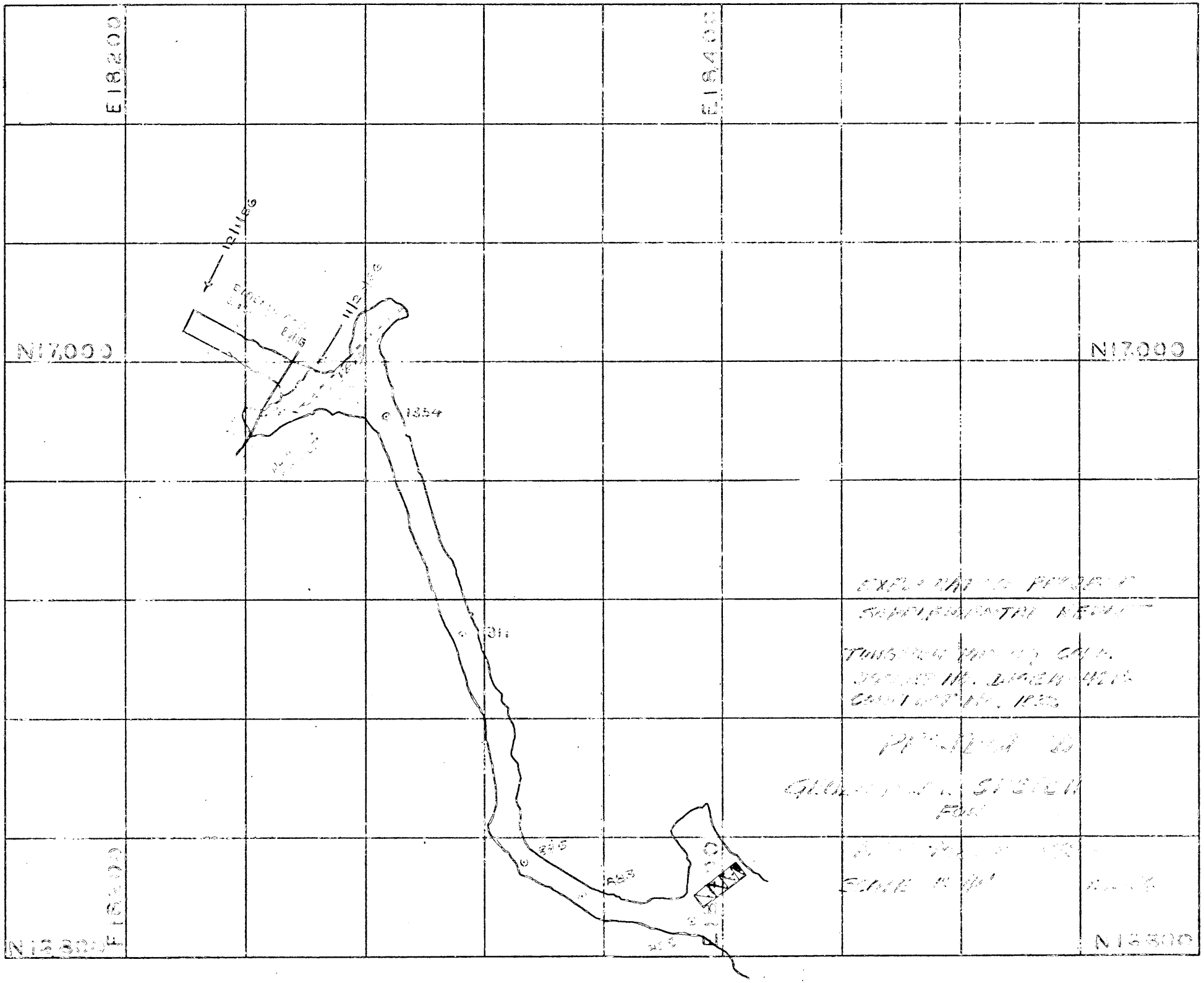


K&E ALBARENE 195M TRACING PAPER 14080



K+E ALBANENE 105M TRACING PAPER 14904


E 18,200
E 18,400
N17,000
N17,000
N16,800
E 18,200
N16,800
12/11/56
11/26/56
Stack of "D"
NOVEMBER



K+E ALBANENE 100M TRACING PAPER 19884

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

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

To: Tungsten Mining Corporation
Box 931
Henderson, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Ida-K1032, executed November 2, 1956 (Docket No. [illegible] 4226), as amended, hereinafter called the "Contract", between Tungsten Mining Corporation and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor 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.

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

Drifting, crosscutting, and diamond drilling on the 900 level of the Hanes mine have indicated an appreciable tonnage of tungsten ore, occurring as lenses containing huebnerite with some scheelite in quartz veins along northeasterly trending shear zones in Precambrian and/or Paleozoic granites and schists.

THE UNITED STATES OF AMERICA

Dated: DEC 1[illegible], 195[illegible]

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

cc to: 800 ✓

DEC 22 1958

Tungsten Mining Corporation
Box 931
Henderson, North Carolina

Re: Docket No. DMEA 4216 - Tungsten
Hamme Mine
Vance County, North Carolina
Contract No. Idm-E1032

Gentlemen:

Enclosed is a certification of discovery or development which covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and of the certification all minerals mined or produced from November 2, 1956, to November 2, 1971, are subject to the Government's percentage royalty as set forth in the contract until the sum of $183,256.95 is paid.

Royalty should continue to be paid, as it has been in the past, to the Executive Officer, OME Field Team, Region V, Room 2-B, Post Office Building, Knoxville 2, Tennessee. Checks covering royalty should be made payable to the Office of Minerals Exploration (which is the successor to the Defense Minerals Exploration Administration) accompanied by certified supporting documents, such as you have been furnishing, which show quantity and grade of the product sold, the name of the purchaser, and any charges.

You are requested to notify the Executive Officer of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Your attention is especially called to Article 2(c) of the contract, relating to the preservation of the Government's right to a percentage royalty on production. Also, if production ceases at any time for any extended period, please notify the Executive Officer at 6-month intervals that no production has been made, when that is the case.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

SPHOLT:fec 12-18-58
cc to: Codes 110, 800, 400
Director's Read. File
cc to: Oper. Comm.
FT. REG. V
F. D. Lamb, USBM
cc to: R. W. Holliday, USBM
T. H. Killsgaard, USGS
Haile Mines, Inc.

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

DEC 22 1958

Emile Mines, Inc.
500 Fifth Avenue
New York, N. Y.

Re: Project No. DMEA 4246 - Tungsten
Tungsten Mining Corporation
Emmet Mine
Vance County, North Carolina
Contract No. DMe-12032

Gentlemen:

Enclosed are copies of a certification of discovery or development and a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Contract of Regulay signed by you on November 26, 1956, under the DMEA program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

[illegible]

Acting Director

Enclosure

SMEIL:fbs
12-11-58
cc to: Code 400
800 +110
Director's Read. File
Oper. Cons.
FT. RMA. V
Finance Officer, Reg. V

DEC 22 1958

Mr. C. A. Fredell, Director
Technical Research and Development Division
Defense Materials Service
General Services Administration
6018 GSA Building
Washington 25, D. C.

Re: Docket No. DMTA 4216 - Tungsten
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract No. Idm-K1032

Dear Mr. Fredell:

Enclosed is a copy of certification of discovery or development issued under the subject contract.

Contract No. Idm-K1032 for the exploration of the Hamme mine property was executed November 2, 1956. Expenditures up to $246,660.00 were authorized by the contract as amended, of which the Government's share at 75% was $184,995.00. Cost of the work completed was $244,342.60, of which the Government's share was $183,256.95.

The object of the exploration program was to test the possible tungsten occurrences in quartz veins along northeasterly trending shear zones in Precambrian and/or Paleozoic granites and schists. The program employed drifting, crosscutting, and diamond core drilling on the 900 level of the Hamme mine to explore the mineralized zones.

The contract, as amended, provided for 6,700 feet of drifting and crosscutting, 1,415 feet of drift and crosscut timbering, 4,000 feet of diamond core drilling, and assaying 250 samples for WO_3. Assaying of not more than 50 samples for Mo was also authorized.

Work completed comprised 6,699 feet of drifting and crosscutting, 874 feet of drift and crosscut timbering, 4,000 feet of diamond core drilling, and assaying of 102 samples.

Tungsten ore discovered by project work is estimated as 35,900 short dry tons of indicated and inferred ore, averaging 0.67 percent tungsten trioxide (WO_3).

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

cc to: FT. REG. V
F. D. Lamb, USBM
R. W. Holliday, USBM
T. H. Kiilsgaard, USGS

SPHOLT:fob 12-18-58
cc to: Codes 400, 800, 110
Director's Read. File
Operating Comm.

Code 800

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Division of Iron and Ferro-Alloys, OME

Subject: General Summary of Contract and Results Obtained
Docket No. DMEA 4216 - Tungsten
Tungsten Mining Corporation
Hamme Mine
Vance County, North Carolina
Contract No. Xdm-X1032

Operator:

Tungsten Mining Corporation, Box 81, Henderson, North Carolina.

Operator's Property Rights:

The Operator owns two tracts, known as the Walker land and the Peck land, and controls by lease the Nat Morton land. It also owns 13/14 interest, and controls by lease 1/14 interest, in the mineral rights on the Abraham Saeed estate, all situated in Vance County, North Carolina. The portions of these tracts covered by the contract are more particularly described in Annex I of the contract.

Contract:

(a) Executed November 2, 1956, on Short Form, MF-200A (Revised April, 1956).

(b) Completion period: Work to be started on or before January 15, 1957, and to be completed within a period of 24 months from the date of the contract (or before November 2, 1958).

(c) Work authorized:

Fixed Unit Costs	
Drifting and crosscutting, 6,700 feet @ $35.00/ft	$234,500.00
Timbering drift and crosscut, 1,415 feet @ $6.00/ft	8,490.00
Diamond core drilling, 4,000 feet @ $1.65/ft	6,600.00
Assaying, 250 samples for WO_3 @ $3.00/sample	750.00
Estimated Total Cost of the Project	$250,340.00
Government Participation @ 75%	187,755.00

Work authorized was divided into four "projects", A, B, C, and D.

Amendment No. 1, executed January 30, 1957, authorized setting drift timber, where needed, within the 7½ foot overall width previously specified as minimum "in the clear" width of drifts and crosscuts, and reduced correspondingly the prices paid for drifting or crosscutting where timbering would be required. Total estimated cost of the project was reduced to $246,660.00, and Government participation to $184,995.00.

Amendment No. 2, executed July 15, 1957, authorized shifting of diamond drilling not performed in any "project" to another "project" where needed, with the prior approval of the Government, and without increase in the total cost of the contract or the Government's participation therein.

Amendment No. 3, executed October 14, 1957, authorized the transfer of funds not needed for timbered drifts to driving an equivalent dollar value of footage of untimbered drifts, where approved by the Government, and at no increase in total cost of the contract, or Government participation.

Amendment No. 4, executed January 8, 1958, authorized transfer of not to exceed $150.00 from funds allocated for drifting to pay for assaying samples for molybdenum (Mo), at no increase in the total cost of the contract, or the Government's participation.

(d) Work completed:

Drifting, untimbered,	4,231 feet
Drifting, timbered,	313 feet
Crosscutting, untimbered,	1,594 feet
Crosscutting, timbered,	561 feet
Timbering, drift and crosscut	874 feet
Total drifting and crosscutting	6,699 feet
Diamond core drilling	4,000 feet
Assays, 102	

Total cost of the contract	$244,342.60
Government participation @ 75%	183,256.95

Work on the project started November 19, 1956, and was completed June 16, 1958.

Audits:

A review in lieu of final audit, dated August 4, 1958, was received August 4, 1958.

Reports:

The Operator's Final Report, dated July 12, 1958, was received by the Field Team on some date prior to July 28, 1958, and received in this office July 30, 1958. The Final Report of the Field Team, dated August 1958, was received August 25, 1958.

Past Production:

Total recorded production from the mine, from discovery of the deposit in 1942 through January 31, 1956, was 836,705 short ton units of WO_3, of which 89% was huebnerite and 11% scheelite. Production in 1956 was at the rate of 160,000 units of WO_3 a year.

Present Production:

Since the date of the contract 2,577 wet tons of ore, averaging 0.588% WO_3, have been produced from DMEA workings, yielding 1,281.10 short ton units of WO_3, valued at $30,309.61, on which $1,515.48 royalty has been paid to the Government.

Certification:

In agreement with the recommendation of the Field Team, a certification of discovery or development was issued on 1958.

Comments:

All work under the contract was conducted in a highly efficient manner. No errors were found in progress reports. Safety rules were rigidly adhered to, and no accidents occurred on project work.

The project was established to explore for tungsten in the Hesse mine area, where it occurs as lenses containing huebnerite with some scheelite in quartz veins along northeasterly trending shear zones in Precambrian and/or Paleozoic granites and schists.

Work was divided into four subdivisions, or "projects", A, B, C and D, all on the 900 level, intended to explore possible downward extensions of surface showings as follows: A, northeast of present mine workings and on the north side of a large diabase dike, under surface showings on the Walker No. 5 and No. 10 veins; B, in the footwall area southwest of No. 7 shaft; C, in the footwall area

north of No. 6 shaft; and D, far to the west of No. 6 shaft, under surface showings on the Norton Estate No. 3 vein.

Reserves of tungsten ore discovered by project work are most conservatively estimated as 35,900 short dry tons of indicated and inferred ore, averaging 0.670 percent WO_3.

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

SPHolt:kb - December 12, 1958
cc: Docket
Code 400
Dir. reading file
Oper. Comm.

Audit copy

800

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

AMENDMENT NO. 4

It is agreed this 8th day of January, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Tungsten Mining Corporation that Exploration Project Contract No. Idm-E1032 (Docket No. DMEA-4216), dated November 2, 1956, as amended, hereinafter called the "Contract," is further amended, effective November 13, 1957, as follows:

In Exhibit "A," Description of the Work:

1. On page 3, under the heading, "General Specifications for Projects A, B, C, and D, paragraph 2 is revised to read:

"2. Drift faces shall be sampled at not to exceed 10-foot intervals in mineralized zones, and not more than 250 samples shall be assayed for tungsten trioxide (WO_3). With Government approval, not in excess of 50 samples may be assayed for molybdenum (Mo)."

2. Paragraph 4 is revised to read:

"4. Diamond drill cores in mineralized zones shall be split. One portion of each split shall be assayed for WO_3, and when approved by the Government it shall also be assayed for molybdenum (Mo) and the other portion of each split, with all other cores, shall be stored by the Operator until logged and released by the Government."

3. Not to exceed $150.00 of funds provided in this Contract for drifting and crosscutting under Projects A, B, C, and D may, at the option of the Operator and when approved by the Government, be used for assaying samples from drifts, crosscuts or diamond drill holes for molybdenum (Mo), at a fixed unit cost of $3.00 per determination.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

TUNGSTEN MINING CORPORATION

By J. R. Sweet
J. R. Sweet

Title Vice President & General Manager

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

Justification for Amendment No. 4

The Field Team, noting that molybdenite had been discovered in a quartz-molybdenite vein in the north drift of Project D, requested that an amendment be prepared to allow the Operator to assay some of the 250 samples authorized by the Contract for molybdenum (Mo), as well as tungsten trioxide (WO_3).

This amendment authorizes such assaying, when approved by the Government.

Audit copy

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

AMENDMENT NO. 3

It is agreed this 14th day of October, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Tungsten Mining Corporation that Exploration Project Contract No. Idm-E1032 (Docket No. DMEA-4216), dated November 2, 1956, as amended, hereinafter called the "Contract," is further amended, effective September 19, 1957, as follows:

In Exhibit "A," as amended by Amendment No. 1, any part of the 1,415 feet of timbered drift, set forth under the Estimated Cost of the Project as the second item, remaining unused may, where timbering is not necessary, and with the approval of the Government, be driven untimbered, at the Fixed Unit Cost of $35.00 per foot, provided that the total of all timbered and untimbered drift shall not exceed 6,700 feet, and the total maximum cost of all drifting and timbering shall not exceed $239,310.00.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mattendorf
Administrator, Defense Minerals
Exploration Administration

TUNGSTEN MINING CORPORATION

By J. R. Sweet
J. R. Sweet
Title Vice-President & General Mgr.

Audit copy

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

Justification for Amendment No. 3

The Operator has requested and the Field Team recommends approval of the request that Amendment No. 1 to the subject contract be clarified as to the Operator's authorization to drive any part of the 1,415 feet of timbered drift allowed in the contract, without timber where timber is not needed, at the rate for untimbered drift.

This amendment authorizes such changes with the approval of the Government.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 30, 1957

EXTRA COPY
DMEA
RECEIVED AUG 1 1 1957

DATE	INITIALS	CODE
		800

Mr. James R. Sweet,
Vice President and General Mgr.
Tungsten Mining Corporation
P.O. Box 931
Henderson, North Carolina

Re: DMEA-4216(tungsten)
Hamme Mine, Vance County, N.C.
Idm-E1032

Dear Mr. Sweet:

This replies to your letter of July 25, requesting permission to skeletonize the drill cores after they have been logged by your staff.

Mr. Burmeister and Mr. Williams have recommended that this be permitted as the skeletonized cores plus your logs will provide adequate information for the Government. Therefore, this letter constitutes approval to skeletonize the cores as described in your letter, subject to revocation if the procedure should prove unsatisfactory in future Government field inspections.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V

RAL/zm
cc
Opr. Com-2
Lynch
Millar
Parker
Williams
Files

TUNGSTEN MINING CORP.

BOX 931

HENDERSON, N. C.

TELEPHONE NO. 4139

July 25, 1957

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team
Region 5, Room 13
P. O. Building
Knoxville 2, Tennessee

Re: DMEA-4216
Idm E-1032 (Tungsten)
Hamme Mine
Vance County, N. C.

Dear Mr. Laurence:

We are writing with reference to DMEA diamond drill cores. As you know, we have been storing these cores intact except for the splitting of mineralized zones. Normally, it is our practice to skeletonize our cores upon logging and then put them in storage.

According to the DMEA contract, all cores are to be "stored by the operator until logged and released by the Government."

Mr. Burmeister and Mr. Williams, on their visit here on July 24th, indicated that it was agreeable with DMEA to allow us to skeletonize DMEA cores at the time that they are logged by us and to skeletonize the accumulated DMEA cores which are on hand now. They indicated that you are familiar with this decision, and if possible, we would like to have your written approval to proceed on this basis.

Yours very truly,

TUNGSTEN MINING CORPORATION

J. R. Sweet

J. R. Sweet
Vice-President & General Mgr.

EMS:fnj

RECEIVED
JUL 29 1957
U. ... Knox...

Audit copy

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 31 1957
DATE | INITIALS | CODE
800

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

AMENDMENT NO. 2

It is agreed this 17th day of July, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Tungsten Mining Corporation that Exploration Project Contract No. Idm-X1032 (Docket No. DMEA-4216), dated November 2, 1956, as amended, hereinafter called the "Contract," is further amended effective June 12, 1957, as follows:

> In Exhibit "A", notwithstanding the drilling maximums established, any drilling requirements unperformed as of the effective date of this Amendment No. 2 may, with the prior approval of the Government, be performed as originally estimated or transferred with related costs to any of the other projects: Provided, That the total of 4,000 feet estimated for all four projects shall not be exceeded.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

TUNGSTEN MINING CORPORATION

By J. R. Sweet
J. R. Sweet

Title Vice-Pres. & Gen. Mgr.

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

Justification for Amendment No. 2

The Operator has requested and the Field Team recommends approval of the request for an amendment permitting shifting authorization for unused diamond drilling from one subdivision, or "Project," where not needed, to another "Project" where it can be used to better advantage.

This amendment authorizes such changes with prior approval of the Field Team.

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 8 1957
DATE

DMEA Form 14

Contract No. Idm-E 1032

Docket No. 4216

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
November 2, 1956	V	North Carolina	Tungsten

Name and Address of Operator: Tungsten Mining Corporation
Box 81
Henderson, North Carolina

	Reserve	Obligation
Prior Amount	0	184,995.00
Increase	0	0
Decrease	0	1,738.05
Revised Amount	0	183,256.95

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 8/19/58

22845

Contract No. Idm-E 1032

Docket No. 4216

DEPARTMENT OF THE INTERIOR

[redacted]
Amendment

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
November 2, 1956	V	North Carolina	Tungsten

Name and Address of Operator: Tungsten Mining Corporation
Box 81
Henderson, North Carolina

	Reserve	Obligation
Prior Amount	0	$187,755.00
Increase	0	0
Decrease	0	2,760.00
Revised Amount	0	$184,995.00

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 2/28/57

989

Government's copy
OFFICIAL FILE COPY
DMEA
RECEIVED FEB 27 1957

DATE	INITIALS	CODE
		800

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

AMENDMENT NO. 1

It is agreed this 30th day of January, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Tungsten Mining Corporation that Exploration Project Contract No. Idm-E1032 (Docket No. DMEA-4216), dated November 2, 1956, hereinafter called the "Contract," is amended effective November 2, 1956, as follows:

1. In Article 1(b) of the Contract, the estimated total cost of the project is changed from $250,340.00 to $246,660.00 and the Government's contribution at 75 percent is changed from $187,755.00 to $184,995.00.

2. In Exhibit "A," on page 3, under the heading General Specifications for Projects A, B, C, and D, paragraph 1 is deleted and the following paragraph is substituted:

"1. Drifts and crosscuts shall be driven a minimum of 7 feet wide by 7½ feet high above top of rail. Where timber is necessary, it shall consist of 8 inch by 8 inch oak posts and caps with 2 inch or 3 inch top and side lagging as required. The inside width between posts shall be not less than 5 feet 8 inches and the bottom of the cap shall be not less than 7½ feet above top of rail. No sills are required."

3. In Exhibit "A," on page 3, the Estimated Costs of the Project are revised to read as follows:

"Estimated Costs of the Project

Fixed Unit Costs

Drifts and crosscuts, not timbered, 7 feet by 7 feet 6 inches in the clear, 5,285 feet @ $35.00/ft.	$184,975.00
Drifts and crosscuts, timbered, 5 feet 8 inches by 7 feet 6 inches in the clear of timber, 1,415 feet @ $32.40/ft. (rounded to)	45,845.00
Timbering of drifts and crosscuts, 1,415 feet @ $6.00/ft.	8,490.00

Diamond drilling, 4,000 feet @ $1.65/ft.	$ 6,600.00	
Assaying 250 samples for WO_3 @ $3.00 each sample	750.00	
Total Estimated Cost of the Project		$246,660.00
Government Participation @ 75 percent		$184,995.00"

* * * * * * *

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Meadows
Administrator, Defense Minerals
Exploration Administration

TUNGSTEN MINING CORPORATION

By J. R. Swart
Title Vice Pres. & Gen. Mgr.

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DMEA
RECEIVED FEB 27 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

AMENDMENT NO. 1

JUSTIFICATION

The Operator has requested, and the Field Team examiner approves, a change in the contract to permit the installation of timber sets 5 feet 8 inches wide and 7½ feet high in the clear of timber, where timber is necessary, instead of 7 feet wide by 7½ feet high in the clear, as now specified in the contract. The Operator states that the narrower sets conform with North Carolina State Mining Laws. The smaller clearance will be as effective for purposes of exploration as the previously required size.

Under the present contract, for drifts and crosscuts that require timbering the Operator must drive a minimum cross section of 8 feet 8 inches wide by 8 feet 4 inches high above top of rail, whereas he is allowed by this amendment to drive such timbered working approximately 20 inches narrower, but at a reduced unit price. The saving to the Government by this amendment will be $2.60 per foot of drift or crosscut, where timbering is necessary.

Contr[illegible] No. Idm-E 1032

Docket No. 4216

DEPARTMENT OF THE INTERIOR

Executed contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
November 2, 1956	V	North Carolina	Tungsten

Name and Address of Operator: Tungsten Mining Corporation
Box 81
Henderson, North Carolina

	Reserve	Obligation
Prior Amount	$187,755.00	0
Increase	0	$187,755.00
Decrease	187,755.00	0
Revised Amount	0	$187,755.00

Remarks:

W N C
(Name)
for Allen S. Duken, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 11/26/56

98963

Government's copy

MF-200A
(Rev. April 1956)

RECEIVED NOV 26 1956

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*	*County*	*State*
4216	Tungsten	Idm-E 1032	Vance	North Carolina

It is agreed NOV 2 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Tungsten Mining Corporation, a Delaware Corporation

whose mailing address is Box 81, Henderson, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before JAN 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 24 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $250,340.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $187,755.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ~~ten~~* 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. See Article 10.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

* Fifteen (15) years

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

In Article 6(b), the words "ten years" are changed to "fifteen years", and the following sentence is added: "Royalty shall be payable as provided in this contract on all minerals mined or produced from the land included in this contract, and also on all minerals, regardless of where they are mined or produced, which are transported or passed through any workings to the cost of which the Government has contributed."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

TUNGSTEN MINING CORPORATION
(Operator)

By J. R. Sweet
Vice President & General Manager

By C. F. Mittendorf
Administrator, Defense Minerals
Exploration Administration

I, George V. Boyd, certify that I am the Assistant secretary of the corporation named as Operator herein; that J. R. Sweet, who signed this contract on behalf of the Operator, was then Vice President & General Manager 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.

George V. Boyd

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

NOV RECEIVED 1956

ANNEX I

The land referred to in Article 2 of the contract is known as the Hamme Mine and is located in the northern portion of Vance County, North Carolina, immediately south of the North Carolina-Virginia border, and consists of the following land and interests in land:

1. Land owned in fee by Tungsten Mining Corporation, known as the Walker Land and the Peck Land, located in Townsville Township, Vance County, North Carolina, conveyed by Haile Mines, Inc., to Tungsten Mining Corporation by deed dated June 7, 1945, and recorded in Book 238, Page 602, Vance Registry.

2. Mineral rights leased by Tungsten Mining Corporation for a period of 99 years, from Carl U. Samford and others, in land known as the Nat Morton Land, by Agreement dated March 11, 1946, recorded in Book 246, Page 590, Vance Registry.

3. Mineral rights owned by Tungsten Mining Corporation in thirteen-fourteenths (13/14) of land known as the Abraham Sneed Estate, which mineral rights were conveyed to Tungsten Mining Corporation by deed of T. P. Gholson, Commissioner, dated January 2, 1946, the property being described in a deed recorded in Book 58, Page 104, and the deed recorded in Book 246, Page 262, Vance Registry.

4. Mineral rights leased by Tungsten Mining Corporation, for a period of 99 years, in one-fourteenth (1/14) of the Abraham Sneed Estate, from Jasper B. Hicks by Agreement dated January 16, 1946, and recorded in Book 246, Page 264, Vance Registry.

All ground within the following boundaries of the Projects which are defined as follows, and marked on the accompanying maps, Figures 1, 4, 5, and 6, shall be subject to payment of royalty to the Government under the Contract:

Project A: All ground in the land described above which is within vertical boundaries as follows: Beginning at the point with coordinates N 23,030, E 21,700; thence southeasterly through the point with coordinates N 22,175,

E 23,000 to the 275 foot contour on the west side of Little Island Creek; thence southerly along said 275 foot contour to the northerly boundary of the Peck Land; thence easterly along said boundary to Little Island Creek; thence southerly along said Little Island Creek to the northerly boundary of the Abraham Sneed Estate; thence westerly along said boundary to its intersection with coordinate line E 20,580; thence north along said E 20,580 coordinate line to the point with coordinates N 20,020, E 20,580; thence northerly to the point with coordinates N 22,000, E 21,000; thence northeasterly to the point with coordinates N 23,030, E 21,700, which is the point of beginning.

Project B: All ground in the land described above which is below the 500 level of the mine and is within vertical boundaries as follows: Beginning at the point with coordinates N 20,060, E 19,610; thence southerly to the point with coordinates N 19,820, E 19,580; thence west to the point with coordinates N 19,820, E 17,929; thence northeasterly to the point with coordinates N 20,060, E 18,150; thence east to the point with coordinates N 20,060, E 19,610, which is the point of beginning.

Projects B - C - D: All ground within the land described above which is within boundaries described as follows: Beginning at the point with coordinates N 19,820, E 19,580; thence southerly along the line defining a vertical plane to the point with coordinates N 18,790, E 19,405; thence southwesterly along a line defining a plane inclined 78°45' southeasterly to the point with coordinates N 18,000, E 19,050; thence southwesterly along a line defining a plane inclined 78°45' southeasterly to the point with coordinates N 16,245, E 18,085; thence west along a line defining a vertical plane to the southwesterly boundary of the Nat Morton land; thence northwesterly along said boundary defining a vertical plane to the intersection with a line projected southwesterly through the points with coordinates N 18,790, E 16,982 and N 19,820, E 17,929; thence northeasterly along said line, defining a vertical plane, to the point with coordinates N 19,820, E 17,929; thence east along a line defining a vertical plane to the point with coordinates N 19,820, E 19,580, which is the point of beginning.

The attached Guaranty executed by Haile Mines, Inc., to protect the Government's interests under the Contract is in lieu of Consents to Lien by the owners of the leased land.

Government's copy

RECEIVED NOV 26 1956 D.M.E.A.

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

EXHIBIT "A"

Description of the Work

The maps attached to and made part of the contract are as follows:

Fig. 1. Tungsten Mining Corp., Vance County, N. C., Property Map.
Fig. 4. Project A. Tungsten Mining Corporation, Henderson, N. C.
Fig. 5. Project B. Tungsten Mining Corp., Henderson, N. C.
Fig. 6. Projects C & D. Tungsten Mining Corporation, Henderson, N. C.

The proposed work consists of drifting, crosscutting, and diamond drilling, in four areas designated as Projects A, B, C, and D, all on the 900-foot level of the Hamme mine, as follows:

Project A.

1. Starting from the north face of the 900-foot level on No. 2 vein, approximately at the point with coordinates 20,020N and 20,580E, crosscut in the direction N. 80° E. through a diabase dike, then drift along the No. 2 vein structure to a second diabase dike, crosscut through that dike, then again drift along the No. 2 vein structure until a total of not to exceed 2,200 feet of drifting and crosscutting has been completed.

2. One or more short crosscuts may be driven, with the prior approval of the Government, to explore the width and mineralization of the vein structure, provided that the driving of such crosscuts shall not increase the approved total footage of drifting and crosscutting for this Project A.

3. Drill not to exceed 2,000 feet of exploratory diamond drill holes to locate the vein structure beyond the diabase dikes and to explore the width and mineralization of the shear zone.

Project B.

1. Starting from the main shaft, crosscut on the 900-foot level, approximately at the point with coordinates 20,060N and 19,610E, and then drift in a direction approximately S. 42° W. along the No. 3 vein structure for a total distance of not to exceed 1,300 feet, including such short crosscuts as may be needed to turn on to the vein structure at the start and to explore the width and mineralization of the vein structure. Such crosscutting shall be held to a minimum and be subject to the prior approval of the Government.

2. Drill not to exceed 500 feet of diamond drill holes to explore the full width and mineralization of the shear zone.

Project C.

1. Starting on the 900-foot level at the drift face approximately at the point with coordinates 17,020N and 18,290E, drift northeasterly along the No. 28 vein structure for a distance not to exceed 1,200 feet.

2. One or more short crosscuts may be driven, with the prior approval of the Government, to explore the width and mineralization of the vein structure, provided that the driving of such crosscuts shall not increase the approved total footage of drifting and crosscutting under this Project C.

3. Drill not to exceed 500 feet of diamond drill holes to explore the full width and mineralization of the shear zone.

Project D.

1. Starting on the 900-foot level approximately at the point with coordinates 16,995N and 18,265E, drive a crosscut in a direction approximately N. 65° W. until the Morton No. 3 vein is intersected, or until 1,400 feet of crosscut has been driven, whichever occurs first.

2. After intersecting the No. 3 vein, or completing 1,400 feet of crosscutting, whichever occurs first, additional footage of crosscutting and drifting may be used for drifting along the Morton No. 3 vein, or along other veins encountered in driving

the crosscut, with prior approval by the Government of the location and extent of such drifting. The maximum footage of crosscutting and drifting under this Project D shall not exceed 2,000 feet.

3. Drill not to exceed 1,000 feet of diamond drill holes to explore mineralized zones, as necessary to guide crosscutting and drifting.

General Specifications for Projects A, B, C, and D.

1. Drifts and crosscuts shall be not less than 7 feet wide by 7½ feet high above top of rail, in the clear of timber, and shall be timbered as necessary. Timber sets shall consist of 8" by 8" oak posts and caps, with 2" or 3" top and side lagging as required. No sills are required.

2. Drift faces shall be sampled at not to exceed 10-foot intervals in mineralized zones, and not more than 250 samples shall be assayed for tungsten trioxide (WO_3).

3. Work under Projects A, B, C, and D may be carried on concurrently at the discretion of the Operator.

4. Diamond drill cores in mineralized zones shall be split. One portion of each split shall be assayed for WO_3, and the other portion of each split, with all other cores, shall be stored by the Operator until logged and released by the Government.

5. Size of diamond drill holes shall be at the option of the Operator. Diamond drill holes shall be reamed and cased, or cemented and re-drilled, as necessary. Footage will be paid only for completed holes. No payments will be made for footage in holes lost or abandoned before completion.

Estimated Costs of the Project

Fixed Unit Costs

Drifting and crosscutting, 6,700 feet @ $35.00/ft.	$234,500.00
Timbering, drift and crosscut, 1,415 feet @ $6.00/ft.	8,490.00
Diamond drilling, 4,000 feet @ $1.65/ft.	6,600.00
Assaying 250 samples for WO_3 @ $3.00/sample	750.00
Total Estimated Cost of the Project	$250,340.00
Government Participation at 75%	$187,755.00

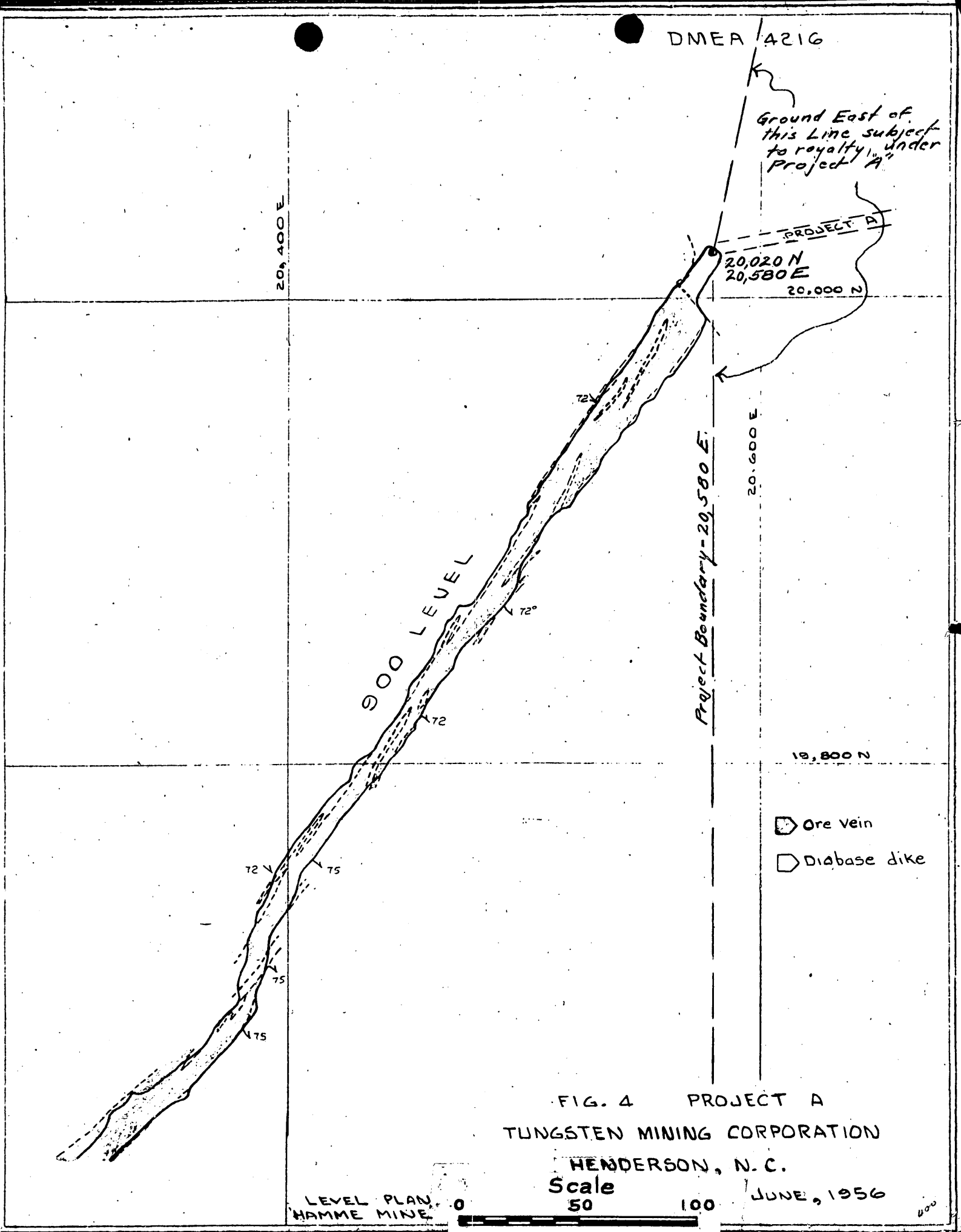


FIG. 4 PROJECT A

TUNGSTEN MINING CORPORATION

HENDERSON, N. C.

DMEA 4216

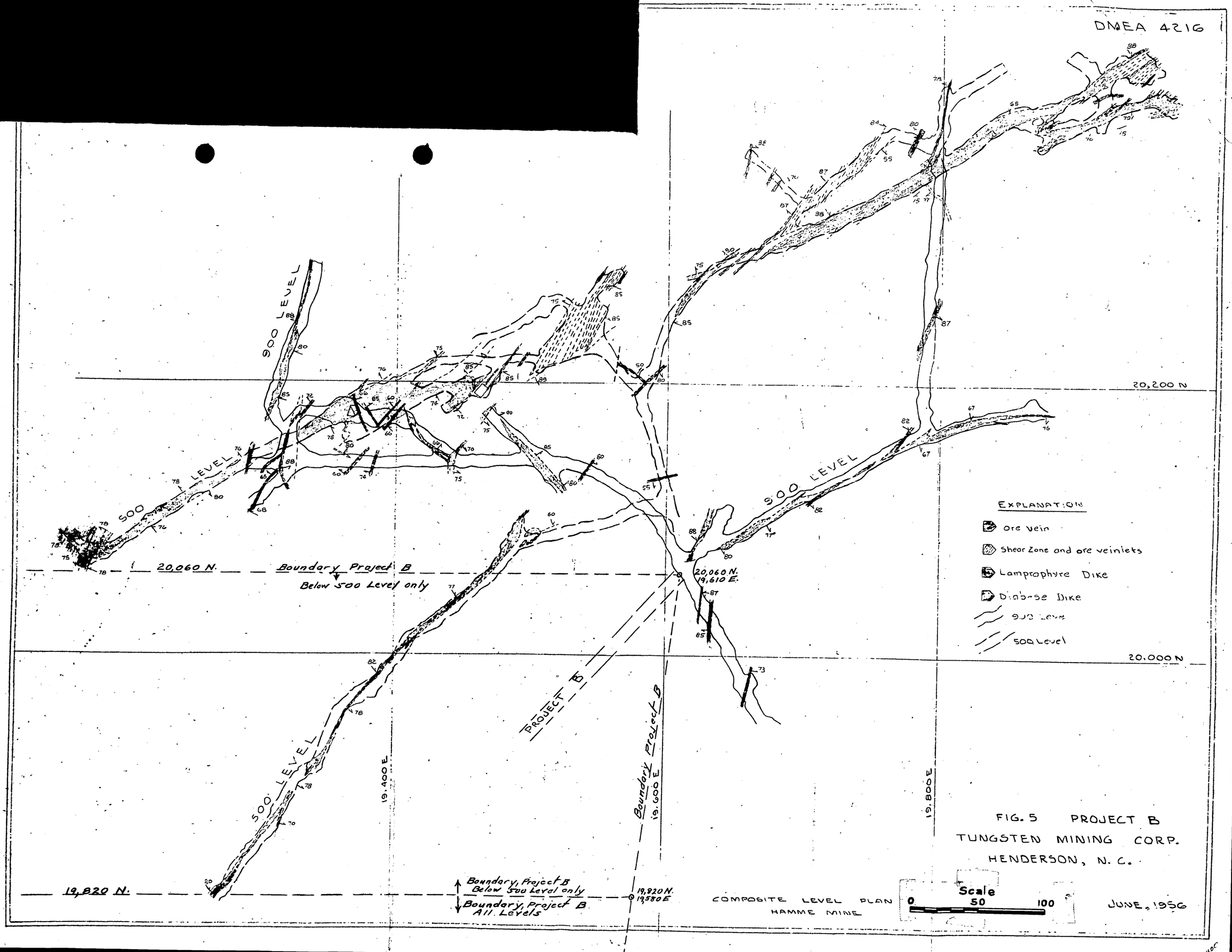


FIG. 5 PROJECT B
TUNGSTEN MINING CORP.
HENDERSON, N. C.

DMEA 14216

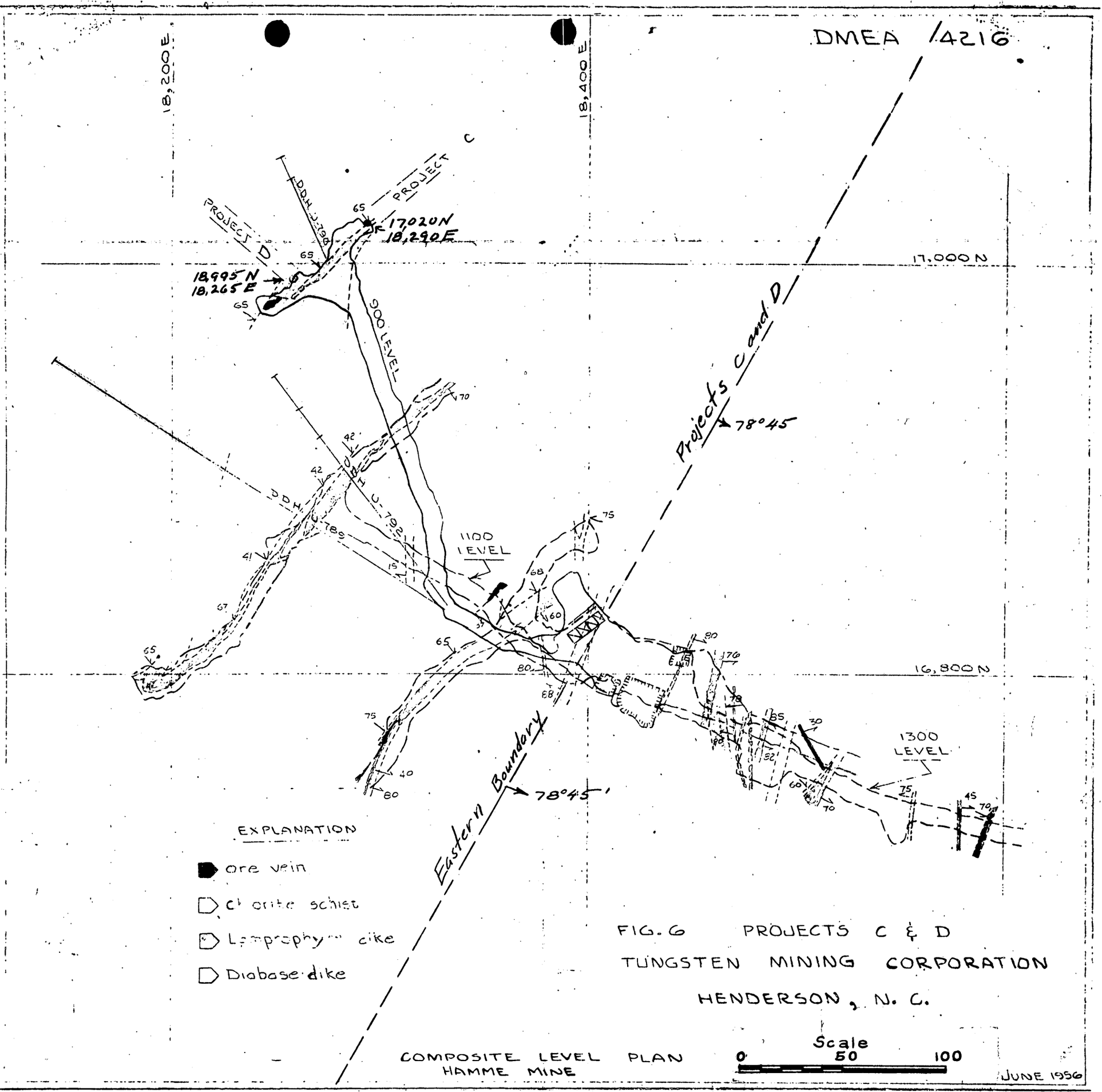


FIG. 6 PROJECTS C & D
TUNGSTEN MINING CORPORATION
HENDERSON, N. C.

COMPOSITE LEVEL PLAN
HAMME MINE

Scale
0 50 100

JUNE 1956

EXPLORATION PROJECT CONTRACT
TUNGSTEN MINING CORPORATION
DOCKET NO. DMEA-4216

GUARANTY OF ROYALTY

WHEREAS, negotiations are now pending between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Tungsten Mining Corporation, a Delaware corporation, hereinafter called the "Operator," for an Exploration Project Contract relating to certain land in Vance County, State of North Carolina, which land is more fully described in Annex I of the proposed contract, as executed or as hereafter amended.

NOW, THEREFORE, in consideration of the waiver by the Government of the requirement of an Owner's Consent to Lien referred to in said contract, and in lieu thereof, the undersigned hereby guarantees the payment to the United States of America of any royalties that may fall due under the provisions of said contract or any amendment or assignment thereof, notice of any such amendment or assignment being hereby waived. If the records of any sales or other disposition of the production upon which any such royalties may accrue, whether the production is by the Operator or by others, are not made available to the Government for the computation of said royalties, the undersigned agrees that the amounts thereof may be determined according to the best estimates that can reasonably be made; and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or his successor, or by his representative authorized for that purpose, shall be final and binding upon the undersigned.

Dated November 10th, 1956.

HAILE MINES, INC.
500 Fifth Avenue
New York, N. Y.
Guarantor

By W. Lunsford Long

Title President

I, George V. Boyd, certify that I am the Assistant secretary of the corporation

named as Guarantor herein; that W. Lunsford Long, who signed this Guaranty, was then President of said corporation; that said Guaranty 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.

George V. Boyd /Corporate Seal/

Contract No. Idm-E 1032

Docket No. 4216

DEPARTMENT OF THE INTERIOR

Approved contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
November 2, 1956	V	North Carolina	Tungsten

Name and Address of Operator: Tungsten Mining Corporation
Box 81
Henderson, North Carolina

	Reserve	Obligation
Prior Amount	0	0
Increase	$187,755.00	0
Decrease	0	0
Revised Amount	$187,755.00	0

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 11/2/56

98963

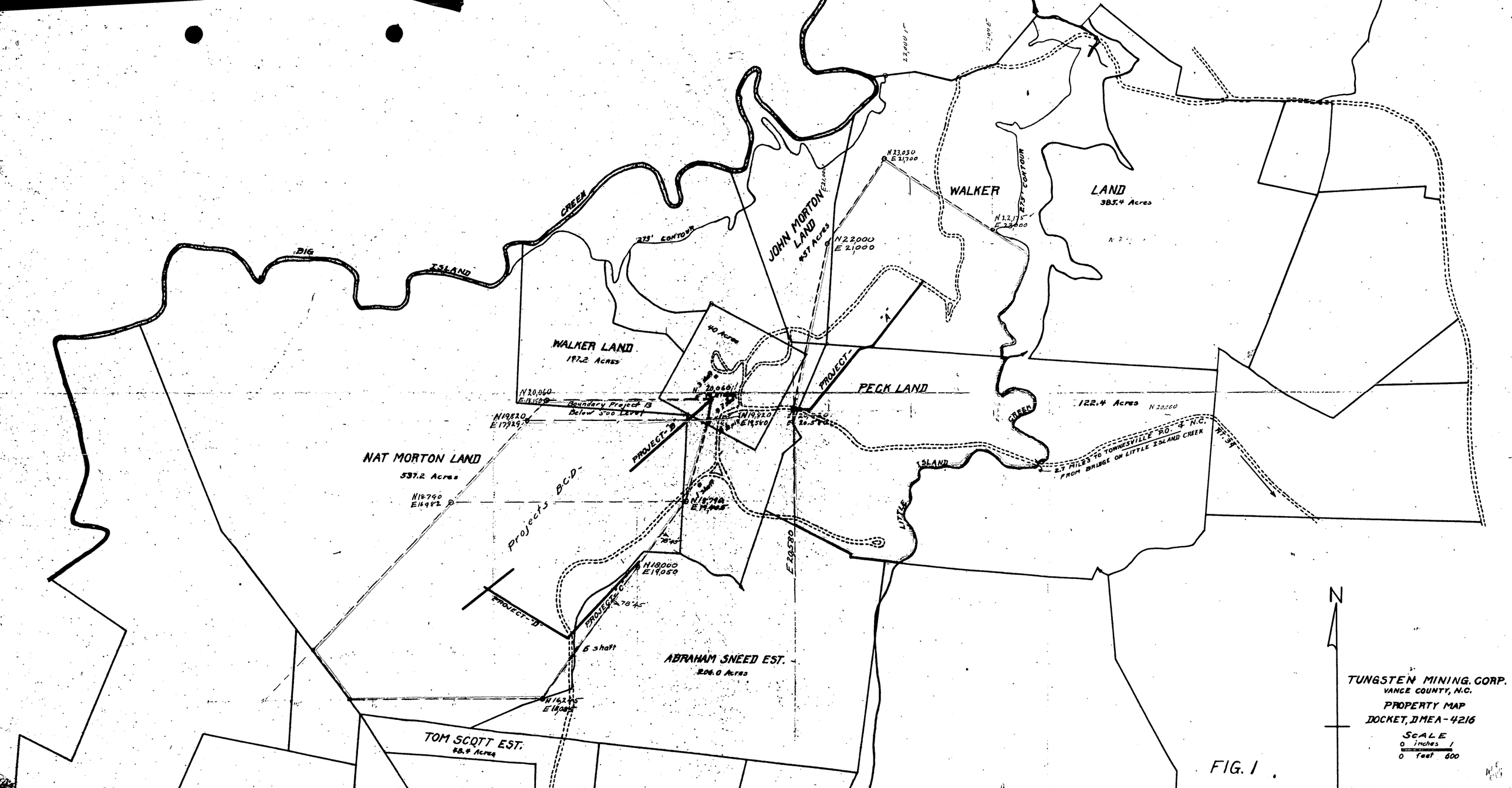
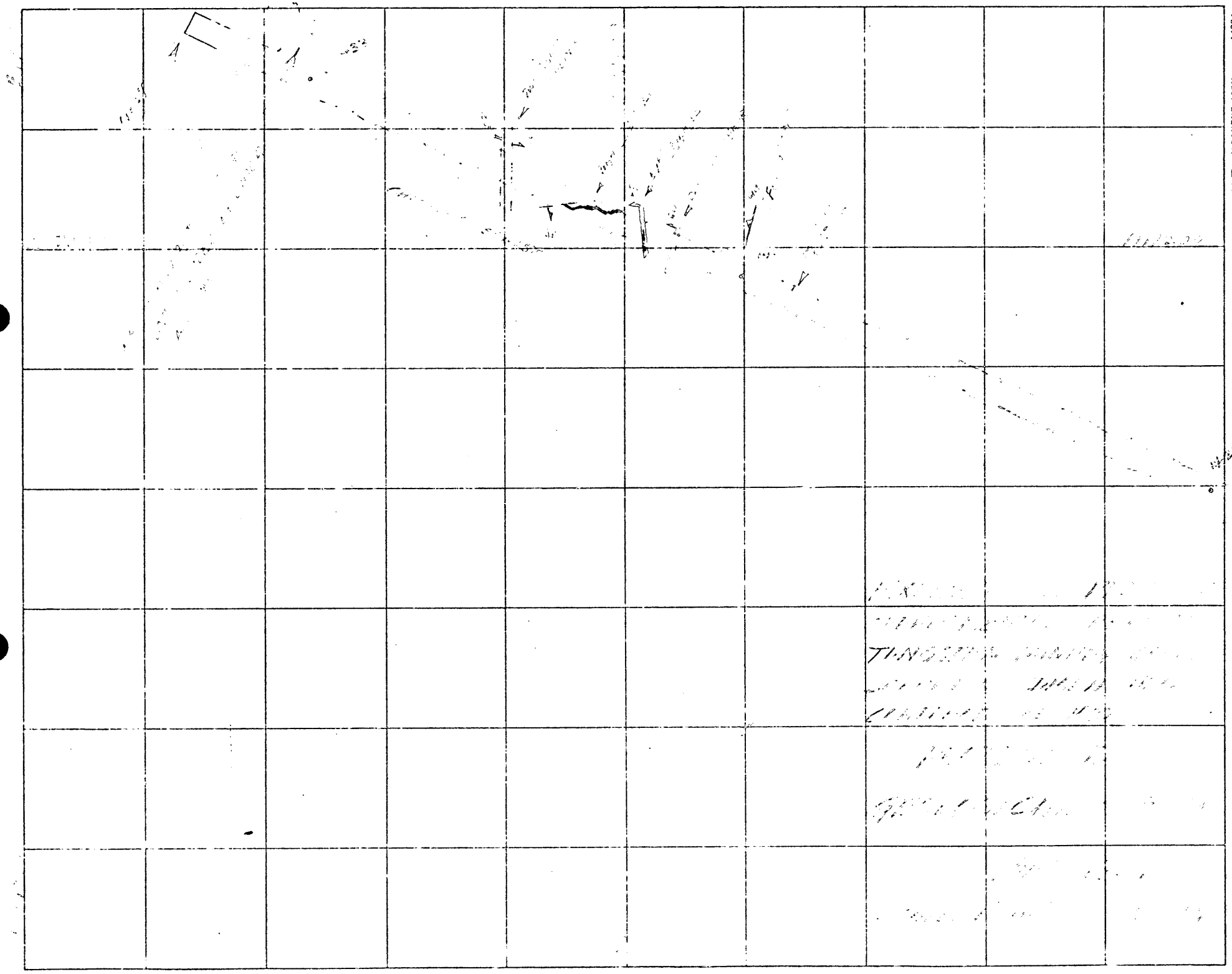

BIG ISLAND CREEK
275' CONTOUR
JOHN MORTON LAND
457 Acres
N 23,030
E 21,700
N 22,000
E 21,000
WALKER
LAND
385.4 Acres
275' CONTOUR
WALKER LAND
187.2 Acres
40 Acres
"A"
PROJECT-
PECK LAND
122.4 Acres
N 20,060
E 19,150
Boundary Project B
Below 500 Level
N 19,820
E 17,929
N 19,820
E 19,540
PROJECT-B
NAT MORTON LAND
537.2 Acres
N 18,790
E 16,982
Projects B.C.D.
N 18,790
E 19,845
LITTLE ISLAND CREEK
2.7 MILES TO TOMNESVILLE P.O. & N.C. #1.34
FROM BRIDGE ON LITTLE ISLAND CREEK
E 20,530
N 18,000
E 19,050
PROJECT-C
78°45'
PROJECT-D
6 shaft
ABRAHAM SNEED EST.
206.0 Acres
N 16,245
E 18,085
TOM SCOTT EST.
48.4 Acres
N
TUNGSTEN MINING. CORP.
VANCE COUNTY, N.C.
PROPERTY MAP
DOCKET, DMEA-4216
SCALE
0 inches 1
0 feet 600

FIG. 1



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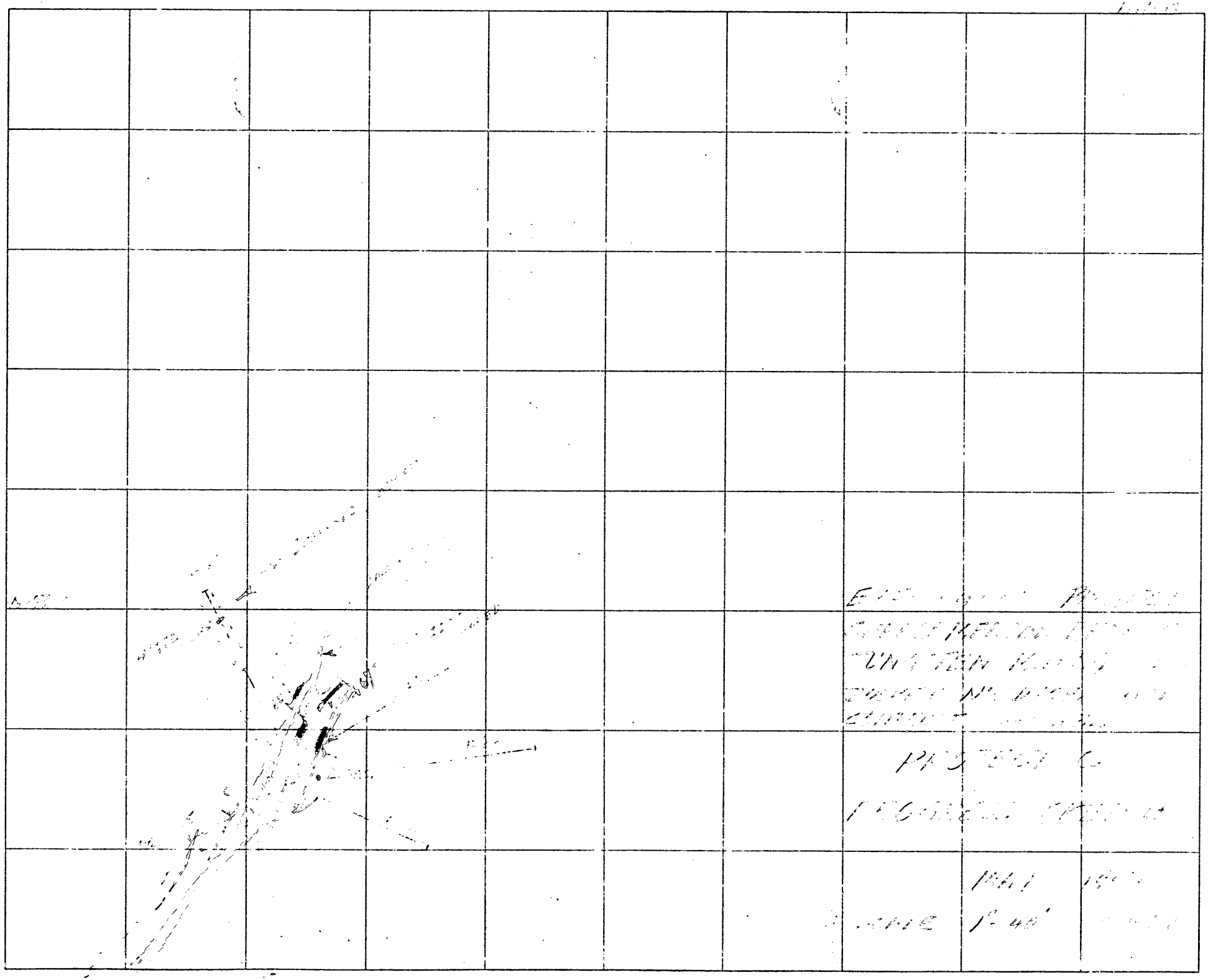

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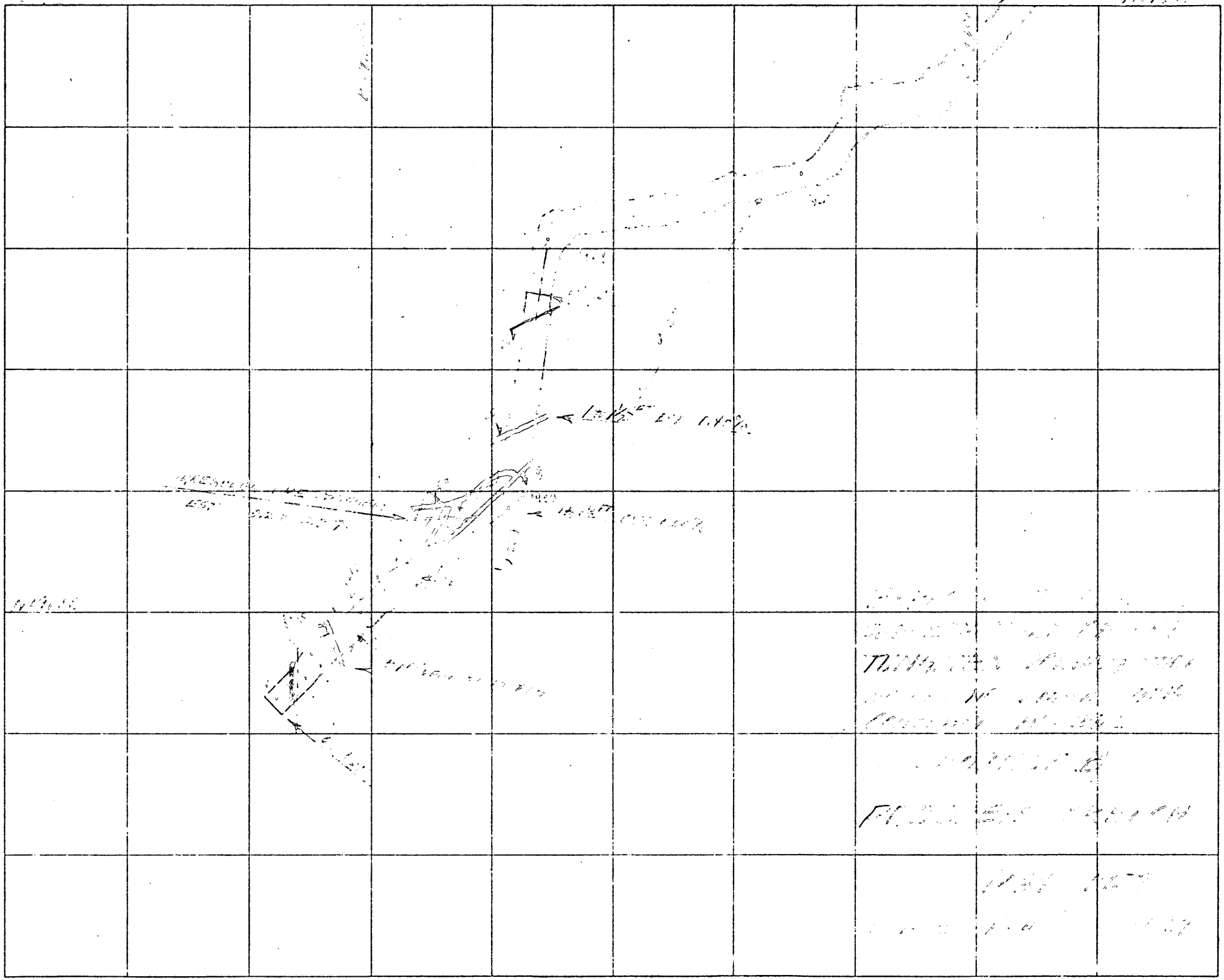

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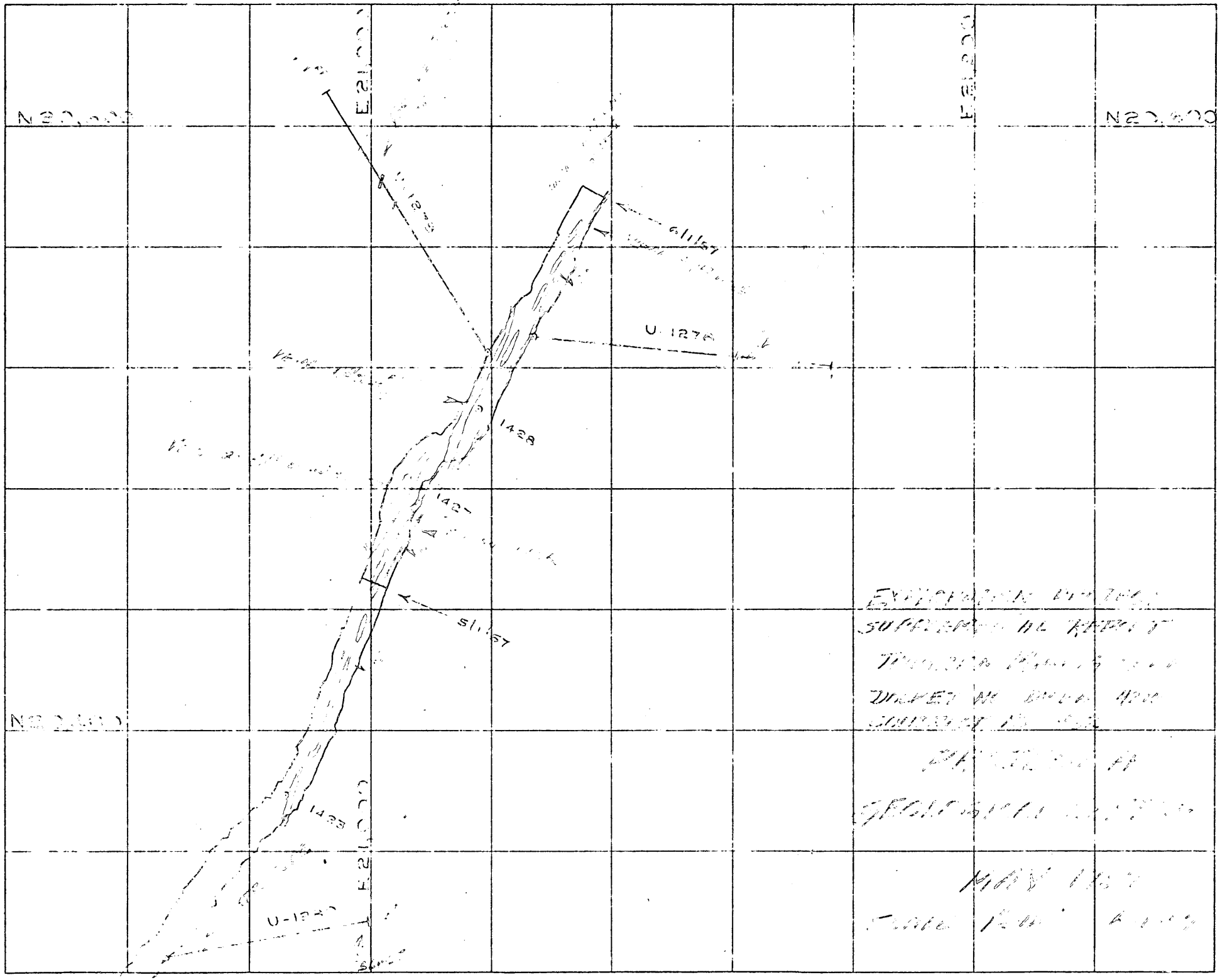

K+E ALDANENE 100M 10986
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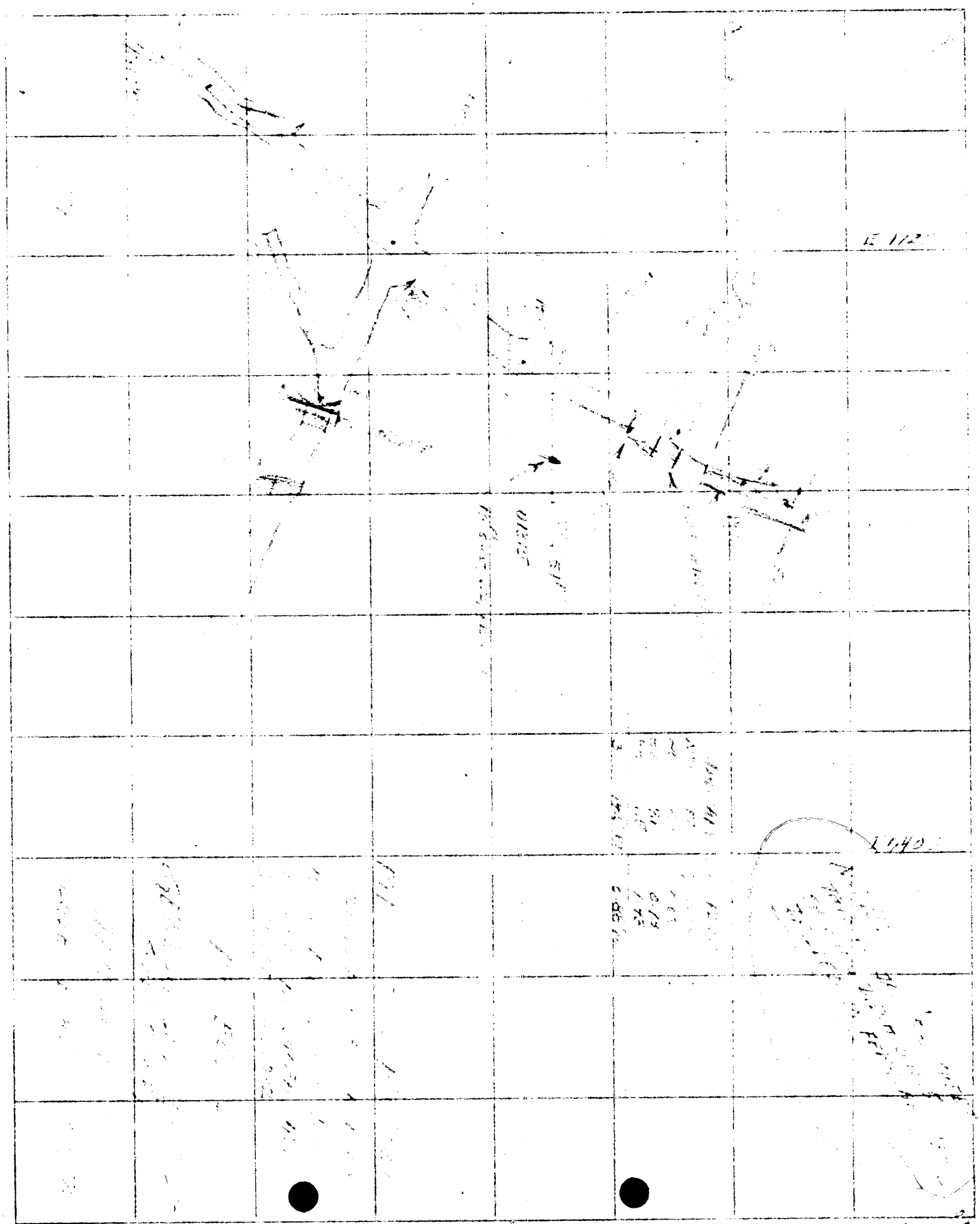
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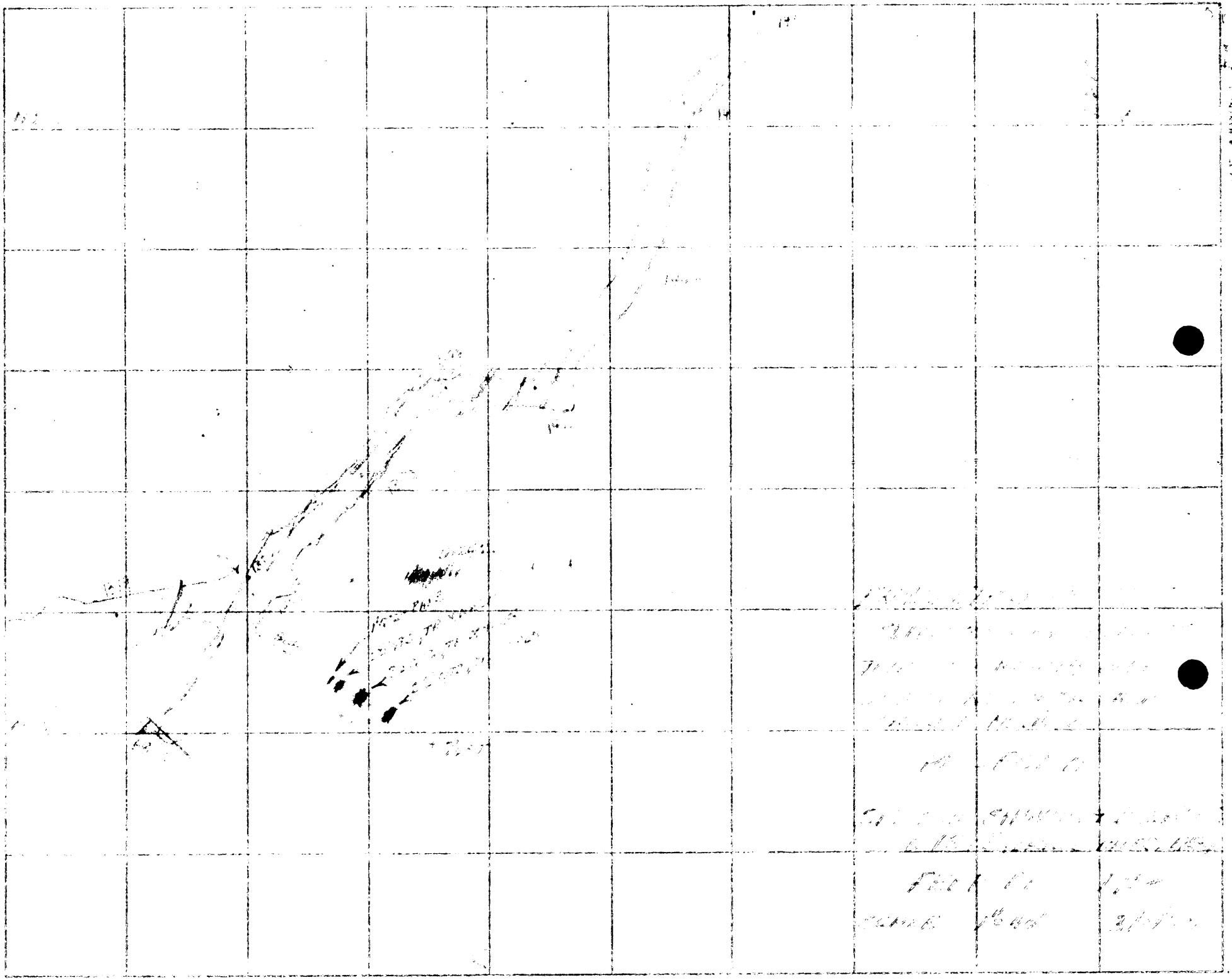

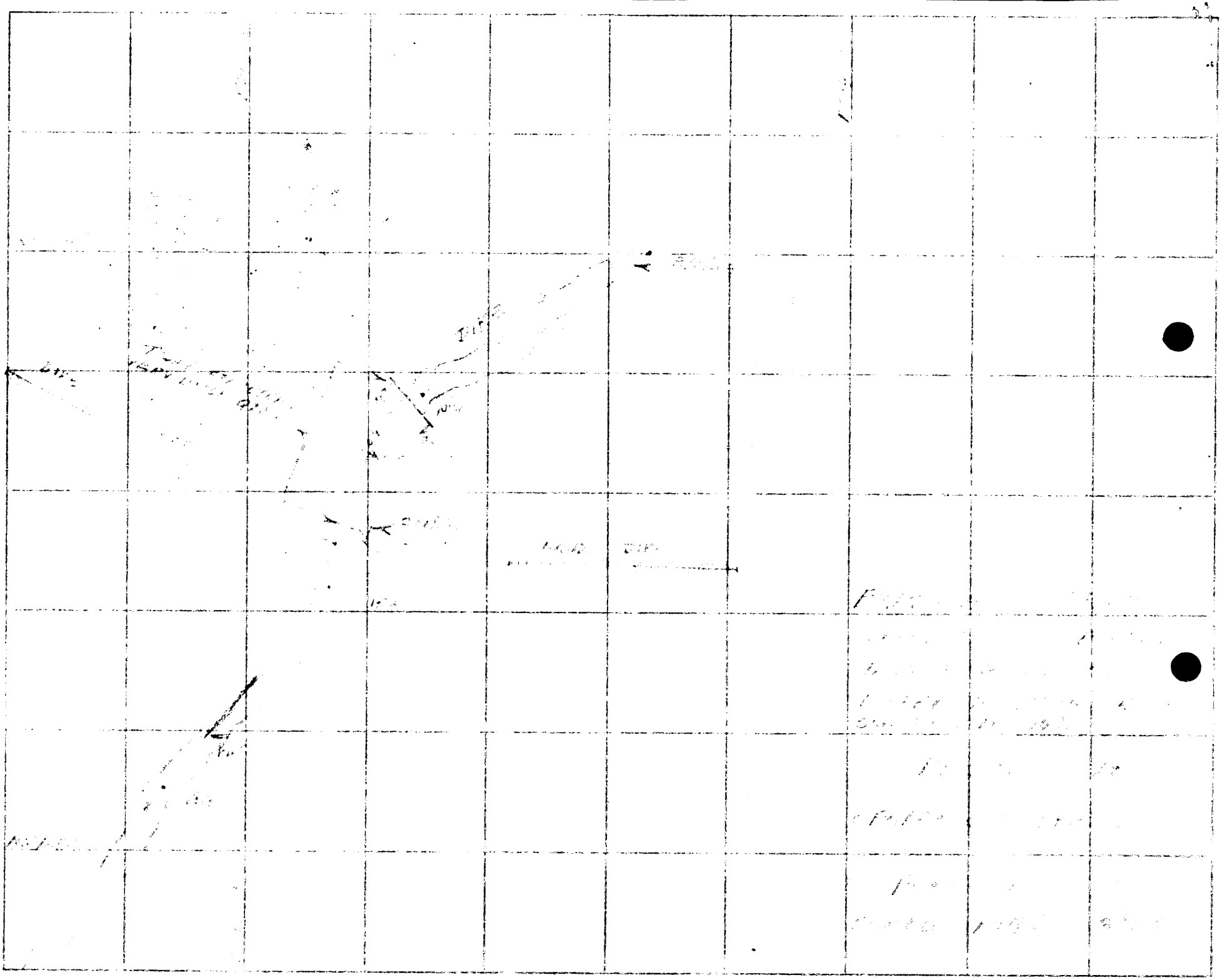

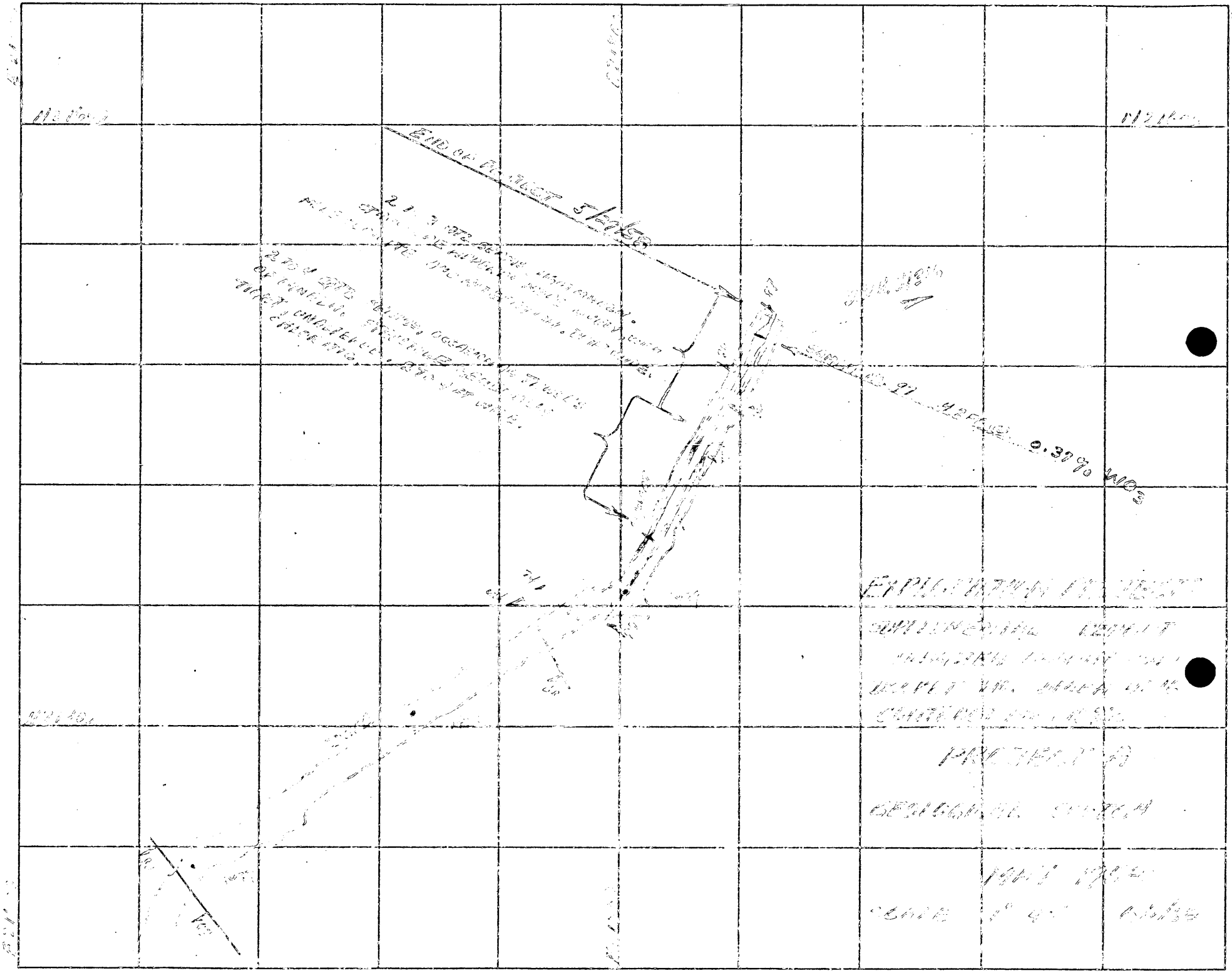

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1 X 10 TO 1/2 INCH