800

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco 11, California

April 19, 1962

Memorandum

To: Chief, Division of Field Operations, OME
Washington, D. C.

From: Acting Field Officer, OME, Region II

Subject: DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract Idm-E 680

We enclose the original and 1 copy of a letter from Mr. Free, in reply to our request for information about the property.

PAUL V. FILLO

Paul V. Fillo

Enclosures 2

LORY M. FREE
MINING GEOLOGY
1709 NORTH 580 EAST
PROVO, UTAH
FR 3-6420 TELEPHONE FR 3-0398

APR 1962
BUREAU OF MINES
OFFICE OF
MINERALS EXPLORATION
REGION 11

March 28, 1962

Jan 26, 1962

Mr. Paul V. Fillo
Acting Field Officer, OME, Region II
U. S. Dept. of the Interior
Office of Minerals Exploration
555 Battery Street
San Francisco 11, California

Dear Mr. Fillo:

Re: DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract Idm-F 680

Refering to your letter of February 8, 1962, my lease on this property expired in 1956 and I am not familiar with what has taken place since then.

Sincerely yours,

Lory M. Free

LMF/j

800

OME. 3273

Elko, Nevada
Feb. 14, 1962

Mr. Paul V. Fillo
Acting Field Officer
San Francisco, Calif.

Dear Mr. Fillo:

I received your letter of Feb. 8, pertaining to activities of the North Tem Piute Mining and Development Co. and any changes in property rights.

On May the 25th 1961 there was an Exploration Mining and Development agreement made and entered into by and between North Tem Piute Mining and Development Co. and the Ruby Company, with its principal place of business at Boise, Idaho.

The past summer of 1961 the Ruby Co. done considerable work of maping and surveying the property. Other than what they have done, there hasent been any activities on the property since June 30, 1959.

I trust this is the information that you want.

Very Truly Yours,

Myrle Schofield
President

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E680, Docket DMEA-3273 (tungsten), dated June 24, 1954, with

Lory M. Free
d/b/a Y. Z. Mining Company
Panaca, Nevada
and his assignee
Consolidated Uranium Mines, Inc.
458 South Main Street
Salt Lake City, Utah

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Schofield Mine and North Tem Piute Mine located in Lincoln County, Nevada, during the period June 1, 1955, through June 30, 1959.

A certification of discovery or development was issued on October 8, 1956, and, in accordance with Annex I of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract, and from land adjacent or contiguous thereto if transported through any of the workings driven under the contract, for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 23, 1956, indicated accepted costs under the exploration contract amounting to $65,084.00 with the Government's contribution on a 75 percent basis being $47,313.00.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Royalty Audit Certificate, which found the sales subject to the Government's royalty through May 31, 1955, to be $51,332.73. The royalty account as of May 31, 1955, was stated as follows:

Total Royalty Payable	$1,378.45
Total Royalty Paid	1,393.45
Overpayment of Royalty	$ 15.00

As of June 30, 1959, the royalty account of this project was found to be:

Total Royalty Payable	$1,378.45
Total Royalty Paid	1,393.45
Overpayment of Royalty	$ 15.00

January 22, 1962

E. D. Talbert, OME Auditor

Idm-8680 Consolidated Uranium Mines, Inc., Assignee DMEA-3273

Status of Project, Scope of Review
and Reasons Therefor

At the time this exploration project contract was executed the Operator was in possession of the property thereunder (the unpatented Rae Ella, Rae Ella No. 2, and Phyllis claims) by virtue of a February 9, 1954, lease of 40 unpatented claims from the owners, the North Tem Piute Mining and Development Company, Hiko, Nevada. To secure the payment of royalty, the owners executed an Owner's Consent to Lien on July 1, 1954.

The February 9, 1954, lease was optioned by Lory M. Free, Roland Cox, John J. Franks, and Darell H. Free to E. G. Frawley, 307 Darling Building, Salt Lake City, Utah, under an agreement dated May 21, 1955. On August 31, 1955, the Government agreed, without releasing the assignor from the terms and conditions thereof, to the assignment of the exploration contract effective June 1, 1955, to the Consolidated Uranium Mines, Inc., of which E. G. Frawley was the President.

The Operator-Assignee discontinued work under the contract at the end of December 1955 and abandoned the property on January 9, 1956, allowing the lease to revert to the Operator-Assignor. Under a March 26, 1956, agreement the Operator-Assignor and his associates relinquished the lease for a period of 60 days for the purpose of assisting the landowner corporation in selling the claims. The files contain no later information as to sale of the property, reinstatement of the lease, or other change in ownership or possession, if any.

During the period that the Operator-Assignor was performing exploration work, 2,219.855 tons of tungsten ores averaging .52% WO_3 were produced and sold. These sales and the royalty thereon are covered by the Royalty Audit Certificate and Report dated November 16, 1955.

From June 1, 1955, to January 9, 1956, when the property was operated by the Operator-Assignee, no ore was shipped, but about 2,000 tons was stockpiled at the mine. A composite of 4 samples from the stockpile averaged .32% WO_3.

Section b of Annex I to this contract provides that the Operator, as principal if the producer and as surety if not the producer, shall pay the royalty on all minerals produced from the land under the contract. Section j extends this provision to all production from adjacent or contiguous claims which is transported through any workings driven under the contract. Section d gives the Government the

option of requiring computation and payment of royalty on any production remaining unsold after six months from the date of extraction. The so-called "abandonment" provision in Article 7 of the contract was deleted effective January 1, 1955, by Amendment No. 1.

The latest report in the docket files of the Washington office covers an examination on December 31, 1957, which found that the mine had been idle since January 9, 1956. A MME Form 22, Check Sheet of Examining Engineer, prepared on January 17, 1962, in connection with this audit review, indicates that no inspections or inquiries have been made since June 30, 1959, when examination found the property inactive.

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

(1) The property was inactive from January 9, 1956, through June 30, 1959;

(2) The files indicate that all sales of production through June 30, 1959, have been reported and proper royalty thereon paid; and

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

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

Consolidated Uranium Mines, Inc., Assignee

P. O. Box 2578

Salt Lake City, Utah

Contract No.	Docket No.
Idm-E 680	DMEA-3273

Prepared by (Signature)	Date
Glenn G. Gentry	January 17, 1962

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

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

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

1956 Date of last production if not operating.

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

We have no record of production after 1956. Our files covering the period 1-1-59 to 6-30-59 report the property as inactive. There has been no inspection since 6-30-59. Because of no reported production, we assume the property remains inactive.

We have no information relative to any changes in ownership subsequent to that reported on page 7 of Field Teams Final Report dated July 3, 1956.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco 11, California

January 30, 1962

Memorandum

To: Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region II

Subject: DMEA-3237 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract No. Idm-E 680

We herewith transmit the original of a Report of Royalty Review covering the subject contract.

The Acting Field Officer, OME, Region II concurs in the facts as stated in this Report of Royalty Review.

Paul V. Fillo

Enclosure 1

Copy to: E. D. Talbert, Acting Chief
Contract Administration & Audit Division, OME
Washington, D. C.

~~OFFICIAL FILE~~ COPY
O. M. E
RECEIVED FEB 5 1962

DATE	INITIALS	CODE
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		~~800~~
		800

JAN 2 1962

Memorandum

To: Acting Field Officer, Region II

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

Subject: DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract Idm-8680

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

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

(b) One copy for your files.

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

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

Enclosures

EDTalbert/ama 1-23-62

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

555 Battery Street
San Francisco, California

January 7, 1962

Memorandum

To: Mr. E. B. Talbert, Acting Chief
Contract Administration and Audit Division
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, ME, Region II

Subject: DMEA-3253 (Tungsten)
Incline Mining Company
Blue Dipper Mining Claim
Mariposa County, California
Contract Idm-E 68

Pursuant to your request of January 2, 1962, we herewith enclose the original and one copy of MME Form 22, Check Sheet of the Examining Engineer.

DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract Idm-E 680

Re: Ownership of the property.
Our Final Report of July 3, 1956 states in part on page 7:

"On April 1, 1956, the North Templute Mining Company acting through its President, Mr. Marie F. Schofield, entered upon and assumed possession of the mining property and is endeavoring to sell it."

As we have no documentary evidence to the contrary we assume that title remains in the North Templute Mining Company.

For: George M. Holmes, Jr.

Enclosures 4

Copy to: Chief, Division of Field Operations, OME
OME Files

JAN 12 1962

Memorandum

To: Acting Field Officer, Region II

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

Subject: DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract Idm-E680

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

The latest information in the Washington files on the status of this project is a semi-annual report on certified projects covering the period of July 1, 1957, to December 31, 1957. This report indicates "No Change" in status from the prior report, which states that the mine was inactive after about January 1956 and "negotiations between Wah Chang Mining Corporation and all interested parties" had not been resolved. The Field Team's final report dated July 3, 1956, states that the lease of Lory M. Free and associates was relinquished on March 26, 1956, for sixty days to assist the owners in selling the property. The files contain no information as to sale of the property, reinstatement of the lease, or other change in ownership or possession.

In view of the foregoing the inclusion under item 8 of MME Form 22 of a concise statement as to changes in property rights after March 26, 1956, and activities, if any, on the property subsequent to December 31, 1957, will be appreciated. Please also indicate the last date on which status was determined by examination or inquiry in lieu thereof.

EDTalbert/ama 1-12-62

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

FIRST ROYALTY AUDIT CERTIFICATE

RECEIVED
NOV 21 1955

I have examined the records and sales documents pertaining to the sale of tungsten ore for the period June 24, 1954 to May 31, 1955 by:

Lory M. Free
doing business as
Y. Z. Mining Company
Panaca, Nevada

produced from the Schofield Mine, located in Lincoln County, Nevada, under the terms of Contract No. Idm-E680, Docket No. DMEA-3273.

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

The audit established the total net sales of tungsten ore for this period to be $31,332.73. Royalties due the U. S. Government at the contract rates amount to $1,378.45. The royalties received on these sales were $15.00 in excess of the amount due. The royalties paid and balance of overpayment follows:

Total Royalties Paid	$1,393.45
Total Royalties Due	1,378.45
Balance (Overpayment)	$ 15.00

George Mavor
George Mavor
Auditor

November 16, 1955

FIRST ROYALTY AUDIT REPORT

RECEIVED
NOV 21 1955

I INTRODUCTION

On September 10, 1955, an audit of royalty payments received, was made for the period June 24, 1954 to May 31, 1955, covering tungsten ore produced and sold under Contract No. Idm-E680, Docket No. IMEA-3273, by:

Lory M. Free,
doing business as
Y. Z. Mining Company,
Panaca, Nevada

covering a project of exploration for tungsten ore, on property known as the Schofield Mine, located in Lincoln County, Nevada.

The mining properties are reached by proceeding approximately 40 miles east from Tonopah, Nevada, on Highway 6 to Warm Springs, then turn into Highway 25 and proceed southeast approximately 67 miles to mine site. The mine can also be reached by proceeding approximately 42 miles southwest of Caliente, Nevada on Highway 93 to Crystal Springs, then turn into Highway 25 and proceed west approximately 40 miles to mine site.

The records pertaining to this contract are located in the home of Lory M. Free, Panaca, Nevada. However, Lory M. Free was out of town during the audit, and his brother Gerald Free was consulted regarding the royalty records.

Mr. Glenn G. Gentry, Mining Engineer, U. S. Bureau of Mines, collaborated in the audit, for which his assistance is hereby acknowledged.

II GENERAL INFORMATION

No certificate of discovery has been issued, however provision b. of Annex I of the contract states that the producer shall pay the Government a royalty on all minerals mined or produced from the land, 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.

The producing area subject to royalties, is described in Article 2 and Annex I of the Contract as follows:

Article 2 of Contract

Three unpatented mining claims located in Section I, T.4 S, R 56E, M.D.B. & E, and recorded in the Lincoln County Court House, Pioche, Nevada as follows: Rae Ella, Book K-I, page 477, Rae Ella #2, Book K-I, page 478, and Phyllis, Book K-I, page 478, Mining Notices.

ANNEX I-PROVISION J

As the project work will benefit adjacent and contiguous mining claims, the operator, regardless of certification and regardless of whether the Operator is the producer or has any interest in the production, shall also pay royalty as provided in this Annex I on all minerals produced from land adjacent or contiguous to the land described in Article 2 of the contract which are extracted or transported through any of the workings driven under Exhibit "A" of the contract. The period of payment shall be ten years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid.

The royalty repayment period will be 10 years from the date of contract, which was dated June 24, 1954.

The cost of the contract, together with the Government 75% participation as of May 31, 1955, is as follows:

	Cost	Government Participation 75%
Cost of Contract	$38,312.00	$28,733.99

The sum of $1,393.45 has been received by the Finance Officer, covering royalty repayments on tungsten ore sales. This leaves an unpaid balance of $27,340.54 due on the Government loan as of May 31, 1955.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to determining the accuracy and propriety of royalty payments received by the Finance Officer during the period June 24, 1954 to May 31, 1955, and a determination that all indicated sales of ore subject to repayment royalties under the exploration contract, for which settlement sheets had been released, have been properly accounted for.

The extent of the audit and findings follow:

Conference With Examining Engineer

Conference with the Examining Engineer, U. S. Bureau of Mines, during the audit disclosed the following:

The operator does not stockpile ore subject to DMEA royalty repayment.

The operator does not commingle production subject to DMEA royalties with exempt production.

The operator does not stockpile mine or mill rejects that may have potential value within the royalty payment period.

The assay controls in effect are considered adequate.

The manner of disposing of production is considered as giving the Government its fair royalty returns.

Periodic examinations indicate the operator is properly reporting the production of ores subject to DMEA repayment royalties.

There has been no indication that the Operator buys from or sells to other Operators.

Audit of Settlement Statements

A detailed summarization of Royalty Purchases by Smelter was prepared from settlement statements submitted by the operator during the audit period June 24, 1954 to May 31, 1955. The total net sales of tungsten ore as shown onthis summary aggregated $31,332.73 and the royalty payments at contract rates amounted to $1,378.45, however the operator paid $1,393.45, therefore the difference of $15.00 is reflected in this audit as a royalty overpayment made by the operator. The royalty payments were verified to the certificated of deposit and the Finance Office ledger record.

Operators Accounts and Records

The operator did not maintain any general ledger or subsidiory records, other than a check stub record and ore shipment record. During the course of the audit, the settlement statements were verified to the ore shipment record.

The operator did not have any ore purchase agreements, however, the prices used on shipments to United States Vanadium Company were in agreement with this company's "Standard Tungsten Ore Purchasing Schedule" and the same prices were used when settling ore shipments to Molybdenum Corporation of America.

All ore shipments to the smelter were made by trucks, there were eight lots of ore shipped by trucks to the United States Vanadium Company at Bishop, California, a distance of 257 miles, and one lot of ore shipped by trucks to the Molybdenum Corporation of America at Nipton, California a distance of 253 miles. Trucking charges to the United States Vanadium Company, Bishop, California, were paid by the operator, whereas the trucking charges to the Molybdenum Corporation of America, Nipton, California, were paid by the purchaser, and deducted from the settlement statement.

IV CONCLUSIONS

An analysis of the operator's production and sales of tungsten ore, subject to DMEA royalties, are as follows:

Wet Tons	2,303.835
Dry Tons	2,219.855
Average % WO_3	0.52%
20 lb. Units WO_3	1,153.36
Average price per unit (approx.)	$36.31
Gross Value	$41,878.09
Less: Trucking	10,545.36
Net Value	$31,332.73

Royalties were computed on the net sales value as follows:

	Gross	Deduct Trucking		Net	Royalties %	Royalties Amount
U. S. Vandium Co.	$25,955.65	$ -0-		$25,955.65	5%	$1,297.79
Molybdenum Corp.of Amer.	15,922.44	*10,545.36	**	5,377.08	1 1/2%	80.66
Totals	$41,878.09	$10,545.36		$31,332.73		$1,378.45
Add: Overpayment Molybdenum Corp. of America Settlement						15.00
Total Royalties Paid						$1,393.45

*Trucking charge on 1,023.82 wet tons
**$5,377.08 ÷ 982.87 dry tons = $5.47 per ton.

A detail of royalty payments is filed as part of my audit working papers.

The audit has confirmed the accuracy and propriety of the royalty payments received by the Finance Officer, during the period June 24, 1954 to May 31, 1955. It has also determined that all indicated sales of ore subject to DMEA Royalties under the exploration contract, for which settlement sheets have been released, have been properly accounted for.

Assignment of Contract

Under date of August 9, 1955, Contract No. Idm-E680, Docket No. DMEA-3273, was assigned by Lory M. Free, d/b/a Y.Z.Mining Company to Consolidated Uranium Mines, Inc. 438 South Main Street, Salt Lake City, Utah. The effective date of the assignment was June 1, 1955. The royalty audit for Lory M. Free was for the period June 24, 1954 to May 31, 1955.

George Mavor
George Mavor
Auditor

November 16, 1955

Check Sheet of Examining Engineer

RECEIVED
DEC 15 1955

Operator's Name Lory M. Free, d/b/a

Address Y - Z Mining Co.

Panaca, Nevada

Exploration Contract No. Idm-E680 Docket No. DMEA-3273

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

8. Comment on any item 2 (b) to 6 if answer is No.

Glenn G. Gentry
Mining Engineer

Date 9/27/55

82448

Operator's Name: Lory M. Free, d/b/a

RECEIVED
DEC 1 1955

Address: Y. Z. Mining Co.,
Panaca, Nevada

Exploration Contract No. Idm-E680 Docket No. DMEA-3273

COMMENTS

2 (b) There has been no co-mingling of production, and royalties are payable to DMEA on the scheelite ores stock-piled and milled.

3 (a) Tactite and limestone containing scheelite of ore grade is stockpiled at the mine and is maintained in a separate stockpile. Limestone containing little or no scheelite is trammed to the waste dump. I do not believe that this waste dump will have any potential value within the royalty payment period.

3 (b) The operator maintains a daily record of the number of mine cars trammed to the waste dump.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
420 Custom House
555 Battery Street
San Francisco 11, California

RECEIVED
DEC 15 1955

December 13, 1955

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Idm-E680, DMEA-3273
Lory M. Free d/b/a
Y. Z. Mining Company
1st Royalty Audit Report

Dear Mr. Chambers:

In accordance with your letter dated November 22, 1955, you will find attached hereto, 2 copies of Check Sheet of Examining Engineer, together with 2 copies of supplemental statement which form part of the Check Sheet, and should be attached to the First Royalty Audit Report of subject contract.

Sincerely yours,

George Mavor
Auditor

Inclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
420 Custom House
555 Battery Street
San Francisco 11, California

RECEIVED
DEC - 1 1955

November 25, 1955

Mr. Lory M. Free
Panaca, Nevada

Re: Idm-E680, DMEA-3273
Lory M. Free
d/b/a Y. Z. Mining Company
Royalty Audit Report

Dear Mr. Free:

Attached hereto for your information and files, is copy of First Royalty Audit for subject contract, covering the period June 24, 1954 to May 31, 1955.

Sincerely yours

George Mavor
Auditor

Copy to: Jay L. Chambers

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

NOV 22 1955

Mr. George Mayor
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Larry M. Free
Idm-2660, DMEA-3273

Dear George:

Receipt is acknowledged of the Washington copies of your First Royalty Audit Certificate and Report covering the referenced contract.

This certificate and report are acceptable and normal distribution is authorized after correction of the regional copies of the report as follows:

(a) In the third paragraph on page 2 change the amount of Government participation to $28,733.99;

(b) In the last line of the same paragraph change the balance to $27,340.54; and

(c) In the fourth line of the fourth paragraph on page 3 change the total net sales to $31,332.73.

These corrections have been made in the Washington copies.

The required two copies of the Check Sheet of Examining Engineer were not submitted with the copies of the report. Please obtain and forward these sheets for attachment.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
November 22, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

QUADRUPLICATE

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

THIS DEPOSIT IS NOT SUBJECT TO CHECK

San Francisco, Calif.

DEPOSIT NO. 11-23-37002

For credit A. H. Holland,
of [redacted]
(Name, title and disbursing or other identification symbol of accountable officer) (Date [redacted])

deposited with Federal Reserve Bank of San Francisco, California
(Name and location of depositary)

$ 1,366.51

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
144401		1,366.51

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

ROLAND H. SJOLANDER, FISCAL OFFICER
INTERIOR, BUREAU OF MINES, DEPT.
MINERALS EXPLORATION ADMINISTRATION
555 BATTERY STREET, ROOM 420
SAN FRANCISCO, CALIFORNIA

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 12 1955
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR, WHO WILL FORWARD BY FIRST MAIL TO ADMINISTRATIVE OFFICE 16—59686c-1 GPO

FEDERAL RESERVE BANK OF SAN FRANCISCO
TELLER

Y.Z. Mining Co (Lory M. Free)
Contract No. IDM-680
docket 3273
Royalty pay't. $1,366.51

check on
Bank of Southern Utah
Cedar City, Utah
check No. 440, dtd. 6/25/55
rec'd. 7/12/55

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.

Deposited with _____ _____
(Name and location of depositary) (Date sent)

$

the sum shown opposite for credit, subject to check, in the disbursing account of—

SYMBOL NO.

_____
(Name and address of officer to be credited)

On account of—

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

[illegible] ANDER, FISCAL OFFICER
INT[illegible] BUREAU OF MINES, [illegible]
MIN[illegible] EXPLORATION AD[illegible]
555 [illegible] STREET, ROOM [illegible]
SAN FRANCISCO, CALIFORNIA

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)
FEDERAL RESERVE BANK OF SAN FRANCISCO
TELLER

_____
(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

Y.Z. Mining Co.
Contract IDM-E 680
docket 3273
Raoyalty pay't. $26.94

check on
Bank of Southern Utah
Cedar City, Utah
check No. 300, dtd. 12/16/54
rec'd. 12/21/54

File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 North Division Street
Spokane 2, Washington

RECEIVED
JUN 20 1955

June 19, 1955

Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Idm-E680, DMEA-3273
Lory M. Free, d/b/a
Y. Z. Mining Company
Royalties

Dear Mr. Talbert:

Reference is made to your letter dated June 9, 1955, in which you ask an explanation for withholding the preparation of subject Report of Royalty Review.

Prior to leaving San Francisco for Spokane, I was reviewing the royalty audit situation for Region 11, and I prepared the rough draft of 5 Reportsof Royalty Review, of which subject operator was one, and I noticed that considerable time had elapsed in trying to obtain collection of the royalty due the Government. I did not have time to visit the Reno office in order to discuss with Mr. Ricker and the Examining Engineers, some of the questions required to complete these royalty reports, and in order to get further action in collecting subject operator's royalty, Istated in my letter to Mr. Ricker, that I was holding up my report, and I presume this was misleading to you, as I possibly could have phrased my letter to Mr Ricker in a different manner, and just told him to make every effort to collect the unpaid royalty.

As stated above, these 5 Reports of Royalty Review will not be completed until my return to San Francisco, and one of these reports includes subject operator.

Trusting the above explanations answer the inquiry made in your letter.

I am sorry I did not answer your letter sooner, but it appears that the typing situation here is just as bad as San Francisco, and I had to type this letter myself.

Sincerely yours

George Mavor

George Mavor, Auditor

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

JUN - 9 1955

Mr. George Mayer
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E680, DMEA-3273
Lory M. Free, d/b/a
Y. Z. Mining Company
Royalties

Dear Mr. Mayor:

Reference is made to your letter of June 7, 1955, addressed to Mr. Ricker, relative to royalty payments under the subject contract.

In the last paragraph of this letter you indicate that you are withholding preparation of a Report of Royalty Review pending further action by Mr. Ricker to collect the indicated overdue unpaid balance. It is not understood why you should withhold the preparation of the Report merely because the royalty has not been paid. One of the purposes of a Report of Royalty Review is to indicate royalty which may be due and unpaid.

Please advise your reasons for withholding the preparation of the Report of Royalty Review.

Sincerely yours,

(Signed) E. D. Talbert

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

EDTalbert/wb
June 9, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

RECEIVED
JUN - 9 1955

420 Custom House
555 Battery Street,
San Francisco 11, California

June 7, 1955

Mr. S. Ricker, Executive Officer
Defense Minerals Exploration Administration
1605 Evans Avenue,
Reno, Nevada

Re: Idm-E680, DMEA-3273
Lory M. Free, d/b/a
Y. Z. Mining Company
Royalties

Dear Mr. Ricker:

Reference is made to letter dated December 16, 1954, addressed to A. C. Johnson from Lory M. Free, in which he enclosed settlement sheets from U. S. Vanadium Company together with check in amount of $26.94. This amount was erroneously computed by Lory M. Free by deducting trucking charges of $3,667.34 from the value of the tungsten ore settlement and also using a 1-1/2 per cent royalty rate instead of 5 per cent. The correct royalty settlement should have been computed as follows:

U. S. VANADIUM COMPANY
Crude Tungsten Ore, Settlement Sheets

Date	Lot No.	Units WO_3	Price	Value	5% Royalty Due U.S.Govt.
11-26-54	1335	81.01	$36.00	$2,916.36	$145.82
12-9-54	1343	69.81	36.00	2,513.16	125.66
					$271.48
Less: Amount paid					26.94
Balance due U. S. Government					$244.54

As I was in the midst of preparing a Report of Royalty Review, I believe further action should be taken by you to collect this overdue unpaid balance, before I submit my report to the Washington Office.

Sincerely yours,

"(SIGNED) GEORGE MAVOR"

George Mavor
Auditor

G.Mavor:hw

COPY - JAY L. CHAMBERS

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED
JUN 4 1956

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Consolidated Uranium Mines, Inc.
Assignee for
(Lory H. Free d/b/a Y.Z. Mining Company)
438 South Main Street
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-3680, Docket No. DMEA-3273, including Amendment Nos. 1 and 2, for the months of July 1954 to December 1955, inclusive, covering a project for the exploration of tungsten, on property, known as the Schofield Mine, located in Lincoln County, Nevada.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with Executive Officer in charge of the project, and a determination of the reasonableness and propriety of the costs.

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

> All of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor	$63,084.00
Exceptions	-0-
Total Accepted Cost	$63,084.00

The contract calls for a 75% participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Forty Seven Thousand Three Hundred Thirteen and 00/100 Dollars:

** $47,313.00 **

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

George Mayer
Auditor

February 23, 1956

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

Budget Bureau No. 42-R1036.5

ACCOUNTS FEB 1 1956 RECEIVED JUN 6 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1955 Docket No. DMEA 3273 Contract No. IDM-E 680

Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten

Address 438 South Main St., Salt Lake City, Utah

Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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	- - -	1,105.00	1,105.00			
Bulldozing						
Crosscutting	- -	28,773.00	28,773.00			
Drifting	1,609.50	31,015.50	32,706.00			
"D" Drill Station	1690.50	500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
	1690.50					
TOTALS	1,609.50	61,393.50	63,084.00			

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

Date Feb. 1, 1956 *Payee Consolidated Uranium Mines, Inc.

Per M. Christensen Title Secty-Treas.

*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:

$1267.90

[redacted] W. [illegible]

Signature [illegible] (Authorized Certifying Officer)

Date MAY 31 1956 Vou. No. SF-DMEA-35

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. dm-E680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 2/9/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date 2/9/56

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS

RECEIVED JUN 6 1956

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195-6 Docket No. DMEA 3273 Contract No. IDM-E-680
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 438 South Main St., Salt Lake City, Utah

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	1 ft.	1,690.50	49	32,706.00	948	34.50	1837.8	
Crosscutting	1 ft.	—	—	28,773.00	834	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station				500.00				
TOTAL DISTRIBUTED COSTS		1,690.50	49 Ft.	63,084.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								77,035.00
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 February 1, 1956 Operator Consolidated Uranium Mines, Inc.

Per M. Christensen Title Secretary-Treasurer

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)

Glenn G. Gardner

INSTRUCTIONS

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

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

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

GPO 83-38475

REFERENCES Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES. INC.

DMEA 3273 Cont. IDM-F680

NORTH TEMPIUTE MINE

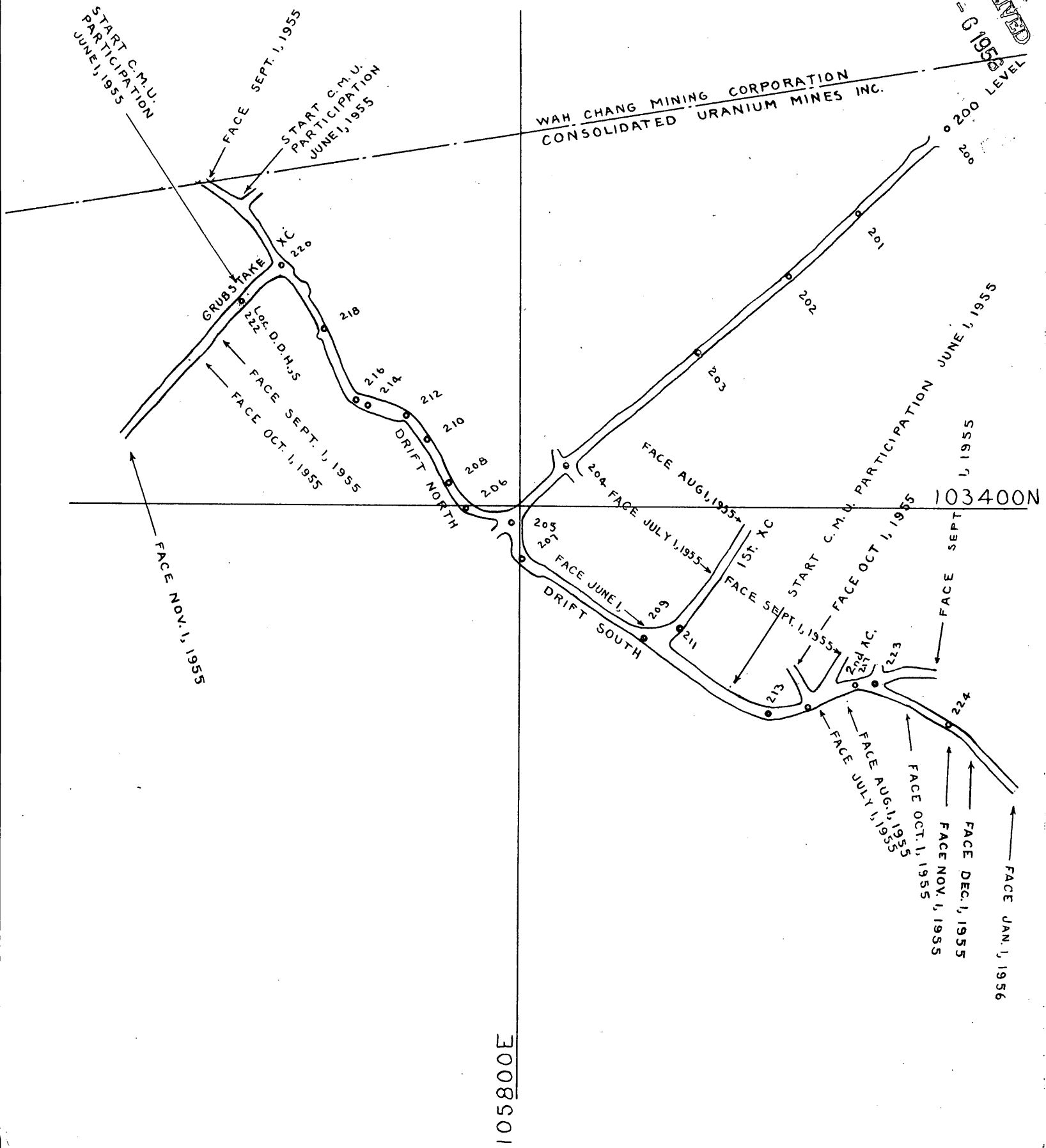
TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____

RECEIVED JUN - 6 1956



January 31, 1956

Mr. S. Ricker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Dockett No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E 680

COPY

Dear Mr. Ricker:

During the month of December, 1955, the drift south on the Moody Hanging Wall was advanced 49 feet.

The first 33 feet of advance was upon the hanging wall bedding fissure of the Moody Bed with a limestone hanging wall and a tactite footwall. At 33 feet the bedding fissure made a sharp turn to the south and the last 16 feet of advance was entirely in the tactite of the Moody Ore Bed.

Assays of the zone prospected by the drift follow:

Face at start of month, 0.18% WO3 over full drift width of tactite
Face at start of month, #10, 0.37% WO3 over full drift width of tactite
Face at start of month, #20, 0.27% WO3 over full drift width of tactite
Face at start of month, #30, 0.47% WO3 over full drift width of tactite
Face at start of month, #40, 0.18% WO3 over full drift width of tactite

At from 10 to 50 feet further the drift should intersect an ore zone which was mined in a surface tunnel.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

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

Month of November, 1955 Docket No. DMEA 3273 Contract No. IDM E 680
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 438 South Main St., Salt Lake City, Utah
Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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		1,105.00	1,105.00			
Bulldozing						
Crosscutting		28,773.00	28,773.00			
Drifting	724.50	30,291.00	31,015.50			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	724.50	60,669.00	61,393.50			

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

Date Dec. 6, 1955 Payee Consolidated Uranium Mines, Inc.

Per [signature] Title Secretary-Treasurer

*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:

$ 543 37

Signature [signature]
(Authorized Certifying Officer)

Date DEC 12 1955 Vou. No. SF-DMCA-21

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 12/8/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date 12/8/55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1955 Docket No. DMEA 3273 Contract No. IDM E 680
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 438 So. Main St., Salt Lake City, Utah

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	1 Ft.	724.50	21	31,015.50	899	34.50	18378	
Crosscutting	1 Ft.	None	None	28,773.00	834	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 Ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station				500.00		500.00		
TOTAL DISTRIBUTED COSTS		724.50	21	61,393.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								77,035.00

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.

REMARKS:

Date Dec. 6, 1955 Operator Consolidated Uranium Mines, Inc.

Per M. Christensen Title Secretary-Treasurer

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

December 5, 1955

Mr. S. Ricker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E 680

Dear Mr. Ricker:

During the month of November, 1955, the drift south on the Moody Hanging Wall was advanced 21 feet. All of the progress was in Tactite with the Limestone Hanging Wall about 3 feet outside the south drift wall (judging by Leyner holes drilled November 30th).

The face at the start of the period assayed 0.22% WO_3 over the drift width and an assay 10 feet further assayed 0.07 % WO_3, also over the full drift width.

At from 60 to 100 feet further the drift should intersect an ore zone which was mined in a surface tunnel.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

COPY

REFERENCES Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES, INC.

DMEA 3273 Cont. IDM-F680

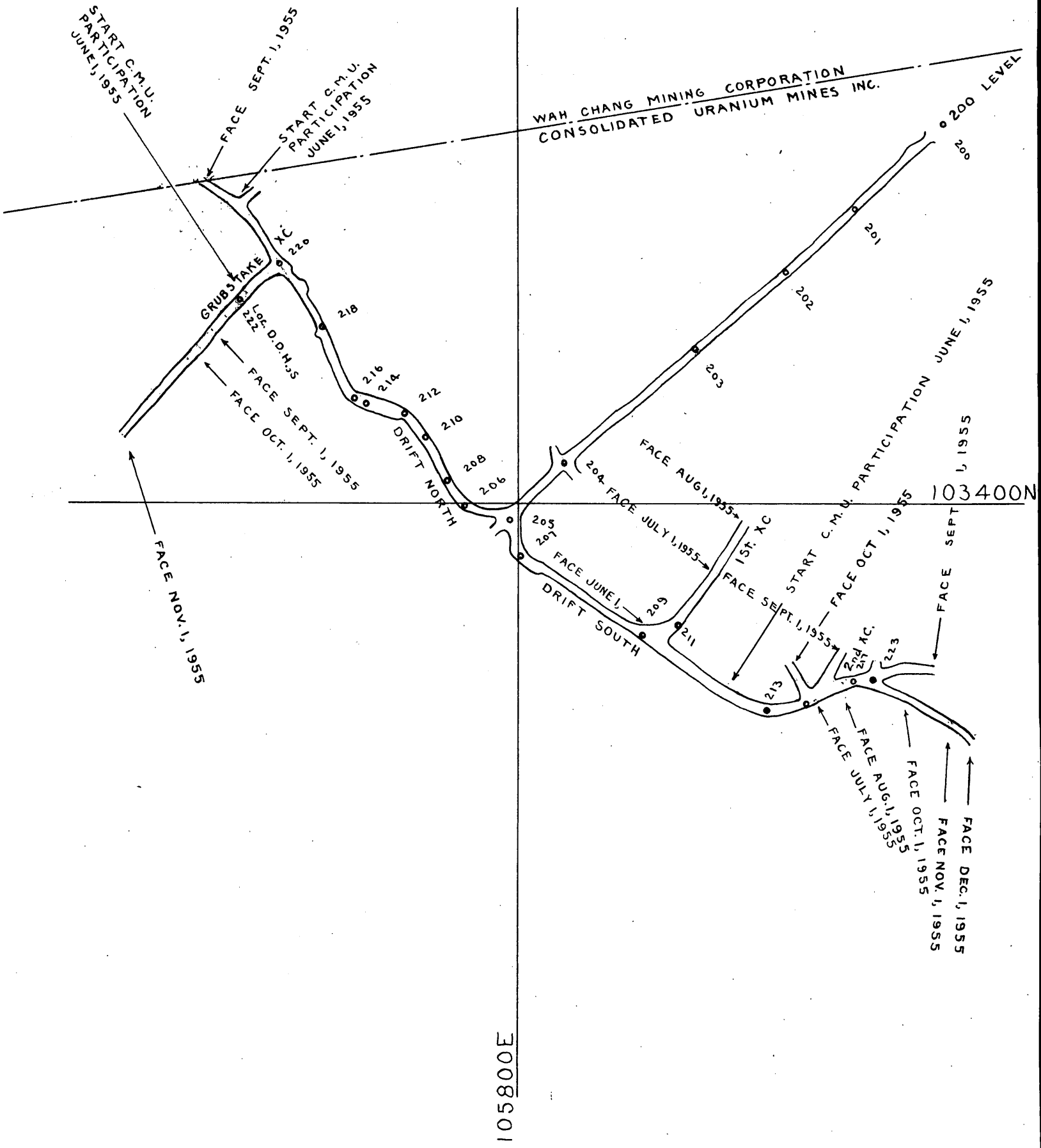
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____



Form 104 (Rev.) 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED NOV 23 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1955 Docket No. DMEA 3273 Contract No. 103 - E 600

Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten

Address 438 So. Main Street, Salt Lake City, Utah

Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $57,776.25

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		$ 1,105.00	$ 1,105.00			
Bulldozing						
Crosscutting	$3,070.50	25,702.50	28,773.00			
Drifting	1,403.50	28,887.50	30,291.00			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$4,554.00	$56,115.00	$60,669.00			

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

Date Nov. 11, 1955 *Payee Consolidated Uranium Mines, Inc.

Per M. Christensen Title Secty-Treas.

*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:

$ 3415.50

Signature [illegible] (Authorized Certifying Officer)

Date [illegible] Vou. No. SF-DMEA-8

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 11/15/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature For: S. Ricker Title Executive Officer Date 11/15/55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
NOV 23 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 195 5 Docket No. DMEA 3273 Contract No. IDM - E 680
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 430 South Main St., Salt Lake City, Utah

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	1 Ft.	$1403.50	43	$30,291.00	870	$34.50	18328	
Crosscutting	1 Ft.	3070.50	89	28,773.00	834	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 Ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station	1			500.00		500.00		
TOTAL DISTRIBUTED COSTS		$4,554.00	132	$60,669.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								77035.00
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 Nov. 11, 1955 Operator Consolidated Uranium Mines, Inc.

Per W. R. Christensen Title Secretary-Treasurer

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)

Glenn G. Jensen

INSTRUCTIONS

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

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

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

GPO 83-38475

RECEIVED
NOV 23 1955

November 10, 1955

Mr. S. Ricker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Avenue
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E 680

Dear Mr. Ricker:

During the month of October, 1955 the XC to the Grubstake Fissure was advanced 89 feet and the drift south on the Moody Hanging Wall was advanced 43 feet.

Progress in the XC to the Grubstake Fissure was 89 feet. The first 80 feet of advance was in a fine grained shaley limestone or hornfels. Two bedding fissures were encountered. Each contained a foot of limey gouge but no scheelite or garnet. Some small areas of weak garnet mineralization were cut. One assayed 0.07 % WO_3 over 5 feet and another 0.03 WO_3 also over 5 feet. Careful examination with a mineral light failed to show any strong scheelite mineralization. The last 9 feet of the advance was in a dark crystalline limestone which is believed to be in the Grubstake Hanging Wall.

The Grubstake Fissure is supposed to contain excellent scheelite values 300 feet north of the cross cut and just across our north property line. Present plans call for a drift to be run to the north on the strongest showings intersected by the cross cut.

The drift south on the Moody Hanging Wall was advanced 43 feet. The first 25 feet of progress was on the hanging wall contact of tactite below limestone and samples cut in the exposed tactite at 10 foot intervals assayed 0.67% WO_3, 0.13% WO_3 and 0.08% WO_3. The high assay was taken where the contact was intersected by a 10 foot wide fracture zone. The contact took a sharp turn to the south at 25 feet and the last 18 ft. of

advance was made entirely in the tactite of the Moody Bed. Two samples cut the full width of the drift assayed 0.25% WO_3 and 0.22% WO_3.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

REFERENCE Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES, INC.

DMEA 3273 Cont. IDM-F680

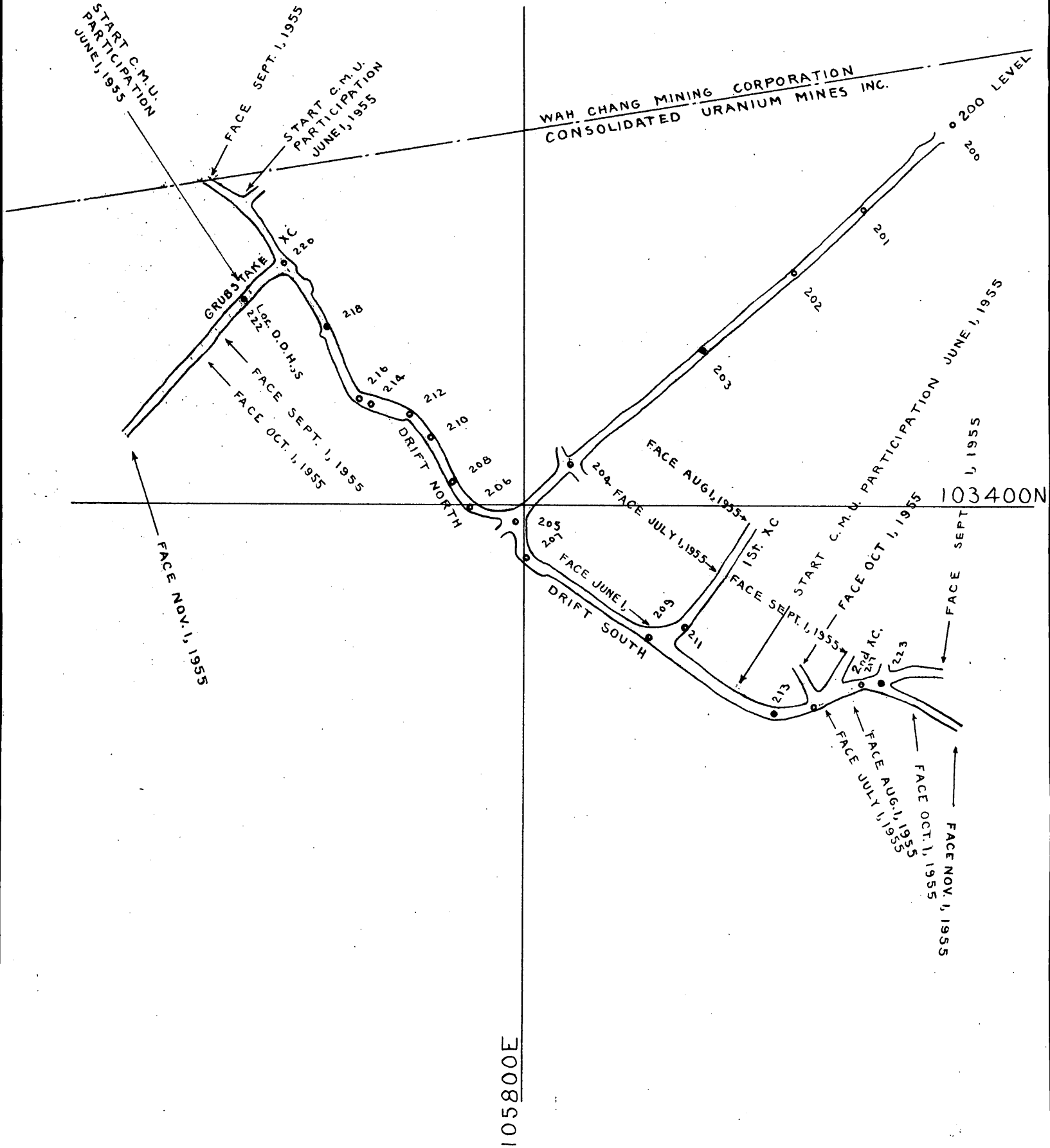
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____



RECEIVED

SEP 14 1955

1605 Evans Avenue
Reno, Nevada

September 12, 1955

Mr. C. M. Christensen, Secr. -Treas.,
Consolidated Uranium Mines, Inc.,
438 So. Main Street,
Salt Lake City, Utah.

Re: Docket No. DMEA-3273 (Tungsten)
Y. Z. Mining Company
Schofield Mine
Lincoln County, Nevada
Contract No.: Idm-E680

Dear Mr. Christensen:

Reference is made to your letter of September 7, 1955 relative to submission of MF-104 and MF-104A forms on above referenced contract.

On September 6, we forwarded you your copy of Assignment of Contract. Assignment was dated June 1, 1955 and you should now forward us the forms for June, July and August. They can be made out to cover three months in one set of reports. Five copies of narrative report should be attached in which, in a brief concise manner, the progress for those three months should be described. Thereafter, the forms should be sent to us to cover each month's work.

As of July 27, 1955, the approved costs totaled $38,312.00. The estimated total permitted costs including the original contract and Amendment No. 2 was estimated to be $77,035.00. The Government participation is 75 percent of the approved costs.

You should obtain copies of Mr. Free's last MF-104 and MF-104A forms on which payment has been made, in order to guide you as to the proper method of filling them out. Enclosed are several months supply of the forms.

We hope you have a successful operation.

Very truly yours,

S. Ricker, Executive Officer
DMEA Field Team, Region II

Encl.
SRicker:gh

cc: DMEA, Wash., D.C. (2)
Geo. Mayor, Auditor
R. M. Smith, USGS
Finance, Reg. II
File

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS OCT 18 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1955 Docket No. DMEA 3273 Contract No. 100-E 600
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 430 South Main Street, Salt Lake City, Utah
Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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		$ 1,105.00	$ 1,105.00			
Bulldozing						
Crosscutting	$1,063.00	23,639.50	25,702.50			
Drifting	1,035.00	27,772.50	28,807.50			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,098.00	$53,217.00	$56,115.00			

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

Date Oct. 11, 1955 *Payee Consolidated Uranium Mines, Inc.

Per M. Christensen Title Secretary-Treasurer

*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)

RECEIVED NOV 14 1955

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

$ 2173 50

Lloyd H. Stanley
Authorized Certifying Officer

Signature (Authorized Certifying Officer)

Date NOV 1955 Vou. No. SF-DMEA-17

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E630 in accordance with the terms of the contract.

Signature [signature] Title Mining Engineer Date 10/13/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Glenn G. Gentry

Signature [signature] Title Executive Officer Date 10/14/55

S. Ricker

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 R-E-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS OCT 1 8 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 195 5 Docket No. DMEA 3273 Contract No. 103-2 000

Operator's Name Consolidated Uranium Mines, Inc.

Address 430 South Main St., Salt Lake City, Utah

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	1 Ft.	1,035.00	30	$20,007.50	635	$34.50	18378	
Crosscutting	1 Ft.	1,863.50	54	25,702.50	745	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 Ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station	1			500.00		500.00	1	
TOTAL DISTRIBUTED COSTS		2,090.00	84	56,115.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								77035.00

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.

REMARKS:

Date Oct. 11, 1955 Operator Consolidated Uranium Mines, Inc.

Per W. Christensen Title Secretary-Treasurer

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)

Glenn F. Gentry

RECEIVED
NOV 14 1955

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

October 10, 1955

Mr. S. Ricker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E680

Dear Mr. Ricker:

During the month of September, 1955 the XC to the grubstake was advanced 22 feet, the drift south was advanced 32 feet and the back switch drift south was advanced 30 feet. A full crew was on the property but spent most of the period re-laying the mine track with heavier rail (suitable for locomotive haulage) and preparing ore previously developed for stoping.

Progress in the XC to the grubstake fissure was 22 feet. All the advance was in shaley limestone. No samples were taken but crystals of scheelite were noted in the limestone.

In the main drift south on the hanging wall of the Moody ore zone a cross fault cut off the contact and a new drift was collared at the cross fault and advanced 32 feet. All of the progress was on the hanging wall contact zone with a limestone hanging wall and tactite footwall. No assays have been returned but judging from its appearance under a mineral light the tactite should assay 0.30% WO3.

The back switch drift south was collared and advanced 30 feet. A fault which offset the contact to the north forced us to run our haulageway in the hanging wall limestone for 70 feet until we could swing back onto the fissure and the back switch is in this by passed portion of the fissure. The first 8 feet of advance was in the hanging wall limestone and the remaining 22 feet was in the tactite of the Moody ore zone. No assays have been returned on this portion but judging from an examination with the mineral light it should assay 0.30% WO3.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:cm

REFERENCES Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES, INC.

DMEA 3273 Cont. IDM-F680

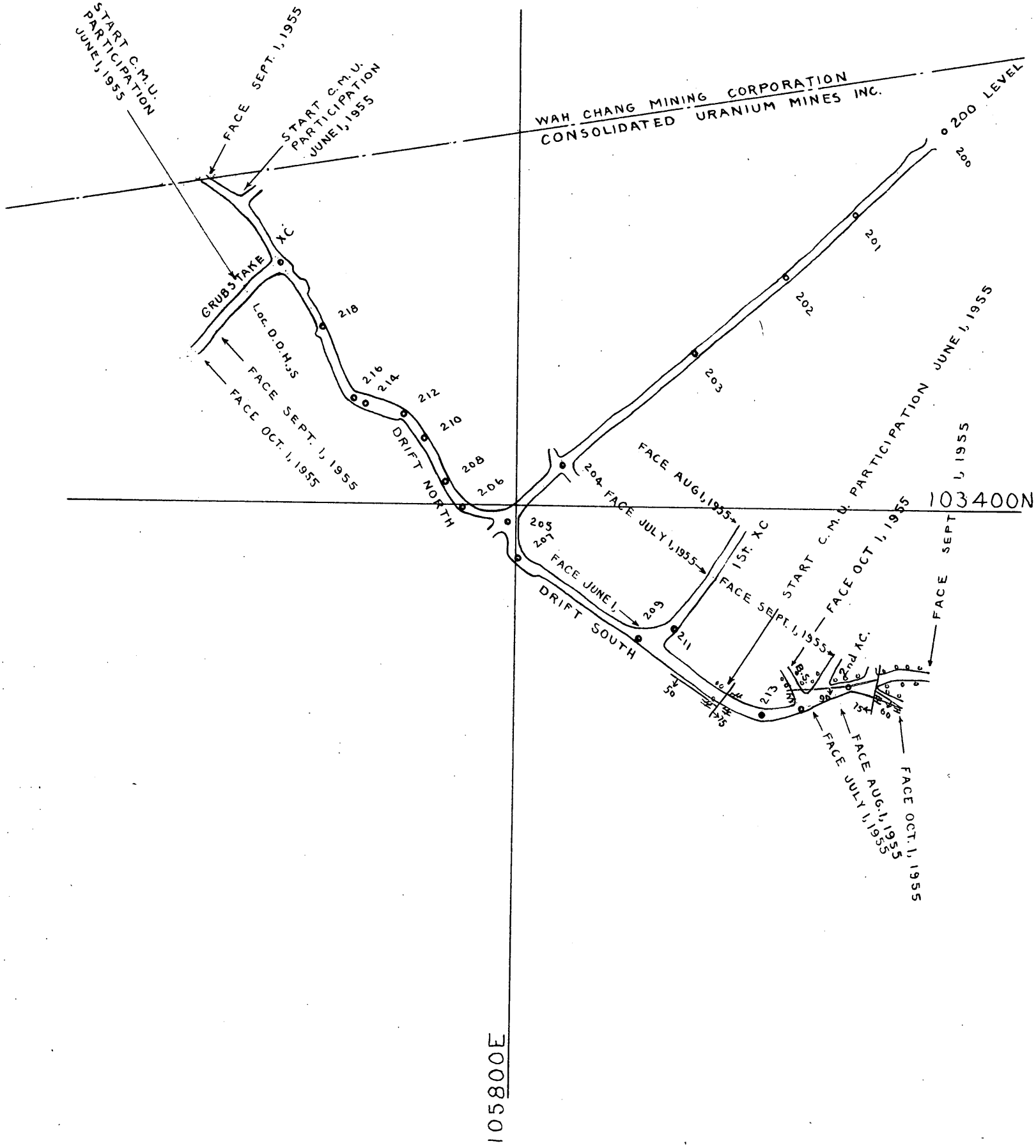
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED DATE



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[illegible]052)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

ACCOUNTS SEP 28 1955

RECEIVED OCT 10 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1955 Docket No. DMEA 3273 Contract No. Ida-E 600

Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten

Address 430 South Main St., Salt Lake City, Utah

Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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	0	1,105.00	1,105.00			
Bulldozing						
Crosscutting	2,691.00	21,140.50	23,839.50			
Drifting	3,760.50	24,012.00	27,772.50			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,451.50	46,765.50	53,217.00			

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

Date 9/23/55 *Payee Consolidated Uranium Mines, Inc.

Per [signature] Title Secretary-Treasurer

*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:

$ 4838.62

Signature
(Authorized Certifying Officer)

Date Vou. No. SF-DMEA-14

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 9/26/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Executive Officer DMEA Field Team

Signature B. Ricker Title Region II Date 9/26/55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

S-104A
(52)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

ACCOUNTS
RECEIVED
OCT 10 1955

Month of August 1955 Docket No. DMEA 3273 Contract No. DC-[illegible]-650
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 430 South Main St., Salt Lake City, Utah

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	1-Ft.	3,760.50	109	27,772.50	605	34.50	18378	
Crosscutting	1-Ft.	2,691.00	78	23,539.50	691	34.50		
Raising					1496			
Shafts								
Winzes								
Drilling: Core	1 Ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station	1			500.00		500.00	1	
TOTAL DISTRIBUTED COSTS		6,451.50		53,217.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								77035.00
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 9/29/55 Operator Consolidated Uranium Mines, Inc.

Per W. Christensen Title Secretary-Treasurer

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

RECEIVED
OCT 10 1955

438 South Main Street

September 19, 1955

xxxxxxx
xxxxxxxxxx

P. O. Box 2576

Mr. S. Ricker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E680

Dear Mr. Ricker:

During the month of August, 1955, the main drift south was advanced 77 feet, the second XC from the south drift was advanced 38 feet, the XC to the grubstake was advanced 40 feet, and the drift to the north was advanced 32 feet.

The total advance was 109 feet of drifting and 78 feet of cross cutting.

The main drift south is being advanced on the hanging wall of the Moody ore zone. For the first 38 feet of drifting the fissure averaged 0.20% WO3 over the drift width. At 38 feet a cross-fault was hit which has offset the ore zone to the south. The remainder of the progress was in the tactite of the Moody ore zone. A new drift is being collared at the fault and turned sharply to follow the offset.

The second XC from the south drift was collared and advanced 38 feet. All of the progress was in well mineralized tactite. The present face is in low grade tactite.

The XC to the grubstake fissure was advanced 40 feet. All the progress was in shaley limestone.

The main drift to the north was advanced 32 feet where it has reached the property line. All of the progress was in the tactite of the Moody ore zone.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES. INC.

DMEA 3273 Cont. IDM-F680

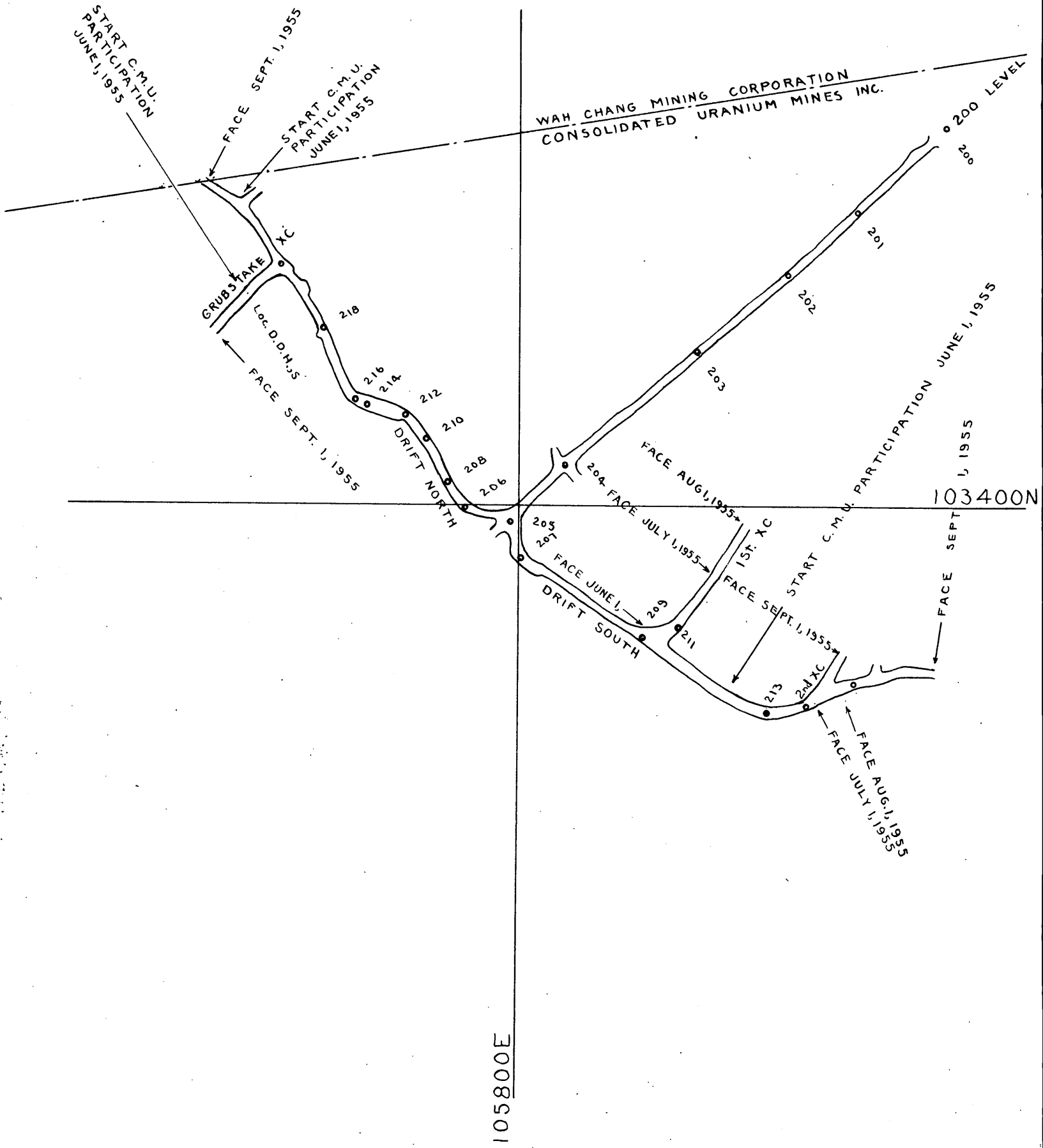
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____



Form ME-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

RECEIVED SEP 27 1955

Month of July 195 5 Docket No. DMEA 3273 Contract No. Idr-5690

Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten

Address 438 South Main Street, Salt Lake City, Utah

Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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	$	$ 1,105.00	$ 1,105.00			
Bulldozing						
Crosscutting	1,345.50	19,803.00	21,148.50			
Drifting	931.50	23,080.50	24,012.00			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 2,277.00	44,488.50	46,765.50			

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

Date Sept. 14, 1955 Payee Consolidated Uranium Mines, Inc.

Per [signature] Title President

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

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

(Instructions on reverse)

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

$ 1707.15

Signature Lloyd H. Sjolander
Authorized Certifying Officer
(Authorized Certifying Officer)

Date SEP 22 1955 Vou. No. SF-DMEA-13

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 9/21/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Executive Officer DMEA Field Team

Signature S. Ricker Title Region II Date 9/21/55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-164A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS RECEIVED SEP 22 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 27 1955

Month of July 1955 Docket No. DMEA 3273 Contract No. Idm-E660

Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten

Address 438 South Main St., Salt Lake City, Utah

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	1-Ft.	$ 931.50	27	$24,012.00	696	$34.50	1837.8	
Crosscutting	1-Ft.	1345.50	39	21,148.50	613	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 Ft.			1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station	1			500.00		500.00	1	
TOTAL DISTRIBUTED COSTS		$2,277.00		46,765.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								77,035.00
TOTAL COSTS		$2,277.00		46,765.50				

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 Sept. 14, 1955 Operator Consolidated Uranium Mines, Inc.

Per [signature] Title President

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

(Instructions on reverse)

(For Government use only)

[signature]

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

RECEIVED
SEP 27 1955

436 South Main Street

September 9, 1955

XXXXXXX
XXXXXXXXXX

P. O. Box 2578

Mr. S. Kicker, Executive Officer
D.M.E.A. Field Team, Region II
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E680

Dear Mr. Kicker:

During the month of July, 1955, a crew of 6 men worked on the above project. The main drift south was advanced 27 feet and the first cross-cut northeast from the main drift south was advanced 39 feet. The total monthly advance was 66 feet.

The main drift south is being advanced on the hanging wall of the Moody ore zone. The first 17 feet of the advance was in the limestone hanging wall due to a 35 ft. offset of the zone by a cross fault. The hanging wall was cut at 17 and the last 10 ft. was advanced on the hanging wall ore zone. Car samples from this 10 ft. averaged 0.25% WO_3.

The first XC to the northeast from the main drift south was advanced 39 feet. The first 29 feet were in massive tactite which assayed 0.04% WO_3 to 0.27% WO_3. The last 10 ft. of advance was in the foot wall sulfide zone where there is heavy mineralization of pyrite and pyrrhotite, and which assayed 0.20% WO_3. The face of the drift has reached the foot wall contact with granite.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

REFERENCES Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES, INC.

DMEA 3273 Cont. IDM-F680

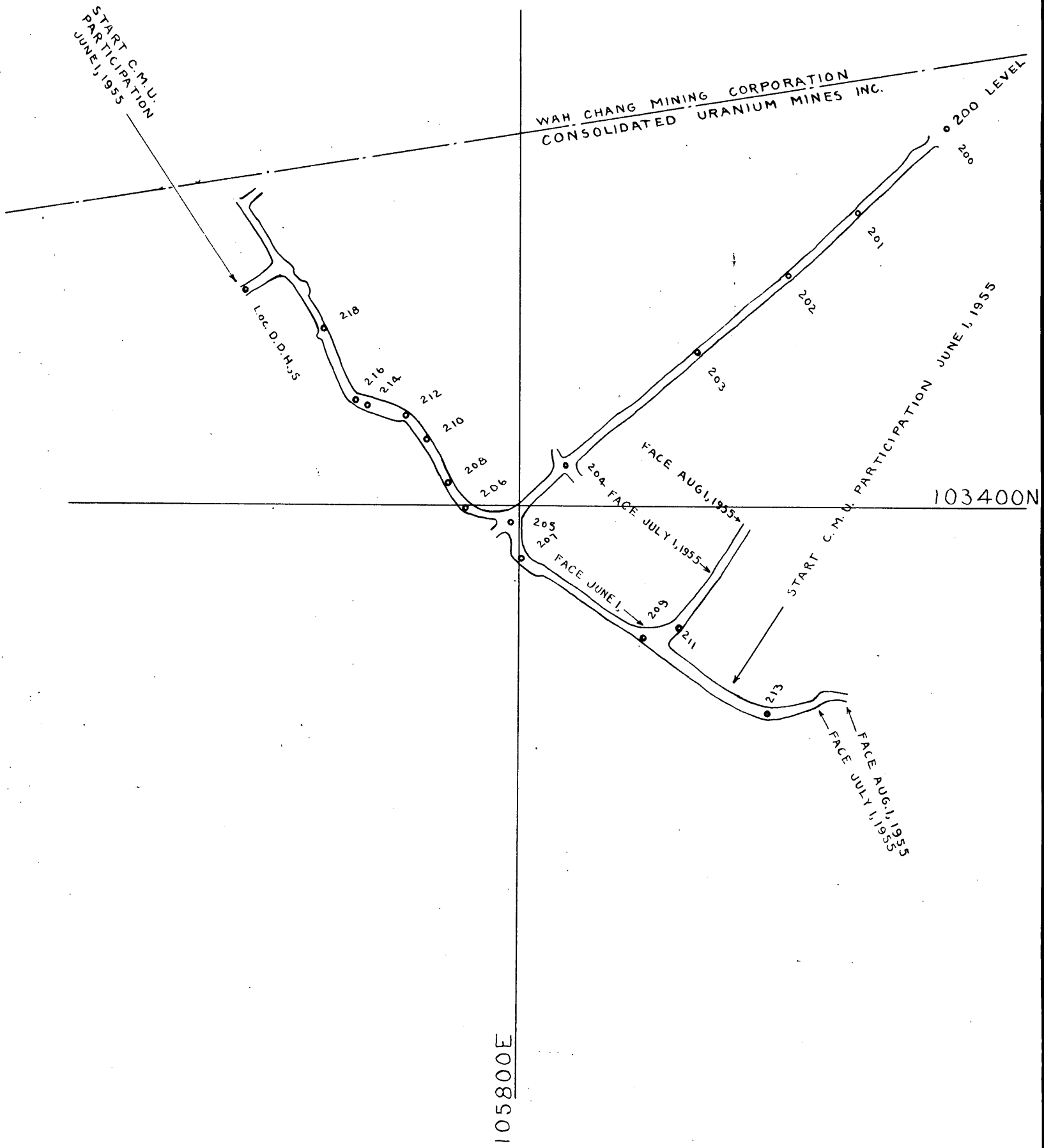
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____



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

Budget Bureau No. 42-R1036.5

RECEIVED
ACCOUNTS SEP 22 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1955 Docket No. DMEA 3273 Contract No. Id-C600
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 430 South Main St., Salt Lake City, Utah
Contract Amount, $ 77,035.00 Government Participation: 75 % Amount, $ 57,776.25

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	1,105.00	None	1,105.00			
Bulldozing						
Crosscutting	2,300.50	17,422.50	19,803.00			
Drifting	2,691.00	20,309.50	23,000.50			
"D" Drill Station		500.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS $	6,176.50	38,312.00	44,488.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 14, 1955 Payee Consolidated Uranium Mines, Inc.
Per E. G. Crawley Title President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 4632 37

Signature
(Authorized Certifying Officer)

Date Vou. No. SF-DMEA-13
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-5680 in accordance with the terms of the contract.

Signature Glenn G. Gentry Title Mining Engineer Date 9/21/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature G. Ricker Title Executive Officer DMEA Field Team Region II Date 9/21/55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS SEP 22 1955 RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 27 1955

Month of June 1955 Docket No. DMEA 3273 Contract No. 10r-(0A)
Operator's Name Consolidated Uranium Mines, Inc. Minerals Tungsten
Address 430 South Main St., Salt Lake City, Utah

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	1 Ft.	2,691.00	78	23,000.50	669	$34.50	1837.8	
Crosscutting	1 Ft.	2,380.50	69	19,893.00	574	34.50		
Raising								
Shafts								
Winzes								
Drilling: Core	1 Ft.	1,105.00	170	1,105.00	170	6.50	2020	
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
"D" Drill Station	1			500.00		500.00	1	
TOTAL DISTRIBUTED COSTS		6,176.50		44,498.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6,176.50		44,498.50				77,035.00

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.

REMARKS:

Date Sept. 14, 1955 Operator Consolidated Uranium Mines, Inc.

Per [signature] Title President

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

(Instructions on reverse)

(For Government use only)

[signature]

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

RECEIVED
SEP 27 1955

438 South Main Street

September 10, 1955

xxxxxxx
xxxxxxxx

P. O. Box 2570

Mr. S. Wicker, Executive Officer
D.M.E.A. Field Team, Region 11
U. S. Bureau of Mines
1605 Evans Ave.
Reno, Nevada

Re: Docket No. DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc.
Schofield Mine
Lincoln County, Nevada
Contract No. IDM-E680

Dear Mr. Wicker:

During the month of June, 1955, a crew of 7 men worked on the above project and the main drift south was advanced 78 feet and the first XC northeast from the main drift south was advanced 69 feet, making a total advance of 147 feet for the month of June. 170 feet of diamond drilling was also done.

The main drift south is being advanced on the hanging wall of the Moody ore zone. At the start of June the face was 230 feet southeast of the main cross cut. The first 15 feet of advance was in a fault zone which cut the Moody zone at about right angles and judging from the surface outcrop (about 200 vertical feet above) it displaced the Moody ore zone about 35 feet to the northeast. The drift was swung to the left but was still in the limestone hanging wall of the Moody at the close of the month. Cut samples from the hanging wall limestone ran from 0.00 WO3 to 0.15 WO3.

The first XC to the northeast from the main drift south was collared 160 feet from the main XC and advanced 69 feet. All of the advance was in tactite which assayed 0.00% WO3 to 0.12% WO3.

From the main drift north 295 feet north of the main XC 170 feet of diamond drilling was done with the grubstake vein as the objective. Some very broken hard silicious rock was encountered and drilling had to be abandoned after three holes were lost in this unfavorable ground.

Yours truly,

CONSOLIDATED URANIUM MINES, INC.

By Lyman Moore
Lyman Moore, Mining Engineer

LM:em

REFERENCES Y-Z Mining Co.

SCALE 1 in = 100 ft.

CONSOLIDATED URANIUM MINES, INC.

DMEA 3273 Cont. IDM-F680

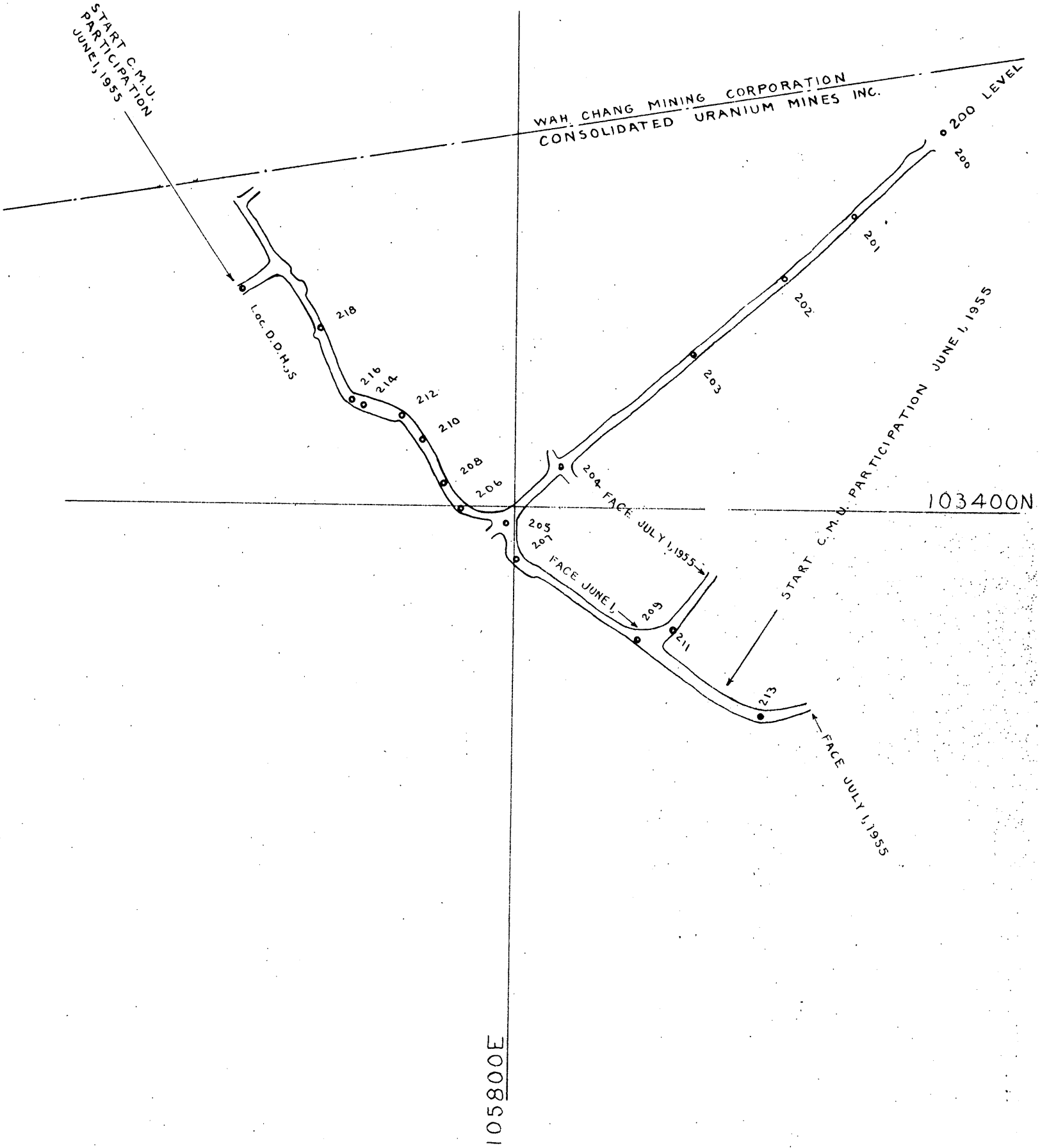
NORTH TEMPIUTE MINE

TEMPIUTE NEVADA

Sept. 1, 1955

DRAWN BY Lyman Moore

REVISED _____ DATE _____



Form MF-124 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

RECEIVED
AUG - 1 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1955 Docket No. DMEA 3273 Contract No. 1131-3880
Operator's Name Lory M. Free Minerals Tungsten
Address Benson, Nevada
Contract Amount, $ 38,000.00 Government Participation: 75% Amount, $ 29,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$1,380.00	$16,042.50	$17,422.50			
Drifting	410.50	20,079.00	20,489.50	* $310.50	20,079.00	20,389.50
Cut one Sixcone Drill Station	500.00	none	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,190.50	$36,121.50	$38,312.00	3,190.50	36,121.50	38,312.00

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

Date June 6, 1955 *Payee Lory M. Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$1642.87

Signature [illegible] (Authorized Certifying Officer)

Date [illegible] Vou. No. SF-DMEA-2

(See other side)

* See Audit Statement attached

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title Mining Engineer Date 7/22/[illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Executive Officer DMEA Field Team

Signature [illegible] Title Region II Date 7/22/[illegible]

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS RECEIVED JUL 25 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

AUG - 1 1955

Month of May 1955 Docket No. DMEA 5275 Contract No. IDM - E 680

Operator's Name Lory M. Free Minerals Tungsten

Address Panaca, Nevada $29,700

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	1 ft.	$410.50	9	$20,489.50	591	$34.50	1147.8	$34.50
Crosscutting	1 ft.	1,380.00	40	17,422.50	505	34.50		34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
1 Diamond Drill Station	1	$500.00	1	$ 500.00	1096	$500.00	1 Station	$500.00
TOTAL DISTRIBUTED COSTS		$2,290.50	49	$38,412.00				TOTAL COSTS AUTHORIZED BY CONTRACT
*See attached Audit Statement		-100.00		-100.00				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,190.50	49	$38,312.00				39,600.00

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 June 6, 1955 Operator Lory M. Free

Per Title

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)

Glenn F. Greenley

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

RECEIVED

AUG - 1 1955

Narrative: Mill. Docket No. 6373

Operations this month has been much the same as in the past. The lenses of ore in the earth seem to still be continuing.

We have completed a small stope on the north drift which looks very encouraging.

We would like to get as much of the diamond drilling done in the month of June as possible. I am enclosing a map of present workings. I have no way of making copies, will you please make the additional copies? Thank you.

Respectfully submitted:

Date: June 6, 1955 Operator Lory M. Tree

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION II

RECEIVED
AUG - 1 1955

Administrative Audit Difference Statement

Date: July 27, 1955
Payee's Reference: Docket MNA 3373
Contract 14n 3-663

Lory M. Drec
Pamca, Nevada

Dear Mr. Drec:

Upon examination of the above Payee's Reference, a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 2,290.00 (May MR-104)

Difference $ 100.00

Amount Approved $ 2,190.00

The reason for the difference was due to: error in calculation for Drifting. 9' X $34.50 per ft. is $310.50 not $410.50 as claimed on voucher.

Correct totals for MR-104 covering the month of May are as follows:

Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
$2,190.50	$38,121.50	$39,312.00

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

L. H. Sjolander
Budget and Finance Branch
Region III

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

MAY 31 1955

Month of April, 1955 Docket No. DMEA 3273 Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $32,600 Government Participation: 75 % Amount, $20,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	[illegible]	10,062.60	10,062.60			
Drifting	6162.60	16,407.60	20,070.20			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,621.60	$34,500.00	$36,121.60			

I certify that the above bill is correct and just and that payment therefor has not been received. May 9, 1955

Date _____ *Payee Roy M. Sue

Per _____ Title _____

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

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

(Instructions on reverse)

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

$1216.12

Lloyd H. Sjolander
Authorized Certifying Officer

Signature _____ (Authorized Certifying Officer)

Date MAY 23 1955 Vou. No. SF-DMEA-31

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature [signature] Title Mining Engineer Date May 9, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: For: Henry V. Jones Executive Officer DMEA Field Team

Signature [signature] Title Region II Date May 9, 1955

S. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

MAY 31 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 5 Docket No. DMEA 3275 Contract No. ~~[illegible]~~ 680

Operator's Name Lary E. Free Minerals Tungsten

Address Fallon, Nevada 129,700

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	1Ft.	$1,621.50	47	$20,079.00	582	$34.50	1147.5	39,600.00 ~~$34.50~~
Crosscutting	1Ft.	None	None	16,042.50	468	34.50		~~34.50~~
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,621.50	47	$36,121.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		~~$1,621.50~~	~~47~~	~~$36,121.50~~				39,600.00

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.

May 4, 1955 Lary E. Free

Date ..... Operator .....

Per ..... Title .....

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)

For: Henry W. Jones

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

Bureau of Mines
Minerals Administration
MAY 31 1955

Narrative: DMA Docket No. 3373

An advance of 47 feet was made mostly in the south heading. All of the muck from the drift rounds in this heading have been above .45% WO_3.

We will probably do some cross cutting next month. This South lense is now opened up for about 250 feet of length and looks very encouraging.

We are still hoping that we will be able to finance a mill soon.

Respectfully submitted:

Date May 6, 1955 Operator Lory M. Gree
Lory M. Gree

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
APR 25 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1955 Docket No. DMEA 5273 Contract No. IEM-R 680
Operator's Name Lory M. Free Minerals Tungsten
Address Panaca, Nevada
Contract Amount, $ 59,600 Government Participation: 75 % Amount, $ 29,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	None	$16,042.50	$16,042.50			
Drifting	$2,725.50	$15,732.00	$18,457.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
			$54,800.00			
TOTALS	$2,725.50	$31,774.50	[illegible]			

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

Date April 4, 1955 *Payee Lory M. Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 2044.12

Dana M. Spalanger
Authorized Certifying Officer

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. SF-DMEA-30

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature Henry W Jones Title Mining Engineer Date April 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Henry W Jones Executive Officer DMEA Field Team

Signature [illegible] Title Region II Date April 7, 1955

S. Ricker Executive Officer

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 March 1955 Docket No. DMEA 3278 Contract No. IDM - E 680

Operator's Name Lory M. Free Minerals Tungsten

Address Panaca, Nevada $29,700

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	1 ft.	$2,725.50	79	$18,457.50	535	$34.50	~~1 ft.~~	~~$34.50~~
Crosscutting	1 ft.	None	None	$16,042.50	465	$34.50	1 ft.	34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$2,725.50	79	$34,500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,725.50	79	$34,500.00				39,600.00

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 April 4, 1955 Operator Lory M. Free

Lory M. Free

Per _____ Title _____

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)

Henry W. Jones

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

Narrative; [redacted] Docket No. 3273

An advance of 56 feet to the north and 23 feet to the south was made during the month of March for a total of 79 feet. All of the material taken from both headings was placed in an ore stockpile. A large sample of this stock pile assayed .58% W.O3.

Ore lense No. 4 to the north has a large amount of sulphides and seems to be 20 feet in width in places. Enough work has not been done to determine an average width.

The last sixteen feet to the south has been opened up to 18 feet of width and looks most encouraging for mill tonnage.

I am looking forward to a successful conclusion of this portion of our contract about April or May.

Respectfully submitted:

Date April 4, 1935 Operator Loy M. Tree
Loy M. Tree

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS MAR 9 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1955 Docket No. DMEA 3273 Contract No. [illegible] 690
Operator's Name Lory M. Drew Minerals Tungsten
Address Reno, Nevada
Contract Amount, $ 39,610 Government Participation: 71 % Amount, $ 28,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	None	$10,042.50	$10,042.50			
Crosscutting	$2,667.50	$12,766.00	$15,730.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,667.50	$26,807.50	$31,774.50			

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

Date March 6, 1955 *Payee Lory M. Drew

Per _____ Title _____

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

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

(Instructions on reverse)

RECEIVED MAR 14 1955

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

$ 22225 25

Signature Floyd W. Sjolander (Authorized Certifying Officer)

Date MAR 9 1955 Vou. No. SF-DMEA-24

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm 2680 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date March 8, 1955

Henry W. Jones DMEA

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Executive Officer

Signature S. Ricker Title DMEA Field Team Date March 8, 1955

S. Ricker Region II

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 February 195 5 Docket No. DMEA [illegible] Contract No. [illegible] - [illegible] 660

Operator's Name Lory M. Free Minerals Tungsten

Address Fallon, Nevada [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	1 ft.	[illegible]	60	[illegible]	[illegible]	[illegible]	1 ft.	[illegible]
Crosscutting	1 ft.	None	None	[illegible]	[illegible]	[illegible]	1 ft.	[illegible]
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]	60	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]	60	[illegible]				

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

Date March 6, 1955 Operator Lory M. Free

Per _____ Title _____

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)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1955

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

Narrative: DMS Docket No. 5573.

A total distance of 60 feet of drifting was done in the month of February. Two shifts were again employed and fairly good progress was made, considering severe weather and road conditions.

We are very well pleased with the ore explored thus far. The ore appears to be of a little higher grade on this level than on the 100 level or on the surface. The ore body exposed in the south drift appears to be at least 160 feet in length, 10 to 16 feet in width and averages 47% Mg. Our assays have been very erratic for some cause or other, but subsequent assays and a large composite sample of the last 60 feet indicate an estimated .47% average.

This ore body appears to be very constant. No appreciable difference in chrysotile content can be seen under the mineral light for the entire distance. The present face being an estimated .8 Mg. The north heading has reached ore lense no 6. We have drifted about thirty feet above reaching this lense and have twelve feet exposed at the present time that is estimated at .75% Mg.

The month of March should really open up the No. 6 lense. We hope also to contact and open up ore lense No. 3 in the south drift. This No. 3 ore body looks very good on the surface with a mineral light, actually looking much better than the area we have explored to the south and being as much as 35 feet in width. We, therefore, are anxious to get it exposed as soon as possible.

Please give us a reply to the requests made in last months report as soon as possible.

We are making an application for a second section of exploration work at this time. It will consist of diamond drilling to the chrysotile ore body, crosscutting and drifting, if results are encouraging, and drifting on to the south under ore lense No. 1.

We have high hopes for the chrysotile ore body. I have had the privilege of looking at the assays from a diamond drill hole run close to our company line from the body to the Chrysotile Dy Mah Mining Trading Corporation. The assays show 35 ft. that averaged .65% Mg. This ore body would have nearly 600 feet of back above our exploration tunnel and large good on the surface.

We are striving to finance milling facilities and hope that next month at this time a definite plan will be under way.

Respectfully submitted,

Date March 5, 1955 Operator Lory M. Tree
Lory M. Tree

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

RECEIVED FEB 23 1955

Month of January 1955 Docket No. DMEA 8875 Contract No. [illegible]
Operator's Name Lory M. Free Minerals Tungsten
Address Pahrump, Nevada
Contract Amount, $ 39,600 Government Participation: 75 % Amount, $ 29,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	None	$16,062.50	$16,062.50			
Drifting	$724.50	$12,040.50	$12,765.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$724.50	$28,103.00	$28,827.50			

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

Date 1955 *Payee Lory M. Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 543.38

Lloyd H. Sjolander
Authorized Certifying Officer

Signature _____
(Authorized Certifying Officer)

Date FEB 16 1955 Vou. No. SF-DMEA-20

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-2680 in accordance with the terms of the contract.

Signature George H. Holmes, Jr. Title Mining Methods Research Engineer Date Feb. 8, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature D. Ricker Title Executive Officer DMEA Field Team Region II Date February 9, 1955

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".

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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.

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

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB 23 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 5 Docket No. DMEA 5273 Contract No. [illegible]
Operator's Name Lory L. Free Minerals Tungsten
Address Pahrump, Nevada

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	1 ft.	724.50	21	$12,705.00	370	34.50	1 ft.	$34.50
Crosscutting	1 ft.	None	None	16,042.50	435	36.50	1 ft.	34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$ 724.50	21	$28,807.50			Total Costs Authorized by Contract	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$ 724.50	21	$28,807.50				

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.

Date February 4, 1955 Operator Lory L. Free

Per _____ Title _____

Remarks: _____

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

DEPT. OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
FEB 23 1935

Narrative: Mine Docket No. 5273

A total distance of 21 feet was made during the month of January. We have had a very severe winter. Most of this month has been either running or below zero, so that very little has been accomplished. We have had a great amount of snow at the mine causing us to be unable to work for most of January.

Nothing unusual was encountered in the drifting. If a reasonable footage can be made in February, a map will be enclosed with the next report.

Respectfully submitted:

Date February 4, 1935 Operator Guy M. Gree
Guy M. Gree

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

Month of December 1954 Docket No. DMEA 3273 Contract No. IDI-B 680
Operator's Name Lory M. Free Minerals Tungsten
Address Pioneer, Nevada
Contract Amount, $ 39,600 Government Participation 75% Amount, $ 29,700

RECEIVED JAN 25 1955

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	None	$16,042.50	16,042.50			
Drifting	$2,173.50	$ 9,867.00	12,040.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 2,173.50	$25,909.50	28,083.00			

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

Date Jan. 3, 1955 *Payee Lory M. Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 1630.12

Signature Noel W. Sylander
Authorized Certifying Officer
(Authorized Certifying Officer)

Date JAN 17 1955 Vou. No. SF-DMEA-18

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature A. C. Johnson Title Mining Engineer Date January 10, 1955.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer DMEA Field Team Region II Date January 11, 1955

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

DEPARTMENT OF THE INTERIOR
RECEIVED
JAN 28 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1954 Docket No. DMEA 3273 Contract No. [illegible]
Operator's Name Lory M. Frau Minerals Tungsten
Address Dayton, Nevada

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	1 ft.	2,173.50	63	$12,040.50	349	34.50	1 ft.	34.50
Crosscutting	1 ft.	None	none	16,042.50	465	34.50	1 ft.	34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		2,173.50	63	28,083.00			Total Costs Authorized by Contract	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2,173.50	63	28,083.00				

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 Jan. 3, 1955 Operator Lory M. Frau

Per Title

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 28 1955

Narrative; DMA Docket No. 3875

A total advance of 68 feet was made during the month of December. We have had heavy snow and extremely cold weather. This will likely continue through the month of January. Our operation will, therefore, probably be somewhat curtailed for the next month to six weeks.

I would like permission to use the (1,680.0) set up in the contract for assaying and timbering as footage. The plan now would be to use this additional 48.1 feet in drifting to the south. There is an additional 16 feet that I would like to use in the south drift that is left over from the 480 ft. estimate of the crosscutting. This would make a total of 140 feet plus 48.1 feet plus 16 feet or 203.1 feet.

I would also like permission to use the 100 feet set up for crosscutting to drive a crosscut in the ore zone to intercept ore body No. 8 with whatever is left over of the 100 feet to be used either for crosscutting or drifting, whichever is deemed most advisable by the field team representative and myself.

Respectfully submitted:

Date January 3, 1955 Operator Lory M. Tree
Lory M. Tree

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1954 Docket No. DMEA 5273 Contract No. 1[illegible]-B-000
Operator's Name Lory M. Free Minerals Tungsten
Address Panaca, Nevada
Contract Amount, $ 50,600.00 Government Participation: 75 % Amount, $ 29,700.00

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		$16,042.50	$16,042.50			
Drifting	$1,966.00	7,900.50	9,867.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,966.00	$23,943.00	$25,909.00			

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

Date December 1 *Payee Lory M. Free

Per _____ Title Partner

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

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

(Instructions on reverse)

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

$ 1474.88

Signature _____
(Authorized Certifying Officer)

Date 0 Vou. No. SF-DMEA-15

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1gm-2600 in accordance with the terms of the contract.

Signature [illegible] Title Mining Methods Research Engr. Date Dec. 3, 1954.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title DMEA Field Team Executive Officer Region III Date December 6, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS DEC 10 1954 Minerals Administration RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1954 Docket No. DMEA 3273 Contract No. [illegible]-0 660

Operator's Name Loy M. Gree Minerals Wolfram

Address Carson, Nevada

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	1 ft.	1900.00	67	9367.00	280	3450	1 ft.	934.50
Crosscutting	1 ft.	None	None	10,042.50	498	34.50	1 ft.	34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$1,900.50	67	$26,909.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$1,900.50	67	$26,909.50				

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.

Date Dec. 1 - 54 Operator Loy M. Gree

Per _____ Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

[illegible]

Narrative: [illegible] Docket No. 3073

The weather and certain other problems hindered our progress this month. A total of 57 feet advance was made.

The tactite drifted through was very hard and highly mineralized with iron sulphides and garnet.

We are including a map with this month's report. We hope to make better progress next month.

Respectfully submitted:

Date: December 1, 1954 Operator: Roy McGee

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS - NOV 18 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

NOV 22 1954

Month of October, 1954 Docket No. DMEA 3273 Contract No. D.M.E. 680
Operator's Name Lory M. Free Minerals Tungsten
Address Panaca, Nevada
Contract Amount, $ 39,600 Government Participation: 75 % Amount, $ 29,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	None					
Crosscutting	None	$16,042.50	$16,042.50			
Drifting	$3,829.50	4,071.00	7,900.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3,829.50	$20,113.50	$23,943.00			

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

Date Nov. 1, 1954 *Payee Lory M. Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 2872.12

Signature _____
(Authorized Certifying Officer)

Date NOV 12 1954 Vou. No. SF-DMEA-12

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-2680 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div., Region III Date Nov. 3, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller for E. Richer Title Executive Officer DMEA Field Team Region III Date November 4, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form DMEA-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

NOV 8
Defense Minerals Administration
RECEIVED
NOV 22 1954

Month of October 195 4 Docket No. DMEA 3273 Contract No. 1M - D 680
Operator's Name Lory M. Free Minerals Tungsten
Address Panaca, Nevada

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	1 ft.	$3,829.50	111	$7,000.50	229	$34.50	1 ft.	$34.50
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$3,829.50	111	$23,943.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3,829.50	111	$23,943.00				

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 November 2, 1954 Operator Lory M. Free

Per ..... Title .....

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

NOV 22 1954

Narrative: DMEA Docket No. 3273

Work was continued much the same as last month. The tactite was very hard to drill and tough to break. Nothing unusual was encountered otherwise.

We were only able to make one hundred eleven feet this month. The major portion of this drifting was done in the north end. The entire tactite area drifted through showed a high degree of mineralization in garnet and sulphides with an estimated one to two tenths WO_3.

Since a very small footage was made and nothing unusual encountered, a progress map this month was deemed unnecessary. We think next months report will present a pretty good picture of this ore body and two lenses of commercial grade tungsten ore.

Repectfully submitted,

Date November 1, 1954 Operator Lory M. Free

Lory M. Free

Form MF-10[illegible] (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 26 1954
Defense Minerals Administration

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 195 4 Docket No. DMEA 3278 Contract No. 3.D.M.E. 680
Operator's Name Lary M. Free Minerals Sunstone
Address Panaca, Nevada
Contract Amount, $ 30,600 Government Participation: 75% Amount, $ 29,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	$3,071.60	$13,041.00	$16,042.60			
Crosscutting	4,071.00	None	4,071.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$7,072.60	$13,041.00	$20,113.60			

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

Date Oct 2/1954 *Payee Lary M Free

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 5304.38

Lloyd H. Sjolander
Authorized Certifying Officer

Signature _____
(Authorized Certifying Officer)

Date OCT 2[illegible] Vou. No. SF-DMEA-9

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-D600 in accordance with the terms of the contract.

Signature A. C. Johnson, Chief, Mining Div. Title Reg. III Date Below Oct. 4, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Wicker for H. C. Miller Title Executive Officer DMEA Field Team Region III Date October 7, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

ACCOUNTS OCT 27 1954

OCT 26 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1954 Docket No. DMEA 3273 Contract No. IDI - E 680

Operator's Name Lory M. Free Minerals Tungsten

Address Fernson, Nevada

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	1 ft.	$4,071.00	118	$4,071.00	496	$34.50	1 ft.	$34.50
Crosscutting	1 ft.	3,001.50	87	16,042.50	87	$34.50	1 ft.	$4.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$7072.50	205	$20,113.50				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$7,072.50	205	$20,113.50				

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.

Date October 2, 1954 Operator Lory M. Free

Per _____ Title _____

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OCT 26 1954

Narrative: [illegible] Docket No. 3.73

Work was continued on the exploration contract the entire month of September. A crew of nine men worked as follows: two men on the afternoon shift, two on the graveyard shift and three on the day shift.

At about the 302 foot mark, the contact between the granite and tactite was encountered. The tactite was highly mineralized with iron sulphides and showed encouraging amounts of scheelite. The tactite area was about 35 feet in width bringing up to the line contact at 465 feet.

A X-cut was made about 25 feet from the line and drifting was commenced along the contact in both directions.

A very good showing was encountered in the southeast drift. At the present time there being, the full width of the drift, about 6 feet of estimated .3 to .6% W.O.3. Assay returns are not in yet but will be placed on next month's map.

The heading to the north west is also very encouraging. It shows and estimated .3% W.O.3. and seems to be getting better each round.

The tactite area has been very hard and tough to drill and break. As of late one heavier breaker machine called the "Cobra" was put in use to help shorten the drilling time.

A hope to open up several lenses of marketable ore and begin shipping during the month of October.

Respectfully submitted.

Date October 2, 1954 Operator Roy M. Lee

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1954 Docket No. DMEA 3278 Contract No. I.D.M. S. 680
Operator's Name Lory M. Frese Minerals Tungsten
Address Pahrump, Nevada
Contract Amount, $30,600 Government Participation: 75 % Amount, $22,700

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$6,969.00	$6072.00	$13,041.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$6969.00	$6,072.00	$13,041.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 1, 1954 *Payee Lory M. Frese
Per _____ Title _____

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

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

(Instructions on reverse)

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

$5226.75

Signature _____
(Authorized Certifying Officer)

Date SEP 7 1954 Vou. No. SF-DMEA-6

(See other side)

RECEIVED SEP - 3 1954
Defense Minerals Administration
RECEIVED SEP 13 1954

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date Sept. 2, 1954.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J. Ricker for H. C. Miller Title Executive Officer DMEA Field Team Region III Date September 3, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MR-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS SEP 03 1954
Defense Minerals Administration

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 13 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 3273 Contract No. [illegible]
Operator's Name Lory C. Fress Minerals Tungsten
Address Pahrump, Nevada 79,700

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting	1 ft.	$6969.00	208	$15,041.00	870	$34.60	1 ft.	$34.60
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$6969.00	208	$15,041.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$6969.00	208	$15,041.00				

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 Sept. 1, 1954 Operator Lory McFress

Per _____ Title _____

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF [illegible]
Bureau Minerals [illegible]
RECEIVED
SEP 13 1954

Narrative: DMRA Pocket No. 3273

Work was continued on the exploration contract the entire month of August in the same manner as in the month of July.

At about 190 feet, a hard unoxidized granite was encountered. This material, perhaps a quartz monzonite, is extremely hard and tough. It has remained fairly constant from about the 190 foot mark to the present 378 foot mark. The only variation being some small quartz fissures showing up at irregular intervals and showing a small amount of mineralization.

A small amount of water seepage was encountered near the 250 foot area. Nothing else of interest was encountered. However, Mr. George Peck, our Engineer, is preparing a map showing the quartz fissures and geology accurately. We anticipate crosscutting the tactite ore zone and doing some drifting along the contact during the month of September. The map with appropriate information will be included in the September report.

Respectfully submitted:

Date: September 1, 1954 Operator Lory M. Free
Lory M. Free

Form [redacted] (Rev.)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUG - 5 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 5273 Contract No. I D M - S 680
Operator's Name Lory M. Free - Y. Z. Mining Company Minerals Tungsten
Address Pamana, Nevada
Contract Amount, $ 52600 Government Participation: 70% Amount, $ 22,700

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$6,072.00	None	$6,072.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$6,072.00	None	$6,072.00			

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

Date August 5, 1954 *Payee Y. Z. Mining Company Lory M Free

Per _____ Title Operator

*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:

$4554.00

Lloyd H. Sjolander
Authorized Certifying Officer

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. SF-DMEA-3

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E680 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date August 4, 1954.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date August 5, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUG - 9 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 3275 Contract No. IDM-E 680

Operator's Name Lory H. Free Y. Z. Mining Company Minerals Tungsten

Address Panaca, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting	1 ft.	$6,072.00	176	$6,072.00	176	$34.50	1 ft.	$34.50
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$6,072.00	176	$6,072.00			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$6,072.00	176	$6,072.00				

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 August 3, 1954 Operator Lory M. Free

Per _____ Title Operator

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Narrative: DMEA Docket No. 3273

Work was commenced on July 8, 1954 on the Exploration Project. Some two to three feet of overburden was encountered before hitting the solid rock formation. This was scraped away with a ten horse air slusher. The rock formation then encountered was a soft decomposed granite. Sixty-two (62) feet of the tunnel was run with the slusher.

At this point an Eimco Mucking Machine was put in use, rails installed, and the waste material was hand trammed. The granite gradually became harder from the surface in, becoming fairly uniform at about forty (40) feet, and remaining quite constant the rest of the distance.

The only irregularity encountered in the formation to date has been several small quartz fissures. These have been mineralized to some extent, showing some iron oxide and iron sulphide.

Because I am most anxious to get into the ore body, we have almost worked the clock around, using two new air leg machines for drilling, an Eimco mucking machine for mucking and expert miners.

Everything seems to be working smoothly and no particular difficulty is expected unless we have difficulty drilling and breaking the ground after we hit the tactite.

Respectfully submitted:

Date August 3, 1954 Operator Lory M. Free
Lory M. Free

JUL 1 0 1964

Mr. Lory M. Free
d/b/a Y. Z. Mining Company
1709 North 580 East
Provo, Utah

Re: DMEA-3273 (Tungsten)
Consolidated Uranium Mines, Inc., Assignee
Schofield Mine
Lincoln County, Nevada
Contract Idm-E680

Dear Mr. Free:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated October 8, 1956, all minerals mined or produced from June 24, 1954, to June 24, 1964, were subject to the Government's royalty as set forth in said contract.

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

Sincerely yours,

George Fumich, Jr.

Acting Director

FMMurphy/mm
7/8/64
cc: Director's Reading File
✓CA&R Division
Region II w/cy of Form 63 dated 6/24/64
Docket
120 M
North Tem Piute Mining and Development Company, Hiko, Nevada

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

To: Consolidated Uranium Mines, Inc.
438 South Main Street
Salt Lake City, Utah

Pursuant to the provisions of Exploration Project Contract No. Ida-1680, executed June 24, 1954 (Docket No. DMEA-3273), as amended, hereinafter called the "Contract", between Lory M. Free, doing business as Y. Z. Mining Company, and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty 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 Rae Ella, Rae Ella No. 2, and Phyllis claims (Schofield Mine) have indicated a substantial quantity of tungsten occurring as scheelite within and near tactite zones along a contact between granite and limestone. Sufficient data were secured to calculate measured, indicated and inferred reserves.

THE UNITED STATES OF AMERICA

Dated: October 8, 1956 By B. D. Wheeler
Administrator, Defense Minerals
Exploration Administration

cc: Docket
Code 400-Mr. Martin
Code 800-Mr. Chambers
Code 110-Mr. Johnson
Admr. R. File
Oper. Committee
T. H. Kiilsgaard, USGS
FT, Region 2
GSA, DMS, Wash. 25, D.C.

cc: Mr. Lory M. Free, Y. Z. Mining Co.
Paradise, Nevada
North Tom Pinto Min. & Dev. Co
Hiko, Nevada
R. W. Halliday, USBM
F. D. Lamb, USBM
Finance Officer

SPHolt/ls/ecf 9/28/56

OCT - 9 1956

Mr. E. G. Frawley, President
Consolidated Uranium Mines, Inc.
438 South Main Street
Salt Lake City, Utah

Re: Docket No. DMEA-3273, Tungsten
Rae Kila, Rae Kila No. 2, and
Phyllis claims (Schofield Mine)
Lincoln County, Nevada
Contract No. IDm-2680

Dear Mr. Frawley:

Transmitted herewith is a certification of discovery or development issued under the subject contract, which was executed June 24, 1954.

By the terms of the Exploration Project Contract, as amended, and of the certification, all production from the lands described in the referenced contract from the date of the Exploration Project Contract is subject to the Government's percentage royalty as set forth in the contract until the sum of $47,313.00 is paid, or until June 24, 1964, whichever occurs first.

Royalty payments should be made to Mr. Spangler Rieker, Executive Officer, DMEA Field Team, 1605 Evans Avenue, Reno, Nevada. Checks should be made to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct royalties from the amount due on each shipment and forward check direct to the Executive Officer. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the charge certified to be correct by the purchaser.

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

Sincerely yours,

R. D. Mittenfort

Administrator
SPHolt/ls/esf 9/14/56
Rewritten 9/27/56

Enclosure

cc: R. W. Holliday, USBM
F. D. Lamb, USBM
Lory M. Free, Y. Z. Mining Co.
North Elm Pluto Min. & Devel. Co.

cc: Oper. Comm.
Admr. R. File
T. H. Kiilsgaard, USGS
FT, REG. II

Docket
Code 400
Code 110
Code 800

North Star Pinto Mining and
Development Company
Hiko, Nevada

Re: Docket No. DMEA-3273, Tungsten
Consolidated Uranium Mines, Inc.
Ree Kila, Ree Kila No. 2, and
Phyllis claims (Schofield Mine)
Lincoln County, Nevada
Contract No. 14m-2660

Gentlemen:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. The property as set forth in the contract was leased to Lory M. Free by North Star Pinto Mining and Development Company under a certain indenture dated February 9, 1954. The same property was also referred to in an Owner's Consent to Lien executed July 1, 1954, by North Star Pinto Mining and Development Company, and in an Assignment of Contract executed August 9, 1955, by Lory M. Free, doing business as Y. K. Mining Company, Assignor, to Consolidated Uranium Mines, Inc., Assignee.

Also enclosed is a copy of a letter to Mr. E. G. Frawley, President, Consolidated Uranium Mines, Inc.

Sincerely yours,

[illegible]

Administrator

Enclosures

cc: Docket
Code 400
Code 110
Code 800
Qmr. Comm.
Admr. R. Fils
T. Killegaard, USGS
F. D. Lamb, USBM
R. W. Holliday, USBM
FT, Reg. 2

SPHolt/ls/esf
9/28/56

Mr. Clarence A. Fredell, Acting Director
Technical Services Division
Defense Materials Service
General Services Administration
7th and D Streets, S. W.
Washington 25, D. C.

Re: Docket No. DMEA-3273, Tungsten
Consolidated Uranium Mines, Inc.
Rae Ella, Rae Ella No. 2, and
Phyllis claims (Schofield Mine)
Lincoln County, Nevada
Contract No. Idm-E680

Dear Mr. Fredell:

Enclosed is a copy of a certification of discovery or development issued under the subject contract.

Contract No. Idm-E680 for the exploration of the Rae Ella, Rae Ella No. 2, and Phyllis claims (Schofield Mine), was executed June 24, 1954. Expenditures up to $77,035.00 were authorized by the contract, as amended, of which the Government's share at 75 percent was $57,776.25. The cost of the work completed was $63,084.00, of which the Government's share at 75 percent was $47,313.00.

The object of the exploration program was to test the possible tungsten occurrences within and near tactite zones along and near a contact between granite and limestone. The program employed drifting, crosscutting, and diamond drilling to explore the mineralized zone.

The contract, as amended, allowed $77,035.00 to drift and crosscut 1,837.8 feet, excavate one diamond drill station, and diamond drill 2,020 feet.

Work completed comprised 1,782 feet of drifting and crosscutting, excavating one diamond drill station, and 170 feet of diamond drilling.

Reserves of tungsten ore discovered or developed by project work were estimated by the Field Team as 65,160 tons of measured, indicated, and inferred ore, average assay 0.37 percent WO_3.

Sincerely yours,

O. O. Mittendorf

Administrator

Enclosure

SPHolt/ls/esf 9/14/56
Rewritten 9/27/56

cc: Docket
Code 400
Code 110
Code 800

cc: Oper. Comm.
Adm. Read. File
FT, Region 2
F. D. Lamb, USBM

cc: R. W. Holliday, USBM
T. Kiilsgaard, USGS

SEP 28 1956

Mr. Larry M. Fress
Y. Z. Mining Company
Pahrump, Nevada

Re: Docket No. DMA-5273, Tungsten
Consolidated Uranium Mines, Inc.
Rae Kiln, Rae Kiln No. 2, and
Phyllis claims (Schofield Mine)
Lincoln County, Nevada
Contract No. [illegible]-2600

Dear Mr. Fress:

Transmitted herewith for your information is a copy of the certification of discovery or development issued as a result of the exploration program under the above-referenced contract. The property as set forth in the contract was leased to Larry M. Fress by North Star Pinto Mining and Development Company under a certain indenture dated February 9, 1954. The same property was also referred to in an Owner's Consent to Lien executed July 1, 1954, by North Star Pinto Mining and Development Company, and in an Assignment of Contract executed August 9, 1955, by Larry M. Fress, doing business as Y. Z. Mining Company, Assignor, to Consolidated Uranium Mines, Inc., Assignee.

Also enclosed is a copy of a letter to Mr. E. C. Fromley, President, Consolidated Uranium Mines, Inc.

Sincerely yours,

E. C. Mitchell

Administrator

Enclosures

cc: Docket
Code 400
Code 110
Code 800
Oper. Committee
Admr. R. File

cc: T. Killingsard, USGS
F. D. Lamb, USBM
R. W. Holliday, USBM
FT, Reg. 2

SPHolt/ls/esf
9/28/56

400

[illegible] 1956

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

Re: Docket No. DMEA-3273, Tungsten
Consolidated Uranium Mines, Inc.
Ree Kile, Ree Kile No. 2 and
Phyllis claims (Schofield Mine)
Lincoln County, Nevada
Contract No. [illegible]-8680

Dear Mr. Richer:

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

SFHolt/ls/esf 9/28/56
cc: Docket
Code 400
Code 110
Code 800 ✓
Oper. Comm.
Adm. Read. File
T. Kiilsgaard, USGS
F. D. Lamb, USBM
R. W. Holliday, USBM
FT, Reg. 2

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

April 17, 1956

Memorandum

To: Chairman, Operating Committee

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Termination Agreement
Docket No. DMEA-3273 (Tungsten
Consolidated Uranium Mines, Inc.
Schofield Mine, Lincoln County, Nevada
Contract No. Idm-2680

I have surrounded the appropriate copies of the proposed Termination Agreement on the basis that the Termination Agreement will not adversely affect the audit. I would like to call your attention, however, to the fact that approximately one month after the assignee took charge of the project a payment of $1,366.51 in royalty was made. Prior to that time only $26.94 of royalty was paid.

Attachment

JLChambers/wb
April 17, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers

Government's copy

ASSIGNMENT OF CONTRACT

Subject to acceptance by the Assignee and consent by the Government on the forms hereafter provided, effective June 1st, 1955, the undersigned Lory M. Free, an individual doing business as Y. Z. MINING COMPANY, Assignor, hereby transfers and assigns to CONSOLIDATED URANIUM MINES, INC., a Nevada corporation, whose address is 438 South Main Street, P. O. Box 2578, Salt Lake City, Utah, Assignee, that certain Exploration Project Contract Idm-E608, Docket No. DMEA-3273, dated June 24, 1954, between the Assignor and the Government.

All claims and vouchers for the Government's contribution under the contract received by the Government prior to said effective date shall be considered to be for the account of and shall be paid to the Assignor; and such claims and vouchers received by the Government on and after said effective date shall be considered to be for the account of and shall be paid to the Assignee. The Assignee assumes and agrees to pay to the Government any royalty that may have accrued or that may hereafter accrue under the provisions of said contract and that remains unpaid at the date hereof.

The Assignor consents to all future amendments and assignments of this contract without notice thereof.

Dated this 9th day of August, 1955.

Lory M Free

LORY M. FREE, doing business as
Y. Z. MINING COMPANY

ASSIGNEE'S ACCEPTANCE

The Assignee, CONSOLIDATED URANIUM MINES, INC., hereby accepts the foregoing assignment and agrees to

perform and be bound by all of the terms, provisions, and conditions of the contract assigned and of the foregoing instrument of assignment.

Dated this 13th day of August, 1955.

CONSOLIDATED URANIUM MINES, INC.

By E. G. Frawley President

By C M Christensen, Secretary

I, C M. Christensen, certify that I am the - - - - - - - - - - secretary of the corporation named herein; that E. G. Frawley who signed this instrument on behalf of said corporation, was then President of said corporation; that said instrument 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.

C M Christensen Secretary [Corporate Seal]

GOVERNMENT'S CONSENT

The Government, this 31st day of August, 1955, without releasing the Assignor from any of the terms, provisions, and conditions of the contract assigned, hereby consents to the foregoing assignment.

THE UNITED STATES OF AMERICA

By O O Mitchessor
Administrator, Defense Minerals Exploration Administration

Government's copy

THE INTERIOR
Minerals Administration
RECEIVED
MAY 1 3 1955

EXPLORATION PROJECT CONTRACT
Y. Z. MINING COMPANY
DOCKET NO. DMEA-3273

AMENDMENT NO. 2

It is agreed this 29th day of April, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Y. Z. Mining Company, that Exploration Project Contract No. Idm-E680 (Docket No. DMEA-3273), dated June 24, 1954, is amended effective January 1, 1955, as follows:

1. In Article 3 of the contract form, delete the period "Twelve (12) Months," and substitute the period "Twenty-One (21) Months."

2. Add to Exhibit "A" of the contract, as amended by Amendment No. 1, the following:

> Cut a diamond drill station approximately 10 feet by 10 feet by 8 feet, at the approximate position indicated on the accompanying map marked "Composite Plan Map North Tem Piute Property."
>
> Insofar as the work can be accomplished within an aggregate maximum of 2,020 feet of drilled hole, drill nine (9) AX diamond drill holes, approximately in the positions indicated on the accompanying map, and as there projected to intersect the Grubstake ore zone; holes 1, 2, and 3 to have a bearing of S. 85 degrees W., with respective dips of minus 20 degrees, horizontal, and plus 20 degrees; holes 4, 5, and 6 to have a bearing of S. 45 degrees W., with respective dips of minus 20 degrees, horizontal, and plus 20 degrees; and holes 7, 8, and 9 to have a bearing of S. 11 degrees W., with respective dips of minus 20 degrees, horizontal, and plus 20 degrees. All cores from the mineralized zone are to be split and assayed for WO_3. 1/

On the basis of the results obtained in the diamond drilling and with the approval of the Government, a crosscut approximately 150 feet in length shall be driven at a point to be selected to interesect the mineralized zone, and approximately 150 feet of drifting shall be done along the Grubstake zone. The direction or directions of the drifting will be dependent on the mineralization.

1/ All assaying to be at the expense of the Operator.

From the face of the southeasterly drift on the Moody ore zone, at the conclusion of the work done according to Amendment No. 1, and as indicated on accompanying map, drift an additional 390 feet southeasterly following the indicated ore zone.

All drifts and crosscuts shall be not less than 4 feet by $6\frac{1}{2}$ feet in size. All zones showing tungsten mineralization shall be sampled and assayed for WO_3. 2/

Agreed Unit Costs

Cut diamond drill station. 3/	$ 500.00	
Diamond drilling, 2,020 feet @ $6.50/ft.	13,130.00	
Drifting and crosscutting 690 feet @ $34.50/ft.	23,805.00	
Estimated added cost of Amendment No. 2		$37,435.00
Estimated previous cost of Contract		39,600.00
Estimated total cost of the project		$77,035.00
Government participation @ 75%		$57,776.25

THE UNITED STATES OF AMERICA

By O. Mitchell Ford
Administrator, Defense Minerals
Exploration Administration

Y.Z. MINING COMPANY

By Lory McGee

2/ See footnote 1/.
3/ The completed work is the unit.

Government's Copy

MAR 23 1955

EXPLORATION PROJECT CONTRACT
LORY M. FREE, dba Y. Z. MINING COMPANY
DOCKET NO. DMEA-3273

AMENDMENT NO. 1

It is agreed this 28th day of February, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Lory M. Free, doing business as Y. Z. Mining Company, Panaca, Nevada, that Exploration Project Contract No. Idm-E680 (Docket No. DMEA-3273), dated June 24, 1954, is amended effective January 1, 1955, as follows:

1. In Exhibit "A", under "Description of the work:"

(a) In paragraph 3, delete "140 feet" and substitute "188 feet."

(b) Delete the last full paragraph on page 1 and substitute: "Not to exceed an aggregate of 1147.8 feet of drifting and crosscutting shall be performed under the Contract. All timbering and analyses necessary for the performance of the project shall be at the sole expense of the Operator without contribution by the Government."

2. In Exhibit "A", under "Estimated Costs of Project, Agreed Unit Costs," delete everything and substitute:

"Drift and/or crosscut 1147.8 feet @ $34.50/ft. (rounded to)	$39,600.00	
AGREED ESTIMATED TOTAL COST		$39,600.00
GOVERNMENT PARTICIPATION @ 75%		$29,700.00"

3. In Article 7 of the Contract form, that part of the second sentence that begins with the word "Provided" is deleted.

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, nor the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Y. Z. MINING COMPANY

By Roy McGree

Contract No. Idm-E 680

Docket No. 3273

DEPARTMENT OF THE INTERIOR

Terminated 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
June 25, 1954	II	Nevada	Tungsten

Name and Address of Operator: Lory M. Free d/b/a
Y. Z. Mining Co.
changed to:

Consolidated Uranium Mines
Panaca, Nevada
Attention: Lory M. Free

	Reserve	Obligation
Prior Amount	0	$57,776.25
Increase	0	0
Decrease	0	10,463.25
Revised Amount	0	$47,313.00

Remarks:

Allen S. Dakan, Chief (Name)
Operations Control and
Statistics Division (Title)

Date Delivered to Bureau of Mines, Washington 10/30/56

98963

Docket No. ~~DMEA - 3273~~

Commodity ~~Tungsten~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 680

Date of Contract June 24, 1954

Name and Address of Operator:

Lory M. Free d/b/a
Y. Z. Mining Co.
Lincoln, Nevada

Amount of Government participation $57,776.25

Percent of Government participation 75 %

Region: 11 State: Nevada

Note: This document establishes the obligation shown above and cancels the previous amount of $ 29,700.00

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

(Title)

Date Delivered to Bureau of Mines, Washington. 5/2/55

54458

Docket No. DMEA m- 3273

Commodity Tungsten

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 680

Date of Contract June 24, 1954

Name and Address of Operator:
Lory M. Free d/b/a
Y.Z. Mining Co.
Lincoln, Nevada

Amount of Government participation $ 29,700.00

Percent of Government participation 75 %

Region: 111 State: Nevada

J. L. Chambers (Name)
Chief Contract Adminstration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. 6/24/54

54458

MF-260 (A)
(February 1952)

DOCKET NO. DMEA 3273
COMMODITY Tungsten

Defense Minerals Administration
RECEIVED
JUL 13 1954

Government copy

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

DDM - E 680

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 24th day of June, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Lory M. Free, doing business as Y.Z. Mining Company, Panaca, Nevada

hereinafter called the "Operator," as ~~follows:~~ set forth in Annex I attached to and made a part hereof and as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Nevada, County of Lincoln, described as follows:[3] Three unpatented mining claims located in Section 1, T. 4 S., R. 56 E., M.D.B. & M, and recorded in the Lincoln County Court House, Pioche, Nevada, as follows: Rae Ella, Book K-1, page 477, Rae Ella #2, Book K-1, page 478, and Phyllis, Book K-1, page 478, Mining Notices.

the Operator represents and undertakes:[4]

(*a*) ~~[illegible] subordination agreement of the holder is attached.~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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

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

in or upon the described land; and shall bring the project to completion within a period of 12 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $29,700.00 which is 75 percent of $39,600.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

16—66329-1

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

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

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

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

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

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

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

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations. See Annex I substituted for Article 6.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

Y. Z. MINING COMPANY
(Operator)

By Lory M. Gree

THE UNITED STATES OF AMERICA

By C. W. Mitkendorf
Administrator, Defense Minerals Exploration Administration

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

Defense Minerals Administration
RECEIVED
OCT 13 1954

EXPLORATION PROJECT CONTRACT
Y. Z. MINING COMPANY
DOCKET NO. DMEA-3273

ANNEX I

The following provisions are in lieu of 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 the final report and final account, 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, 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.

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 or 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) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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 when 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 ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) 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 ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. 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.

g. 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.

h. 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 mining or production operations.

i. 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.

j. Added provision.--As the project work will benefit adjacent and contiguous mining claims, the Operator, regardless of certification and regardless of whether the Operator is the producer or has any interest in the production, shall also pay royalty as provided in this Annex I on all minerals produced from land adjacent or contiguous to the land described in Article 2 of the contract which are extracted or transported through any of the workings driven under Exhibit "A" of the contract. The period of payment shall be ten years from the date of the contract or until the total amount contributed by the Government, without interest, is fully repaid.

58694

EXPLORATION PROJECT CONTRACT
Y. Z. MINING COMPANY
DOCKET NO. DMEA-3273

EXHIBIT "A"

Description of the Work

The exploration work which the Operator shall perform is indicated on the map, Figure 2, attached hereto and entitled "North Tem Piute Mine, Lincoln County, Nevada," and is as follows:

1. Drive a crosscut adit southwesterly approximately 480 feet to intersect the downward extension of the ore zone.

2. Drift northwesterly from the adit along the mineralized zone approximately 380 feet to the end line of the Rae Ella claim, unless the drifting indicates that Ore Body No. 4 plunges southeastward, in which event the north drift shall not be continued unnecessarily through barren ground.

3. Drift southeasterly from the adit along the mineralized zone approximately 140 feet.

4. With the prior written approval of the Government, not to exceed 100 feet of crosscuts may be driven at locations mutually agreeable to the Government and the Operator, to further explore the mineralized zone. However, such crosscuts shall be not less than 100 feet apart.

The adit, drifts, and crosscuts shall be timbered where necessary and shall be not less than 4 feet by 6½ feet in the clear.

In the performance of the above items of work not to exceed an aggregate of 1100 feet of drifting and crosscutting and not to exceed an aggregate of 200 feet of timbering, shall be allowable for contribution by the Government under this contract.

Representative samples shall be taken of all mineralized ground encountered. Each sample shall be

divided into at least two parts, one of which shall be furnished to the Field Team.

The location, direction, and extent of all work are subject to the approval of the Government.

ESTIMATED COSTS OF PROJECT

AGREED UNIT COSTS

Drift and/or crosscut 1100 feet @ $34.50 /ft.	$37,950.00	
Timber 200 feet of drift and/or crosscut @ $5.00 per foot	1,000.00	
Analyze 130 samples @ $5.00 each	650.00	
AGREED ESTIMATED TOTAL COST		$39,600.00
GOVERNMENT PARTICIPATION @ 75%		$29,700.00

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1954

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

Rae Ella, Rae Ella Number Two (#2) and Phyllis, three unpatented mining claims described as follows: Located in sec. 1, T. 4 S., R. 56 E., M. D. B. & M.

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

2/ Y. Z. Mining Company, Lory M. Free, Panaca, Nevada

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

4. Changes and added provisions

Dated this 1st day of July, 1954

NORTH TEM PIUTE MINING AND DEVELOPMENT COMPANY

By Merle F. Schofield [Seal]
President

By Thomas T. Schofield [Seal]
Sec. & Treasurer

[Seal]

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

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

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

~~Repayment by Operator.--a. Certification.--If at any time the Government considers that~~ a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

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

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

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

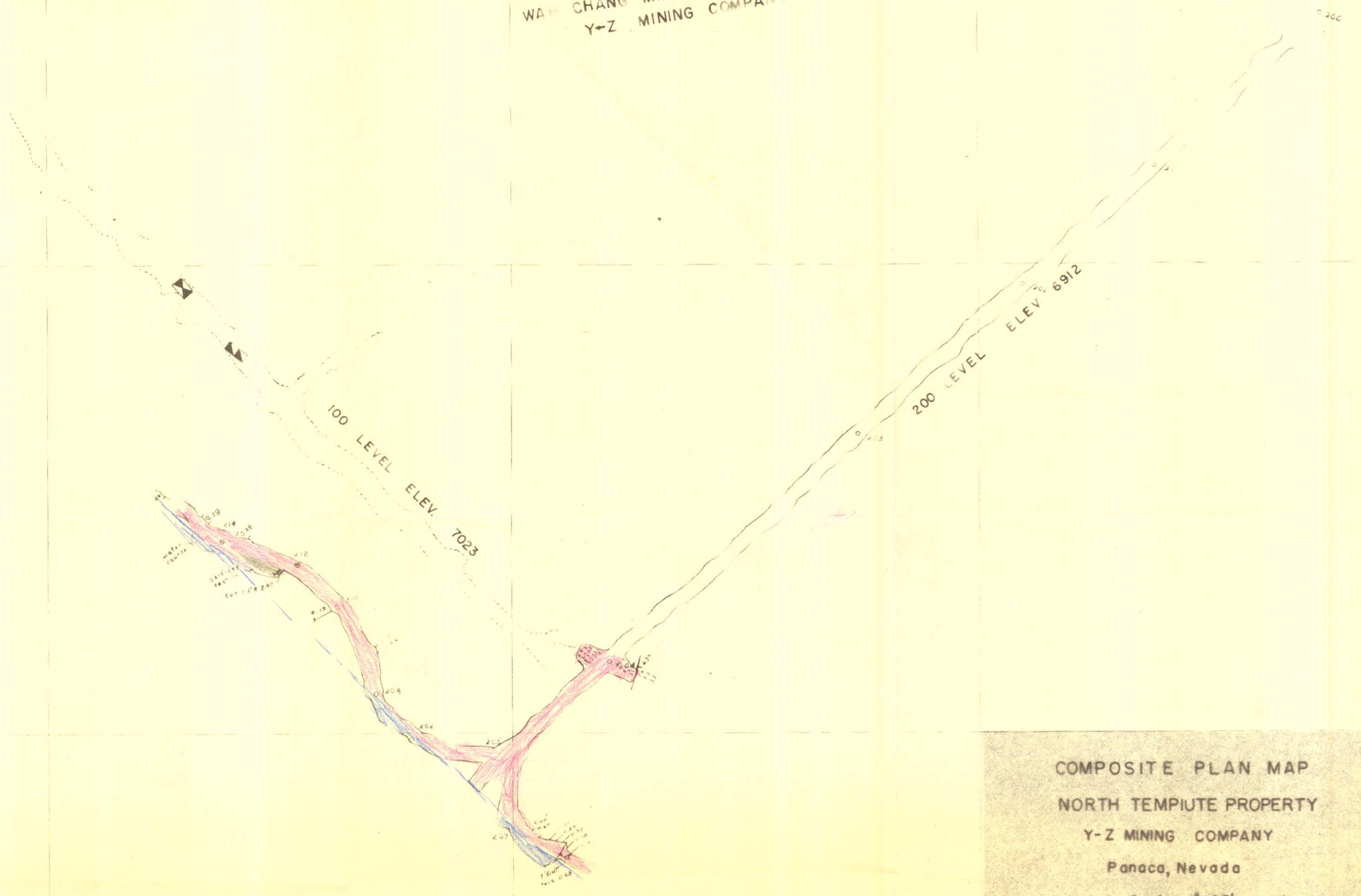
d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior--Duplicating Section, Washington, D. C. 47318

WAH CHANG MINING CORPORATION
Y-Z MINING COMPANY



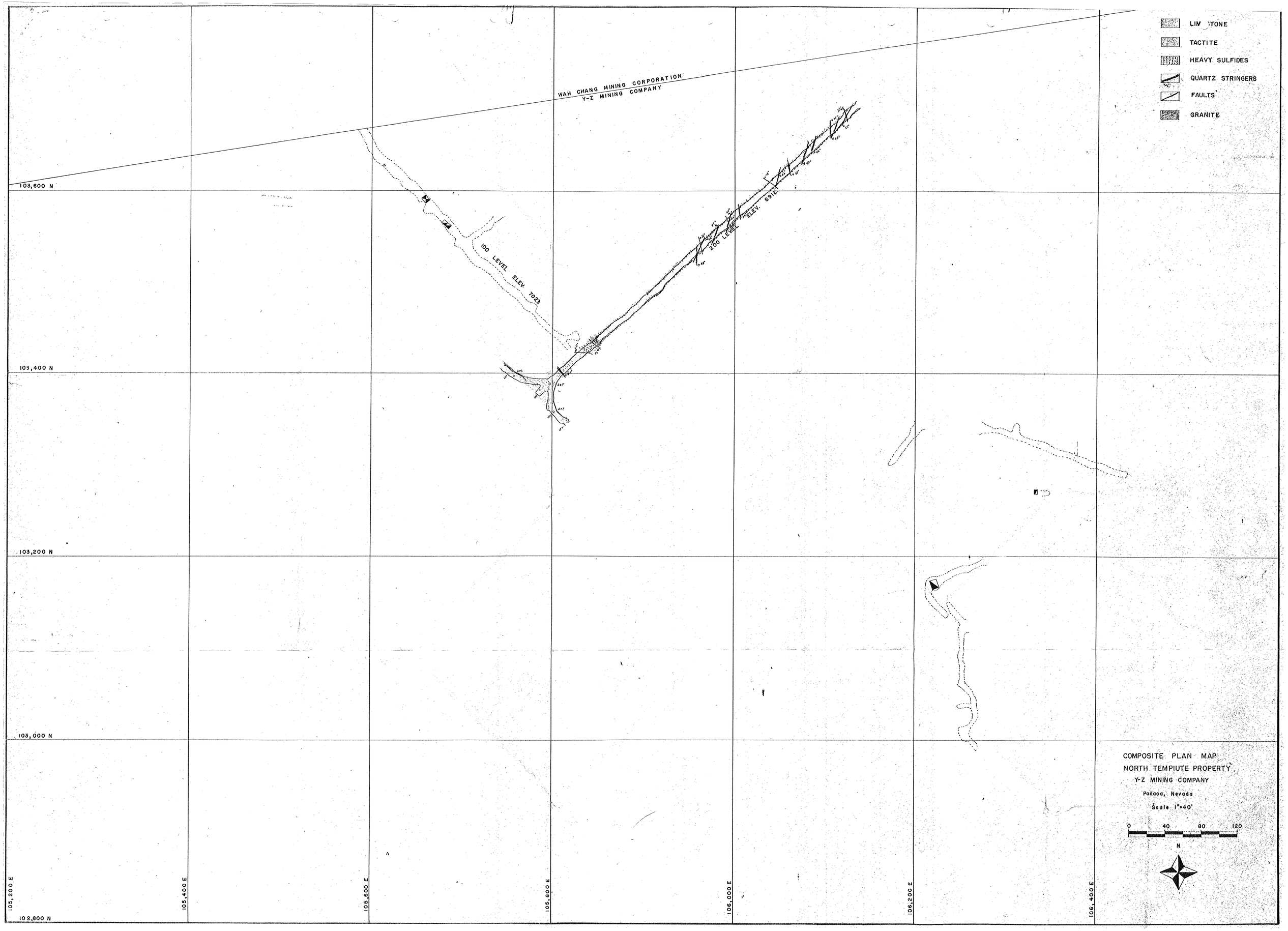
LEGEND

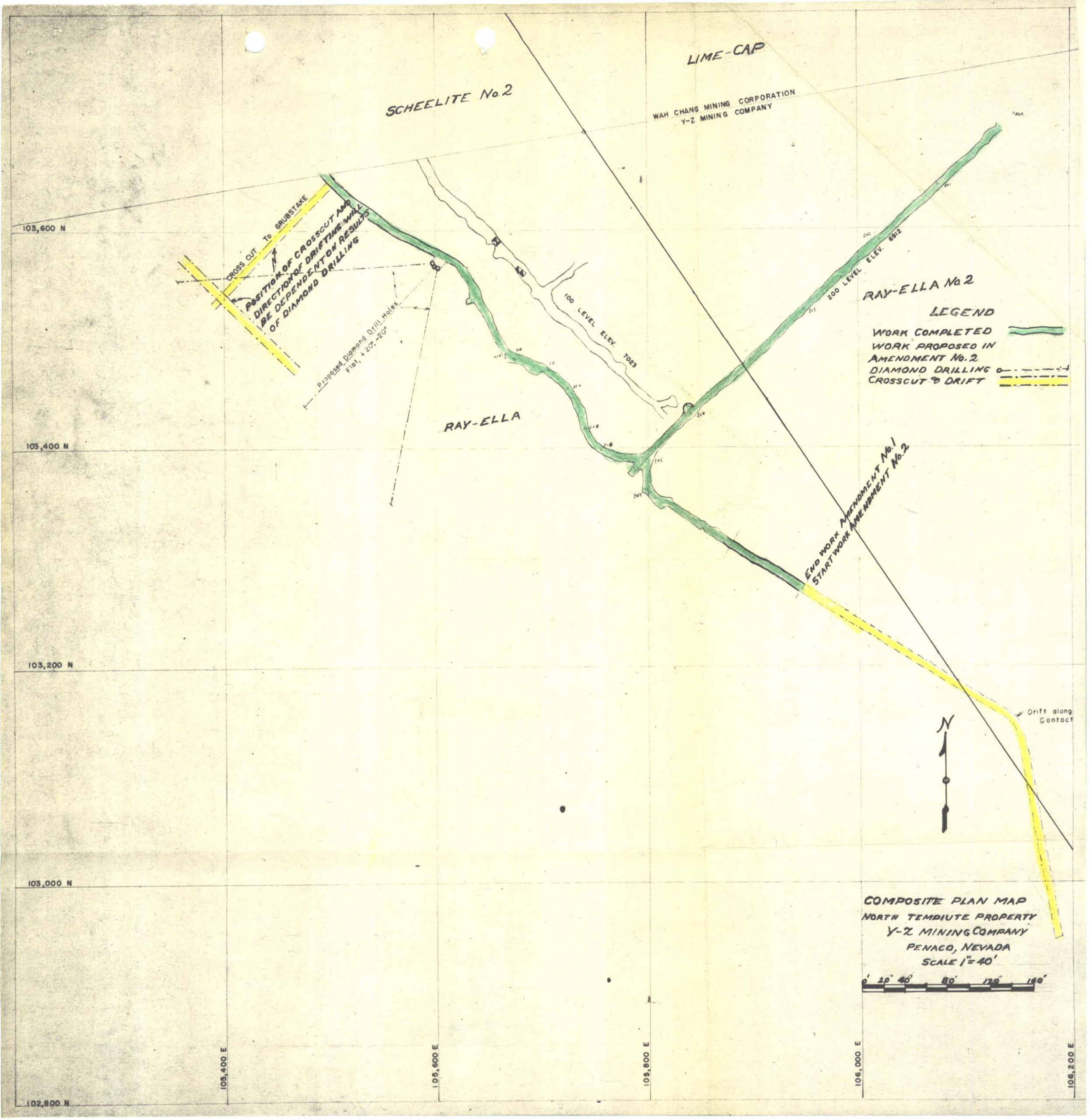
- Fault
- Quartz Veins
- Sulfides
- Tactite
- Granite
- Limestone

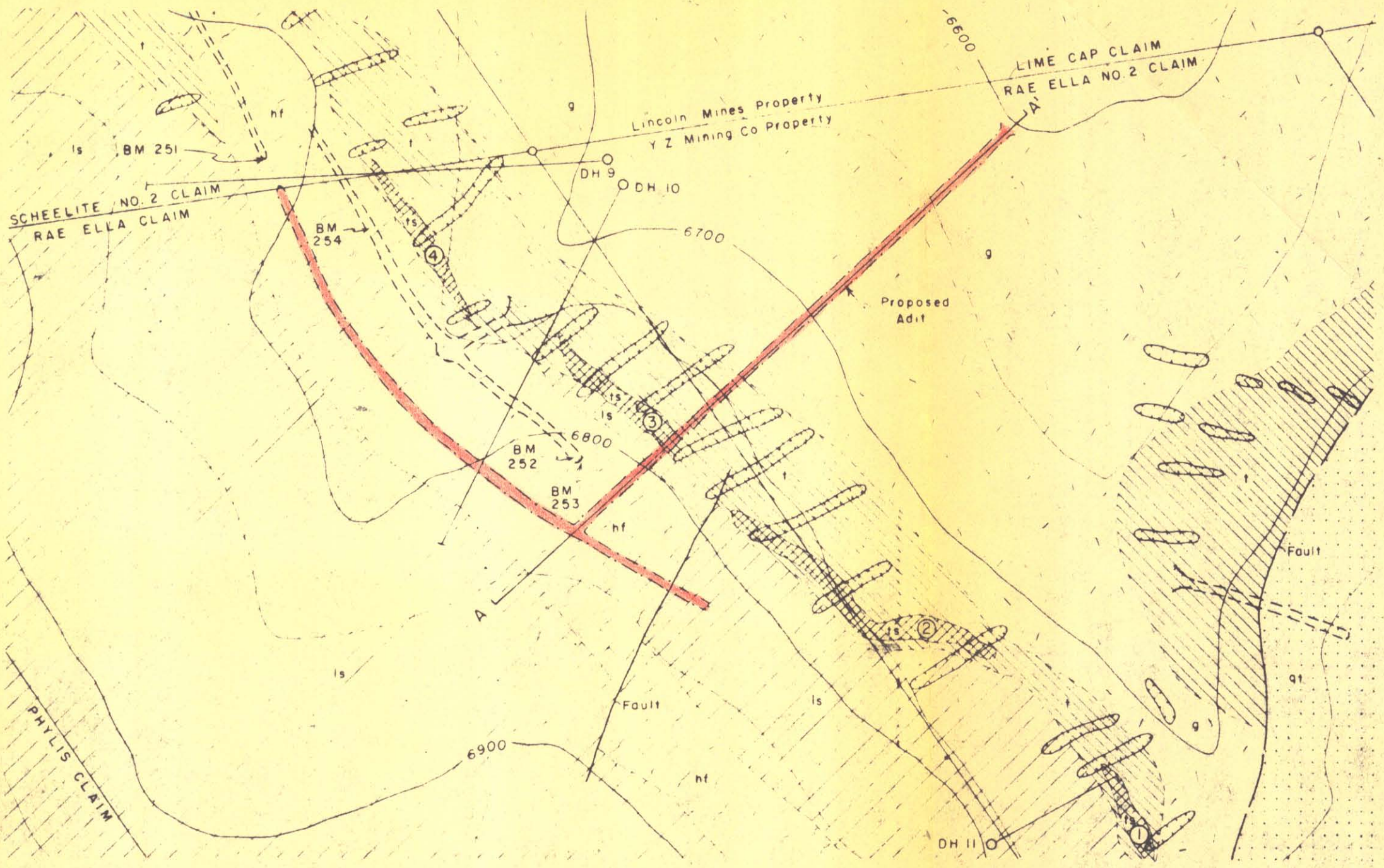
COMPOSITE PLAN MAP
NORTH TEMPIUTE PROPERTY
Y-Z MINING COMPANY
Panaca, Nevada
Scale 1" = 40'

0 40' 80' 120'

N


LIMESTONE
TACTITE
HEAVY SULFIDES
QUARTZ STRINGERS
FAULTS
GRANITE
WAH CHANG MINING CORPORATION
Y-Z MINING COMPANY
100 LEVEL ELEV. 7023
200 LEVEL ELEV. 6912
103,600 N
103,400 N
103,200 N
103,000 N
102,800 N
105,200 E
105,400 E
105,600 E
105,800 E
106,000 E
106,200 E
106,400 E
COMPOSITE PLAN MAP
NORTH TEMPIUTE PROPERTY
Y-Z MINING COMPANY
Panaca, Nevada
Scale 1"=40'
0
40
80
120
N

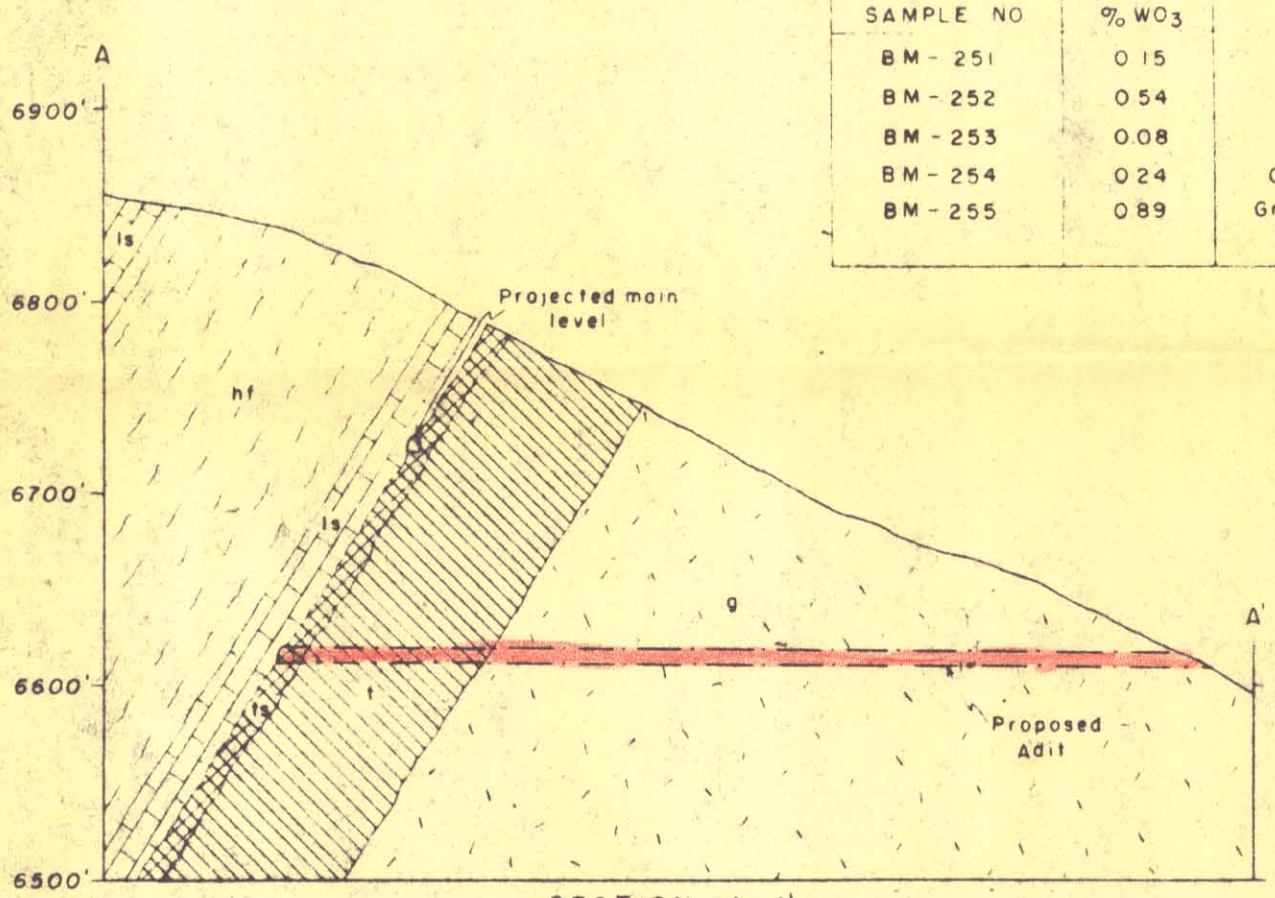

LIME-CAP
SCHEELITE No.2
WAH CHANG MINING CORPORATION
Y-Z MINING COMPANY
103,600 N
103,400 N
103,200 N
103,000 N
102,800 N
105,400 E
105,600 E
105,800 E
106,000 E
106,200 E
CROSS CUT To GRUBSTAKE
POSITION OF CROSSCUT AND DIRECTION OF DRIFTING WILL BE DEPENDENT ON RESULTS OF DIAMOND DRILLING
Proposed Diamond Drill Holes Flat, +20°, -20°
100 LEVEL ELEV. 7023
200 LEVEL ELEV. 6912
RAY-ELLA
RAY-ELLA No.2
LEGEND
WORK COMPLETED
WORK PROPOSED IN AMENDMENT No.2
DIAMOND DRILLING
CROSSCUT & DRIFT
END WORK AMENDMENT No.1
START WORK AMENDMENT No.2
Drift along Contact
N
COMPOSITE PLAN MAP
NORTH TEMPIUTE PROPERTY
Y-Z MINING COMPANY
PENACO, NEVADA
SCALE 1"=40'
0' 20' 40' 80' 120' 160'



Modified from Company and U.S. Bureau of Mines Maps

SKETCH MAP

SAMPLE NO	% WO_3	DESCRIPTION
BM - 251	0.15	Chip - 5.0'
BM - 252	0.54	Car sample
BM - 253	0.08	Chip - 4.0' face
BM - 254	0.24	Grab - raise muckpile
BM - 255	0.89	Grab - 500 ton stockpile (remaining ore)



SECTION A-A'

EXPLANATION

- g — Granite
- ls — Limestone
- hf — Platy hornfels
- qt — Quartzite
- t — Tactite
- ts — Scheelite bearing tactite (+ 0.2 % WO_3)
- Contact, approximately located
- Trench
- Underground workings
- ② Reserve Block No.

N

NORTH TEM PIUTE MINE, LINCOLN COUNTY, NEVADA

100 0 100 200 FEET

FIGURE 2