Extra Copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME	[illegible]	[illegible]	[illegible]	[illegible]

It is agreed APR 8 1965 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

[illegible],

whose mailing address is [illegible], hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within _____ months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $[illegible]. The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $[illegible] in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8 - ¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

[illegible]

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

[illegible]

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

NEVADA DAYLIGHT MINING CO., INC.
(Operator)

By

Title

THE UNITED STATES OF AMERICA

By

Acting Director, U. S. Geological Survey

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Pwoperty map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OMR-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with Standard NX core size or equivalent wire line size equipment.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling about 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling)
1	N 65° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project

Fixed Unit Costs 1/

Mobilization and demobilization one drill unit	$ 250.00
Diamond drilling, 1,200 feet @ $10.00/foot 2/	12,000.00

Moving between sites and setting up drill rig, 4 moves @ $120.00/move	$ 480.00	
Lost casing in completed holes, 100 feet @ $2.50/foot	250.00	
1-Supervisor, 2 months @ $1,000/month	2,000.00	
1-Outside consultant, 8 days @ $75.00/day	600.00	
Per diem, outside consultant, 8 days @ $16.00/day	128.00	
Transportation for consultant, 450 miles @ $0.12 /mile	54.00	
Office and accounting expenses, 2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel, 2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline, 2 months @ $150.00/month	300.00	
Cardboard core boxes, 108 @ $1.00/each	108.00	
Sample bags, 100 @ $0.10 /each	10.00	
Assaying for gold and silver, 100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of the equipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Churchill, State of Nevada,

described as follows:[2] The Pyramid Group Lode Mining Claims consisting of the Pyramids, Pyramid Fraction, Anchor, Anchor No. 1, Happy Kate, and North Star unpatented Lode Mining Claims, situated in the Holy Cross mining district in Sections Three (3), Ten (10), Eleven (11), and Twelve (12), Township 14 N, R. 29E of Mount Diablo Meridian, County of Churchill, State of Nevada.

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

Nevada Rawhide Mining Co., Inc., 114 College Avenue, Cheney, Washington 99004 [3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

(NONE)

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words ~~"as follows"~~ in a lease and insert "in a lease /or contract, deed, or other document/ dated 9/11/67, and recorded in Book 26 Misc Page ___, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space. File #114397

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions ____(NONE)____ (State "None" or "See Annex No.____".)

Dated this 8th day of August, 1967.

X Walter R. Johnson (Seal) W-126 Cliff (Street) Spokane, Washington (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

I, R. Babe Singleton (Name), certify that I am the Asst. Secretary (Title—Secretary, etc.) of the corporation named herein; that Walter R. Johnson (Name), who signed this agreement was then Walter R. Johnson (Title—Pres., ~~Vice Pres.~~, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

COMMONWEALTH SILVER, INC.
PEYTON BUILDING
SPOKANE 1, WASHINGTON
(Corporate Seal)

XUP.-GOP. SCS., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of Churchill, State of Nevada,

described as follows: 2/ The Pyramid Group Lode Mining Claims consisting of the Pyramids, Pyramid Fraction, Anchor, Anchor N. 1, Happy Kate, and North Star unpatented Lode Mining Claims, situated in the Holy Cross mining district in Sections Three (3), Ten (10), Eleven (11), and Twelve (12), Township 14 N, R. 29E of Mount Diablo Meridian, County of Churchill, State of Nevada.

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Nevada Rawhide Mining Co., Inc., 114 College Avenue, Cheney, Washington 99004 3/

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1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

(NONE)

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words ~~"as follows"~~ in a lease and insert "in a lease /or contract, deed, or other document/ dated 9/11/67, and recorded in Book 26 Misc. Page ___, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space. File #114397

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions (NONE) (State "None" or "See Annex No. ".)

Dated this 8th day of August, 1967.

X Walter R. Johnson (Seal) W. 126 Cliff (Street) Spokane, Washington (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

I, A. Bob Leighton (Name), certify that I am the Asst. Secretary (Title—Secretary, etc.) of the corporation named herein; that Walter R. Johnson (Name), who signed this agreement was then Walter R. Johnson (Title—Pres., ~~Vice Pres.~~, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

COMMONWEALTH SILVER, INC.
PEYTON BUILDING
SPOKANE 1, WASHINGTON
(Corporate Seal)

ALR.-GOP. SCS., WASH., D.C. 21103

MME Form 52
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UNITED STATES
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OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Churchill, State of Nevada, described as follows:[2] The Pyramid Group Lode Mining Claims consisting of the Pyramids, Pyramid Fraction, Anchor, Anchor No. 1, Happy Kate, and North Star unpatented Lode Mining Claims, situated in the Holy Cross mining district in Sections Three (3), Ten (10), Eleven (11), and Twelve (12), Township 14 N, R. 29E of Mount Diablo Meridian, County of Churchill, State of Nevada.

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

Nevada Rawhide Mining Co., Inc., 114 College Avenue, Cheney, Washington 99004[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

(NONE)

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words ~~"as follows"~~ in a lease and insert "in a lease [or contract, deed, or other document] dated 9/11/67, and recorded in Book 26 Misc Page ___, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space. File #114397

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions (NONE) (State "None" or "See Annex No. ____".)

Dated this 8th day of August, 1967.

X Walter R. Johnson (Seal) W-126 Cliff (Street) Spokane, Washington (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

I, E. Bale Sneddon (Name), certify that I am the Asst. Secretary (Title—Secretary, etc.) of the corporation named herein; that Walter R. Johnson (Name), who signed this agreement was then Walter R. Johnson (Title—Pres., ~~Vice-Pres.~~, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

COMMONWEALTH SILVER, INC.
DEYTON BUILDING
SPOKANE 1, WASHINGTON
(Corporate Seal)

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of Churchill, State of Nevada,

described as follows: 2/ The Pyramid Group Lode Mining Claims consisting of the Pyramids, Pyramid Fraction, Anchor, Anchor N. 1, Happy Kate, and North Star unpatented Lode Mining Claims, situated in the Holy Cross mining district in Sections Three (3), Ten (10), Eleven (11), and Twelve (12), Township 14 N, R. 29E of Mount Diablo Meridian, County of Churchill, State of Nevada.

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Nevada Rawhide Mining Co., Inc., 114 College Avenue, Cheney, Washington 99004 3/

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(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same. 4/

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

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Dated this 8th day of August, 19 67.

X Walter R. Johnson (Seal) W. 126 Cliff (Street) Spokane, Washington (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

(Seal) (Street) (City & State)

I, C. Bob Singleton (Name), certify that I am the Asst Secretary (Title—Secretary, etc.) of the corporation named herein; that Walter R. Johnson (Name), who signed this agreement was then Walter R. Johnson (Title—Pres., ~~Vice Pres.,~~ etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

COMMONWEALTH SILVER, INC.
PEYTON BUILDING
SPOKANE 1, WASHINGTON
(Corporate Seal)

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
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3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

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Dated this 8th day of August, 1967.

x Walter R. Johnson (Seal)	W-126 Cliff Spokane, Washington	(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)

I, R. Bales Singleton (Name), certify that I am the Corp. Secretary (Title—Secretary, etc.) of the corporation named herein; that Walter R. Johnson (Name), who signed this agreement was then Walter R. Johnson (Title—Pres., ~~Vice-Pres.~~, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

COMMONWEALTH SILVER, INC.
DEYTON BUILDING
SPOKANE 1, WASHINGTON
(Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. _____

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

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

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 12/20/68
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Memorandum

September 18, 1967

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 20 1967
INITIALS CODE

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: New Application (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Enclosed is a new application for financial assistance in a silver exploration project in Churchill County, Nevada, received in the Field Office on September 6, 1967, but held until today pending receipt of the property map, geologic report, and properly signed Lien and Subordination Agreements. I believe the application is now about as complete as we can expect.

Production of silver ore from the mine has been small in tonnage (13.89 tons of concentrate) but high in grade (1,230 ounces of silver per ton). The proposed work is largely development but perhaps a worthwhile exploration project can be worked out.

H. K. Stager

Enclosure

LEASE TERMINATION AGREEMENT

This agreement entered into the 31 day of October 1967, by and between Nevada Rawhide Mining Company, a corporation of the State of Washington, hereinafter referred to as Nevada Rawhide and Commonwealth Silver, Inc., a corporation of the State of Idaho hereinafter referred to as Commonwealth.

Witnesseth:

Whereas; Commonwealth is holder of certain mining lease agreement, a copy attached hereto, entered into with Nevada Rawhide dated the 6th day of July 1966 and both parties unto the other hereby mutually agree to cancel their respective positions without any future recourse one unto the other.

In Witness Whereof, the parties have caused this instrument to be executed by their authorized officers as of the day and year first above written.

NEVADA RAWHIDE MINING COMPANY

BY: Clarence Davis, President

Attest Verrell Davis
Secretary

COMMONWEALTH SILVER, INC.

BY: Walter R. Johnson
Walter R. Johnson, President

Attest: Abner M. Ingebretsen
Abner M. Ingebretsen, Secretary

STATE OF WASHINGTON)
) ss.
COUNTY OF SPOKANE)

On this 2nd day of Nov., 1967, personally appeared [illegible] and [illegible] Davis to me known to be the President and Secretary respectively of the corporation that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and the seal affixed is the seal of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and affix my official seal at day and year first written above.

[illegible]
Notary Public in and for the State of Washington, residing at [illegible]

STATE OF WASHINGTON)
) ss.
COUNTY OF SPOKANE)

On this 31 day of October, 1967, personally appeared Walter R. Johnson and [illegible] to me known to be the President and Secretary respectively of the corporation that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and the seal affixed is the seal of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and affix my official seal at day and year first written above.

W. H. McLaughlin
Notary Public in and for the State of Washington, residing at Spokane.

117501

Filed for record at the Request of

Clarence Davis

SEP 11 1968

25 min. past 11 o'clock A. M.

and Recorded in Book 27 of

Misc. Page

Records of Churchill County, Nev.

Gladys V. Dulbey

Recorder

Fee, $4.00

File No. 114903

CHURCHILL COUNTY RECORDS
CHURCHILL COUNTY, NEVADA

MINING DEEDS
BOOK 6 PAGE 286

THIS MINING DEED made on this 25th day of October, 1967, by and between COMMONWEALTH SILVER, INC., a corporation organized under the laws of the State of Washington and qualified in the state of Nevada as party to the first part and NEVADA RAWHIDE MINING COMPANY, a corporation organized under the laws of the State of Idaho and qualified to do business in the state of Nevada, party to the second part.

WITNESSETH: That the party of the first part, for and in consideration of the sum of ten dollars, lawful money of the United States, to it in hand paid by the party of the second part, the receipt whereof is hereby acknowledged, does by these presents sell, convey, remise, release and quit-claim forever unto the party of the second part and to its successors and and assigns, all those certain unpatented lode mining claims described as follows:

> The Pyramid Group Lode Mining Claims consisting of the Pyramids, Pyramid Fraction, Anchor, Anchor No. 1, Happy Kate, and North Star unpatented Lode Mining Claims, situated in the Holy Cross mining District in Sections Three (3), Ten (10), Eleven (11), and Twelve (12), Township 14 N, R. 29E of Mount Diablo Meridian, County of Churchill, State of Nevada, together with any adjoining claims located or held either directly or indirectly by first party adjoining or in any way a part of the above-mentioned group or vein structures.

TOGETHER with all of the dips, spurs and angles, and also all the metals, ores, gold and silver bearing quartz, rock and earth therein; and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and also all singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, all and singular the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, and to its successors and assigns forever.

IN WITNESS WHEREOF, the party of the first part has caused these presents to be signed and its seal affixed to

affixed the day and year above written.

SEAL

COMMONWEALTH SILVER, INC.

By Walter R. Johnson
President

Attest Abner M. Ingebutson

STATE OF WASHINGTON)
) ss.
COUNTY OF SPOKANE)

On this 25th day of October, 1967, personally appeared Walter R. Johnson and Abner M. Ingebutson to me known to be the President and Secretary respectively of the corporation that executed the foregoing instrument and acknowledged said instruments to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and the seal affixed is the seal of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and affix my official seal at day and year first written above.

Clarence Davis
Notary Public in and for the State of Washington, residing at Spokane, Washington. Cheney

Filed for record at the request of Nevada Rawhide Mining Co. NOV 17 1967 at 35 min. past 10 o'clock A.M.
VERIFIED

Gladys W. Dailey
County Recorder

18588 Linnet St.
Tarzana, Calif.
Sept. 14, 1967

Mr. Harold K. Stager
U. S. Geological Survey
345 Middlefield Road
Menlo Park, Calif. 94025

Dear Mr. Stager:

We were a little longer getting this enclosed information for you since one of the men was out in the field at the time.

Mr. Tedrow, who prepared the geological report, asked that if there was any questions regarding his department that you might have he would be pleased if you would contact him.

I hope that the survey maps of the claims are adequate. The red lining and markings indicate underground workings and shaft location.

I sincerely hope that I will be able to furnish your office all necessary information you may desire regarding this exploration project. Please feel free to call me or write for anything pertaining to the requests of Nevada Rawhide Mining Company, Inc.

Sincerely yours,

P. W. Fleming

P. W. Fleming

RECEIVED
SEP 18 1967
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OFFICIAL COPY
O. M. & R. REGION
SEP 20 1967
INITIALS

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*	APPLICANT DO NOT USE THIS BLOCK
Nevada Rawhide Mining Co., Inc. 114 College Avenue Cheney, Washington 99004	DOCKET NUMBER: 6658 DATE RECEIVED: 9-20-67 REGION: II DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [X]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: Wash.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Clarence Davis	Rt. 3, Cheney, Wash.	President
Verald R. Davis	Rt. 3, Cheney, Wash.	Secretary
Arthur Colyar	1713 5th St., Cheney, Wash.	Treas.
Eldon S. Jenicke	Rt. 2, Cheney, Wash.	Chairman
Robert Gee	Rt. 2, Cheney, Wash.	Director
Lawrence J. Wagner	527 W. 2nd St. Cheney, Wash.	Vice-President

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Silver

ESTIMATED COST OF PROJECT: $131,540.00

PROPERTY NAME	LOCATION COUNTY	STATE
Pyramid Mine	Churchhill	Nevada

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington, D.C., 20240, or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

July 25, 1967
DATED

Clarence Davis
BY (Signature)

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code. Title 18. Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; meter and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of operations *for each item of work*. Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

T.-SUP. SEC., WASH., D.C

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

August 2, 1967

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

Attn: Mr. Harold K. Stager

Gentlemen:

Our Corporation is herein making a request for an OME Loan on the following described property. The Pyramid group lode mining claims consisting of the Pyramid, Pyramid Fraction, Anchor, Anchor No. 1, Happy Kate, and North Star unpatented lode mining claims, situated in the Holy Cross Mining District in Sections three (3), ten (10), eleven (11), and twelve (12), Township 14 N, R. 29 E of Mount Diablo Base and Meridian, County of Churchill, State of Nevada.

A considerable amount of exploration work and some mining was previously done by this Corporation. The result of which proved the existence of rich silver bearing ore shoots in at least three veins. These veins are parallel and reasonably close to each other.

It is our plan to rebuild the present shaft, purchase and install surface equipment adequate to handle to a dump the mine material and certain mining equipment.

The next step in our project is to carry the present shaft down to the 564 foot level based on an incline shaft dipping at 32 degrees.

The present shaft has been sunk on the 32 degree incline to a depth of 140 feet.

In the process of sinking the shaft down to the 564 ft. level from the present 140 ft. level we will install a working station on the 140 ft. level and on the 350 ft. level and the 564 ft. level. Our project is to drift to the southeast 120 ft. on the 140 ft. level and the 350 ft. level and the 564 ft. level which according to the engineering and geology will produce an intersection with the downward dip of the old highgrade stopes and ore shoots.

Dev

At this point our exploration program will consist of core drilling and sampling of 250 ft. on each level.

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

The core drilling program should adequately explore and prove the existence of the known rich silver bearing ore shoots. This program should prepare our mine for developing the ore bodies thus explored. Also, will have prepared the mine to develope nearly 400 ft. of backs. The length of the ore shoots will be determined by our future development work.

The following is a breakdown of the costs estimated to accomplish the aforementioned exploration program.

Excavation at mine site	$ 500.00
20,000 gallon water tank for water supply	1,500.00
50 KW Diesel electric power plant	5,000.00
Electric controls for surface & underground	1,200.00
Electric wiring for surface & underground lighting	400.00
Hand tools, power tools & timber saw	850.00
360 Cu. Ft. Air compressor with receiver tank	6,500.00
Air and water lines to 140 ft. level	450.00
Drifter, stoper, legs, lines, steel, bits, etc.	1,500.00
Assorted mine timber supply	1,000.00
Install new shaft collar	250.00
Build a 32 ft. timber type headframe & trussel to shaft collar	2,500.00
Install waste bin	400.00
50 ft. X 24 in. conveyor to dump	2,500.00
Double drum hoist complete with cable and controls	5,500.00
Shive block & skip	1,200.00
Rebuild present shaft to 6' X 9' to the 140' level daily cost of all supplies, labor & overhead being $510.00 per day on a 14 day project	7,140.00
Install air blower & air ducts	1,400.00
One mucking machine	2,500.00
Two ore cars	1,000.00

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

Sinking of shaft from 140' level to 564' level & including all timber, rail, blasting supplies, surface supplies, labor, engineering, etc. estimated at $125.00 per ft.	$ 53,000.00
Drifting on the three projected levels of 120' on each level & basing our cost as described on the sinking, but at a cost of $50.00 per ft.	18,000.00
Install working stations on each of the levels including all controls for air, water, electrical and the handling of material for hoisting	15,000.00
Diamond drilling & sampling of 250' on each of the 140 - 350 - 564 ft. levels at a cost of $3.00 @ ft.	2,250.00
Total request for exploration loan	$131,540.00

We are herewith enclosing a geological report, also maps expressing the pertinent geology and outlined exploration work projected in this program and a map of the surveyed properties (unpatented lode mining claims).

We are also enclosing letters of loan requests from three different Banks, these being the denials. Also, enclosing form 52 Lien and Subordination Agreements together with the APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION. Also, enclosing a recent financial statement of the Nevada Rawhide Mining Corp.

This letter of request for an OME Loan was prepared by the undersigned under the instruction of the Board of Directors of Nevada Rawhide Mining Corporation. Any further requests for additional information and/or changes should be referred to the undersigned at his address.

Sincerely yours,

P. W. Fleming

Nevada Rawhide Mining Co., Inc.
BY: P. W. Fleming, Field Manager
18588 Linnet Street,
Tarzana, California 91356

213- 345- 9956

STATE OF NEVADA }
County of Churchill } ss.

I, Gladys H. Dalbey, County Recorder and ex-officio auditor of the County of Churchill, in the State of Nevada do hereby certify that I have compared the foregoing copy of Mining Deed, File No. 114903 in Book 6 of Mining Deeds, at Page 286 from Commonwealth Silver, Inc. to Nevada Rawhide Mining Company recorded November 17, 1967

with the original as shown by the official records now in my office and that the same is a full, true and correct copy of such original and of the whole thereof.

In witness whereof I have hereunto set my hand and affixed my official seal this 11th day of September, 1968 A.D.

Recorder

By Jane Hanks

Deputy County Recorder

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

July 21, 1967

Seattle-First National Bank
Cheney Branch
Cheney, Washington

Attn: Loan Dept.

Gentlemen:

This letter is written in request for a loan to finance an exploration program on silver bearing mining property under lease by Nevada Rawhide Mining Co., Inc.

The property is located in Sections 10 & 11, Township 15 North, Range 29 East, M.D.B. & M., Churchhill County, Nevada and consists of 6 mining claims.

A considerable amount of exploration work and some mining was previously done by this Corporation. The result of which proved the existence of rich silver bearing ore shoots in at least three veins. These veins are parallel and reasonably close to each other.

It is our plan to rebuild the present shaft, purchase and install surface equipment adequate to handle to a dump the mine material and certain mining equipment.

The next step in our project is to carry the present shaft down to the 564 foot level based on an incline shaft dipping at 32 degrees.

The present shaft has been sunk on the 32 degree incline to a depth of 140 feet.

In the process of sinking the shaft down to the 564 ft. level from the present 140 ft. level we will install a working station on the 140 ft. level and on the 350 ft. level and the 564 ft. level. Our project is to drift to the southeast 120 ft. on the 140 ft. level and the 350 ft. level and the 564 ft. level which according to the engineering and geology will produce an intersection with the downward dip of the old highgrade stopes and ore shoots.

At this point our exploration program should have proven the existence of the known rich silver bearing ore shoots and will have prepared the mine for developing the ore bodies thus explored. Also, will have prepared the mine to develop nearly 400 feet of backs. The length of the ore shoots will be determined by our development work.

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

Breakdown of cost items for loan request for exploration program.

Excavation at mine site	$ 500.00
20,000 gallon water tank for water supply	1,500.00
50 KW Diesel electric power plant	5,000.00
Electric controls for surface & underground	1,200.00
Electric wiring for surface & underground lighting	400.00
Hand tools, power tools & timber saw	850.00
360 Cu. Ft. Air compressor with receiver tank	6,500.00
Air and water lines to 140 ft. level	450.00
Drifter, stoper, legs, lines, steel, bits, etc.	1,500.00
Assorted mine timber supply	1,000.00
Install new shaft collar	250.00
Build a 37 ft. timber type headframe & trussed to shaft collar	2,500.00
Install waste bin	400.00
50 ft. X 24 in. conveyor to dump	2,500.00
Double drum hoist complete with cable and controls	5,500.00
Sheve block & clip	1,200.00
Rebuild present shaft to 6' X 9' to the 140' level daily cost of all supplies, labor & overhead being $510.00 per day on a 14 day project	7,140.00
Install air blower & air ducts	1,400.00
Sinking of shaft from 140' level to 564' level & including all timber, mill, blasting supplies, surface supplies, labor, engineering, etc. estimated at $125.00 per ft.	53,000.00
Drifting on the three projected levels of 120' on each level & basing our cost as described on the sinking, but at a cost of $50.00 per ft.	18,000.00
Install working stations on each of the levels including all controls for air, water, electrical and the handling of material for hoisting	15,000.00
One muling machine	2,500.00
Two ore cars	1,000.00
Long hole drilling & sampling of 500' on each of the 140 - 350 - 564 ft. levels at a cost of $1.50 @ ft.	2,250.00
Total request for exploration loan	$131,540.00

Respectfully submitted,

Clarence Davis

By: Clarence Davis, Pres.

CHENEY BRANCH

SEATTLE-FIRST NATIONAL BANK

ESTABLISHED 1870

CHENEY, WASHINGTON 99004

July 25, 1967

Nevada Rawhide Mining Co., Inc.
114 College Ave.
Cheney, Washington

Attn: Clarence Davis, Pres.

Dear Sir:

The loan department in our bank branch has in hand a request for a loan from your Company.

As you have expressed the purpose of your request is for a loan in the amount of $131,540.00 with which to purchase certain mining equipment and gross expenditures directed to exploration work to develop silver bearing ore deposits. The property where this money is to be spent is located in Churchhill County, Nevada.

Our Bank Branch is hereby giving formal notice that we have declined your request for the loan. The reasons for our declining are as follows; It is the policy of our bank not to grant loans for the purpose of exploring for ore deposits. Also, in our bank policy we greatly hesitate to extend loans where the funds are being expended in another state. Also, inasmuch as your request is for funds for exploration work rather than actual production of commercially valuable ore and the refining of the values and sale or marketing of same we are also caused to decline.

Should in the future your Company through its own or other means be able to establish your ore bodies and ore reserves and wish some financial assistance in refining and marketing we would be pleased to consider a loan, should you choose to make such a request.

Very truly yours,

W. Edward Betz
Manager

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

July 21, 1967

Old National Bank of Washington
Riverside at Stevens
Spokane, Washington

Attn: Loan Dept.

Gentlemen:

This letter is written in request for a loan to finance an exploration program on silver bearing mining property under lease by Nevada Rawhide Mining Co., Inc.

The property is located in Sections 10 & 11, Township 15 North, Range 29 East, M.D.B. & M., Churchhill County, Nevada and consists of 6 mining claims.

A considerable amount of exploration work and some mining was previously done by this Corporation. The result of which proved the existence of rich silver bearing ore shoots in at least three veins. These veins are parallel and reasonably close to each other.

It is our plan to rebuild the present shaft, purchase and install surface equipment adequate to handle to a dump the mine material and certain mining equipment.

The next step in our project is to carry the present shaft down to the 564 foot level based on an incline shaft dipping at 32 degrees.

The present shaft has been sunk on the 32 degree incline to a depth of 140 feet.

In the process of sinking the shaft down to the 564 ft. level from the present 140 ft. level we will install a working station on the 140 ft. level and on the 350 ft. level and the 564 ft. level. Our project is to drift to the southeast 120 ft. on the 140 ft. level and the 350 ft. level and the 564 ft. level which according to the engineering and geology will produce an intersection with the downward dip of the old highgrade stopes and ore shoots.

At this point our exploration program should have proven the existence of the known rich silver bearing ore shoots and will have prepared the mine for developing the ore bodies thus explored. Also, will have prepared the mine to develop nearly 400 feet of backs. The length of the ore shoots will be determined by our development work.

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

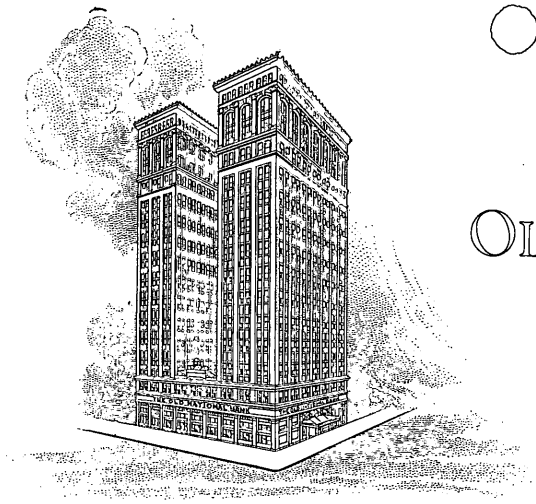
Breakdown of cost items for loan request for exploration program.

Excavation at mine site	$ 500.00
20,000 gallon water tank for water supply	1,500.00
50 KW Diesel electric power plant	5,000.00
Electric controls for surface & underground	1,200.00
Electric wiring for surface & underground lighting	400.00
Hand tools, power tools & timber saw	850.00
360 Cu. Ft. Air compressor with receiver tank	6,500.00
Air and water lines to 140 ft. level	450.00
Drifter, stoper, legs, lines, steel, bits, etc.	1,500.00
Assorted mine timber supply	1,000.00
Install new shaft collar	250.00
Build a 32 ft. timber type headframe & trussel to shaft collar	2,500.00
Install waste bin	400.00
50 ft. X 24 in. conveyor to dump	2,500.00
Double drum hoist complete with cable and controls	5,500.00
Sheve block & skip	1,200.00
Rebuild present shaft to 6' X 9' to the 140' level daily cost of all supplies, labor & overhead being $510.00 per day on a 14 day project	7,140.00
Install air blower & air ducts	1,400.00
Sinking of shaft from 140' level to 564' level & including all timber, rail, blasting supplies, surface supplies, labor, engineering, etc. estimated at $125.00 per ft.	53,000.00
Drifting on the three projected levels of 120' on each level & basing our cost as described on the sinking, but at a cost of $50.00 per ft.	18,000.00
Install working stations on each of the levels including all controls for air, water, electrical and the handling of material for hoisting	15,000.00
One mucking machine	2,500.00
Two ore cars	1,000.00
Long hole drilling & sampling of 500' on each of the 140 - 350 - 564 ft. levels at a cost of $1.50 @ ft.	2,250.00
Total request for exploration loan	$131,540.00

Respectfully submitted,

By: Clarence Davis, Pres.

Clarence Davis



MAIN OFFICE

OLD NATIONAL BANK OF WASHINGTON

SPOKANE, WASHINGTON

July 26, 1967

RAY A. BARTROFF
Vice President

Mr. Clarence Davis, President
Nevada Rawhide Mining Company, Inc.
114 College Avenue
Cheney, Washington

Dear Mr. Davis:

We received your letter of July 21, 1967 with supporting information for your application for a mining exploration loan of $131,540.

It has always been our policy to regard this type of financing as being of a nature that should be supplied by risk capital. For this reason and in view of the fact that the claims are located in the State of Wyoming which is outside of the territory normally served by us, we are obliged to decline the application. ?

You are to be commended for the thoroughness of your presentation and we hope that you will be successful in obtaining funds to pursue your exploration plans.

Yours very truly,

R. A. Bartroff
Vice President

RAB:h

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

July 21, 1967

National Bank of Commerce
Medical Lake Branch
Medical Lake, Washington

Attn: Loan Dept.

Gentlemen:

This letter is written in request for a loan to finance an exploration program on silver bearing mining property under lease by Nevada Rawhide Mining Co., Inc.

The property is located in Sections 10 & 11, Township 15 North, Range 29 East, M.D.B. & M., Churchhill County, Nevada and consists of 6 mining claims.

A considerable amount of exploration work and some mining was previously done by this Corporation. The result of which proved the existence of rich silver bearing ore shoots in at least three veins. These veins are parallel and reasonably close to each other.

It is our plan to rebuild the present shaft, purchase and install surface equipment adequate to handle to a dump the mine material and certain mining equipment.

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CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

Breakdown of cost items for loan request for exploration program.

Excavation at mine site	$ 500.00
20,000 gallon water tank for water supply	1,500.00
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Electric controls for surface & underground	1,200.00
Electric wiring for surface & underground lighting	400.00
Hand tools, power tools & timber saw	850.00
360 Cu. Ft. Air compressor with receiver tank	6,500.00
Air and water lines to 140 ft. level	450.00
Drifter, stoper, legs, lines, steel, bits, etc.	1,500.00
Assorted mine timber supply	1,000.00
Install new shaft collar	250.00
Build a 32 ft. timber type headframe & trussel to shaft collar	2,500.00
Install waste bin	400.00
50 ft. X 24 in. conveyor to dump	2,500.00
Double drum hoist complete with cable and controls	5,500.00
Shive block & skip	1,200.00
Rebuild present shaft to 6' X 9' to the 140' level daily cost of all supplies, labor & overhead being $510.00 per day on a 14 day project	7,140.00
Install air blower & air ducts	1,400.00
Sinking of shaft from 140' level to 564' level & including all timber, rail, blasting supplies, surface supplies, labor, engineering, etc. estimated at $125.00 per ft.	53,000.00
Drifting on the three projected levels of 120' on each level & basing our cost as described on the sinking, but at a cost of $50.00 per ft.	18,000.00
Install working stations on each of the levels including all controls for air, water, electrical and the handling of material for hoisting	15,000.00
One mucking machine	2,500.00
Two ore cars	1,000.00
Long hole drilling & sampling of 500' on each of the 140 - 350 - 564 ft. levels at a cost of $1.50 @ ft.	2,250.00
Total request for exploration loan	$131,540.00

Respectfully submitted,

By: Clarence Davis, Pres.

Jaune Davis

SOUTH 120 BROAD STREET
area code 509 299-3161

Medical Lake Branch....P. O. BOX 8, MEDICAL LAKE, WASHINGTON 99022

July 25, 1967

Nevada Rawhide Mining Company, Inc.
114 College Avenue
Cheney, Washington

Attention: Clarence Davis, President

Dear Sir:

The loan department in our Bank Branch has in hand a request for a loan from your Company.

As you have expressed the purpose of your request is for a loan in the amount of $131,540.00 with which to purchase certain mining equipment and gross expenditures directed to exploration work to develop silver bearing ore deposits. The property where this money is to be spent is located in Churchhill County, Nevada.

Our Bank Branch is hereby giving formal notice that we have declined your request for the loan. The reasons for our declining are as follows: It is the policy of our Bank not to grant loans for the purpose of exploring for ore deposits. Also, in our Bank policy we greatly hesitate to extend loans where the funds are being expended in another State. Also, inasmuch as your request is for funds for exploration work rather than actual production of commercially valuable ore and the refining of the values and sale or marketing of same, we are also caused to decline.

Should in the future your Company through its own or other means be able to establish your ore bodies and ore reserves and wish some financial assistance in refining and marketing, we would be pleased to consider a loan, should you choose to make such a request.

Sincerely yours,

R. J. Cook
Manager

RJC:cm

KEYSTONE 4-0981

CLINE E. TEDROW
CONSULTING MINING ENGINEER
4055 SOUTH MADELIA STREET
SPOKANE, WASHINGTON 99203

MEMBER:
AIMME
NORTHWEST MIN. ASSOC.
WASH. STATE PROF. ENGR. SOC.
NATIONAL SOCIETY OF PROF. ENGR'S

September 6, 1967

PYRAMID MINE

Nevada Rawhide Mining Company

Fallon, Nevada

LOCATION

The property is located 32 miles south of Fallon, Nevada with principal workings in Section 10, Township 15 North, Range 29 East, Churchill County. The property is reached by following Highway 95 South for 29 miles, then taking a dirt and gravel road along the south edge of the Naval Bombing Reservation for about 3 miles.

PROPERTY

The property actually examined is known as the Pyramid Group and consists of six claims formerly held by J. J. Martin, and subsequently sold to the Rawhide Mining Company.

WATER

Domestic drinking water does not exist at the property, nor does any immediate source, short of the alkali flats that are now occupied by the Naval Bombing Range. The mine itself is extremely dry and makes no visible water whatever.

GEOLOGY AND MINERALIZATION

The principal rock type at the mine proper is a highly altered rhyolite flow that is a light yellow to almost white in color. This coloring is due to hydrothermal alteration along faults and fractures, and to some distances from them. The bed appears to plunge gently to the north, with a dip to the east of 15° to 25°. The remnants of an andesite flow that once covered the mine area are visible to the north and east. Occasional granodiorite dikes penetrate the rhyolite in the prevailing north to north 10 east fracture pattern.

Mineralizing solution followed this north-south fracture pattern that dips 65° to 85° to the east and the attendance relief fractures that dip 25° to 35° to the south and southeast. The commercial minerals, as such, are lead as galena, silver as argentite or native horn silver, and occasional free gold. The minerals occur in quartz fillings that are from a knife-blade thickness to as much as 1" to 2", with the fillings anywhere from 6" to 1' apart over whatever the thickness of the fracture happens to be.

The fracturing that has allowed the introduction of the mineralization has left the rhyolite extremely broken and allows a very erratic pattern of mineral deposition. Mineralization is in mineable widths on all levels of the mine.

MINE WORKINGS

The mine is opened up by a short adit that intersects a 38° inclined shaft that is the main development feature of the property. Three levels have been opened up below the adits in a vertical range of 76'. Ore still exists in most faces on all levels.

A 20-scale map is enclosed of the underground workings with its relationship to the old surface workings to the east. A quadrangle map is also enclosed to show the property's relative position to the surrounding properties and area.

SMELTER RETURNS

Concentrate production from a small mill close to the property had the following results from February 18, 1953 to July 1, 1955. The following is from the report of the American Smelting and Refining Co., Selby, California:

Date	Lot No.	Tonnage	Silver ozs.	Value
2-18-53	9599	2213 lbs.	792.27	$ 677.82
4-30-53	8942	2109 "	1302.71	1,113.82
7-3-53	9275	2028 "	1288.84	1,101.96
9-1-53	9598	3476 "	2052.05	1,754.50
9-2-53	9599	2506 "	177.35	151.63
12-15-53	1210	3476 "	1569.17	1,341.64
4-27-54	1753	2430 "	3311.90	2,831.67
7-29-54	2195	2668 "	2506.75	2,143.27
10-12-54	2529	2223 "	1239.88	1,060.10
3-23-55	3373	2451 "	359.0	306.95
7-1-55	3940	2192 "	2440.90	2,086.97

Converted to tons, this is a total of 13.89 tons, averaging 1,230 ounces of silver to the ton, with additional payments in gold and lead.

DEVELOPMENT PLAN

It is planned to sink the present 38° inclined shaft an additional 413' and cut several levels for the purpose of diamond drill stations or levels upon which to carry on exploration work for additional ore.

Drifting of 120' to the southeast at the bottom of the shaft will produce an intersection with the downward dip of the old high-grade stope area to the east.

DEVELOPMENT PLAN

It is planned to sink the present 32° inclined shaft an additional 418' and cut several levels for the purpose of diamond drill-stations or levels upon which to carry on exploartion work for additional ore.

Drifting 120' to the southeast at the bottom of the shaft will produce an intersection with the downward dip of the old high-grade stope area to the east.

TAXES
SYSTEMS
PUBLIC ACCOUNTING

MEMBER
American Institute of Accountants
Washington Society of Certified Public Accountants

Watters & Simpson
Certified Public Accountants
712 HUTTON BUILDING
SPOKANE, WASHINGTON 99204

February 20, 1967

Board of Directors
Nevada Rabbit Mining Company
Chewelah, Washington

Gentlemen:

We have examined the books and records of Nevada Rabbit Mining Company for the year ended December 31, 1966 and present our report consisting of the following:

EXHIBIT A - Balance Sheet as of December 31, 1966.
Schedule A - 1 - Schedule of loans payable and accrued salaries as of December 31, 1966.
EXHIBIT B - Analysis of changes in surplus accounts for the year ended December 31, 1966.

In connection therewith, we examined the books and records of the Company, recorded books of original entry, posted to general ledger and obtained information and explanations from the Company's president where deemed necessary. We did not, however, comply with generally accepted audit procedures in verifying the title to fixed assets, thus precluding expression of an accountants opinion.

The lease agreement with Little Creek Exploration is current. Other agreements are being negotiated.

Revocation of rights to the claims in Nevada has resulted in loss to the Company of $107,330.20 as reflected in Exhibit B.

Very truly yours

WATTERS & SIMPSON

Dean Simpson
Certified Public Accountant

DS:mo

Nevada Rathido Mining Company
(A Washington Corporation)
Cheney, Washington

BALANCE SHEET - December 31, 1966

A S S E T S

CURRENT ASSETS:			
Cheney Branch, Seattle First National Bank - checking		$ 380.56	
Loan receivable - Henry Sarki		50.00	
Total Current Assets			$ 430.56
INVESTMENT:			
Stock in Commonwealth Silver, Inc. 750,000 shares			3,000.00

FIXED ASSETS:

	Cost	Deprec.	Book Value	
Mine building	$ 810.23		$ 810.23	
Office equipment	367.08	$ 2.93	364.15	
Automotive equipment	966.27	271.43	694.84	
Mining claims	22,105.77		22,105.77	
Roads and development	4,591.53		4,591.53	
Totals	$28,840.88	$ 274.36		28,566.52

OTHER ASSETS:		
Organization costs		1,000.00
Total Assets		$ 32,997.08

L I A B I L I T I E S

CURRENT LIABILITIES:			
Accrued taxes		$ 3.44	
Loans payable (Schedule A-1)		20,624.85	
Accrued officers' salaries (Schedule A-1)		24,445.43	
Total Current Liabilities			$ 45,073.72

	Shares	Amount	
CAPITAL:			
Capital stock authorized	2,000,000	200,000.00	
Capital stock unissued	(914,093)	(91,409.30)	
Treasury stock	(26,830)	(2,683.00)	
Total Outstanding Stock	1,059,077		105,907.70

SURPLUS:		
Capital Surplus (Exhibit B)	75,279.55	
Earned Surplus (Deficit) (Exhibit B)	(193,263.89)	(117,984.34)
Total Liabilities and Capital		$ 32,997.08

EXHIBIT A

Nevada Rawhide Mining Company
(A Washington Corporation)
Cheney, Washington

SCHEDULE OF LOANS PAYABLE
As of December 31, 1966

	Balance -1-1-66	Increase (Decrease)	Balance- 12-31-66
Babb, A. M.	$ 377.00		$ 377.00
Babb, Henry	8.25	$ 20.00	28.25
Baker, John H.	351.00		351.00
Boone, Al	68.25		68.25
Colyer, Arthur	55.00	425.00	480.00
Davis, Clarence	10,071.68	(130.00)	9,941.68
Fleming, P. W.	150.00		150.00
Galbraith, Roy	40.00		40.00
Geos, Robert		250.00	250.00
Grier, Tom	110.00	(110.00)	-0-
Gillette Mining & Development Co.	2,300.00		2,300.00
Gronsld, Clarence	10.00		10.00
Jackson, R. L.	20.00	(20.00)	-0-
Jonecke, Elden	310.00	325.00	635.00
Johnson, Lyman	129.46		129.46
Larson, Mrs. Al (Burt)	883.33		883.33
Mantz, Theodore	923.33	(923.33)	-0-
MacQuarrie, Mrs. Don	878.13	250.00	1,128.13
Paulsen, Ray	113.25		113.25
Ross, Richard	20.00		20.00
Rudon, Ernest	238.55		238.55
Sticks, Tod	1,049.94	125.00	1,174.94
Shoaf, Fred	643.26		643.26
Sumson, Byrad	20.00		20.00
Tedrow, Cline	158.25		158.25
Wagner, E. H.	45.00		45.00
Wagner, Larry	645.00	95.00	740.00
Walkley, Elmer	673.70		673.70
Wilson, Victor	25.00		25.00
Totals	$20,318.18	$306.67	$ 20,624.85

SCHEDULE OF ACCRUED SALARIES
As of December 31, 1966

Davis, Clarence	$ 23,945.43
Colyer, Arthur	500.00
Totals	$ 24,445.43

Nevada Rentide Mining Company
(A Washington Corporation)
Cheney, Washington

ANALYSIS OF CHANGES IN SURPLUS ACCOUNTS
For the year ended December 31, 1966

CAPITAL SURPLUS:		
Balance January 1, 1966 - no change during year ended December 31, 1966		$ 75,279.55
EARNED SURPLUS (DEFICIT):		
Balance January 1, 1966 (Deficit)		($86,777.09)
Add net increase to deficit during 1966:		
Expense:		
State licenses and fees	$ 105.84	
Office expense	295.45	
Heat, Light and rent	482.00	
Telephone	490.91	
Legal and accounting	461.00	
Travel expense	165.00	
Insurance	30.00	
Interest expense	7.27	
Advertising	42.46	
Total Expense	2,079.93	
Less mine lease rental	2,000.00	
Net (loss) from operations, year 1966	(79.93)	
Add loss from condemnation of Nevada Mining properties - required to return to Indians	(107,330.20)	
Less debt cancellation - offsetting prior expense deduction	923.33	
Final net decrease for year		(106,486.60)
Deficit balance December 31, 1966		($193,263.69)

EXHIBIT B

Standard Form No. 65
November 1961
General Services Administration
FPMR (41 CFR) 101-11.6

U.S. Government Messenger Envelope

INSTRUCTIONS FOR USE

1. Void Previously Used Block
2. Identify Agency of Addressee
3. Write Clearly
4. Send Surplus Envelope for Reissue

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[redacted]	STOP		STOP
~~Mr. J Bryant Rm. 6244, 368A~~	STOP		STOP
~~B E J 1368~~	STOP		STOP
C. Curtin / OME 4450 Interior	STOP		STOP
Mape 6658	STOP		STOP
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	STOP		STOP
	STOP		STOP

Use other side

Use STOP only when messenger service between Government buildings in Washington, D.C., is required or wherever a STOP system is used. Your mail room has STOP information.

65-107

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Use other side first

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Government's copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME -6658	Silver	2276	Churchill	Nevada

It is agreed APR 8 1969 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Nevada Rawhide Mining Co., Inc., a corporation organized in the State of Washington,

whose mailing address is ~~114 College Avenue, Cheney, Washington 99004~~, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before MAY 1 1969 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $17,000.00. The Government will contribute ~~50~~ 75 percent of the total fixed unit costs of the work performed, not in excess of $12,750.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8 ¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

NEVADA RAWHIDE MINING CO., INC.
(Operator)

By _____

Title _____

THE UNITED STATES OF AMERICA

By Arthur A. Baker
Acting Director, U. S. Geological Survey

Appd. Sol. Office
Long
Peters
Kilegaard

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) 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

Government's copy

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Property map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with standard NX core size or equivalent wire line size equipment.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling about 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling)
1	N 65° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project

Fixed Unit Costs 1/

Mobilization and demobilization one drill unit	$ 250.00
Diamond drilling, 1,200 feet @ $10.00/foot 2/	12,000.00

Moving between sites and setting up drill rig, 4 moves @ $120.00/move	$ 480.00	
Lost casing in completed holes, 100 feet @ $2.50/foot	250.00	
1-Supervisor, 2 months @ $1,000/month	2,000.00	
1-Outside consultant, 8 days @ $75.00/day	600.00	
Per diem, outside consultant, 8 days @ $16.00/day	128.00	
Transportation for consultant, 450 miles @ $0.12 /mile	54.00	
Office and accounting expenses, 2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel, 2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline, 2 months @ $150.00/month	300.00	
Cardboard core boxes, 108 @ $1.00/each	108.00	
Sample bags, 100 @ $0.10 /each	10.00	
Assaying for gold and silver, 100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of the equipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

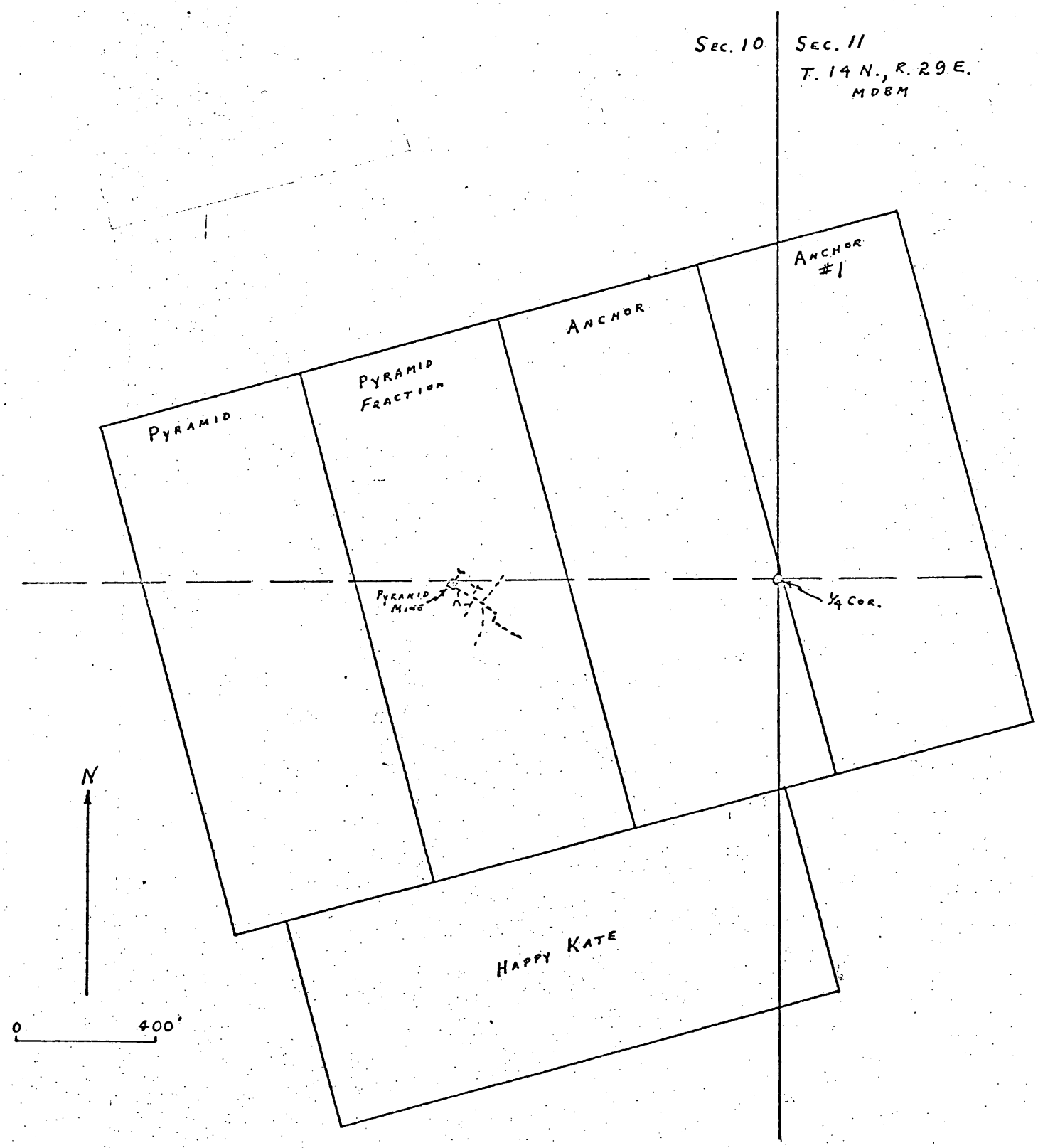


Figure 1.--Property map, Pyramid Mine, Churchill County, Nevada

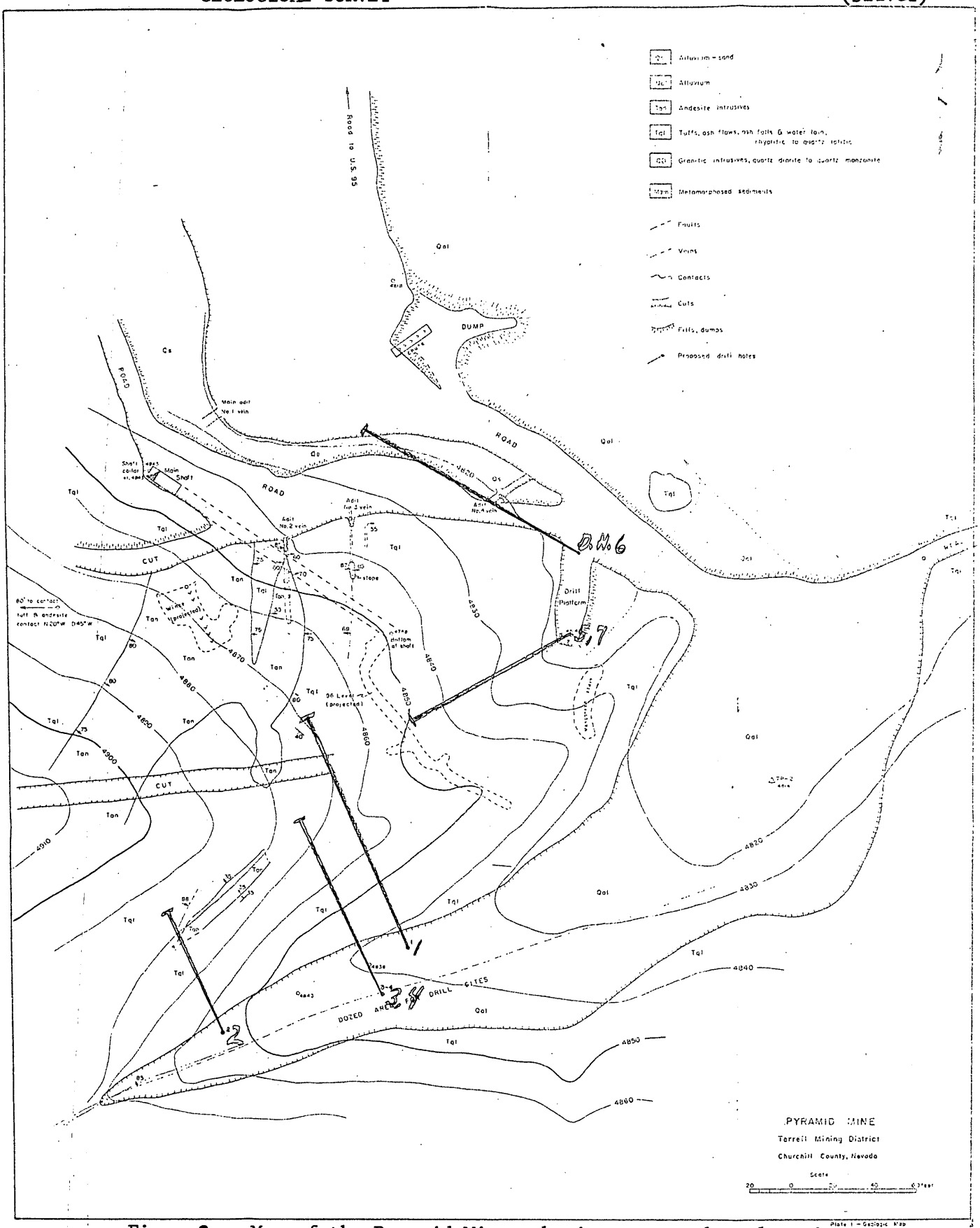


Figure 2 .--Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada

Operator's copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME -6658	Silver	2276	Churchill	Nevada

It is agreed APR 8 1969 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Nevada Rawhide Mining Co., Inc., a corporation organized in the State of Washington,

whose mailing address is 114 College Avenue, Cheney, Washington 99004, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before MAY 1 1969 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ 17,000.00. The Government will contribute ~~XX~~ 75 percent of the total fixed unit costs of the work performed, not in excess of $ 12,750.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8 ¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

NEVADA RAWHIDE MINING CO., INC.
(Operator)

By _____

Title _____

THE UNITED STATES OF AMERICA

By _____
Acting Director, U. S. Geological Survey

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Property map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with standard NX core size or equivalent wire line size.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling about 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling)
1	N 65° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project

Fixed Unit Costs 1/

Mobilization and demobilization one drill unit	$ 250.00
Diamond drilling, 2/ 1,200 feet @ $10.00/foot	12,000.00

Moving between sites and setting up drill rig, 4 moves @ $120.00/move	$ 480.00	
Lost casing in completed holes, 100 feet @ $2.50/foot	250.00	
1-Supervisor, 2 months @ $1,000/month	2,000.00	
1-Outside consultant, 8 days @ $75.00/day	600.00	
Per diem, outside consultant, 8 days @ $16.00/day	128.00	
Transportation for consultant, 450 miles @ $0.12 /mile	54.00	
Office and accounting expenses, 2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel, 2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline, 2 months @ $150.00/month	300.00	
Cardboard core boxes, 108 @ $1.00/each	108.00	
Sample bags, 100 @ $0.10 /each	10.00	
Assaying for gold and silver, 100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of the equipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

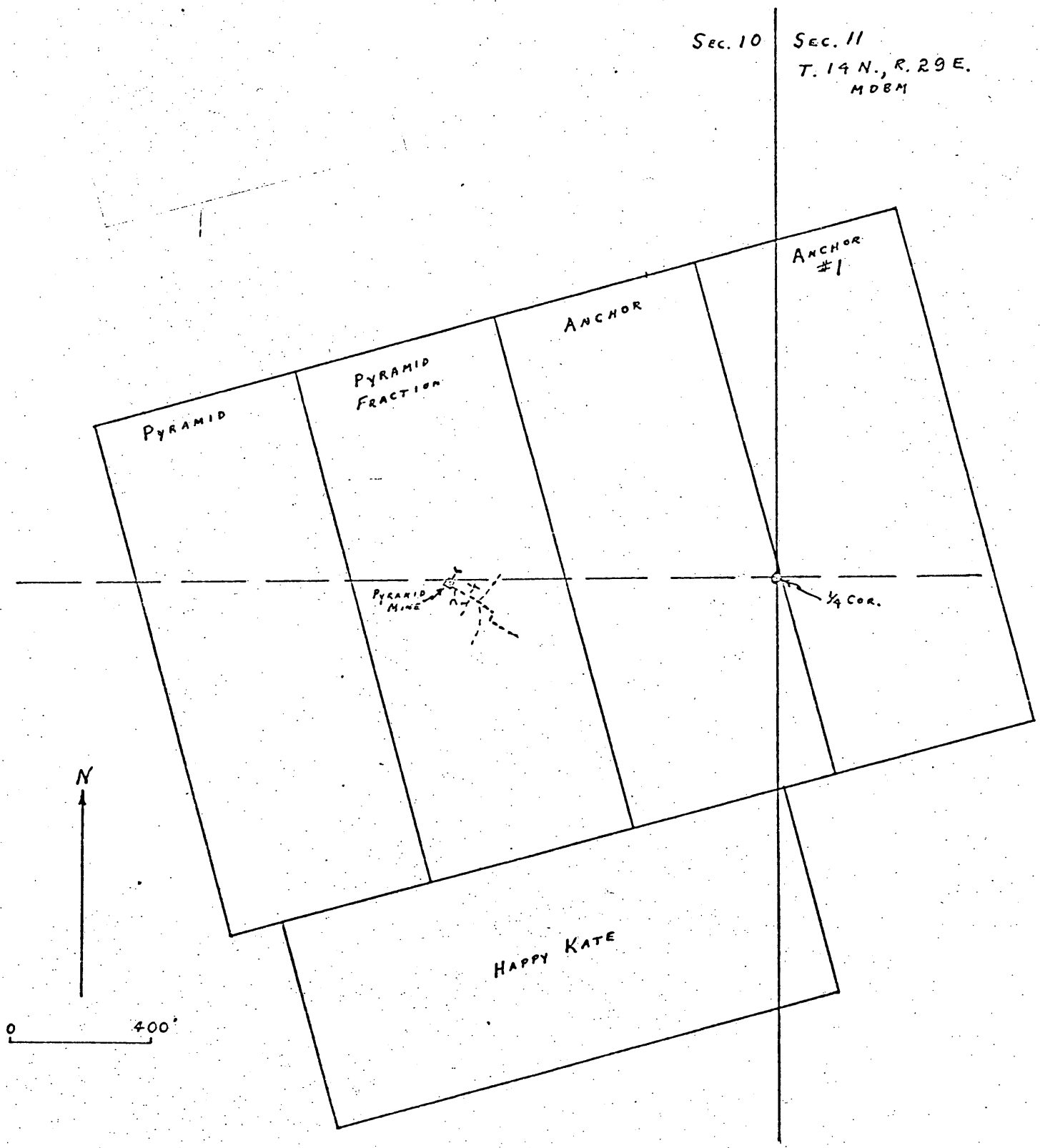


Figure 1.--Property map, Pyramid Mine, Churchill County, Nevada

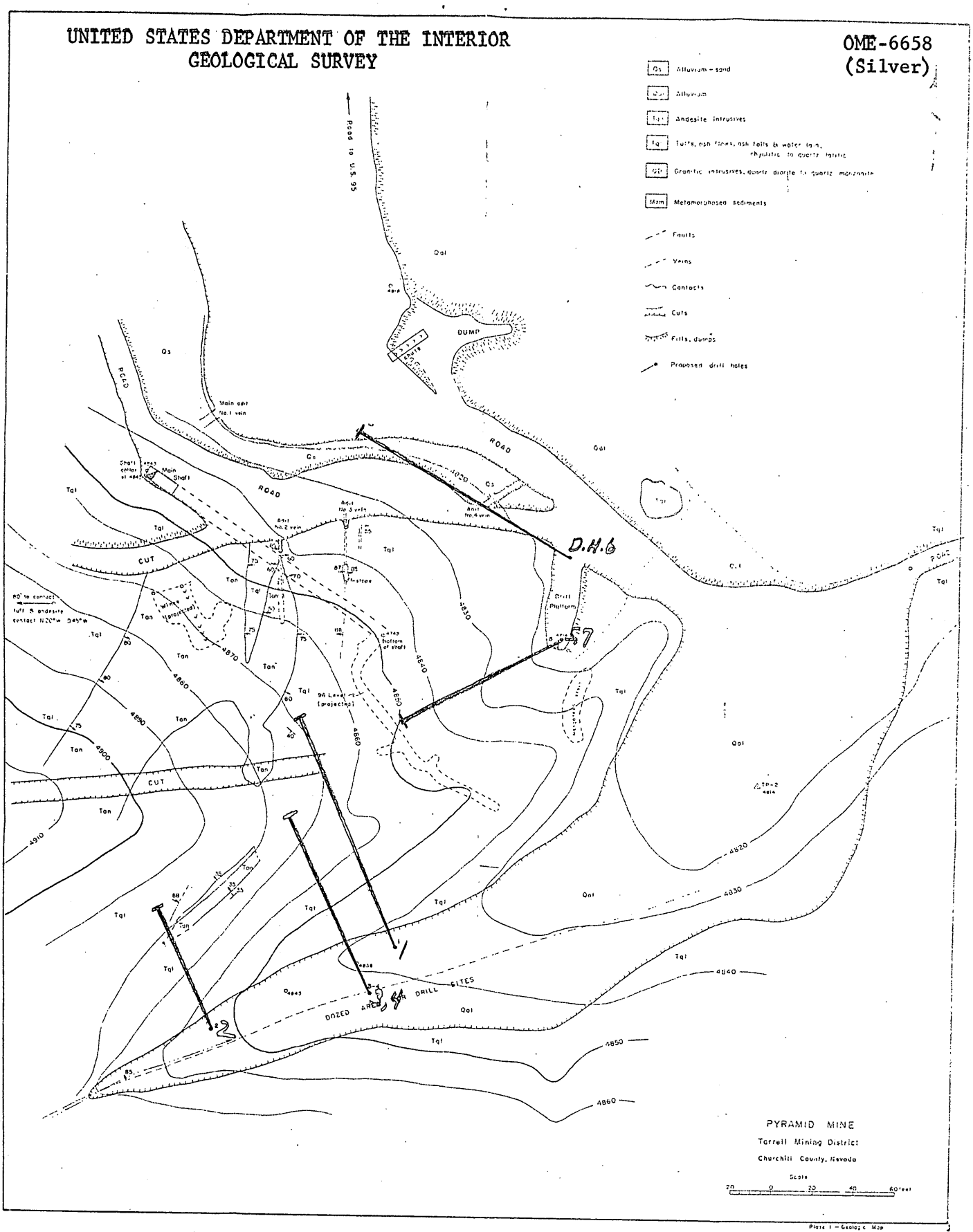


Figure 2.--Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada

Field Office's copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME -6658	Silver	[illegible]	Churchill	Nevada

It is agreed APR 8 1969 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Nevada Rawhide Mining Co., Inc., a corporation organized in the State of Washington,

whose mailing address is 114 College Avenue, Cheney, Washington 99004, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before MAY 1 1969 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $17,000.00. The Government will contribute 75 percent of the total fixed unit costs of the work performed, not in excess of $12,750.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

NEVADA RAMRIDE MINING CO., INC.
(Operator)

By

Title

THE UNITED STATES OF AMERICA

By Arthur A Baker
Acting Director, U. S. Geological Survey

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

CORPORATE SEAL

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Property map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with standard NX core size or equivalent wire line size.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling about 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling)
1	N 63° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project

Fixed Unit Costs 1/

Mobilization and demobilization one drill unit	$ 250.00
Diamond drilling, 1,200 feet @ $10.00/foot 2/	12,000.00

Moving between sites and setting up drill rig, 4 moves @ $120.00/move	$ 480.00	
Lost casing in completed holes, 100 feet @ $2.50/foot	250.00	
1-Supervisor, 2 months @ $1,000/month	2,000.00	
1-Outside consultant, 8 days @ $75.00/day	600.00	
Per diem, outside consultant, 8 days @ $16.00/day	128.00	
Transportation for consultant, 450 miles @ $0.12 /mile	54.00	
Office and accounting expenses, 2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel, 2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline, 2 months @ $150.00/month	300.00	
Cardboard core boxes, 108 @ $1.00/each	108.00	
Sample bags, 100 @ $0.10 /each	10.00	
Assaying for gold and silver, 100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of the equipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

EXHIBIT B

NONDISCRIMINATION IN EMPLOYMENT

(Section 202, Executive Order 11246, September 24, 1965)

"During the performance of this contract, the contractor agrees as follows:

'(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

'(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

'(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

'(4) The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

'(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

'(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

'(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.'"

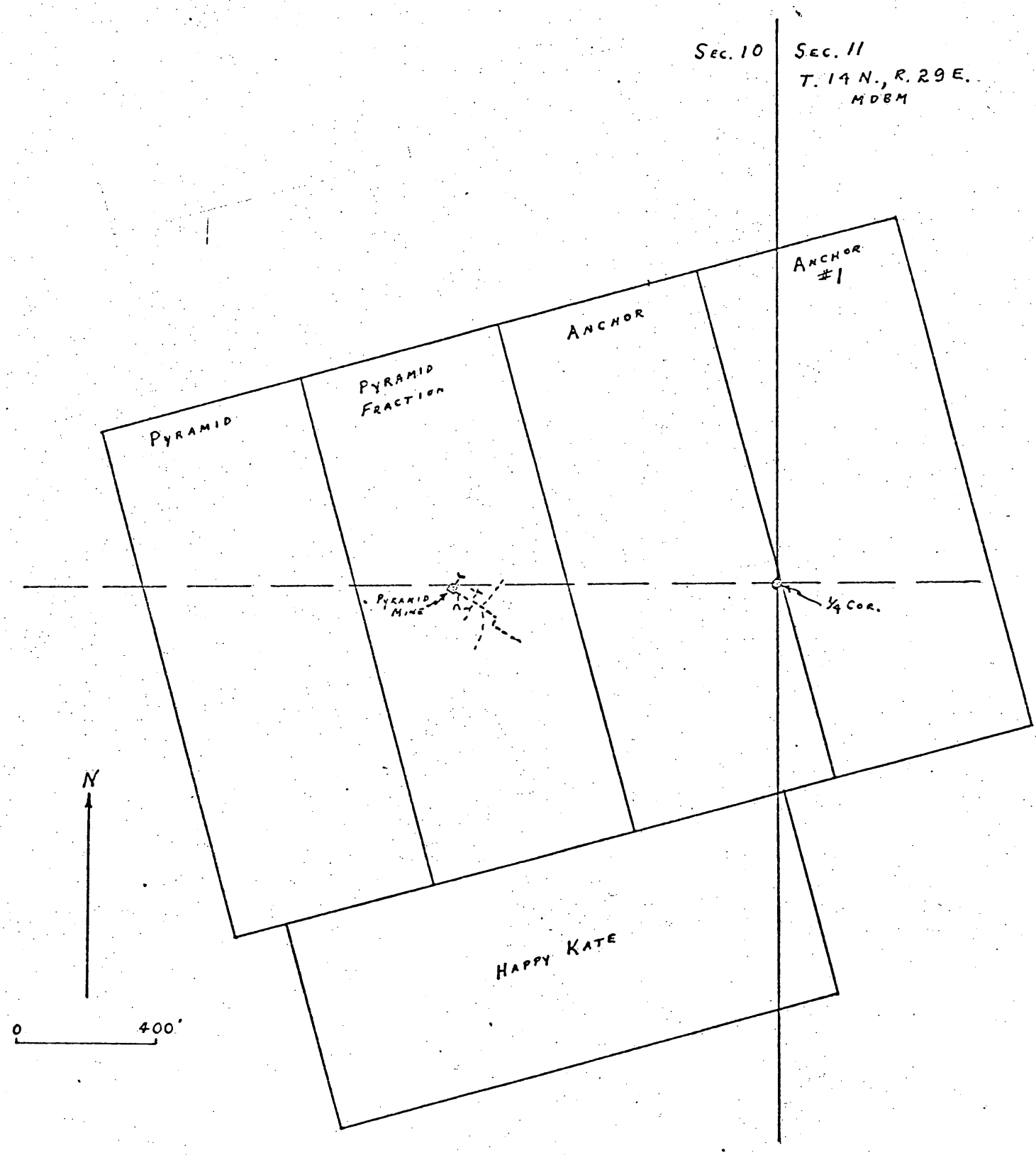


Figure 1.--Property map, Pyramid Mine, Churchill County, Nevada

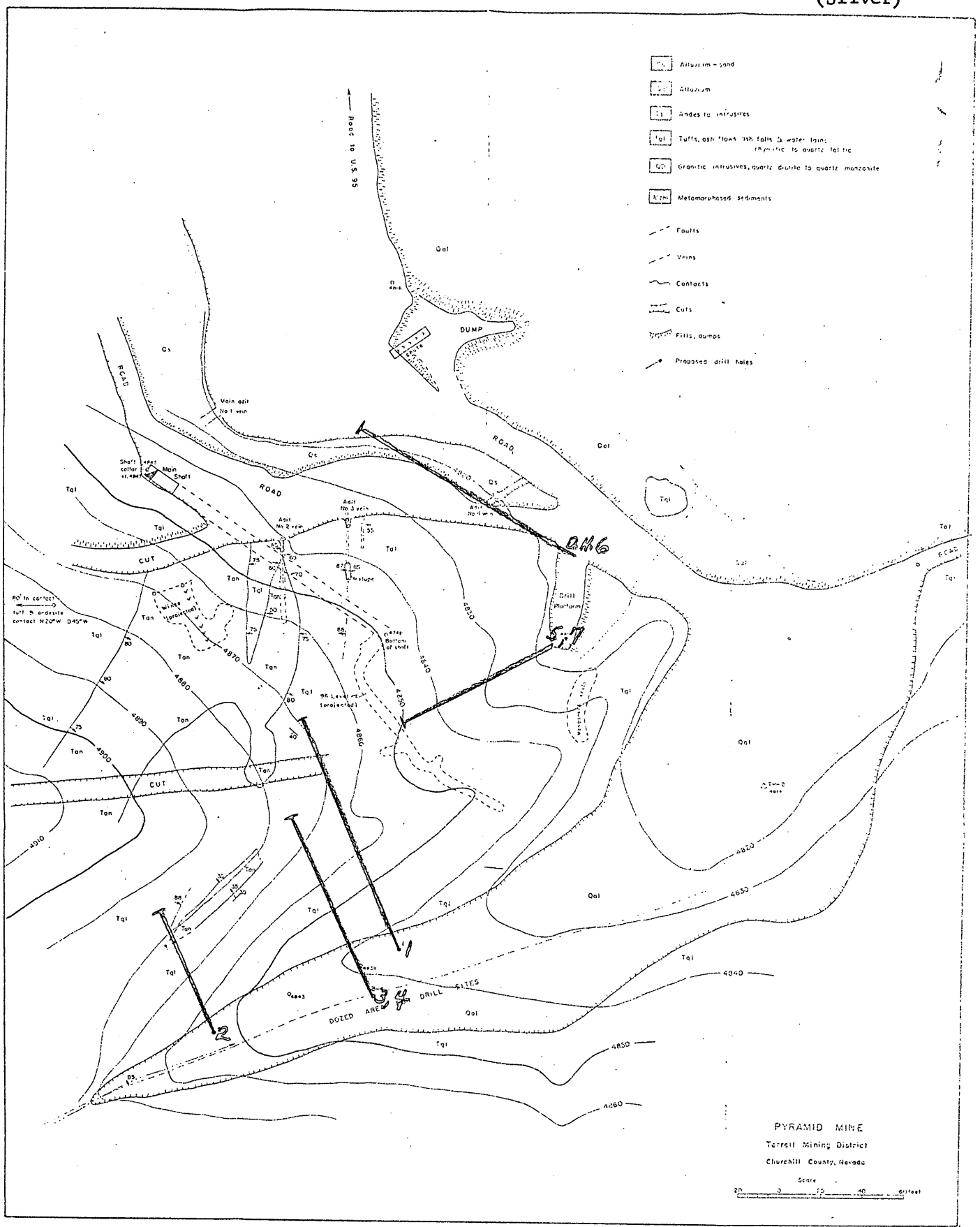


Figure 2.--Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada

Extra copy for Field Office

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME -6658	Silver		Churchill	Nevada

It is agreed APR 8 1969 (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Nevada Rawhide Mining Co., Inc., a corporation organized in the State of Washington,

whose mailing address is 116 College Avenue, Cheney, Washington 99004, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before MAY 1 1969 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $17,000.00. The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $ 12,750.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 8 ¼ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

NEVADA BARITE MINING CO., INC.
(Operator)

By

Title

THE UNITED STATES OF AMERICA

By
Acting Director, U. S. Geological Survey

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

CORPORATE SEAL

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Property map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with standard NX core size or equivalent wire line size equipment.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling about 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling)
1	N 65° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project

Fixed Unit Costs 1/

Mobilization and demobilization one drill unit	$ 250.00
Diamond drilling, 1,200 feet @ $10.00/foot 2/	12,000.00

Extra copy for Field Office

Moving between sites and setting up drill rig, 4 moves @ $120.00/move	$ 480.00	
Lost casing in completed holes, 100 feet @ $2.50/foot	250.00	
1-Supervisor, 2 months @ $1,000/month	2,000.00	
1-Outside consultant, 8 days @ $75.00/day	600.00	
Per diem, outside consultant, 8 days @ $16.00/day	128.00	
Transportation for consultant, 450 miles @ $0.12 /mile	54.00	
Office and accounting expenses, 2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel, 2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline, 2 months @ $150.00/month	300.00	
Cardboard core boxes, 108 @ $1.00/each	108.00	
Sample bags, 100 @ $0.10 /each	10.00	
Assaying for gold and silver, 100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of the equipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6658
(Silver)

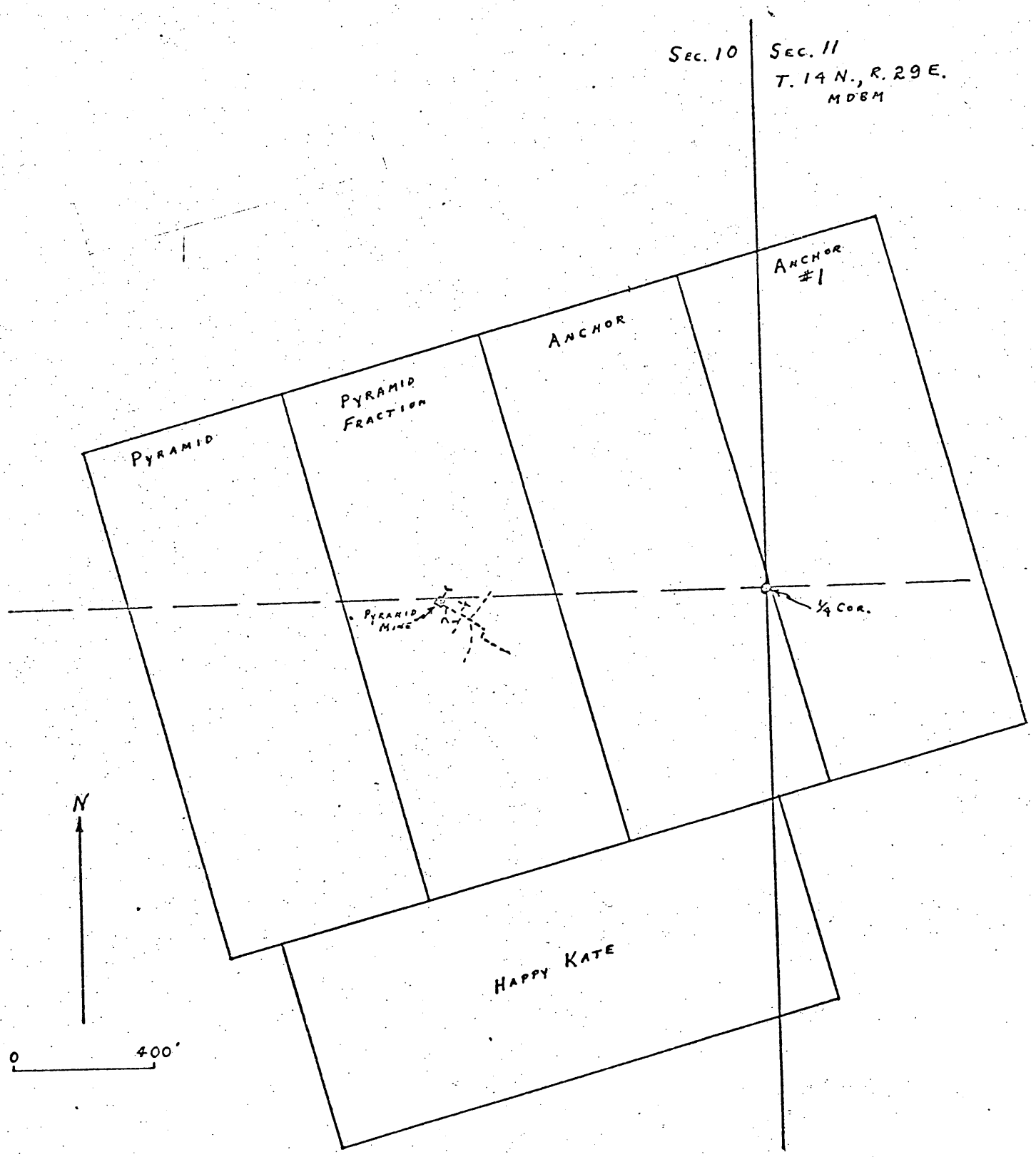


Figure 1.--Property map, Pyramid Mine, Churchill County, Nevada

PYRAMID MINE

Holy Cross (Terrell) Mining District
Churchill County, Nevada

By

Edmond F. Lawrence
Mining Geologist

PYRAMID MINE
Holy Cross (Terrell) Mining District
Churchill County, Nevada

By

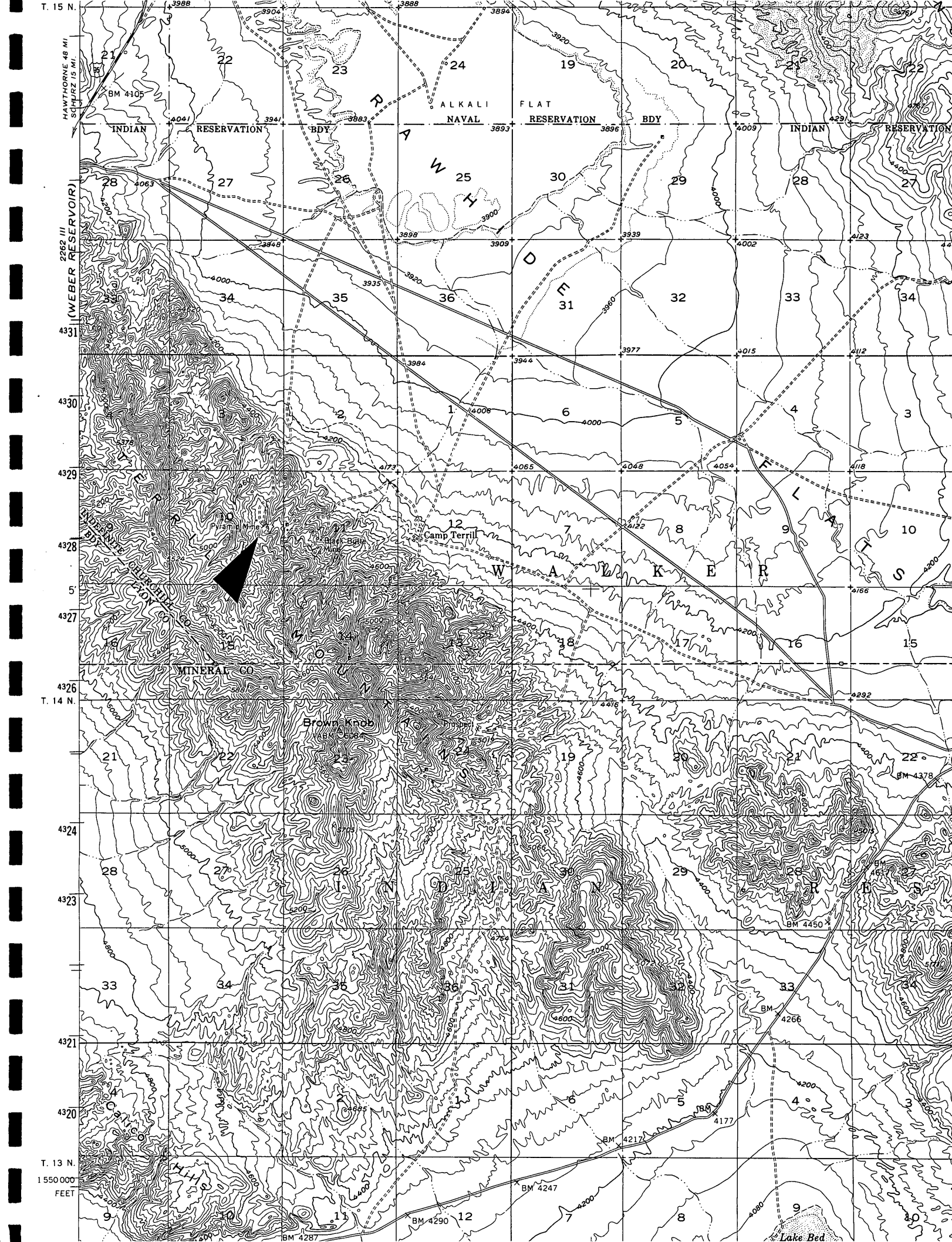
Edmond F. Lawrence
Mining Geologist

The Pyramid mine is located in the Holy Cross (Terrell) Mining District, Churchill County, Nevada, approximately 25 miles south of Fallon, the county seat. It lies on the northern slope of the Terrill Mountains, within the boundaries of the Walker River Indian Reservation, and three miles west of Camp Terrell. The property is in an area of low to moderate relief, and may be reached by 20 miles of paved highway and 5 miles of good dirt roads. Water is scarce, but probably can be obtained by drilling on the flat below the mine. The winters are mild in this area, and drilling and mining operations may continued the year-round.

The writer made no effort to check the validity of the mining claims belonging to the Nevada Rawhide Mining Company. Because of previous work for other clients in the area, the writer obtained written permission from all parties concerned before proceeding with the work.

GEOLOGY

The Pyramid Mine is underlained by tuffaceous rocks consisting of both water-lain and air-lain tuffs, with at least two ash-flows cooling units. These are the same units described by Lawrence (1967) in the Calico area 6 miles to the south. These tuffs have been intruded by andesite plugs, dikes, and sills (Plate 1) similar to those in the Calico area. The so-called lavender rhyolite of Schrader (1947) is an alteration halo around the andesite intrusives, and serves as a guide to buried intrusives. The andesite varies


T. 15 N.
T. 14 N.
T. 13 N.
1 550 000 FEET
HAWTHORNE 48 MI
SCHURZ 15 MI
BM 4105
INDIAN RESERVATION BDY
ALKALI FLAT
NAVAL RESERVATION BDY
INDIAN RESERVATION
RAWHIDE
2262 III
(WEBER RESERVOIR)
WALKER FLATS
Pyramid Mine
Black Butte Mine
Camp Terrill
INDEFINITE BDY
CHURCHILL CO
MINERAL CO
Brown Knob
(BM 6084)
INDIAN RESERVOIR
BM 4378
BM 4450
BM 4266
BM 4177
BM 4217
BM 4247
BM 4290
BM 4287
Lake Bed

in texture, composition, and color, but usually have some euhedral phenocrysts of plagioclase.

At the mouth of the canyon approximately one mile north of the Pyramid Mine, diorite occurs beneath the tuffaceous rocks, and extends for about two miles along the front of the range. This diorite contains considerable pyrite in the southernmost outcrop in the canyon below the mine. This diorite probably extends under the Pyramid mine area, and may provide a good exploration target. No sediments have been observed to date in this area, but are probably present under at least part of the area.

The Pyramid Mine occurs within the Walker Lane fault zone. At least one set of faults in the mine area is related to movement along the Walker Lane, and probably the intrusives and mineralization are related to activity along this zone.

The veins in the Pyramid Mine strike N 15-60°E, usually with a southeasterly dip, with another system of veins striking due north to N 10°W and dipping at an high angle, usually easterly, (Plate 2). These veins have been cut by an east-west fault and several northwestly faults, all with only minor displacement.

MINERALIZATION

The veins varies in width from a few inches to six feet, with some wider zones in ore-shoots. The gangue is usually quartz with minor calcite. Stringers of high-grade ore occur in wide gouge zone along the structures, with the gouge being silicified in places. These areas are usually ore.

These veins contain gold, silver, lead, copper, zinc, nickel, and manganese, occurring as cerargyrite, argentite (acanthite), galena, chalcopyrite, pyrite, malachite, and rhodochrosite, (Schrader, 1947).

Schrader describes the various mines in the district, but does not give

a detail account of the Pyramid mine. He states that the highest grade ore occurs near the andesite contact in the tuff, but the best and most extensive veins lies in the andesite. (Schrader, 1947).

Mapping by the writer in the area surrounding Camp Terrell has shown a spatial, if not genetic, relationship between the andesite intrusives and the mineralization. There appears to be numerous andesitic intrusives in this area, possibly due to a dike-swarm beneath the area. If this should be the case, then exploration in the andesite-diorite might be profitable, and such exploration should be considered in any drilling program in the area. These same relationships are seen in several of the bonanza silver camps of Nevada.

RECOMMENDATIONS

It is recommended that the following drilling program be considered by Nevada Rawhide Mining Company, possibly in cooperation with the Office of Mineral Exploration. The holes are not listed in any definite priority, but it is strongly recommended that any drilling program should seriously consider at least one deep hole to the andesite-diorite contact. These proposed holes are shown on Plate 1, and are also shown in cross-section on Plates 5 - 10. These latter plates show the intersecting structures that would be cut by each hole. The assay map (Plate 4) and underground geologic map (Plate 2) show the ore-shoots that have been mined by previous operators. The writer took samples in present faces as well as stope pillars, and are shown on the assay map as the "CT" series.

1. Inclined, -35°, 155 feet, collar at 4836'. To check the intersection of No. 1 and No. 2 veins for a possible ore-shoot. N 65°W

2. Inclined, -60°, 140 feet, N 65°W, collar at 4848'. To cut No. 1 and No. 5 veins.

3. Inclined, -60°, N 65°W, 210'. To check the intersection of No. 1 and No. 2 veins on the 195-foot level. Collar at 4838'.

4. Vertical, 210', collar at 4838'. To check No. 5 and No. 1 veins

5. Inclined, -40°, S 60°W, 120', collar at 4814'. To check the intersection of two veins north of 1E drift on the 95-foot level. Necessary to drill rather than drift as mine is not presently equipped. This is not development work.

6. Inclined, -45°, N 60°W, 180', collar at 4808'. To check area north of east-west fault at No. 1, 2, 3, and 4 veins, and the rake of the present ore-shoot.

7. Vertical, 170', collar at 4814'. To check No. 4 vein and the area below the intersection of No. 1 vein with another weakly mineralized structure that appears in No. 4 adit.

8. Extend No. 7 drill hole to a total depth of 614 feet, to check the contact of the andesite, tuff, and diorite at depth. Some geophysical data indicate a possible mineralized zone in the diorite. There is a possibility of a disseminated-type deposit below, with some possibility of silver mineralization of higher grade at depth associated with the andesite. Camp Terrell has never been fully explored, with only small high-grading operations in the past.

Edmond F. Lawrence
Consulting Mining Geologist
Reno, Nevada

August 1, 1968

REFERENCES

Lawrence, Edmond F. and Redmond, Robert L., 1967, Exploration of the Calico area, Walker River Indian Reservation, Mineral County, Nevada, Pre-print No. 67-I-311, Am. Inst. Min. Eng.

Nielsen, Richard L., 1965, Right-lateral strike-slip faulting in the Walker Lane, west-central Nevada, Bull., Geol. Soc. Am., Vol. 76, p. 1301-1308.

Ross, Donald C., 1961, Geology and mineral deposits of Mineral County, Nevada, Bull. 58, Nev. Bur. Mines.

Schrader, F.C., 1947, The Carson Sink area, Nevada, U.S. Geol. Survey, open-file report, Mackay School of Mines.

Vanderburg, William O., 1940, Reconnaissance of mining districts in Churchill County, Nevada, U.S. Bur. Mines, I.C. 7093.

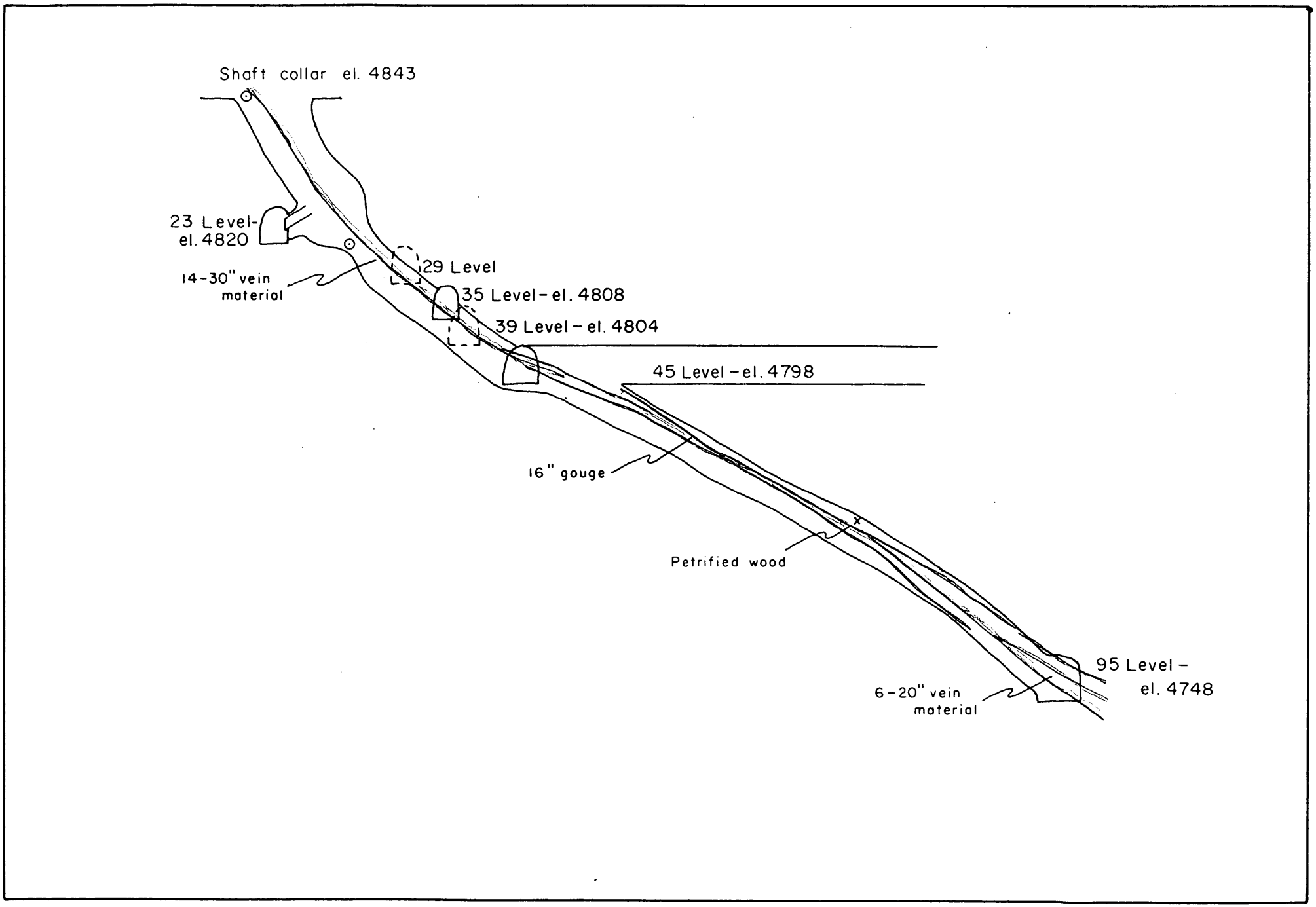


Plate 3 - Cross-section through shaft.

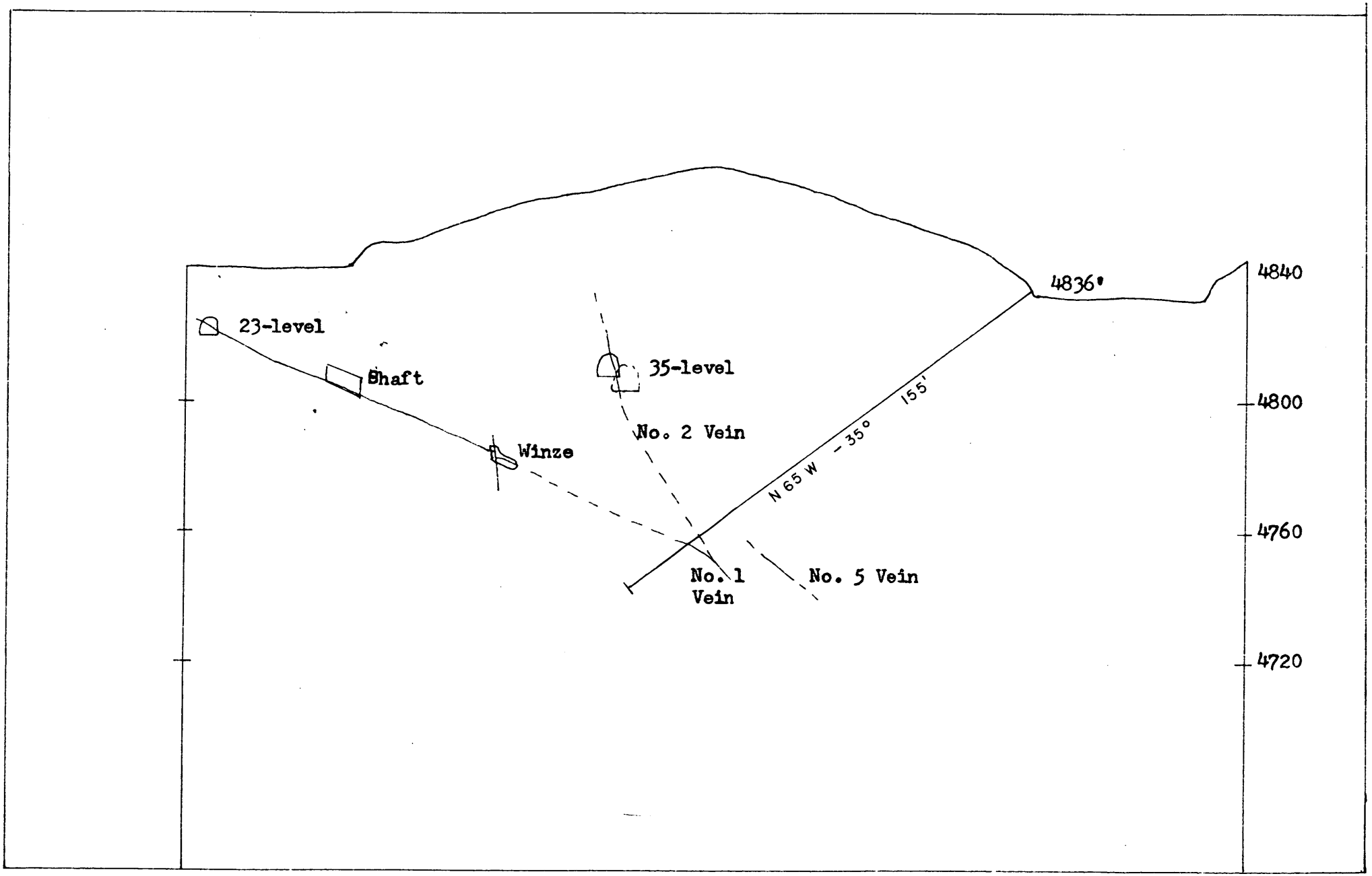


Plate 5 Cross-section - DDH-1

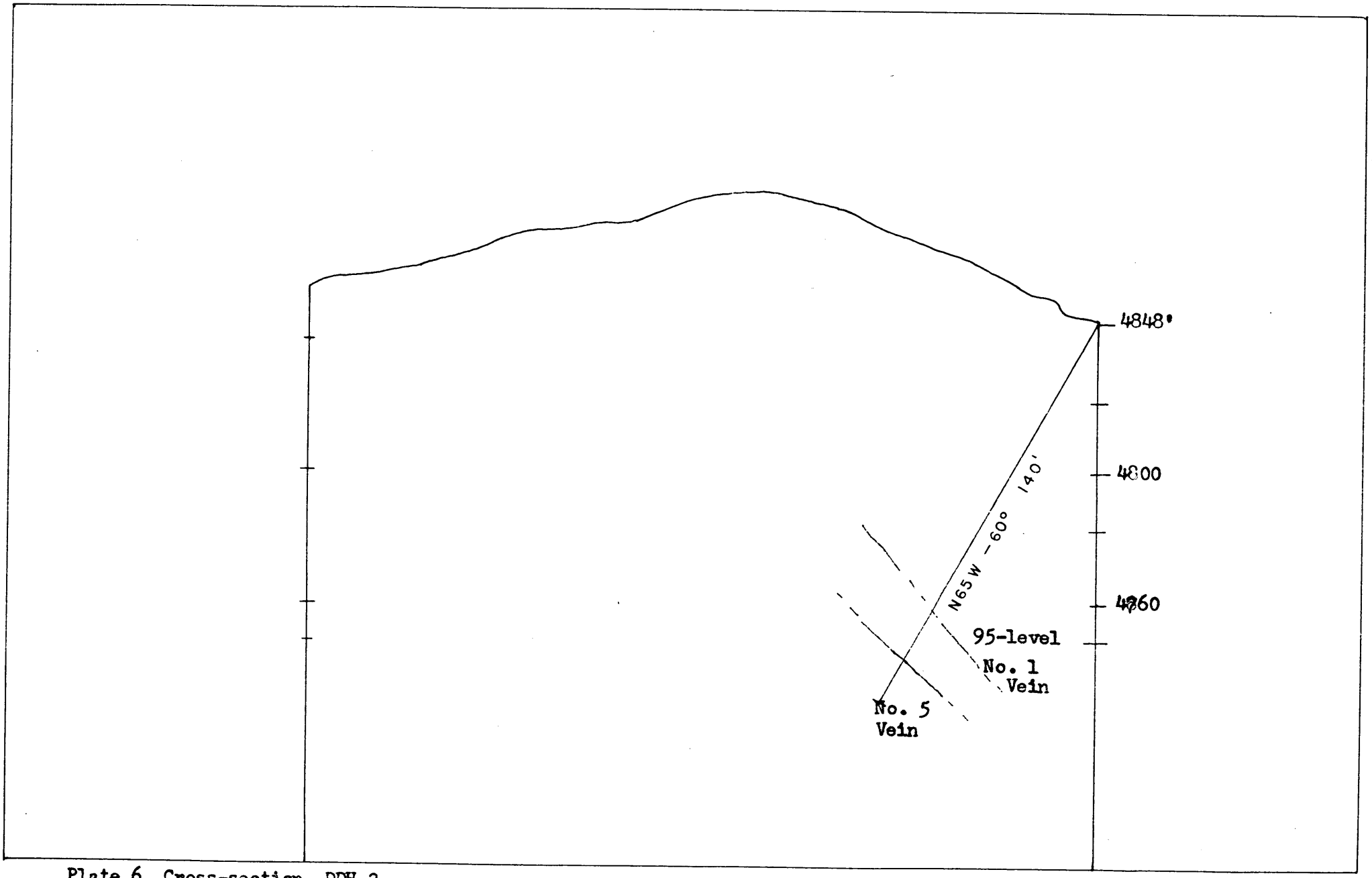


Plate 6 Cross-section DDH-2

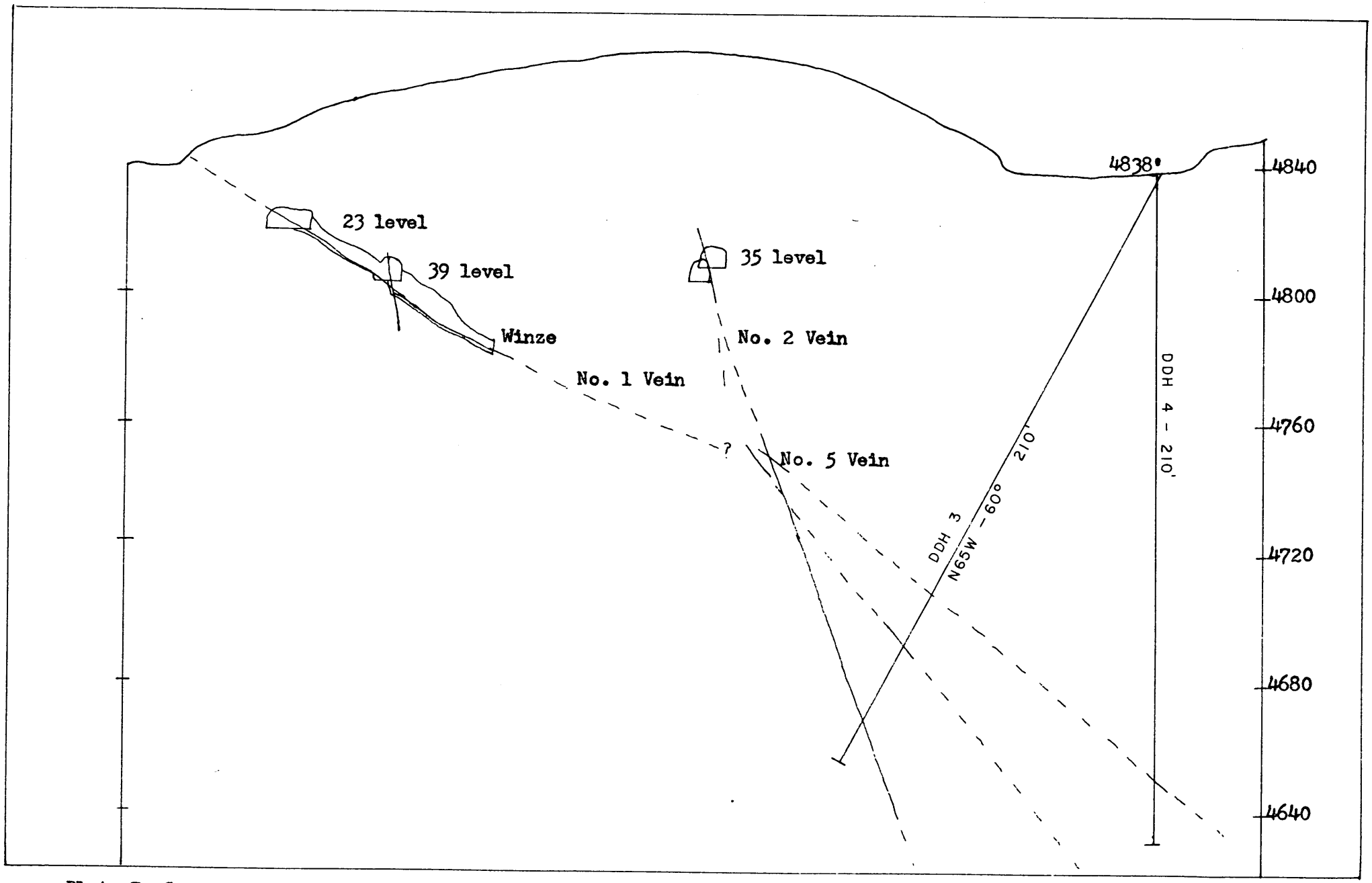


Plate 7 Cross-section DDH 3 and 4

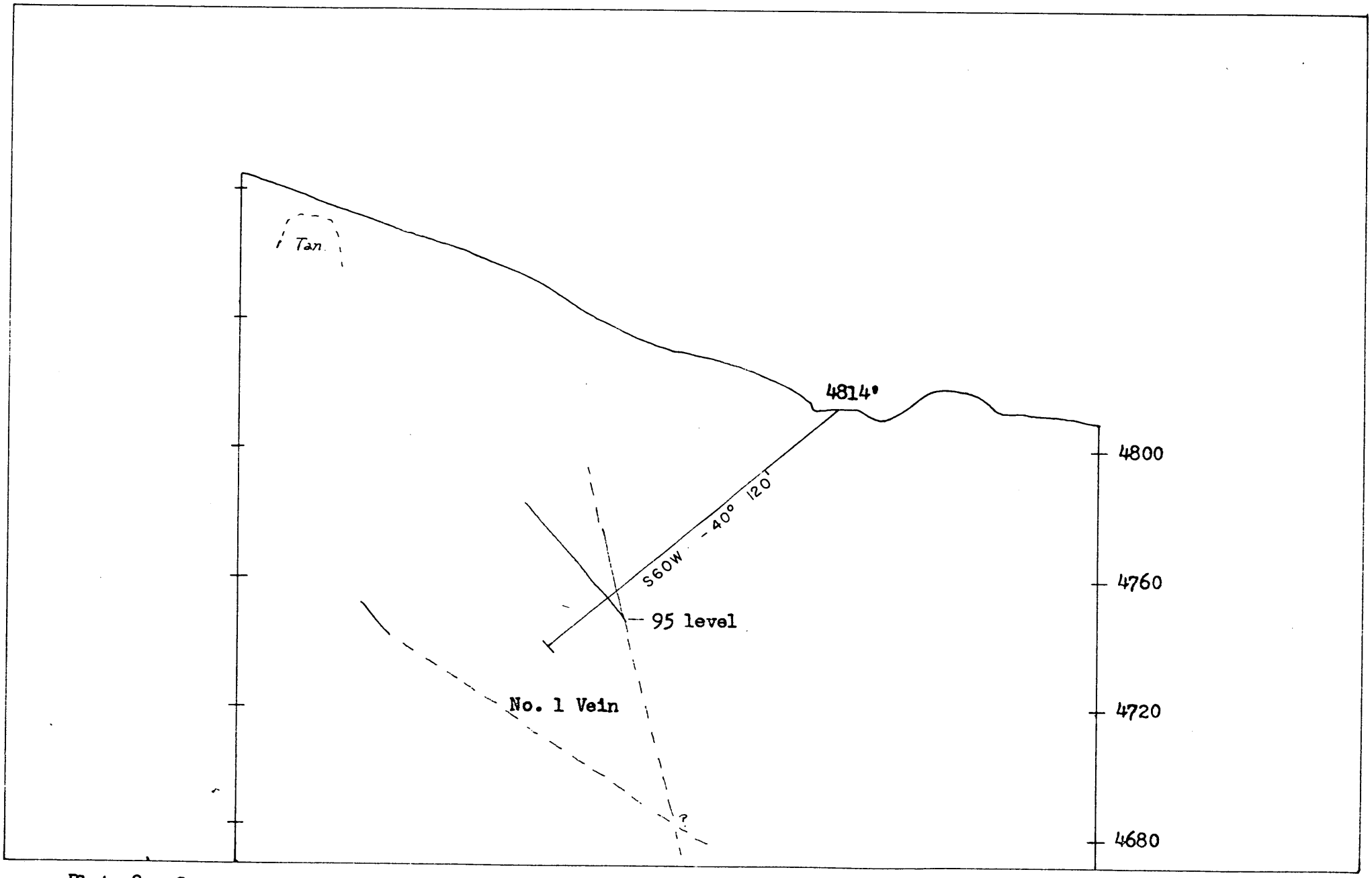


Plate 8. Cross-section DDH 5

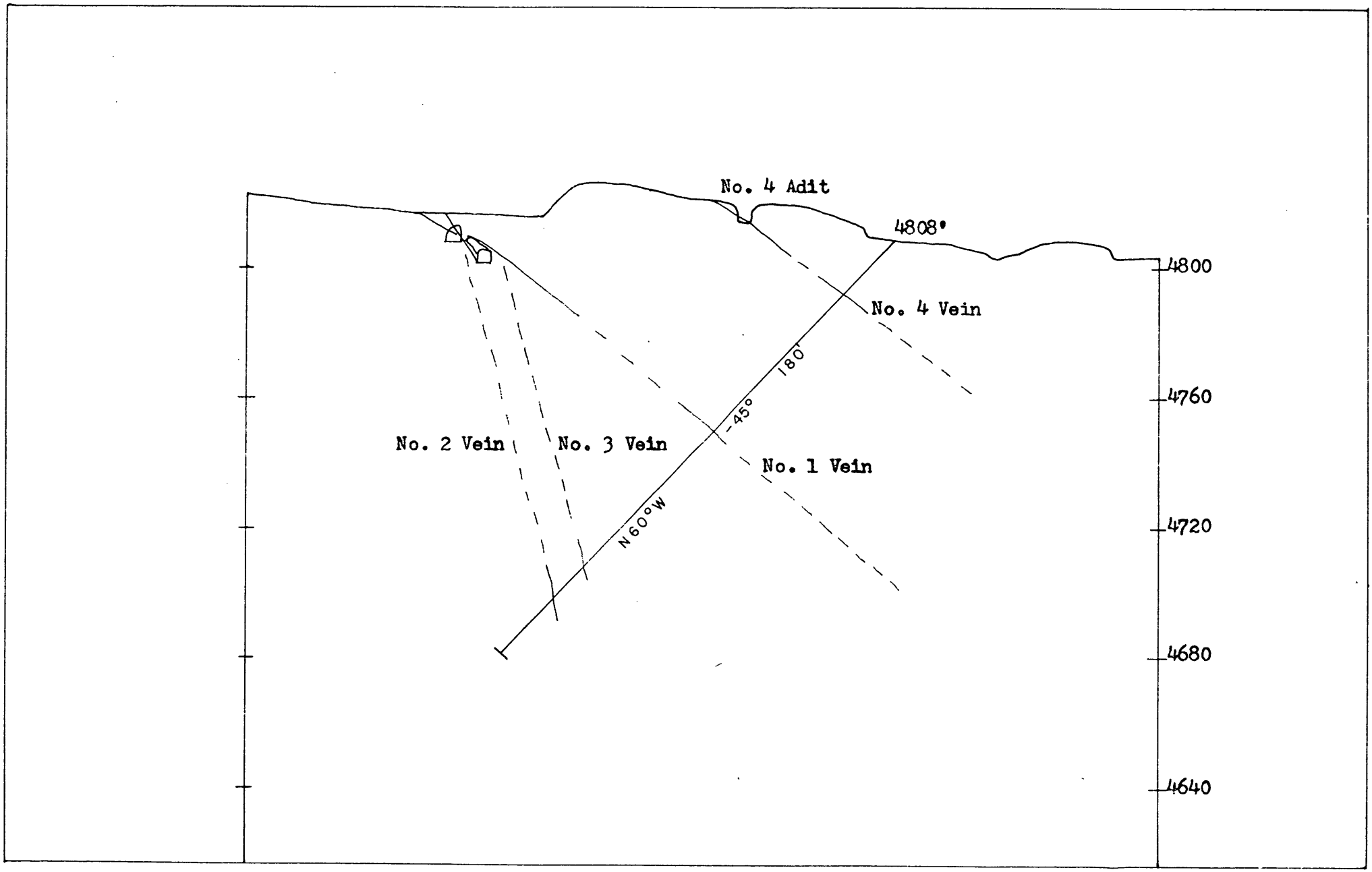


Plate 9. Cross-section DDH 6

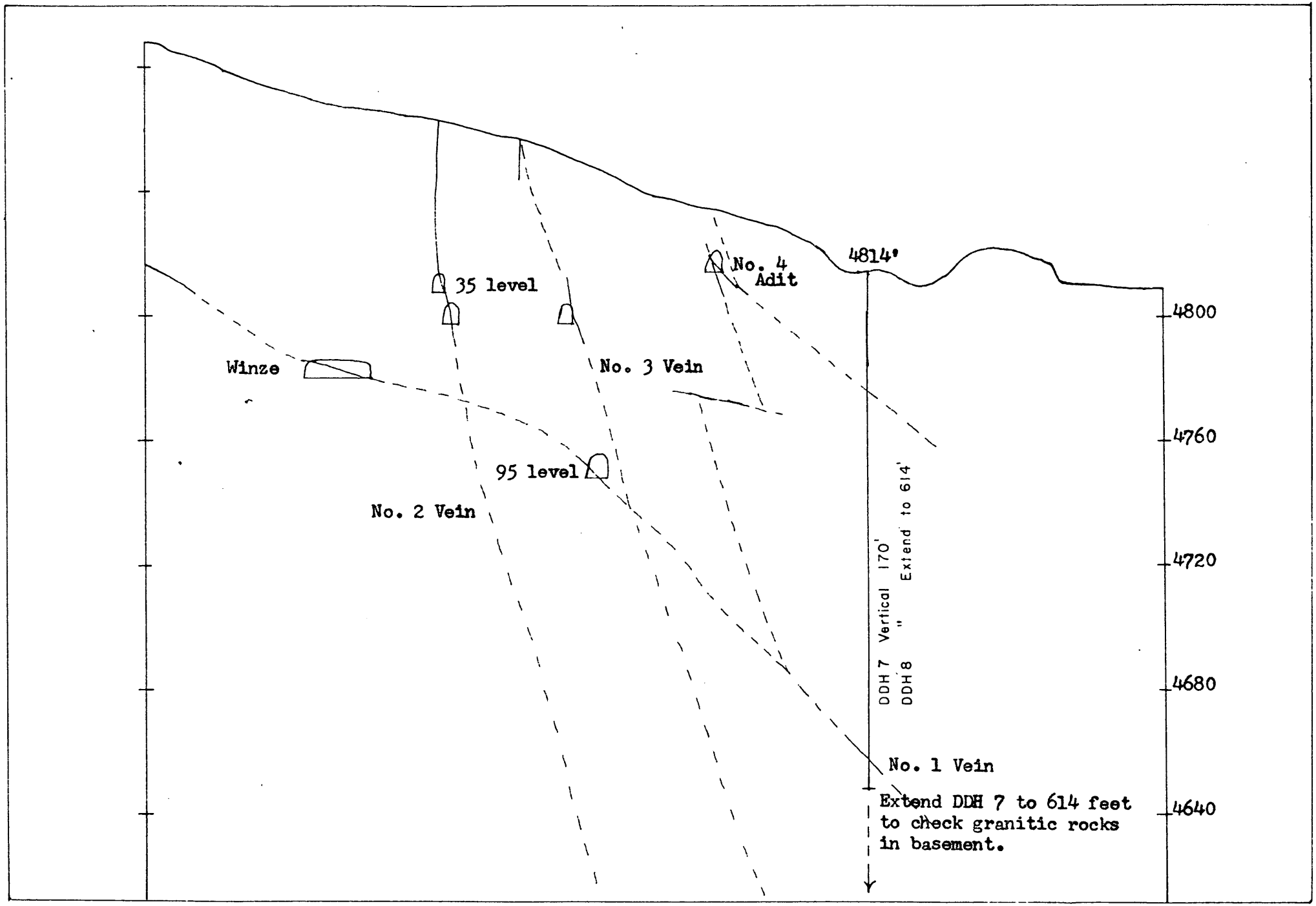


Plate 10. Cross-section DDH 7 and 8.

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. S. GATES, JR., MGR
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Nevada Lawside Mining Co.
c/o E. F. Lawrence
P.O. Box 8044, Univ. Sta.
Reno, Nevada

July 24, 1968

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES

Office Number	Sample Mark		Gold Oz./Ton	Silver Oz./Ton
27,042	CT - 2	Pod	Trace	6.93
27,043	CT - 4	14" 95 Level	Trace	2.62
27,044	CT - 5	20"	0.01	1.85
27,045	CT - 6	90"	0.005	4.57
27,046	CT - 7	1"	0.005	121.18
27,047	CT - 8A	36"	0.05	25.30
27,048	CT - 8B	4"	0.07	115.46
27,049	CT - 9	54"	Trace	20.57

By _____
Assayer

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. S. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Nevada Rawhide Mining Co.
c/o Mr. E. F. Lawrence
P.O. Box 8044, Univ. Sta.
Reno, Nevada

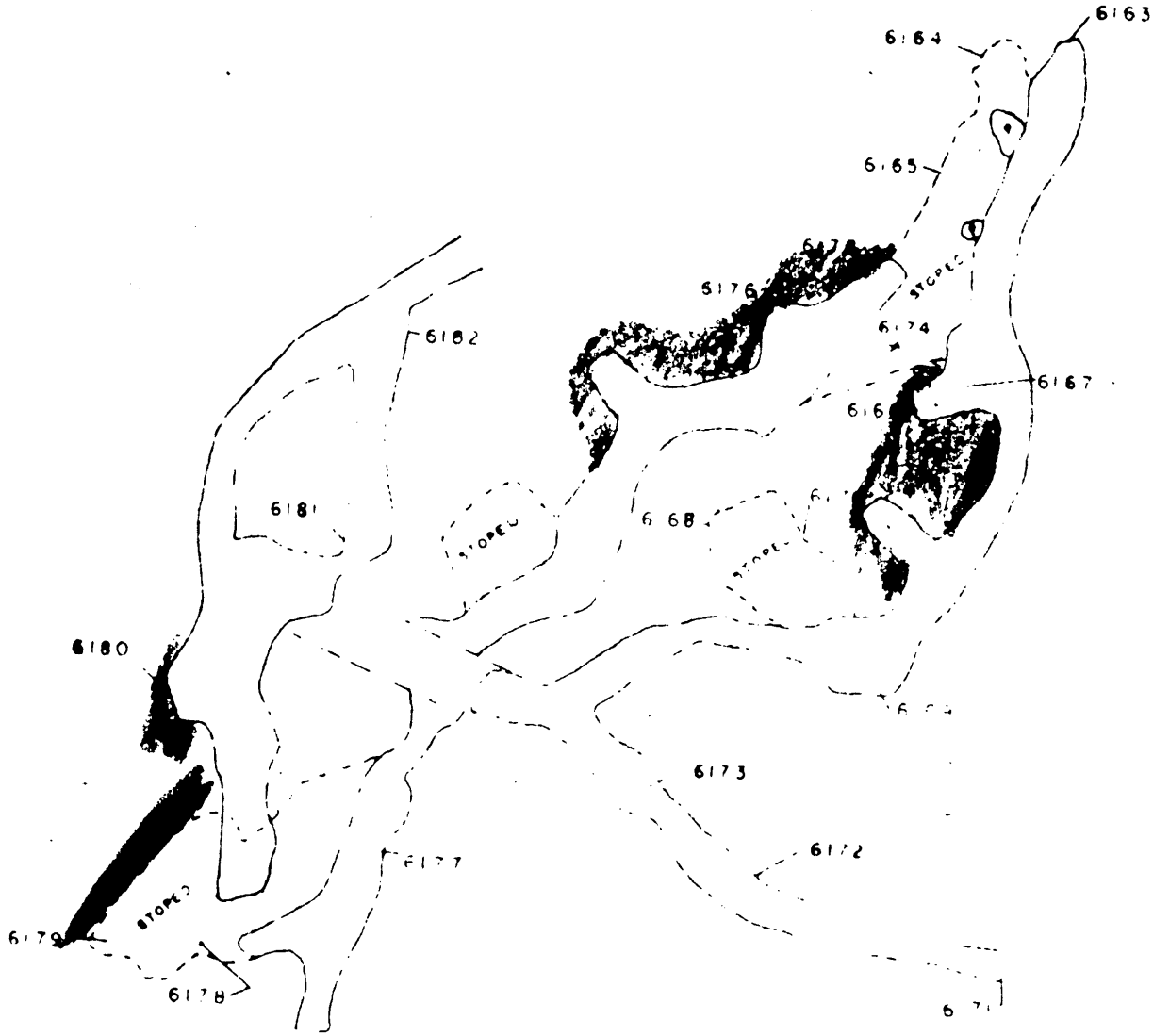
July 26, 1968

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES:

Office Number		Sample Mark	Gold Oz./Ton	Silver Oz./Ton
27,050	CT-10	36"	Trace	9.24
27,051	CT-11	36"	Trace	6.04
27,052	CT-12	96 Level 60"	Trace	Nil
27,053	CT-13	12" Adit Level	0.005	2.11
27,054	CT-14	24" Adit Level	0.01	13.47
27,055	CT-15	36" Vert.	Trace	0.82
27,056	CT-16	26"	Trace	0.74
27,057	CT-17	44"	Trace	0.42
27,058	CT-18	14" #4 Vein	Trace	2.38

By _____
Assayer

NO	W	Au	Ag	Pb	
6159	1.7	Tr	8.7	Tr	
6160	1.4	0	8.5	0	
6161	12.0	0	4.7	0	
6162	4.5	0	0.5	Tr	
6163	4.0	-	1.2	0	
6164	4.0	-	3.2	Tr	
6165	3.4	-	4.8		
6166	0.5	0.01	475.4	9.4	
6167	0.2	Tr	85.5	0.9	
6168	2.4		7.6	0.1	
6169	1.9	-	1.8	Tr	
6170	1.5	-	12.4	0	
6171		-	20.2	Tr	Grab-gob in crosscut
6172	8.6	Tr	6.7	0	
6173	1.5	-	4.0	Tr	
6174		-	19.2	Tr	Grab gob in stope
6175	9.1	0	4.9	Tr	
6176	4.0	-	24.8	Tr	
6177	1.0	-	152.	0	
6178	0.7	0.01	60.7	1.0	
6179	0.15		749.8	20.1	
6180	1.0		52.2	1.0	
6181	1.0		29.6	Tr	
6182	0.8		36.4	Tr	
6183			1606.4	25.1	COMPOSITE HIGH GRADE



SAMPLE MAP OF MAIN UNDERGROUND WORKINGS

1" = 20'

CARSON SINK AREA, NEVADA

By

F. C. SCHRADER

Holy Cross (Terrell) District (7)

Holy Cross (Terrell) District

The present report is based mainly on a 1½ day examination of the district made by the writer in August 1913, in which, for aid generously extended, thanks are due members of the several mining companies especially Geo. Pollinger.

Location and topography

The Holy Cross district, perhaps better known as the Terrell district, is 28 miles south of Fallon and 14 miles northeast of Shurs, the nearest railroad station on the Hazen-Goldfield Branch of the S. P. Railway, from both of which it is reached by a good road. It is in the southwestern part of Churchill County and the adjacent border of Lyon and Mineral counties and is on the Carson Sink topographic sheet of the U.S.G.S., Fig. 3. It is mainly in the northeast slope of the southern part of the Dessert Mountains with Terrell the camp located on the gently sloping wash or valley fill at the foot at an elevation of about 4,200 feet, above which the mountains have a ~~xxxxxx~~ maximum relief of about 2,400 feet, Fig. 3 (Topo map), and Fig. 100 (Photo). Though the topography is semi-rugged as is characteristic of eroded Tertiary volcanic rocks, the deposits are not ~~xxxxxxxxxxx~~ difficult of access.

The deposits are nearly all contained in an east-west rectangular area 2 miles long by one mile wide with Terrell located in the northeast part. The area is drained northeastward into Terrell valley which has no outlet. The climate is very dry, the annual rainfall being only about 5 inches, but good water occurs at depths of about 90 feet in several mines in the front part of the range.

History and production

Mineral in the district was first discovered in 1910 by J. V. (Judd) Terrell and George Pollinger on the Silver Star claim. They were soon joined and financially aided by Craig Catterson of Oregon and the trio sunk a shaft 107 feet deep and crosscut

the vein with encouraging results. They finally acquired a group of 24 claims which they bonded, in July 1911, to George Wingfield. This group contains most of the mines and prospects described in the present report and they nearly all had been discovered by 1913.

In 1912 the district was quite active, the Lena Mining Co. in driving a 160-foot tunnel had struck a 1-foot wide vein of mostly galena, and when visited by the writer in August 1913, the camp had 30 cabins and tents and the July shipment was said to have been 10 tons of ore averaging $68 to the ton. The cost of ore haulage to Shurz was $4 per ton. In 1914 the Minerva Mining Co. of Minneapolis, Minn., working a small force on its group of 3 claims, exposed a small vein of rich copper-silver-lead-gold ore, and considerable nickel was reported to have been found in some of the ore by Francis McDonough and associates who were working an 8-foot vein. In 1915 the Scotia mine was reported to be active. In 1918 several tons of manganese ore were mined and shipped by the Bullion Company.[1] In 1919 there was moderate

1/ Pardee, J. T., U.S.G.S. Bull. 710, pt. I, p. 233.

activity. In 1920 the Minerva Company, with a shaft 95 feet deep, mined and made a shipment of copper ore containing silver,[2] and in 1921 a small shipment of

2/ U.S.M. Rec. 1920, Pt. I, p. 328.

siliceous gold-silver ore was made from the Last Hope mine.[3]

3/ U.S.M. Rec. 1921, Pt. I, p. 379.

The total production of the district seems to have been about 150 tons of mostly high-grade ore having a value of $9,000. Complete records, however, are not available. The principal ore shipments to 1913, as given by the several mining companies appears in the following table.

Mine	Tons	Value
Silver Star	11.0	$ 929.00
Last Hope	5.5	1,124.00
Last Hope No. 1	6.2	549.00
Last Hope No. 3	00.5	78.00
Black Butte	1.5	150.00
Poorman	2.8	172.00
Jump	11.0	1,959.00

Statements on the production from 1913-1927 appear in the U. S. M. Bur. reports for instance in 1916, "The Silver Star, Pyramid, Fraction, and four other properties produced an output valued at $1,522 in gold, silver, copper, and lead, but in most cases the quantity or value of the ore is not given. The Silver Star mine and the Last Hope mine seem to have been the most steady producers.

Development and equipment

Several of the mines or properties are equipped with gasoline hoists or air compressor drills and engines and most of them are opened to depths of 80 to 100 feet. The occurrence of water at depths of 90-100 feet in the front part of the mountains seems to explain why more of the workings have not been sunk much below the 100-foot level. In 1915 there was talk of putting in a mill to treat ore that is too low grade to be profitably shipped.

Geology

The geology at Terrell and vicinity consists mostly of Tertiary volcanic rocks, rhyolites, and andesites, and related types and phases disposed in flows that are more or less heavy.

Proceeding from the foot of the range southerly and ascending in the geologic column the succession of the principal rock formations, broadly speaking, is as follows:

(1) gray andesite (spec. 446)

(2) white rhyolite (spec. 439)

(3) lavender rhyolite (spec. 440)

These formations each occupy a northwest-southeast belt of variable width trending almost parallel with the front of the range and are each at least several hundred feet and probably much more in thickness. The most abundant is the white rhyolite and the next abundant the lavender rhyolite. The andesite is equally important, however, from standpoint of deposits that occur in it. From its frontal position and to differentiate it from other andesite rocks it is here referred to as the front andesite. It is also locally known as the water-shaft rock or andesite from the fact that the so-called water shaft or mine is sunk in it. It is a darkish gray submedium hornblende biotite andesite porphyry speckled with lighter dull feldspar phenocrysts and abundant smaller forms including those of hornblende and biotite. About 70 percent of it is composed of microcrystalline nearly felsitic base with flow structure in which rest the larger forms which are mostly prismatic. The feldspar is mostly olig-andesine but ranges to and-lab. The green hornblende occurs in long prismatic forms the brown biotite in short broad foils. Some of it is altered to greenish chlorite; augite and magnetite are also present.

On the northeast the andesite passes beneath the wash or valley fill while on the southwest it is unconformably overlain by the white rhyolite next described as exposed at a point a few hundred feet southerly from the Water Shaft mine. In the deeply eroded main or camp gulch it is exposed extending up the gulch for a mile or more from camp and the mouth of the gulch. At about a third of a mile up from the mouth (of the gulch) it exhibits a fairly well developed vertical columnar structure, several of the columns having castle-like and some pinnacle-like formations.

White rhyolite

Next above and back of the front andesite the white rhyolite occupies about 1/3 of the width of the northeast slope of the range extending from a point 1 mile or more southeast of Ferrell to an equal distance to the northwest of it.

It is a whitish or light-gray rock with a pale greenish tinge. It has a lithoidal texture and is a tuffaceous rhyolite standing near trachyte (spec, 439 and 444). About 80 percent of the rock consists of a crypto-crystalline to glassy base. In places where the rock has been hydrothermally altered it is profusely speckled with small rust brown cavities from which disseminated fine-grained pyrite has been dissolved out. Besides orthoclase and quartz some oligoclase and a little biotite and hornblende are present.

Lavender rhyolite

The next abundant rock is a lavender or reddish fine-grained rhyolite (spec.443), which forms the upper one-third of the northeast slope of the range and is co-extensive with the light rhyolite which, in places at least, it unconformably overlies. It is a lavender-colored sub-medium grained massive tuffaceous rhyolitic rock containing stout prismatic feldspars ranging up to about 2/10 of an inch maximum dimension and numerous small microscopic forms of quartz and biotite.

Besides the three formations afore-described, there is also present occurring as flow bands or sills well up in the range and locally as the cap rock, a dark, medium-grained rhyolite (spec. 441) that weathers with a greenish tinge.

Deposits

The deposits are mostly silver and gold-bearing small veins that occur in the Tertiary volcanic rocks mainly in the front andesite near its contact with the white rhyolite. Some of the veins, however, carry also lead, copper and zinc, and a few are reported to contain also nickel. Some of the veins, as at the Scotia mine, are decidedly manganiferous.

The veins are composed mainly of faulted and crushed mineralized andesite containing or heavily stained dark brown or blackish with iron and manganese oxides. They are generally calcareous and with little or no quartz. In places associated with the veins are mineral-bearing stringers. Both veins and stringers carry the best values and are more extensive where they lie out in the andesite a short distance from the rhyolite contact and parallel with it. Here they generally extend for long distances.

The veins do not prominently outcrop. The larger veins occur in the andesite and lie about parallel with the andesite-rhyolite contact, but they are not so rich as the stringers in the rhyolite which are obliquely, at angles 20° to 30° to the contact. Some stringer zones are as much as 200 feet wide and 1,000 feet long.

Mineralogy

The ore minerals are mainly cerargyrite, gold, argeritite, galena, chalcopyrite, and pyrite, malachite, gran. and manganese oxides. The galena seems to be argentiferous.

Source of the deposits

The deposits seem to be of hypogene origin and to have been formed by magmatic hydrothermal solutions whose circulation through the issues and fractures followed eruptions of one or more of the Tertiary volcanic rocks especially the white rhyolite. They were originally deposited as sulphides, the primary ore minerals being mainly pyrite, argentite, galena, chalcopyrite, and rhodochrosite ?. The pyrite was auriferous and some of it cupriferous, the argentite auriferous, the galena argentiferous, the chalcopyrite auriferous, the rhodochrosite argentiferous. From most of these minerals as they through the agency of erosion were exposed to oxidation the present ore minerals—gold, cerargyrite, copper carbonates, oxides of iron and manganese were derived and through the processes of leaching, redeposition, and replacement and secondary enrichment were concentrated to the present ores.

Outlook

The outlook of the district depends on conditions that would favor the working of small shoots of good-grade silver-gold ore such as have been mined and of which there seems to be a considerable reserve. Below ground-water level in the sulphide zone the deposits will be found to be leaner and some of the veins too small to be profitably mined to any great depth.

Mines and prospects

The district contains about 20 small mines and prospects the most of which are named in the following list and a few of which are described.

Mines and prospects in the Holy Cross (Terrell) district:

Name of mine:

Water Shaft	Cripple Queen
Scotia	Black Butte
Milton	Anchor
Lost Hope	Pyramid
Lost Hope 1	Minerva
Lost Hope 3	Silver Star
Terrell	Poorman
Wingfield	Bullion
Darr	Loma
Jump	

Water Shaft mine

The Water Shaft mine is about 400 feet west-southwest of Terrell on the Silver Star claim at an elevation of about 4,400 feet. The vein strikes about N. 60° E. in the front andesite at about 200 feet northeast of its contact with the overlying white rhyolite, and stands about vertical, has a width of about 3 feet on the 100 level,

and a known extent of 700 feet at the shaft. It is composed mainly of oxidized materials, impure calcite, and other carbonates stained dark brown and blackish with iron and manganese. In places it has a crudely banded structure and resembles impure travertine.

The vein is opened to the depth of 107 feet by a vertical shaft and a 115 crosscut on the 100-foot level. Water was reached at the depth of 94 feet and it soon rose to the 80-foot level.

At the depth of 50 feet the vein is faulted 105 feet to the south and just west of the shaft a 10-foot lateral fault to the south shows on the surface. From just beyond this fault 10 tons of $68 ore was mined and shipped in 1913. The value of the ore is nearly all in silver, contained in cerargyrite, but the ore carries also about $2 in gold to the ton.

West of the shaft the vein has a known extent of 700 feet and is so offset by jog faults that the westerly part of its course is S. 65° W.

In the hydrothermally altered wallrock north of the vein there occur at intervals brown oxidized stringers 2-16 inches wide, said to carry good values in silver.

Scotia mine

The Scotia mine, owned by the S. Consolidated Co. of Boston, is 1/5 mile west of Ferrell on the Silver Star No. 2 claim at an elevation of 4,390 feet or but 10 feet lower than the neighboring Water shaft mine. It was reported to be ~~minimum~~ active in 1915.

The vein dips steeply to the south in the front andesite with a small body or dike ? of the white rhyolite exposed a few hundred feet down the slope to the northeast. It is opened mainly by a 150-foot deep shaft 300 feet of crosscuts and a drift extending 100 feet west of the shaft on the 100-foot level. Water was reached at a depth of 90 feet. The shaft is equipped with a 25-horsepower gasoline hoist.

On the 100-foot level the vein is said to be 2½ feet wide and to contain several stringers of high-grade ore.

In the workings east of the shaft the rock is altered, and the ground soft, and caving and shows stringers or vein material to have been dragged by faulting. No definite vein is exposed but a couple stringers of blackish calcareous manganese oxide 2-10 inches wide dipping 60° E. are said to be mostly good-grade silver ore (Spec. 445). They and the ore are composed mainly of crudely banded calcareous rock material containing or stained dark brown and blackish with manganese oxide and iron and is similar to the ore in the Water Shaft mine. They contain parallel streaks and also small cross veinlets of impure calcite.

In the east crosscut jointing in the andesite dips 45° W., and is locally intersected by another joint system that dips steeply east.

Lena mine

The Lena mine owned by the Lena Mining Company of San Diego is about ½ mile south of Terrell. It is on the Green claim at an elevation of about 4,750 feet.

It is on a 3-5 foot wide vein that strikes northeast-southwest and lies mainly in the front andesite but extends southwestward into the white rhyolite. It dips 70° northwest. It is opened mainly by a 600-foot adit tunnel drift that extends southwestward and is equipped with a 15-horsepower Morse-Banks compressor. The course of the vein and drift is not entirely straight. At about 100 feet in from the portal of the tunnel a 40-foot section of the vein is cross-faulted about 20 feet to the northwest or hanging-wall side and at about the 250-foot point in from the portal the vein ? and drift fork, the so-called right drift continues its southwest course on the main vein to the 300 ft. point while the left drift following a branch or stringer extends southward to the 600-foot point, with the last 50 feet or more in the rhyolite.

The vein is composed mainly of faulted crushed and mineralized andesite containing or being heavily stained with iron and manganese oxides and with but little quartz.

In the rhyolite the vein is composed of crushed and recemented rhyolite stained with iron and manganese oxide and both vein and rhyolite wall rock are pressed and laminated or made schistose with the structure dipping 60° to the west-northwest.

Considerable portions of the vein are said to carry ore the most of which runs about $10 to the ton in silver. This is essentially true for the 2-foot wide faulted section extending from the 100 to the 150-foot points in from the tunnel portal. Just beyond the faulted section 6 inches of the vein is said to average $40 to the ton and at the 200-foot point where the vein is 5 feet wide and has a good hard hanging wall it carries a fair body of $10.75 ore and in the right drift beyond this place is a fair body of $15 ore. At about 550 feet in from the portal a ½ inch wide stringer in the rhyolite was said to be very rich in both gold and silver.

Last Hope mine

The Last Hope mine is nearly a mile south-southwest of Terrell, at an elevation of 5,050 feet. It is on an east-westerly vein that dips southerly in a narrow belt of front andesite near its contact with the overlying white rhyolite and is opened to the depth of 130 feet by a 50° southerly incline shaft known as the Green shaft with drifts and laterals on the 50 and 100-foot levels. At the time of visit in 1913, the company was doing development work, from which it had shipped 7 tons of good-grade ore, and several tons of low-grade ore lay on the dump. Some of the ore is said to be very rich and to run several hundred ounces in silver and $90 in gold to the ton.

Also, a small lot of siliceous gold-silver ore was shipped from the mine in 1921.[4]

4/ U. S. Min. Res. 1921, Pt. I, p. 379.

The vein is from ½ ft. to 4 ft. wide, but in its wider portions the ore values occur mainly in a series of parallel stringers. At the surface the vein follows a joint plane and has a dip of 50° but the dip flattens with descent to the extent that in the bottom of the mine it is only about 25°. On the 100-foot level the mine for some distance follows the andesite-rhyolite contact, but the ore is best developed in the andesite. It was later reported that at greater depths the vein pinches out on the contact. The ore is silver-gold ore, but it contains also considerable lead and a little zinc, especially on and below the 100-foot level. The ore minerals are cerargyrite, galena, which is probably argentiferous, pyrite, and hematite, and specularite. Gypsum in the form of bands and stringers forms a considerable part of the gangue and in the more oxidized ore at shallow depths the ore is stained reddish and blackish with hematite and manganese and besides calcite and quartz contains also a considerable quantity of other carbonates, judging from its calcareous nature. In the deeper part of the mine the ore is mostly sulphide. A stringer found in the eastern part of the mine is thought by the company to probably represent the vein of the Milton mine on the north, said to have a known extent of 3,000 feet.

Terrell mine

The Terrell mine is on the westward continuation of the same vein or fissure as the Last Hope mine which here has a width of 2 feet, and is geologically and mineralogically similar to what it is in the Last Hope mine except that it is better banded and contains more gypsum and galena and higher silver values. It has shipped several tons of mostly high-grade ore. On the ridge westward from the mine the vein seems to be composed mainly of quartz breccia and contains much greenish horn stone.

Jump mine

The Jump mine is about 1-3/4 miles west of Terrell at an elevation of 5,100 feet. It is owned by Harry Davis of Los Angeles. It is on a 9-foot wide vein or lode composed of many mineral-bearing quartz stringers. The lode dips steeply east in altered and crushed andesite near its contact with rhyolite. It has a known extent of 700 feet. Several shallow openings made in the lode are said to have produced 11 tons of silver-gold ore valued at $1958.

Kingfield mine

The Kingfield mine opened by a 100-foot southerly inclined shaft on the same vein as the Last Hope and Terrell mines was said to have shipped $600 worth of high-grade ore, some running 600 ounces silver and $20 in gold to the ton. The vein is 4 feet wide. It is in andesite and the ore is mostly sulphide in the deeper part of the mine.

Darr mine

The Darr mine 1¼ miles southwest of Terrell is in a 2½-foot vein that dips 89° east in rhyolite. It is opened mainly by a 40-foot shaft and is said to have shipped a little ore that ran $12 to the ton. The footwall rock contains many stringers parallel with vein.

Cripple Queen (Martini) mine

The Cripple Queen or Martini mine, owned by F. J. Martini is about 2/3 of a mile southeasterly from Terrell and 1,400 feet higher, being at an elevation of 5,600 feet. It is easterly from the Lena mine. The property comprises an east-west group of 7 claims. It is on a wide mineralized zone dipping 60° northeasterly in the front andesite and other volcanic rocks that seem to form the northeast side of a domal uplift. The zone, however, contains a 2½-foot wide vein that carries considerable $22 ore. It is opened mainly by a 184-foot adit tunnel driven northwesterly of which the latter half crosscuts the zone diagonally.

Black Butte mine

The Black Butte vein dips west in the front andesite near the andesite-rhyolite porphyry contact. It is 30 inches wide and contains 1½ feet of sulphide ore that runs $6.50 to the ton. Some of the concentrates assayed $150 in gold to the ton.

At 40 feet east of the vein the foot-wall rhyolite porphyry contains a 100-foot wide zone of stringers some of which are rich. Thirteen hundred pounds of the ore shipped to the Western Ore Purchasing Co. in 1911 ran $17 in gold and 92 ounces silver to the ton and 12 percent lead, 4 percent iron and 3 percent zinc. A latter shipment of 1,740 lbs. from one of the stringers ran $11.80 in gold and 190 ounces in silver to the ton.

Bellevue prospect

The Bellevue prospect is 1-3/4 miles southwest of Terrell at an elevation of 5,420 feet. It is said to have made a small shipment of ore. The vein dips steeply north in andesite.

Bullion prospect

The Bullion prospect, a manganese property comprising a group of 3 claims owned by R. Z. Hodges, is about a mile southwest of Terrell in Comet Gulch, the first Gulch west of Terrell, at an elevation of about 5,050 feet. A few tons of manganese ore was shipped from it in 1918. The deposit consists of manganese oxides in a shear zone in rhyolite and rhyolite tuff which rocks seem to overlie the white rhyolite and a short distance south of the deposit the rocks are cut by a 200-foot wide northwest-southeast dike of dark hornblende biotite andesite porphyry.

The zone is 50 feet wide and extends east-westerly in which direction stringers and small masses of manganese oxide crop out more or less abundantly for the distance of about 3/4 of a mile. The structure dips gently northerly downstream.

The ore minerals are mainly psilomelane and pyrolusite that have replaced the sheared rhyolite. The associated or gangue minerals are fine-grained silica and iron oxides. Some of the deposit which is mostly of the pyrolusite phase though fairly firm is very fine-grained arenaceous and contains uniformly disseminated minute particles of specularite. The better grades of the deposit contain tabular bodies of fairly pure hard psilomelane an inch and a half or more in thickness.

According to a later examination and report 5/ "the greatest depth attained

5/ Pardee, J. T., U.S.G.S. Bull. 710, pt. I, p. 234.

in the workings is 6 feet. The oxides probably extend to a depth of 25 feet. The largest workable ore body which is 300 feet long and from 5 to 8 feet wide was estimated to contain 10% of manganese and more than 20% of silica and the zone as a whole was estimated to contain 50,000 to 100,000 tons of material that will run from 5 percent to 15 percent of manganese. The material can be concentrated to a high-grade product." "The deposits are in or associated with manganiferous silver veins but the parent mineral from which the manganese oxides were derived is not known."

Lake View mine

The Lake View mine, owned by the Lake View Mining Company 3 (?) miles south of Terrell, is on a 2½-foot vein in andesite, of which 1 foot averages about $50 to the ton, the values being nearly all in silver with small values in gold and copper. This is thought to be on the same vein as the Lone and Scotia mines. 6/

6/ Churchill Co. Eagle, Mar. 28, 1914.

Anchor prospect

The Anchor prospect was being worked in 1913 by Darr & Timson, lessees, who had made two small shipments of $60 ore.

Note — Property may be in Walker River Indian Reservation

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

May 30, 1973

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Mr. Robert E. Gee
President
Silver Arrow Mining Co., Inc.
Rt. 1, Box 24
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Dear Mr. Gee:

Thank you for your letter of May 25, 1973, containing a report on the results of exploratory drilling at the Pyramid Mine accomplished by Nevada Rawhide Mining Co., Inc.

As you are probably aware, an OME contract for exploration of the Pyramid Mine was approved by the Government and sent to Nevada Rawhide Mining Co. in April 1969. This proposed contract was returned unsigned, however, and Mr. Clarence Davis, president of the company, stated that they were going ahead with the exploration at their own expense. We are pleased that the work met with some success.

If you wish to make a new application you may do so by filing a new MME Form 40 and furnishing the information requested in the application form pertinent to your new proposal. This information should include new bank letters, dated within 90 days of the filing date of the new application, a copy of your lease with five copies of Lien and Subordination Agreements signed by the owners, a map showing the proposed location of the new exploration, new cost data including bids by three drilling contractors and/or mining or bulldozing contractors for the proposed work, and any other new information available. Background data contained in the previous application need not be repeated.

In answer to your last question, funds are extremely limited at this time and only the most favorable proposals can be considered. Submittal of the

information outlined above should not be construed as a commitment by the Government that a contract will be offered.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

cc: OME, Wash., D.C.
DRF
ACG RF
MP RF
Docket

HKStager:mkh

Silver Arrow Mining Co., Inc.
Rt. 1, Box 24
Cheney, Wash. 99004
May 25, 1973

United States Dep't of the Interior
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, Calif. 94025

Attn: Mr. Stager

Dear Mr. Stager:

I would like to have information in regards to the possibility of an O.M.E. exploration loan for a silver prospect. The property has previously been approved by your office. R.E. OME-6658 (silver), Nevada Rawhide Mining Co. Inc., Pyramid Mine, Churchill County, Nevada.

Since then Nevada Rawhide Co. has conducted a small four hole drill program, the results of which I enclose for whatever interest, if any, they might be to you.

We have recently acquirred a twenty-five year lease on this property and are very definitely interested in exploring it further. Are there funds available and if so what must we do to make application?

Sincerely,

Robert E. Gee

Robert E. Gee, President
Silver Arrow Mining Co. Inc.

Enclosures: (3)

RESULTS OF SOME EXPLORATORY DRILLING
AT THE
PYRAMID MINE,
TERRILL MINING DISTRICT, CHURCHILL COUNTY, NEVADA,
BY
BERNARD YORK, R.E. No. 161
Prepared for
Nevada Rawhide Mining Company, Inc.
Cheney, Washington. 99004

The Pyramid Mine is in the Terrill Mountains, Terrill Mining District, approximately 25 miles southerly from Fallon, Nevada. The brass cap monument of the Public Land Survey for the ¼ corner between sections 10 and 11, T. 14 N.; R. 29 E., M.D.B.M., is approximately 800 feet easterly of the principal mine workings. This relationship is shown along with other data on the accompanying map. The property, apparently, is within the Walker River Indian Reservation.

The writer did not investigate the mining claims held or being acquired by the Nevada Rawhide Mining Company. nor did he search out or tie by survey any monuments marking the boundaries of such mining claims. Rather, he relied upon Mr. Pete Erb, Fallon, Nevada, to show him the position of the mining area.

GEOLOGY

The mine workings examined are in andesite that appears to be intrusive into tuffaceous rocks. Drill Holes 1 through 4, recently drilled are all within andesite, also. Mineral deposition occurs along several sets of shear zones, one striking northeasterly and dipping to the southeast, another striking about north-south and dipping steeply to the east. There is some evidence that the mineralization is genetically related to the same source as is the andesite intrusive mass.

MINERALIZATION

This area has received the attention of prospectors and miners, intermittently, over a period of many years and some production of gold silver ore is reported from the Pyramid Mine. Several sets of veins have been explored by underground methods and some stoping done (see York report of May 28, 1969). Veins No. 2 and No. 3 strike north-south and dip steeply to the east and are associated with hard, siliceous, outcrops. Elsewhere in the mine silica is not an important part of the vein filling. Vein No. 1, which seems to be more of a gouge zone than a discrete filled vein, contains but minor amounts of quartz and calcite. Metallic minerals are galena, sphalerite, and pyrite, with traces of chalcopyrite, or the oxide products of these minerals. Silver, apparently, is associated with these metallic minerals. Vein No. 1 strikes N. 40 E. and dips 32 to 45 to the southeast. An inclined shaft has been sunk on this vein to an inclined depth of about 170 feet, and work done at several horizons (45 and 95 levels). Since this Vein No. 1 appears to be the main ore structure so far explored, drilling was directed toward the

investigation of this structure at depth below the mine workings.

EXPLORATORY DRILLING

Exploratory drilling was done with a "down-the-hole" (Ingersoll-Rand Drill-master) hammer drill that cut a 5" diameter hole and recovered the sample as drill cuttings. Its performance was excellent and sample recovery complete.

Two vertical drill holes, Hole No. 1 to a depth of 250 feet and Hole No. 2 to a depth of 235 feet were drilled and samples taken. Some of the samples were taken over a depth interval of 10 feet, others over 5 feet. Assays of all samples from Holes No. 1 and No. 2 showed near "nil" values (assays of a trace in gold and less than one once in silver per ton). The position of these holes is shown on the accompanying map. They both penetrated the projected extension of the No. 1 Vein and the No. 2 Hole was aimed at the projected intersection of the No. 3 Vein with the No. 1 Vein.

Two inclined drill holes, Hole No. 3 and Hole No. 4, were drilled from a setup near the position of Hole No. 2. Holes No. 3 and No. 4 were inclined at 45 degrees and pointed to cut across the projected vein structures. Hole No. 3 to the northwest to cut the No. 2 Vein and the No. 1 Vein. Hole No. 4 to the southwest to cut the No. 1 Vein and, speculatively, the contact between the andesite and the tuffs. The projected depth of both of these holes was 300 feet, but they both had to be called off short because of drilling difficulties. Hole No. 3 at a depth of 195 feet and Hole No. 4 at a depth of 240 feet. Samples from Hole No. 3 show some mineralization. Samples 11, 12, 13, 14 and 19 show some gold and silver values, not ore, but sufficient metal to indicate that mineral bearing structures were penetrated. Hole No. 4 entered a mineralized zone at an inclined depth of 170 feet (sample No.18) (vertical depth below the surface of 120 feet) and shows some mineralization to the bottom depth of 240 feet. Sample intervals in Hole No. 4 were 10 feet. The assay results of samples No. 17 through 24 are shown on the accompanying map. Sample NO. 18, the best in the lot, shows, 0.07 oz. per ton gold and 15.47 oz. per ton silver. Sample No. 19 contains 0.05 oz. per ton gold and 7.38 oz. per ton silver. The quality of material indicated here, while not "highgrade" is sufficient to indicate an important discovery. Inspection of the vertical view of the map shows that the mineralized portion of Hole No. 4 begins at the No. 1 Vein as that vein is projected, an extends downward. Further, the mineral characteristics of these samples are similar to material observed in the No. 1 Vein in the mine workings. Inspection of pan concentrates of these samples shows galena, sphalerite, pyrite. My estimate of the quantity of sulphide concentrates (total) for samples No. 18 and No. 19 is about 2% of the material. For samples No. 20 through 24, some what less. Estimated at about ½% to 1% of the sample material. The material of samples No. 18 through No. 24 show no iron oxide or manganese oxide. Oxidation appears to cease at the depth of Sample No. 17.

RECOMMENDATIONS

Hole No. 4 brought up some interesting information, showing some mineralization over 60 feet of this hole and the minerals present are similar in composition to those elsewhere in the Pyramid Line. However, the real potential of this find remains to be tested. Hole No. 4 gives one set of samples but the true shape, size and attitude of the structure remain undetermined at this time. Additional exploratory drilling should be done. First, a vertical hole through the structure very near where Hole No. 4 penetrated the structure. This hole would obtain more information on the geometry of this ore structure and thus provide some guidace for additional drilling. Then more holes (vertical if the topography will permit) should be drilled off to the west, south and southwest, as the accumulated results indicate. Tractor work will be necessary in preparing the surface for drill sites and roadways leading to such sites.

This first hole of the new set, which we shall call "proposed hole No. 5", should enter the structure at a vertical depth of about 160 feet (it will be collared at a horizon about 40 feet abouve that of Hole No. 4) and should go to a depth of at least 220 feet. This next stage of exploring should provide for at least 1000 feet of drilling but the choice of position of holes, beyond the Proposed Hole No. 5, should await the results of drilling of Proposed Hole No. 5. If the drilling of this second set of holes begins to prove up a body of ore, and the prospects appear favorable for finding such a body, then further exploring can be planned as circumstances indicate.

Drilling with the "down-the-hole" drill proved fairly satisfactory for Holes Nos. 1 through 4, and, provided vertical holes can be employed, would probably be satisfactory for the next set of holes. This tool is fast, but seems to get into trouble on inclined holes. However, what ever type of drill be used, I suggest that investigation of the sample material be done immediately upon gaining that material. This can be done by panning and inspection of the pan concentrates. Information gained immediately can be put to use in guiding the drilling. The samples will still have to be assayed but this hurry-up information can be of real help in reaching decisions that can not await the assays.

Sample tabulations and assays are attached herewith.

respectfully submitted,

Bernard York

Bernard York, R.E. No. 161
2475 Rice Road
Fallon, Nevada. 89406
September 9, 1969.

Mineral Assay Office, Inc.

ASSAYERS & CHEMISTS

E. B. GATES, JR., MGR.
P. O. BOX 275 MINA, NEVADA 89422
PHONE: MINA 301

Nevada Rawhide Mining Co., Inc.
Cheney, Washington 99004

August 20, 1969

ASSAY CERTIFICATE

Office Number	Sample Mark		Gold Oz./Ton	Silver Oz./Ton	DEPTH INTERVAL Ft.
30,315	Hole 1	0' - 10'	Trace	0.12	0-10
30,316	"	10' - 20'	0.005	0.09	10-20
30,317	"	20' - 30'	Trace	0.10	20-30
30,318	"	30' - 40'	Trace	Nil	30-40
30,319	"	40' - 50'	Trace	0.05	40-50
30,320	"	50' - 60'	Trace	0.07	50-60
30,321	"	60' - 65'	Trace	0.09	60-65
30,322	"	65' - 70'	Trace	0.03	65-70
30,323	"	70' - 75'	Trace	0.04	70-75
30,324	"	75' - 85'	Trace	0.12	75-85
30,325	"	85' - 95'	Trace	0.09	85-95
30,326	"	95' - 100'	Trace	0.02	95-100
30,327	"	105' - 115'	Trace	0.09	105-115
30,328	"	115' - 125'	Trace	Nil	115-125
30,329	"	125' - 135'	Trace	0.07	125-135
30,330	"	135' - 145'	Trace	Nil	135-145
30,331	"	145' - 155'	Trace	0.12	145-155
30,332	"	155' - 165'	Trace	0.06	155-165
30,333	"	165' - 175'	Trace	0.06	165-175
30,334	"	175' - 185'	Trace	0.07	175-185
Office Number	Mark		Oz./Ton	Oz./Ton	
30,335	Hole 1	185' - 195'	Trace	0.17	185-195
30,336	"	195' - 205'	Trace	0.08	195-205
30,337	"	205' - 215'	0.01	0.49	205-215
30,338	"	215' - 220'	Trace	0.14	215-220
30,339	"	220' - 225'	Trace	0.17	220-225
30,340	"	225' - 230'	Trace	0.11	225-230
30,341	"	230' - 235'	Trace	0.12	230-235
30,342	"	235' - 240'	Trace	Nil	235-240
30,343	"	240' - 245'	Trace	0.12	240-245
30,344	"	245' - 250'	Trace	0.18	245-250

By _____ Assayer

COPY

Mineral Assay Office, Inc.

ASSAYERS & CHEMISTS

R. S. GATES, JR., MGR.
P. O. BOX 270 MINA, NEVADA 89422
PHONE: MINA 291

Nevada Rawhide Mining Co., Inc.
Cheney, Washington 99004

August 9, 1969

ASSAY CERTIFICATE

Office Number	Sample Mark	DEPTH INTERVAL FT.	Gold Oz./Ton	Silver Oz./Ton
30,345	Hole 2	0' - 10'	Trace	0.05
30,346	"	10' - 20'	Trace	0.14
30,347	"	20' - 30'	Trace	0.02
30,348	"	30' - 40'	Trace	0.07
30,349	"	40' - 50'	Trace	0.05
30,350	"	50' - 60'	Trace	0.09
30,351	"	60' - 70'	Trace	0.34
30,352	"	70' - 80'	Trace	0.11
30,353	"	80' - 90'	Trace	0.09
30,354	"	90' - 100'	Trace	0.14
30,355	"	100' - 110'	Trace	0.12
30,356	"	110' - 120'	0.005	0.08
30,357	"	120' - 130'	Trace	0.20
30,358	"	130' - 140'	Trace	0.12
30,359	"	140' - 150'	Trace	0.19
30,360	"	150' - 155'	Trace	0.09
30,361	"	155' - 160'	Trace	0.11
30,362	"	160' - 165'	Trace	0.09
30,363	"	165' - 170'	Trace	0.21
30,364	"	170' - 175'	Trace	0.09
30,365	"	175' - 180'	Trace	0.09
30,366	"	180' - 185'	Trace	0.07
30,367	"	185' - 190'	Trace	0.09
30,368	"	190' - 195'	Trace	0.07
30,369	"	195' - 200'	Trace	0.03
30,370	"	200' - 205'	Trace	0.02
30,371	"	205' - 210'	Trace	0.04
30,372	"	210' - 215'	0.025	0.13
30,373	"	215' - 220'	Trace	0.07
30,374	"	220' - 225'	Trace	0.09
30,375	"	225' - 230'	0.005	0.10
30,376	"	230' - 235'	Trace	0.06

By [illegible] Assayer

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. B. GATES, JR., MGR.

P. O. BOX 275 MINA, NEVADA 89422

PHONE: 702-573-2293

Nevada Rawhide Mining Co., Inc.
Mr. Clarence Davis
114 College
Cheney, Washington

August 27, 1969

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES:

OFFICE No.	SAMPLE MARK	GOLD OZ. PER TON	SILVER OZ. PER TON	DEPTH INTERVAL FT.
	Hole #3			
30,377	#1	Trace	0.11	0-10
30,378	2	Trace	0.11	10-20
30,379	3	Trace	0.14	20-30
30,380	4	Trace	0.10	30-40
30,381	5	Trace	1.65	40-50
30,382	6	Trace	1.41	50-60
30,383	7	0.005	0.43	60-70
30,384	8	0.005	0.18	70-80
30,385	9	Trace	0.26	80-90
30,386	10	Trace	0.45	90-100
30,387	11	Trace	1.71	100-110
30,388	12	Trace	1.37	110-120
30,389	13	Trace	2.39	120-130
30,390	14	Trace	1.17	130-140
30,391	15	Trace	0.59	140-150
30,392	16	Trace	0.31	150-160
30,393	17	Trace	0.54	160-170
30,394	18	Trace	0.32	170-180
30,395	19	Trace	4.54	180-190
30,396	20	Trace	0.22	190-195

By E. B. Gates Jr.
Assayer

Mineral Assay Office, Inc.

ASSAY CERTIFICATE

ASSAYERS & CHEMISTS

E. G. GATES, JR., MGR.
P. O. BOX 278 MINA, NEVADA 89422
PHONE: 702-573-2236

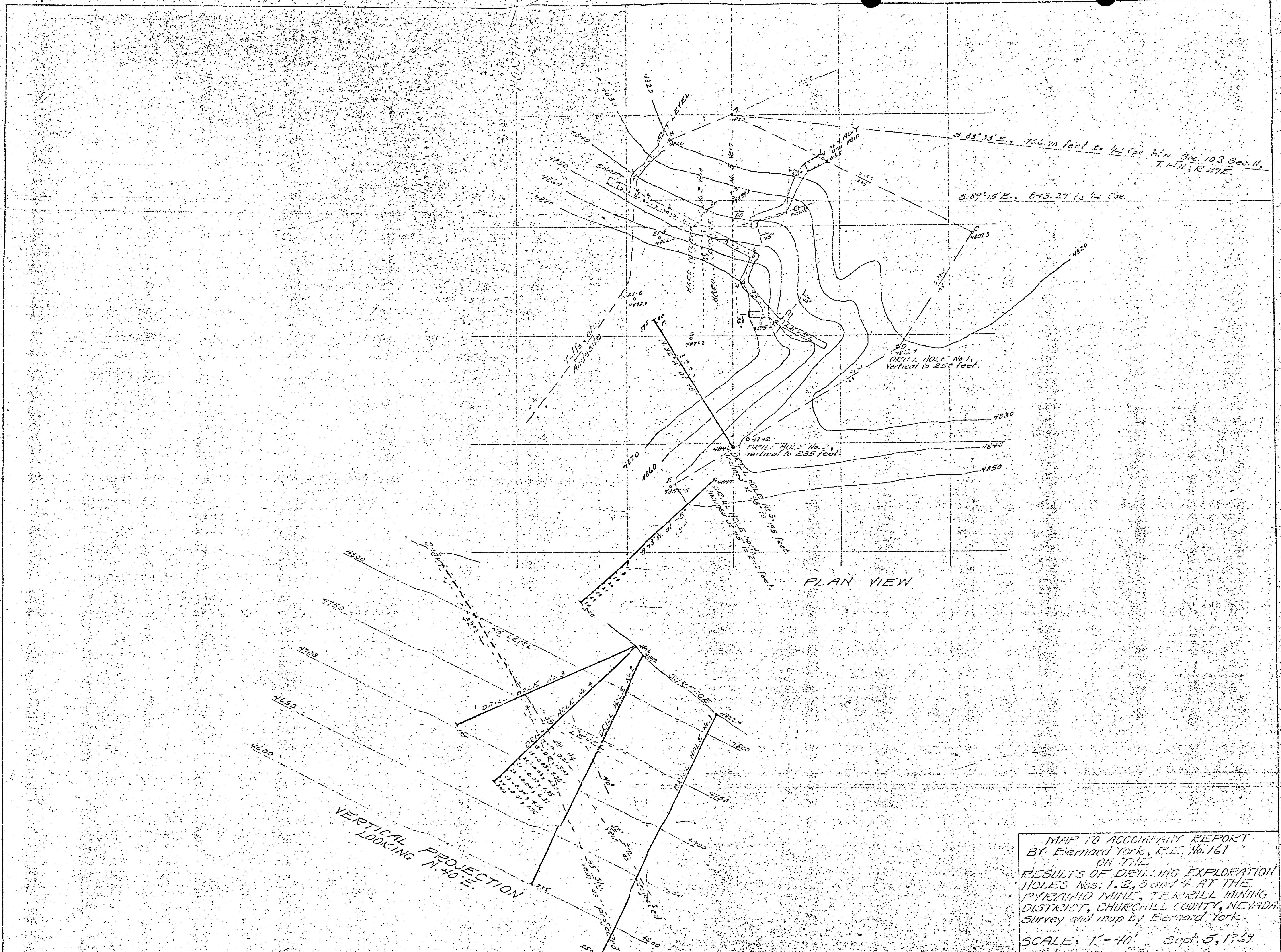
Nevada Rawhide Mining Co., Inc.
Mr. Clarence Davis
114 College
Cheney, Washington

August 27, 1969

WE HEREBY SUBMIT THE RESULTS OF ASSAYS MADE ON THE FOLLOWING SAMPLES:

OFFICE NO.	SAMPLE MARK	GOLD OZ. PER TON	SILVER OZ. PER TON	DEPTH INTERVAL FT.
	Hole #4			
30,397	#1	Trace	0.11	0-10
30,398	2	Trace	0.09	10-20
30,399	3	0.01	0.11	20-30
30,400	4	Trace	0.19	30-40
30,401	5	Trace	0.10	40-50
30,402	6	Trace	0.15	50-60
30,403	7	Trace	0.10	60-70
30,404	8	Trace	0.14	70-80
30,405	9	Trace	0.16	80-90
30,406	10	Trace	0.12	90-100
30,407	11	Trace	0.15	100-110
30,408	12	Trace	1.20	110-120
30,409	13	Trace	1.92	120-130
30,410	14	Trace	0.86	130-140
30,411	15	Trace	0.54	140-150
30,412	16	Trace	0.29	150-160
30,413	17	Trace	0.21	160-170
30,414	18	0.07	15.47	170-180
30,415	19	0.05	7.38	180-190
30,416	20	0.03	4.20	190-200
30,417	21	0.03	1.95	200-210
30,418	22	0.04	6.31	210-220
30,419	23	0.04	4.16	220-230
30,420	24	0.01	1.76	230-240

By [signature]
Assayer



MAP TO ACCOMPANY REPORT
BY Bernard York, R.E. No. 161
ON THE
RESULTS OF DRILLING EXPLORATION HOLES Nos. 1, 2, 3 and 4 AT THE PYRAMID MINE, TERRILL MINING DISTRICT, CHURCHILL COUNTY, NEVADA.
Survey and map by Bernard York.

SCALE: 1" = 40'   Sept. 5, 1969.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/12/69	Peterson	120
		120
	bal	120M
		220

May 12, 1969

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

The Applicant has returned, unsigned, the proposed contract to explore the subject property. He explained that the proposed contract did not permit the drilling depth believed necessary to explore for large bodies of ore, so his own funds will be used for drilling operation.

The Field Officer had concluded and this office concurred that the proposed deep drilling was essentially prospecting and could not be justified as part of an OME project.

The application and proposed contract are hereby considered as withdrawn.

Harold Kirkemo

Harold Kirkemo

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region II
Mr. Peterson
Mr. Kirkemo

HKirkemo/gla 5-12-69

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

May 9, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 12 1969

INITIALS	CODE
gla	30
Bal	20
HK	420
	120

220

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Enclosed are the original and four copies of the proposed contract for the subject property, returned unsigned by the Applicant, together with a copy of their transmittal letter giving the reasons for refusing the contract.

H. K. Stager

Enclosures

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 30, 1969

Mr. Clarence Davis, President
Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Dear Mr. Davis:

Receipt of the original and two copies of the referenced contract which you have returned unsigned is hereby acknowledged. In accordance with our letter of April 11, 1969, will you please also return the Operator's copy to this office.

We regret that you now consider the proposed drilling program described in the contract to be inadequate. We note that you are going ahead with the drilling at your own expense, and that if it proves successful you will be interested in a production loan. Inasmuch as the OME program is restricted to exploration and does not include development or production projects, you should direct such inquiries to the Small Business Administration or to private industry. We wish you the best of success in your drilling project.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

RMSmith:mkh

CLARENCE DAVIS, President

ARTHUR COLVAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue
Cheney, Washington

April [illegible], 1969

United States Dept. of Interior
Geological Survey
Office of Minerals Exploration
345 Middlefield Road
Merlo Park, California 94025

RE: OME-6658 (Silver)
Nevada Rawhide MiningCo., Inc.
Pyramid Mine
Churchill County, Nevada

Attention: H. K. Stager - Field Officer
OME, Region II

Dear Sir:

We received the contract sent by you, but we feel at this time that it does not cover the necessary depth in drill holes to justify development or exploration in any large bodies of ore.

At this time we are using our own funds to go ahead with the drilling operation. If it proves successful, we will be interested in making a production loan.

Sincerely yours,

Clarence Davis

Clarence Davis, President
Nevada Rawhide Mining Co.

CD:v

RECEIVED
APR 30 1969
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

April 11, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
APR 14 1969

INITIALS	CODE
	~~130~~
bel	120
HR	~~120~~
	120

Mr. Clarence Davis, President
Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Dear Mr. Davis:

Enclosed are the original and three copies of a proposed contract for the subject property. The contract consists of MME Form 51 (5 pages), Annex I (1 page), Exhibit A (3 pages), Exhibit B (1 page), and two maps (Figures 1 and 2). All copies have been signed for the Government.

If the proposed contract is satisfactory to you, all four copies should be signed by an authorized representative of the Nevada Rawhide Mining Co., Inc., and the Government's copy, Budget and Finance's copy, and Field Office's copy returned to this office. The Operator's copy should be retained for your files.

Please note that the 8½ percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval, the original and all copies should be returned to this office together with the proposed changes for consideration.

I have talked to Mr. Fleming, by telephone, today, and informed him of the contract. He stated that work could be started by about April 15 or 20, 1969.

If you have any questions, please call me.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

cc: OME, Wash., D.C.
Dir. RF
ACG RF
MP RF
Docket

HKStager:mkh

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/2/69	Petusm	120
	Kirkemo	120
4/4	Kilgoard	220
4/4	[illegible]	
		120
4/8	[illegible]	220
		120M

APR 8 1969

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Acting Chief, Office of Minerals Exploration

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Enclosed are the original and three copies of a proposed contract for the subject property. The contract consists of MME Form 51 (5 pages), Annex I (1 page), Exhibit A (3 pages), Exhibit B (1 page), and two maps (Figures 1 and 2). All copies of the contract have been signed for the Government. You should insert the date for commencement of the work. Also enclosed is an extra copy of the contract for field use.

If the proposed contract is satisfactory to you and the Applicant, all four copies should be signed by an authorized representative of the Applicant. Thereafter, please distribute the copies as usual.

Please advise the Applicant that the 8-1/4 percent interest accrues from the dates on which individual payments are made by the Government and like the principal is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Harold Kirkemo

Enclosures

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Kirkemo
130

BSLong/1 4/2/69

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO: Assoc. Sol., MR, Room 6554 (Through Room 6042) — DATE INITIALS

1.

2. Mr. Peterson, Room 4459

3.

4.

5.

FROM: Chief, OME

INTERIOR DEPT.
JAN 30 1969
SOLICITOR
2575
(3123

FOR: Check items for action desired

____	Action	____	Reply for signature of ____		
X	Approval	____	Investigate	____	Surname
____	Comment	____	Recommendations	____	Signature
____	Conference	X	Rewrite	____	File
____	Instructions		Your information		

REMARKS:

Please return maps, Figures 1 and 2.

RECEIVED
JAN 31 1969
Division of Mineral Resources
and General Legal Services

INT.-DUP. SEC., WASH., D.C. M56300-62

so Reg 1/29

ap 120

HK ~~120~~

~~110~~ 119

120M

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME-6658	Silver		Churchill	Nevada

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Nevada Rawhide Mining Co., Inc.

_____,

whose mailing address is **114 College Avenue, Cheney, Washington 99004**, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $**17,000.00**. The Government will contribute 75 percent of the total fixed unit costs of the work performed, not in excess of $**12,750.00** in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. Operator's rights in land.--(a)The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

SEE ANNEX I

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

SEE ANNEX I

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(b), but all payments by the Government are provisional only, subject to audit. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with three copies of a final report (in addition to the final monthly report). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the preparation or completion of same with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. Officials not to benefit.--No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U. S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

_____

_____

_____

_____

Executed in quintuplicate the day and year first above written.

NEVADA RAWHIDE MINING CO., INC.
(Operator)

By _____

Title _____

THE UNITED STATES OF AMERICA

By **Director, U. S. Geological Survey**

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) 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]

DRAFT 12/24/68
ECPeterson/bsl

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

ANNEX I

The land including all rights pertaining thereto, referred to in Article 2 of the contract, consists of five (5) unpatented lode mining claims in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada. It is shown on Figure 1 entitled, "Property map, Pyramid Mine, Churchill County, Nevada," attached and made part hereof.

The claims are recorded in the Office of the Churchill County Recorder, Fallon, Nevada, as follows:

Name	Book	Page
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54
Pyramid	24	376
Pyramid fraction	14	416

The Operator is owner of the claims under the terms of a Mining Deed dated October 25, 1967, from the former owner, Commonwealth Silver, Inc. A copy of the Mining Deed is incorporated herein by reference.

EXPLORATION CONTRACT
NEVADA RAWHIDE MINING CO., INC.
OME-6658

EXHIBIT A

The purpose of this project is to explore by diamond drilling from prepared surface sites for silver-bearing ore bodies in or near faults which cut volcanic rocks of Tertiary age.

General Provisions

All drill holes shall be completed with Standard NX core size or equivalent wire line size.

All drill holes shall be cased as necessary. The Government will not contribute to the cost of casing left in a hole at the Operator's request.

Diamond drill core shall be stored in boxes identified by hole numbers with markers in the core sections indicating the depths represented.

Facilities shall be provided for recovering drill sludge, and such sludge shall be retained when drilling in significantly mineralized rock.

All drill core shall be logged and significantly mineralized core shall be split and one split assayed. Whenever core recovery is less than 60 percent, a split of the corresponding retained sludge shall be assayed separately. The remaining core shall be stored in suitable containers properly identified as to hole number and depth.

All splits of samples for assay shall be analyzed for silver and gold.

True copies of assay certificates, copies of drill logs, and maps or sketches showing the work completed during the reporting period, the location and width of all samples taken, and the geological formations and structures traversed by the drill holes shall be furnished monthly to the Government.

Stored samples shall be made available for Government inspection and possible use, and may be disposed of with prior Government approval.

The Operator shall provide such supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval.

The Government will not contribute to the costs of incomplete drill holes.

Description of the Work

The work shall consist of drilling 7 holes totalling not more than 1,200 feet. The approximate locations of the drill holes are shown on Figure 2 entitled, "Map of the Pyramid Mine, showing proposed exploration, Churchill County, Nevada," attached and made part hereof.

The hole number, approximate bearing, inclination, and length of each hole are as follows:

Hole No.	Bearing	Inclination	Total Length Feet (including overburden drilling
1	N 65° W	-35°	155
2	N 65° W	-60°	140
3	N 65° W	-60°	210
4	-	-90°	210
5	S 60° W	-40°	130
6	N 60° W	-45°	180
7	-	-90°	175

Estimated Costs of the Project ~~Fixed Unit Costs~~ Fixed Unit Costs 1/

Mobilization and demobilization,	
one drill unit	$ 250.00
Diamond drilling,	
1,200 feet @ $10.00/foot 2/	12,000.00
Moving between sites and seting up drill rig,	
4 moves @ $120.00/move	480.00
Lost casing in completed holes,	
100 feet @ $2.50/foot	250.00
1-Supervisor,	
2 months @ $1,000/month	2,000.00
1-Outside consultant,	
8 days @ $75.00/day	600.00

Per diem, outside consultant,		
8 days @ $16.00/day	$ 128.00	
Transportation for consultant,		
450 miles @ $0.12¢/mile	54.00	
Office and accounting expenses,		
2 months @ $50.00/month	100.00	
Rental, one house trailer, including fuel,		
2 months @ $110.00/month	220.00	
Rental, one pickup truck, including gasoline,		
2 months @ $150.00/month	300.00	
Cardboard core boxes,		
108 @ $1.00/each	108.00	
Sample bags,		
100 @ $0.10¢/each	10.00	
Assaying for gold and silver,		
100 samples @ $5.00/sample	500.00	
Total Estimated Cost of Project		$17,000.00
Government participation @ 75%		$12,750.00

1/ The Government retains no equity in any of theequipment or materials used.

2/ Includes all costs whatsoever such as cementing and redrilling, drill mud, additives, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington 99004

JAN, 23, 1969

UNITED STATES

DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

RE. OME..6658 SILVER

NEVADA RAWHIE MINING CO, INC.

CHURCHILL COUNTY, NEVADA

DEAR MR. JOHNSON.

YOUR LETTER OF JAN.16. 1969, WE WISH TO ADVISE YOU THAT THIS PROGRAM IS ACCEPTABLE BY OURCOMPANY, WE WILL BE LOOKING FORWARD TO RECEIVING CONTRACT.

SINCERELY YOURS

Clarence Davis

CLARENCE DAVIS

PRESIDENT OF N.R.H. MINING CO.

OFFICIAL COPY O. M. E. RECEIVED JAN 27 1969

INITIALS CODES

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
1/16/69	Peterson	120
1/16/69	Kirkemo	120
		110
1/16		220
		120M

AIRMAIL

Mr. Clarence Davis, President
Nevada Rawhide Mining Co., Inc.
114 College Ave.
Cheney, Washington 99004

JAN 16 1969

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Dear Mr. Davis:

This is in response to your inquiry of January 14 to Mr. Harold Stager concerning the present status of the cited application for financial assistance.

We have prepared a draft of a contract in which the proposed exploration is similar to that recommended by Mr. Edmond Lawrence in his report on the Pyramid mine. The total estimated cost of the proposed project is $17,000.00 with the Government contributing 75 percent to the allowable costs or a maximum of $12,750.00.

Unfortunately, at this time funds for contracting purposes are limited to current contracts. Therefore, we will be unable to offer you this contract until after April 1, when additional funds are expected to become available.

If such a program is acceptable to you under these conditions, please advise us, and we will be glad to complete the contract and forward it to you for review and signature sometime before April 1.

Sincerely yours,

FRANK E. JOHNSON (gfa)

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson

ECPeterson/bsl 1/16/69

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

December 20, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
DEC 20 1968

INITIALS	CODE
gla	130
[illegible]	120
[illegible]	110
EP	120 P

Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Enclosed is an Application Report on the subject property recommending that a contract be approved consisting of 1,200 feet of drilling, from surface sites, at an estimated cost of $17,186.00.

Also enclosed are extra copies of Figures 2 and 3 for your use if a contract is granted.

H. K. Stager

Enclosures

UNITED STATES

DEPARTMENT OF THE INTERIOR

STEWART L. UDALL, SECRETARY

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

On-site Exam Report

APPLICATION REPORT

OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

By

H. K. Stager
Field Officer
OME, Region II

December 20, 1968

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ILLUSTRATIONS

Figure 1. Index map of Churchill County, Nevada

Figure 2. Property map of Pyramid Mine

Figure 3. Map showing proposed exploration

INTRODUCTION

Nevada Rawhide Mining Company, Incorporated, 114 College Avenue, Cheney, Washington 99004, applied to the Office of Minerals Exploration for Government assistance in an exploration project, Docket OME-6658, to explore for silver at the Pyramid Mine, Churchill County, Nevada. The Applicant infers the presence of silver-bearing ore shoots along faults in volcanic rocks of Tertiary age and wishes to explore for these ore bodies by diamond drilling from surface sites.

A field examination was requested by the Office of Minerals Exploration and was made by H. K. Stager, Field Officer, on October 15, 1968, accompanied by Mr. P. W. Fleming, field manager for the Applicant, and Mr. E. F. Lawrence, consulting mining geologist for the Applicant. The Applicant's maps, cross sections, assay data, and geologic reports were examined and compared with surface and underground exposures in the mine area.

SUMMARY

$36,000 + 1,800 my GP.

The Pyramid Mine has yielded about 18,000 ounces of silver from about 1,000 tons of ore mined from shoots in veins localized along faults cutting volcanic rocks of Tertiary age. The results of the Applicant's sampling and of the field examination indicate that the geologic probability of finding other minable ore shoots as a result of the proposed exploration is good. The proposed exploration consists of 1,200 feet of diamond drilling in 7 holes from 5 surface sites. The program will require about 2 months to complete and is acceptable to the Applicant. The project site is accessible and facilities for accomplishing the work are available.

RECOMMENDATIONS

It is recommended that the Government enter into a contract with Nevada Rawhide Mining Co., Inc., to provide 75 percent of the costs of the proposed program to explore the Pyramid Mine. The program will require about 2 months to complete and the Government's share of the estimated total cost of $17,186.00 would be $12,889.50. To facilitate administration of the contract, the work should be based on unit costs rather than actual costs, insofar as is possible.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Pyramid Mine is in secs. 10 and 11, T. 14 N., R. 29 E., MDBM, Holy Cross (Terrell) mining district, Churchill County, Nevada (Fig. 1), on the northeast flank of the Terrill Mountains, at an altitude of about 4,800 feet.

To reach the property, that is about 10 miles northeast of Schurz (the closest town), drive 15 miles north on U. S. Highway 95, turn right (east) on the Rawhide Flats Road and drive 3 miles to the Pyramid Mine Road, then turn right (south) and drive about 3 miles to the property. The road is passable to ordinary passenger vehicles except for the last mile where steep grades and rough road may require a four-wheel-drive vehicle when wet or icy. The drive from Schurz usually requires about one hour.

Mail, telephone, trucking, and railroad services are available in Schurz (20 miles) or in Fallon (30 miles). Labor, mining equipment, materials, supplies, and timber are also available in Fallon or Reno (90 miles). Water is scarce but can be hauled from Schurz or obtained from old mine shafts or wells within about 6 miles of the property. Assay service is available in Reno or Mina (90 miles) at $3-$5 per sample for silver and gold.

PROPERTY

History and Production

Silver was first discovered in the district by J. V. (Judd) Terrell and George Pollinger in 1910. Most of the mines in the district had been discovered by 1913. Production for the district from 1910 to 1921 totaled about 150 tons of high-grade silver ore with a value of about $9,000. There was only sporadic activity between 1921 and 1953 when a small mill was placed in production at the Pyramid Mine. Between 1953 and 1955 about 14 tons of concentrate was produced and shipped to the A. S. and R. Smelter at Selby, California. This concentrate yielded 17,040.82 ounces of silver with a value of $14,570.33. Some minor values in gold and lead were also contained in the ores.

Ownership

The property consists of 5 unpatented mining claims owned by the Applicant. These claims are recorded at Fallon, Nevada, as follows:

Claim Name	Book	Page
Pyramid	24	376
Pyramid Fraction	14	416
Anchor	14	2
Anchor No. 1	14	3
Happy Kate	14	54

The area covered by the claims is shown in Figure 2. An additional claim, known as the North Star, is shown on the Applicant's map and was included in the original application. This claim was located after 1936, when the area was added to the Walker River Indian Reservation, and its title is in question. The 5 claims listed above were located prior to 1936 (Anchor Claims in 1912 and the Pyramid and Happy Kate Claims in 1921)

and were excluded from the land transferred to tribal ownership. The North Star Claim is not necessary to the proposed project and should not be included if a contract is approved.

Financial Eligibility

The Applicant furnished copies of letters to three banks requesting loans for the proposed work and also copies of letters denying the loans. A copy of a recent financial statement for the company was also submitted. The Applicant proposes to furnish its share of the exploration costs in cash.

Development

The Pyramid Mine is developed by four short adits; an inclined shaft about 160 feet in depth with about 700 feet of workings on 4 levels; and several bulldozer trenches. These workings are open and accessible. Maps and cross sections of the mine are contained in the application. No underground work has been done at the mine since about 1955 and there are no surface or underground facilities in operating condition at this time.

GEOLOGY

Geologic Setting

The Pyramid Mine is in an area of moderate relief and much of the surface is covered by alluvium and slope wash which, in places, is 10 feet or more in depth.

The rocks exposed on the property are largely volcanic tuffs intruded by andesite plugs, dikes, and sills of Tertiary age. The tuffs are both air and water-lain and range in composition from rhyolitic to quartz-latitic. They are generally white to buff in color but are locally highly altered and range from red-brown to lavender, particularly in the vicinity of the andesite intrusives.

The property is within the Walker Lane fault zone. There are two major sets of faults, one set striking N. 15° to 60° E. with moderate to steep southeast dips, and the other set striking north to N. 10° W. and dipping steeply northeast. It is along these faults that the silver-bearing veins occur. Several faults, with only minor displacement, strike east-west or northwest and intersect the major sets in the mine area.

Ore Deposits

The silver-bearing ore shoots that have been mined in the Pyramid Mine occur in veins along faults in both tuff and andesite. The veins are from a few inches to as much as 10 feet in thickness with the mineralization locally extending out into the breccia and gouge in the walls of the fault zones. The principal ore minerals are cerargyrite, argentite, and argentiferous galena, with minor quantities of chalcopyrite, malachite, and some free gold. Gangue minerals are quartz, calcite, pyrite, and rhodochrosite. Silicification often extends into the fault gouge and these silicified zones are commonly silver bearing. The highest grade ore generally occurs in the tuffs near the andesite contact, but the most extensive ore bodies are in the andesite.

The ore bodies that have been mined range in size from small pods containing a few tons of ore to shoots 100 feet in length, 70 feet down the dip, with an average thickness of about 2 feet and containing about 500 tons of ore. The grade of the ore mined ranged from less than 1 ounce to as much as 1,000 ounces of silver per ton but probably averaged between 15 and 20 ounces of silver per ton. Gold content ranges from a trace to 0.07 ounce per ton and lead content from a trace to 20 percent but in general both are insignificant and silver is the principal metal of value.

Sampling

No samples were taken during the examination. An assay map, attached to the application, shows the locations and silver assays for about 40 samples taken by the Applicant and by the consulting mining geologist. These samples indicate that silver-bearing material of minable thickness and grade is presently exposed in the walls of the old stopes and drifts.

Ore Reserves

Estimates of reserves were not made by the Applicant. Total production from the mine to date has been about 1,000 tons of ore that averaged about 18 ounces of silver per ton. This ore was mined from the parts of the veins above the 45 level, or from about 200 feet of strike length and 70 feet of dip length on the principal veins. About this same quantity of ore is indicated in unmined parts of the veins exposed in the present workings and several times the total amount can be inferred above the bottom (95) level. The targets of the proposed exploration are other similar ore shoots, inferred to contain about 5,000 tons of ore, in the known veins to a depth of about 100 feet below the deepest mine exposures. Total indicated and inferred reserves are estimated to be about 10,000 tons of ore with an average grade of about 18 ounces of silver per ton.

180,000 oz
$360,000
@$20.00

EXPLORATION

Applicant's Proposal

The Applicant originally proposed to explore the mine by deepening the shaft 424 feet and driving 120 feet of drifts on 3 levels. Total cost of this proposal was estimated at about $131,540. This proposal was unsatisfactory to the OME and as a result the Applicant submitted an amended proposal consisting of 1,629 feet of diamond drilling in 8 holes from 5 surface sites at an estimated cost of $23,396.

During the field examination the amended proposal was discussed in detail and each hole was considered as to its individual target and favorability. The amended project is probably the most effective method of testing the potential of the deposit although additional drilling will probably be necessary to properly plan future development.

The Applicant's proposed Hole No. 8 (deepening Hole No. 7 an additional 444 feet) to check the contact of the andesite, tuff, and diorite at depth is essentially prospecting and as such probably cannot be justified as part of the OME project.

Examiner's Proposal

A single stage drilling project is proposed consisting of 7 holes, ranging in depth from about 120 feet to 210 feet, as shown on Figure 3 and on Plates 5 through 10 of the report by E. F. Lawrence. This project should be ample to prove the downward continuation of the ore-bearing veins and the potential of the deposit. Drill hole numbers are those designated by the Applicant and the depths, inclinations, and targets are those indicated by Mr. Lawrence.

Proposed Exploration Costs

The Applicant presented detailed cost estimates based upon bids from drilling contractors. In general these costs are reasonable for the area and type of work to be done.

The access roads and drill sites are completed and in satisfactory condition. With the exception of mobilization, moving and setting up between holes, and lost casing, all drilling costs including water supply should be covered by a fixed unit cost of $10 per foot of drilling. Inasmuch as

Hole No. 8 has been eliminated, drilling will not exceed 300 feet in depth in any hole and the contractor's (Boyles Bros.) base price of $6.90 per foot for holes 0 to 300 feet will not be exceeded. The $3.10 per foot additional should cover all other drilling costs. Because of the short period of drilling estimated (2 months), supervision costs of $1,000 per month are not excessive. The consultant's normal fee is $125 per day but this has been arbitrarily reduced to $100 per day for the 8 days estimated. The number of estimated samples has been reduced to 100 but the cost per assay increased to $5 to allow for splitting, handling, and transportation. Office expenses on this small project should not exceed $50 per month.

Cost Estimate

Fixed Unit Costs

Mobilization of drill rig	$ 250.00
Diamond drilling, NX or equivalent wireline size, 7 holes 100 to 300 feet in depth each from 5 sites, including all costs whatsoever, such as cementing and redrilling, drill mud additives, hole plugging agents, reaming and casing, supply and transportation of water for drilling, delays for the convenience of the Operator, etc.	
1,200 feet at $10.00 per foot	12,000.00
Moving and setting up drill rig following first hole, 4 moves at $120.00 each	480.00
Lost casing, 100 feet at $2.50 per foot	250.00
Supervision, 2 months at $1,000 per month	2,000.00
Consulting geologist, 8 days at $100.00 per day	800.00
Sample bags, 100 at 10¢ each	10.00
Core boxes, 100 at $1.00 each	100.00
Assays for silver and gold, 100 at $5.00 per sample	500.00
Travel expenses for consulting geologist	
Per diem, 8 days at $16.00 per day	128.00
Mileage, 400 miles at 12¢ per mile	48.00
Office expense, 2 months at $50 per month	100.00
Rental of house trailer, including butane, 2 months at $110 per month	220.00
Rental of pickup truck, including gasoline, 2 months at $150 per month	300.00
Total estimated costs	$ 17,186.00
Government's participation at 75 percent	$ 12,889.50

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6658
(Silver)

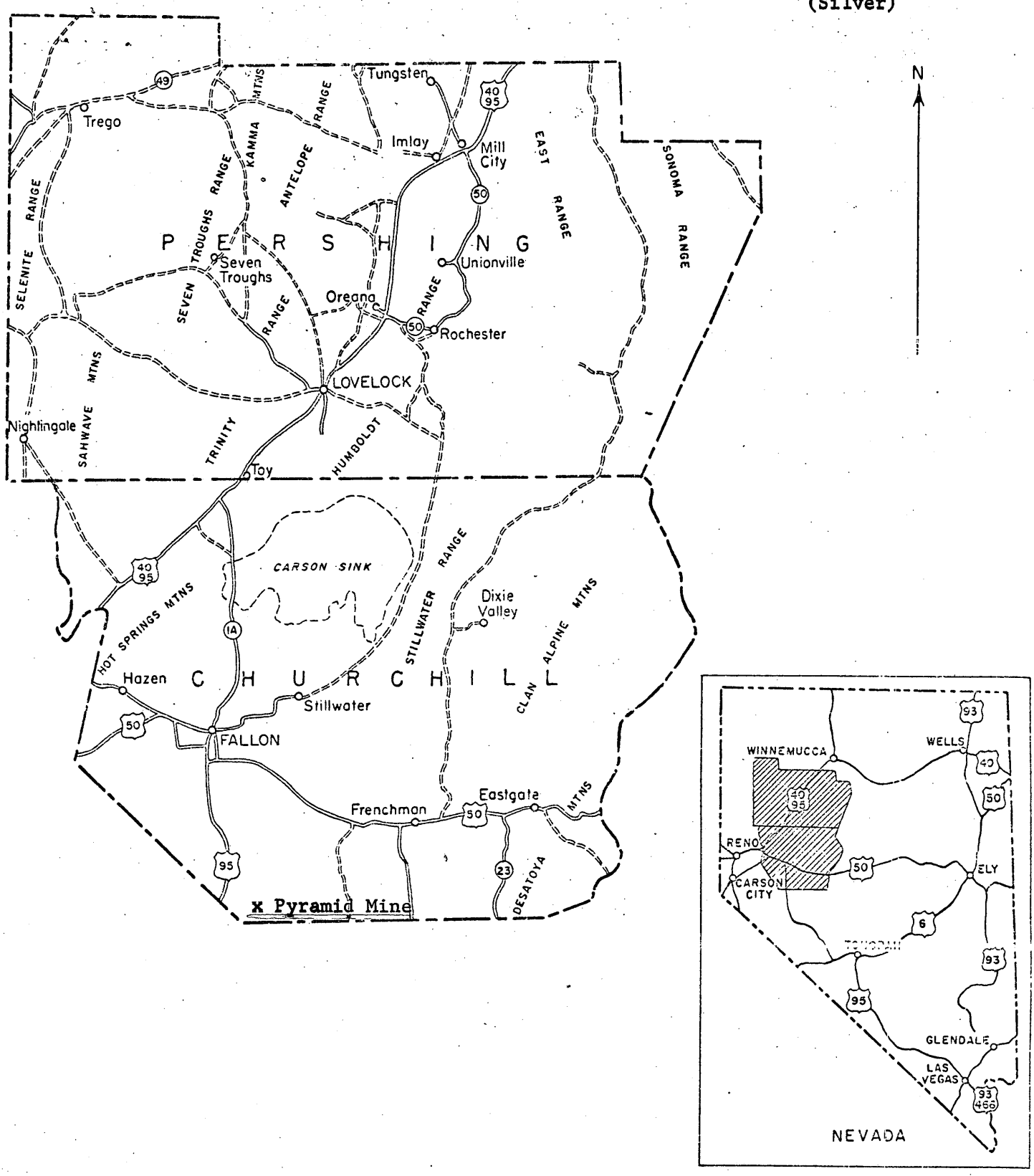

Figure 1. INDEX MAP OF CHURCHILL AND PERSHING COUNTIES, NEVADA

0 20 40 60 Miles

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

Sept. 18, 1968

United States
Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: OME-6658 (Silver)
Nevada Rawhide Min.Co.,Inc.
Pyramid Mine
Churchill County, Nevada

Attn: Frank E. Johnson, Chief, OME

Gentlemen:

Enclosed is a copy of the LOAN REQUEST which was presented to each of the following Banks:

First National Bank of Nevada, Reno, Nevada
Security National Bank of Nevada, Fallon, Nevada
Nevada National Bank, Carson City, Nevada.

In addition to the Loan Request we submitted to each of the above mentioned Banks a complete brochure consisting of the geological report by Edmond F. Lawrence and all of the information that was prepared by P. W. Fleming in behalf of Nevada Rawhide Mining Co., Inc., copies of which were dated August 1, 1968 and August 2, 1968, of which the originals were mailed to your office.

What about Jumbo & others?

See last 4 pages on left side of docket

Please excuse me for not understanding that you also wanted this copy of submittal for loan request.

Sincerely yours,

P. W. Fleming

P. W. Fleming, Field Manager
Nevada Rawhide Mining Co., Inc.

PWF:L

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 20 1968
CORRESPONDENCE
65 A130
73 A207
74
02 A20

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

August 23, 1968

LOAN REQUEST

TO WHOM IT MAY CONCERN:

This request for a loan to finance an exploration program on silver bearing mining property is made by the above Company.

The property is located in Sections 10 and 11, Township 15 North, Range 29 East, M.D.B.&M., Churchill County, Nevada. The mining claims are wholly owned by this Company. They consist of 6 claims of 20 acres each. The mine is known as the Pyramid Mine.

The exploration program will be as recommended by Edmond F. Lawrence, Mining Geologist of Reno, Nevada. The exploration work will consist of a drilling program and will cost $23,396.00.

Therefore this Company is making this loan request in the amount of $17,547.00 which represents 75% of the total exploration program.

Respectfully submitted,

P. W. Fleming

Nevada Rawhide Mining Co., Inc.
BY: P. W. Fleming, Field Manager

FIRST NATIONAL BANK OF NEVADA

MAIN OFFICE
Reno, Nevada

August 27, 1968

Mr. P. W. Fleming
Field Manager
Nevada Rawhide Mining Company, Incorporated
114 College Avenue
Cheney, Washington

Dear Mr. Fleming:

We have your letter of August 23 wherein you are applying for a loan of $17,547.00 for the purpose of conducting an exploration program on mining property located in Churchill County, Nevada.

As this program appears to be somewhat speculative in nature, and there seems to be no way of indicating the success or failure of this project, we must at this time decline your application.

Your venture appears to be quite ambitious, however, and we trust you will be successful in securing the necessary financing.

Very truly yours,

Graham Gorman
Assistant Cashier

GG:jl

SECURITY NATIONAL BANK
OF NEVADA
FALLON, NEVADA 89406

P. O. BOX 710 TELEPHONE 423-2177

September 11, 1968

Mr. P. W. Fleming
Field Manager
Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington

Dear Mr. Fleming:

Thank you for your request for a loan of $17,547.00 for your exploration program for possible mining activities here in Churchill County.

We are sorry but we must decline your application at this time due to the speculative nature of your venture. However, we trust that other means of financing are available and we hope that you will encounter success in your efforts.

Sincerely yours,

Steve Harrison
Ass't Cashier

SH:dr

Nevada National Bank
Capitol Branch / 1101 North Carson St., P. O. Box 666, Carson City, Nevada 89701, Phone 882-5585

September 11,1968

Mr. P. W. Fleming
Field Manager
Nevada Rawhide Mining Company, Incorporated
114 College Avenue
Cheney, Washington

Dear Mr. Fleming:

Thank you Mr. Fleming for your application for a drilling exporation loan of $17,547.00.

The Nevada National Bank is always glad to know that it's friends and customers want to use our various loan programs.

After a careful investigation we believe that it would be unwise for us, a commerical bank, to consider a loan of this type at this time.

It is our sincere desire to help you in any other way possible and we will be happy to consider any future banking needs that you may have.

We do wish you well, and hope you are successful and prosperious in your new venture.

Sincerely,

Jack H. Roberto, Assistant Cashier

JHR:dd

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/16/68	Peterson	120
9/16/68	Kilborne	120
		110
		220
		120M

SEP 16 1968

AIRMAIL

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

The subject application is referred to you for further consideration, a field examination if warranted, and recommendations.

The Applicant has furnished most of the additional information requested in our letter of August 19. Still lacking, however, are copies of his letters to the banks requesting the exploration loan.

We have no specific questions on the geology or other preliminary considerations. Based on the report by Ed. Lawrence and the favorable sample and assay data furnished, some exploration appears to be warranted.

FRANK E. JOHNSON

Frank E. Johnson

Enclosure

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
130
Mr. Peterson

ECPeterson/bsl 9/16/68

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/16/68	Peterson	120
9/16/68	Kirkham	120
		110
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		120M

SEP 16 1968

AIRMAIL

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

Thank you for your letter of August 28 enclosing additional information in support of the subject application for financial assistance. Still missing, however, are copies of your letters to the banks requesting the exploration loan.

We are referring the application for further consideration to Mr. Harold K. Stager, Field Officer, Region II, U. S. Geological Survey, Building 2, 345 Middlefield Road, Menlo Park, California 94025.

Mr. Stager will notify you if he requires additional information concerning the application, and possibly to make arrangements for a field examination.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson
130

ECPeterson/bsl 9/16/68

CLARENCE DAVIS, President

ARTHUR COLVIN, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 13 1968
INITIALS | CODE

August 28, 1968

United States
Department of the Interior
Geological Survey
Washington, D.C. 20242

Re: OME-6658 (Silver)
Nevada Rawhide Min. Co., Inc.
Pyramid Mine
Churchhill County, Nevada

Attn: Frank E. Johnson, Chief, OME

Gentlemen:

Enclosed are the items as per your request in your letter dated August 19, 1968.

At the time this Company made its initial request for an OME loan the Pyramid Mine was then owned by Commonwealth Silver, Inc. Since that time this Company has purchased the Pyramid Mine property and now are the legal owner of the total property consisting of the six (6) claims. Proof of this ownership is enclosed as a photostat copy of the recorded Mining Deed transfer from the Commonwealth Silver, Inc. to the Nevada Rawhide Mining Co., Inc. Also, enclosed is a copy of the lease termination agreement between the Nevada Rawhide Mining Co., Inc. and the Commonwealth Silver, Inc. Thus, Commonwealth Silver, Inc. as proven hereby has completely sold, conveyed, remised, released and quit-claimed forever without recourse any and all interests in the Pyramid Mining property to Nevada Rawhide Mining Co.

- letters from the banks only -

Enclosed are the letters of Bank correspondence. Each of the Banks were furnished a complete brochure containing all the information, reports, maps and detailed exploration program cost breakdown, same as was furnished your office.

If there is any additional information needed please request same.

Sincerely yours,

P. W. Fleming

P. W. Fleming, Field Manager
Nevada Rawhide Mining Co., Inc.

PWF:L

If contract mineral required Journal should

MME Form 7
(2/63)

OFFICIAL FILE COPY

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AIRMAIL

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: CME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

Our review of your amended application for exploration assistance indicates that the following additional information is needed to continue its processing.

Please furnish evidence that Commonwealth Silver, Inc., is the legal owner of the Pyramid mine property which is located within the boundaries of the Walker River Indian Reservation. In addition, provide a copy of the lease by which you control the claims mentioned in the Lien and Subordination Agreements submitted.

Supply new bank correspondence. The letters to banks located within the lending area of the project site should state the amount of the loan (estimated Government participation), purpose, date, and terms requested.

This request for additional information should not be construed as a commitment by the Government to grant an exploration contract. We shall hold the processing of the application until the data are received.

Sincerely yours,
FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson

ECPeterson/bsl 8/19/68

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

August 5, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 7 1968

INITIALS	CODE
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on land	120
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Memorandum

To: Chief, Office of Minerals Exploration
Washington, D. C.

From: Field Officer
Region II

Subject: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Enclosed is an amended application from the subject applicant for a small exploratory drilling project in place of the extensive underground development program originally proposed. Costs are reasonable and the proposal appears to be well justified and planned. Two drilling bids are enclosed and a bid from a third contractor is to be sent directly to the Field Office within a few days.

H. K. Stager

Enclosures

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

August 2, 1968

United States Department of the Interior
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, Calif. 94025

RE: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Attn: Mr. Stager

Dear Mr. Stager:

The Nevada Rawhide Mining Co., Inc. is herein making a formal request to modify its original application for financial assistance in Minerals exploration to a drilling program only, as recommended by Edmond F. Lawrence, Consulting Geologist, Reno, Nevada, per attached Geological report.

Description of the Work

The location, bearing, inclination degrees and length of holes will be as recommended in the report and maps by Edmond F. Lawrence, Geologist.

The work shall consist of drilling not more than seven holes, totalling mot more than 1,629 feet.

Estimated Costs of the Project

ACTUAL COSTS

Category (1) Independent Contractor: Diamond Core Drilling 1,629 feet Including cement, drill mud, water, additives, and hole-plugging agents, access roads and drill site preparation. Size of hole - NX Wireline at $10.00 per foot.	*$16,290.00*
Mobilization	*250.00*

Amended Application

Cementing, 12 hours @ $15.00/hour	180.00	
Redrilling, 110 feet @ $2.00/foot	220.00	
Reaming and casing, 110 ' @ $5.00/ft.	550.00	
Moving and setting up drill rig following first hole, 4 moves @ $125.00/each	500.00	
Delays charged to operation for in-hole surveying, 25 hrs. @ 25 hours @ $20.00/hour	500.00	
		$18,490.00
Category (2) Personal Services		
None except:		
Subcategory (a) Supervision and Technical Services		
1 Supervisor and Field Manager 2 months	2,000.00	
1 Consultin Geologists Supervision and core logging 8 days, plus travel 400 miles @$.12 per mile	1,048.00	
		$ 3,048.00
Category (3) Operating Materials Supplies		
None except:		
100 sample bags @ $.10/each	10.00	
100 cardboard core boxes @ $1.00/ea.	100.00	
		110.00
Category (4) Miscellaneous		
None except:		
per diem 8 days @ $16.00/day	128.00	
200 samples assayed for silver and gold @ $4.00/sample	800.00	
		928.00
FIXED UNIT COSTS		
Office expense, 2 months @ $150.00	300.00	
Rental of (1) 35 ft. house trailer, including butane, 2 months @ $110.00	220.00	
Rental of (1) Pick-Up Truck, including gasoline, 2 months @ $150.00/month	300.00	
		$ 820.00

Summary

Total estimated actual costs (rounded)	$22,576.00
Total fixed unit costs	820.00
Total estimated cost of the project	$23,396.00
Government participation @ 75%	$17,547.00

Respectfully yours,

P. W. Fleming

Nevada Rawhide Mining Co., Inc.
By: P.W. Fleming, Field Manager

PWF:tc

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

August 1, 1968

United States Department of the Interior
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, Calif. 94025

RE: OME - 6658 (Silver)

Attn: Mr. Stager

Dear Mr. Stager:

The Nevada Rawhide Mining Co., Inc. was formed on the 28th day of December 1951.

The organizers of this Company had been engaged in mining and exploration of certain mines in the Montana area and the Nevada area for several years prior to the forming of the Company.

This Company has since the beginning been active in the development of numerous mining properties. Some of these properties did not prove to be of commercial grade ore. However, the Company has developed two mining properties in the East Coeur D' Alene area known as the Eddy Creek District to the extent that they are now under consideration to be purchased by a major mining company. Also, this Company performed the exploration and development work in the Pyramid Mine to date.

At all times while engaged in such work or operation it is the practice of this Company to hire experienced personnel to do this work and to retain professional engineering and geological assistance and supervision.

This drilling program will be carried out by one of the contractors of submitted bid.

A Geologist will be retained for Geological supervision and logging of core. This will probably be Mr. Edward F. Lawrence, 2120 Brisbane Ave., Reno, Nevada.

The exploration of this program would be under direct supervision by P.W. Fleming, Field Manager for the Nevada Rawhide Mining Co., Inc.

This Company is prepared to finance its share of the cost with cash.

As for the Company's office, it is maintained daily. The books and records of the Company and its operations are kept current by a C.P.A.

Legal cousel is retained as needed. The bank account of this Company has been and is with the Seattle-First National Bank, Cheney Branch, Cheney, Washington.

Need your [illegible] with Banks in [illegible]

Respectfully yours,

Nevada Rawhide Mining Co., Inc.
By: P.W. Fleming, Field Manager

PWF:tc

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION

Boyles Bros. DRILLING COMPANY

CONTRACTORS-ENGINEERS-GEOLOGISTS

600 Industrial Way
SPARKS, NEVADA
Phone: 358-5188

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110
Phone [redacted] 487-3671

BRANCH OFFICES
ARIZONA (PHOENIX)
CALIFORNIA (AUBURN)
COLORADO (GOLDEN)
NEVADA (SPARKS)
WASHINGTON (SPOKANE)
CHILE (SANTIAGO)
CABLE: BOYLESBROS
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLESCOP

July 31,1968

Mr. P.M. Fleming
18588 Linnet Street
Tarzana, California 91356

Dear Mr. Fleming:

We wish to offer the following prices for drilling your property near Fallon, Nevada, on holes from 45 degrees to vertical.

1. Mobilization: - $250.00

2. Drilling Rates:

   NX 0 to 300 feet $6.90

3. Cementing $15.00 per hour plus cost of cement or cement substitutes including drilling mud, additives, and lost circulation material.

4. Lost casing,list price F O B the job site.

5. Roads and drill sites to be furnished at no cost to Boyles Bros. Drilling Co.

6. If a driver is required for hauling water, his wages of $2.45 per hour plus 12¼ % payroll taxes and insurance.

7. Moving between holes will be charged at $15.00 per hour.

Thank you for the opportunity of bidding on your work.

Yours truly,

Gerald Willden

Gerald Willden
Assistant District Manager

GW:sc

Madison Diamond Core Drilling
4055 South Virginia
Reno, Nevada 89502

July 30, 1968

Subject: Proposal covering core drilling for Nevada Rawhide Mining Corp., at the Pyramid Mine, thirty miles south of Fallon, Nevada.

1. Mobilization from Reno, Nevada including setting up on first hole - $300.00

2. Overburden drilling through alluvial material, including setting collar pipe and casing - $6.00 per foot.

3. Diamond core drilling - B.X. size - $9.50 per foot
   A.X. size - $8.50 per foot

4. The above prices include hauling water, cement, mud, lost circulation material and bits used.

5. Reaming casing if required - $14.00 per hour.

6. Time spent cementing, waiting for cement to set, hole stabilizing or hole plugging operations - $13.00 per hour.

7. Redrilling cement - $14.00 per hour.

8. Rigging down, moving, rigging up or any other work pertaining to moving, such as drilling tie down holes - $13.00 per hour.

9. Delays or standby time requested by customer - $13.00 per hour.

10. Casing and casing shoes left by request when completing hole will be invoiced to customer at my cost.

11. Core boxes will be furnished by customer.

12. Access roads and drill sites will be prepared by the customer.

John M. Madison

John M. Madison

ARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

July 5, 1968

Mr. Harold K. Stager
U. S. Geological Survey
345 Middlefield Road
Menlo Park, Calif. 94025

OME-6658

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 10 1968

INITIALS	CODE
	130
Dal	120 M
FKJ	110
EPD	120 P

Dear Mr. Stager:

Re: OME Loan request.

This letter is to give notice to your office that the Nevada Rawhide Mining Co., Inc. has retained Mr. Edmond F. Lawrence, Geologist of 2120 Brisbane Ave., Reno, Nevada.

Mr. Lawrence is now working on the geological study, re-mapping and mine survey on the Pyramid Mine.

Mr. Lawrence stated that he would pursue this assignment with utmost concern and effort.

As soon as his report is available we shall file with your office a supplemental request for the loan. I rather expect this request to be for exploration drilling.

Respectfully yours,

P. W. Fleming

P. W. Fleming, Field Manager
NEVADA RAWHIDE MINING CO., INC.

PWF:L

CC-Nevada Rawhide Mining Co., Inc.
CC-Mr. Edmond F. Lawrence

RECEIVED
JUL - 8 1968
OFFICE OF MINERALS EXPLORATION

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/17/68	Peterson	120
	(on leave)	120
		110
		220
		120M

MAY 17 1968

AIRMAIL

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

This will acknowledge your letter of May 3, informing us that you require additional time to obtain the requested information.

As we wish to cooperate with you fully in allowing ample time to furnish the necessary data, we shall be pleased to keep your file active for an additional 90 days pending receipt of the material requested. However, we cannot hold an application indefinitely. Therefore, if we do not receive the data by about August 15, we shall consider the application as having been withdrawn.

If an application is withdrawn and at any time in the future you wish to reopen this case, you may do so by filing a new application, referring to this OME docket number, and furnishing the information pertinent to your new proposal. This information should include new bank letters dated within 90 days of filing the new application, but need not repeat data already submitted.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region II w/copy of incoming
Mr. Peterson

ECPeterson/bsl 5/17/68

CLARENCE DAVIS, President

ARTHUR COLYAR, Sec.-Treas.

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 15 1968
INITIALS | CODE
120 M
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Copy to R II

May 3, 1968

United States Dept. of Interior
Geological Survey
Washington, D.C. 20242

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co.
Pyramid Mine
Churchill County, Nevada

Attn: Frank E. Johnson
Office of Minerals Exploration

Dear Sir:

Received your letter of March 14, 1968 requesting information.

I have been asked to advise your office that the above Company is greatly desirous to continue to pursue the request for the OME Loan filed with your office.

This Company has made contact with the Nevada School of Mines. This school will aid us in preparing a proper and complete geological study and report on the Pyramid Mine. As soon as this is complete I will send you this information.

Sincerely yours,

P. W. Fleming

P. W. Fleming
Field Manager

PWF:L

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/17/68	Peterson	120
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APR 17 1968

AIRMAIL

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

We have not had a reply to our letter of March 14, 1968. If you need additional time to prepare this information, please let us know. If we do not receive a reply from you within thirty days from the date of this letter, we must assume that you are no longer interested in proceeding with your application and we shall consider it as having been withdrawn.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
Region II

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MME Form 7
(2/63)

OFFICIAL FILE COPY

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AIRMAIL

MAR 14 1968

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

We have not heard from you since your letter of November 10, 1967. Will you please advise us when we may expect to receive the necessary data so that we may continue processing your application. If you have decided not to pursue it further, please so inform us.

We wish to cooperate fully in allowing you ample time to obtain the requested information, however, we cannot indefinitely postpone action on an application.

Sincerely yours,

Harold Kirkemo (gla)

for Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME file
OME Reading File
Mr. Peterson
Region II

ECPeterson/bsl 3/13/68

CLARENCE DAVIS, President

Copy to Leyson

NEVADA RAWHIDE MINING CO., INC.

114 College Avenue

Cheney, Washington

OFFICIAL COPY
O. M. E.
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November 10, 1967

Frank E. Johnson
Chief, Office of Minerals Exploration
Washington, D.C. 20242

RE: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Dear Sir:

The Nevada Rawhide Mining Company is taking back the clear title to the property in question since making application for the loan, thus the delay. We wish to keep the application active.

We have had to modify the information you asked for previously and will send additional geological material as soon as we can get in touch with our geologist. As soon as the Deed is recorded we will send you a photostatic copy.

The 25% needed for the loan will be put in escrow in the Seattle First National Bank, Cheney Branch, Cheney, Washington.

Sincerely yours,

Clarence Davis

Clarence Davis, President

CD:v

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
11/2/67	Peters	120
11/6/67	Kitchen	120
		110
11/6	Cal	220
		120M

NOV 6 1967

AIRMAIL

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co., Inc.
Pyramid Mine
Churchill County, Nevada

Gentlemen:

We have not received a reply to our letter of September 27, 1967, requesting additional information necessary to continue the processing of your application.

Will you please inform us when we may expect the required data. If you have decided to withdraw the application, please so inform us.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
Region II

ECPeterson/bsl 11/2/67

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
9/27	Peterson	120
9/27/67	Kirkham	120
		110
9/27	Cole	220
		120M
INC.		

SEP 27 1967

Nevada Rawhide Mining Co., Inc.
114 College Avenue
Cheney, Washington 99004

Re: OME-6658 (Silver)
Nevada Rawhide Mining Co.,
Pyramid Mine
Churchill County, Nevada

Gentlemen:

A review of your application for financial assistance indicates that the proposed work may be development rather than exploration and as such is not eligible for OME assistance. It appears that the work would prepare a known ore body for mining operations, and not a search for new or unexplored ore deposits which is eligible under OME regulations. We would appreciate your comments regarding this.

The proposal is also lacking supporting geological evidence to warrant any of the work proposed. What justification is there for continuing the present shaft to the 564 level? No information has been presented to indicate that a geologic target exists at this level which merits exploration.

In view of the small production (about 14 tons of concentrates) from the existing workings, please comment on the feasibility of other, less costly, exploration such as diamond drilling from surface sites.

The information presented on the four maps should be discussed in the narration portion of the application. For instance, what does the Sample Map of Main Underground Workings represent? Is this in the area you propose to test? Any geologic sections, vein projections, and assay data relative to the target area should also be forwarded.

For your information, the Government does not advance funds for its share of the costs under a contract. An operator pays all of the first month's costs and then submits a voucher on forms furnished by the Government. After approval, the operator is reimbursed for the Government's share of the costs. As it usually takes from two to three weeks to reimburse an operator, he should have sufficient funds at hand to cover all costs for at least two months. Thereafter, normally, reimbursement is received by an operator at monthly intervals. In these circumstances, please explain how the Company plans to finance its share of the costs in the event of an exploration contract.

23263

If any of the proposed work is to be contracted, cost estimates must be supported by bids from three independent contractors if possible.

State your operating experience and background to conduct the proposed work and also that of the person who would supervise the project.

If a contract is executed, State how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

Submittal of information to qualify your application for further consideration should not be construed as a commitment by the Government to grant an exploration contract. We shall continue to hold your application until the requested data are received.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
Region II
Mr. Peterson

ECPeterson/bsl 9/27/67

September 21, 1967

Nevada Rawhide Mining Co. Inc.
114 College Avenue
Cheney, Washington 99004

Subject: OME-6658

Gentlemen:

Your application for exploration assistance, dated July 25, 1967, submitted to our office at Menlo Park, California, has been assigned Docket No. OME-6658.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

Copy to Region II

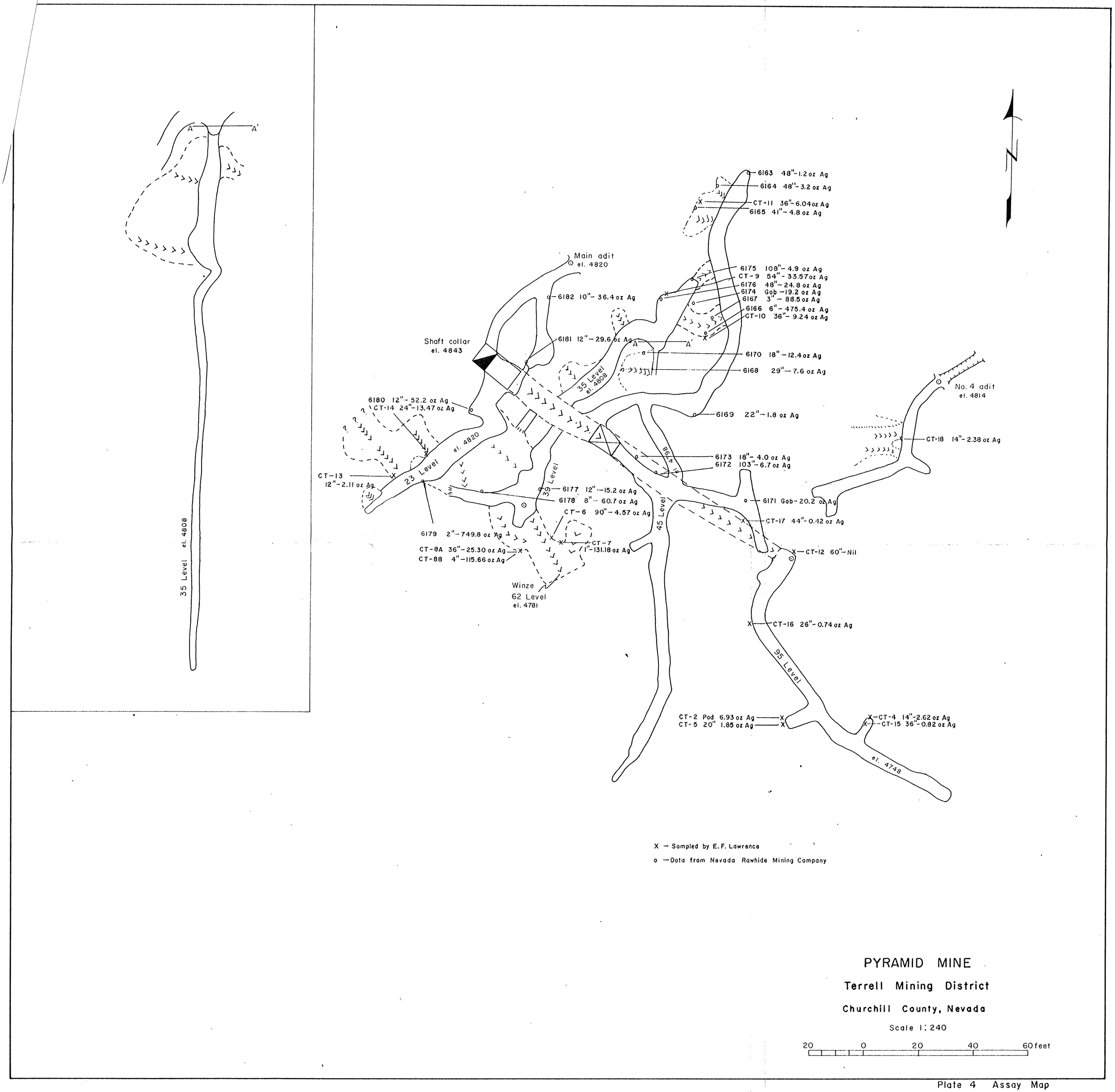
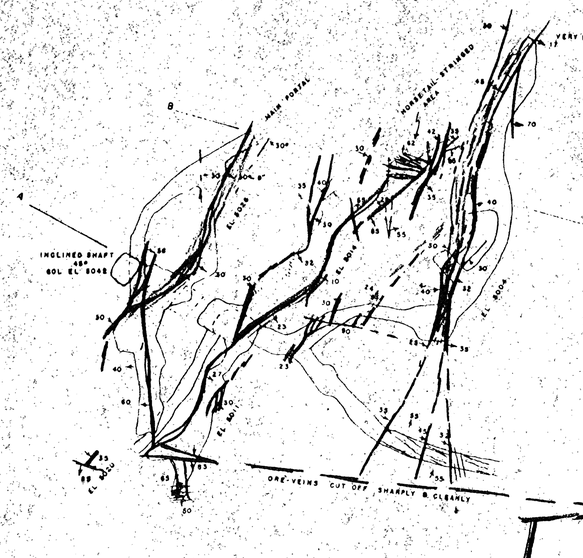
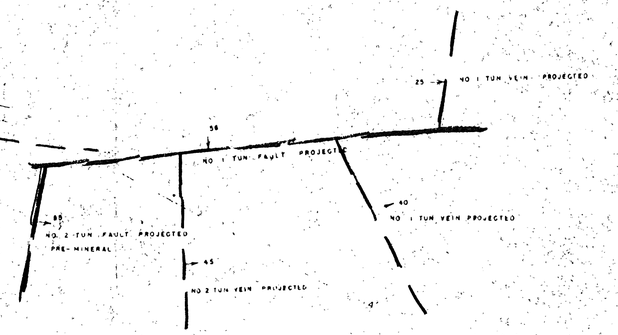


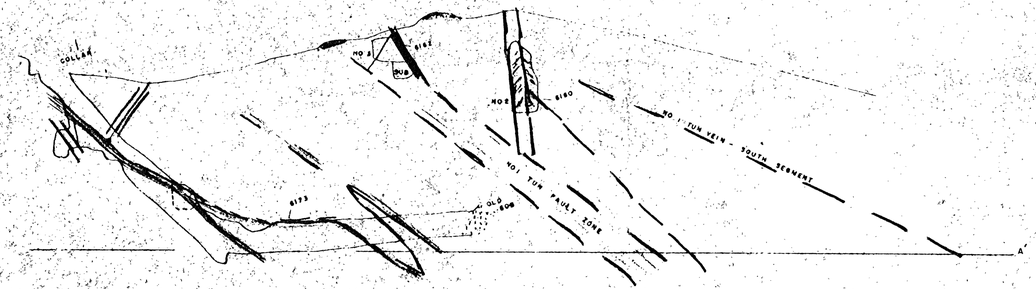
Plate 4 Assay Map



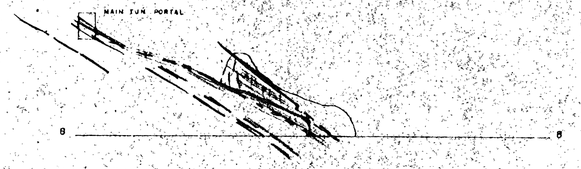
GEOLOGY OF MAIN WORKINGS
1" = 20'

NOTE GEOLOGY MAPPED AT SILL #4

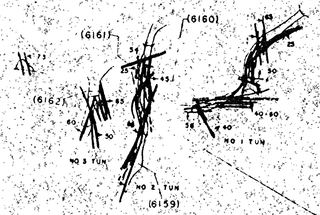




SECTION NORTHEAST THRU 'A-A'
1" = 20'



SECTION NORTHEAST THRU 'B-B'
1" = 20'



GEOLOGY OF TUNNELS ON PYRAMID FRACTION CLAIM
1" = 50'

NOTE GEOLOGY MAPPED AT SILL #3

SAMPLE DATA				
NO	W	AU	AG	PB
6160	7.7	.13	4.7	.13
6161	1.0	.0	4.2	.0
6162	12.0	.0	6.3	.0
6163	4.8	.0	4.3	.14

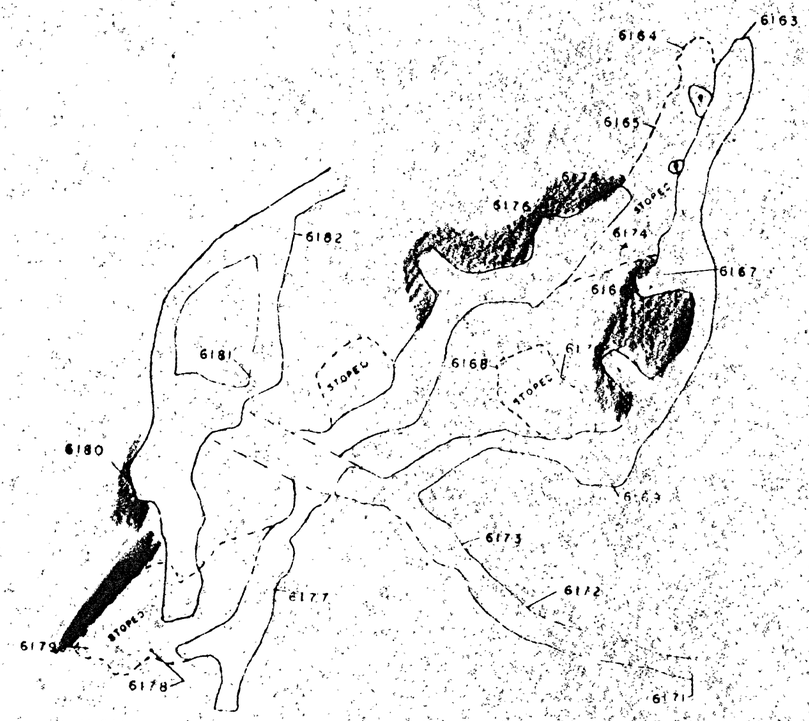
J.J. MARTIN GROUP

HOLY CROSS MINING DISTRICT, CHURCHILL COUNTY, NEVADA

GEOLOGICAL MAP OF UNDERGROUND WORKINGS

VEIN OXIDIZED - Fe-Pb-Ag
FAULTING
SHEARING
HYDROTHERMAL ALTERATION

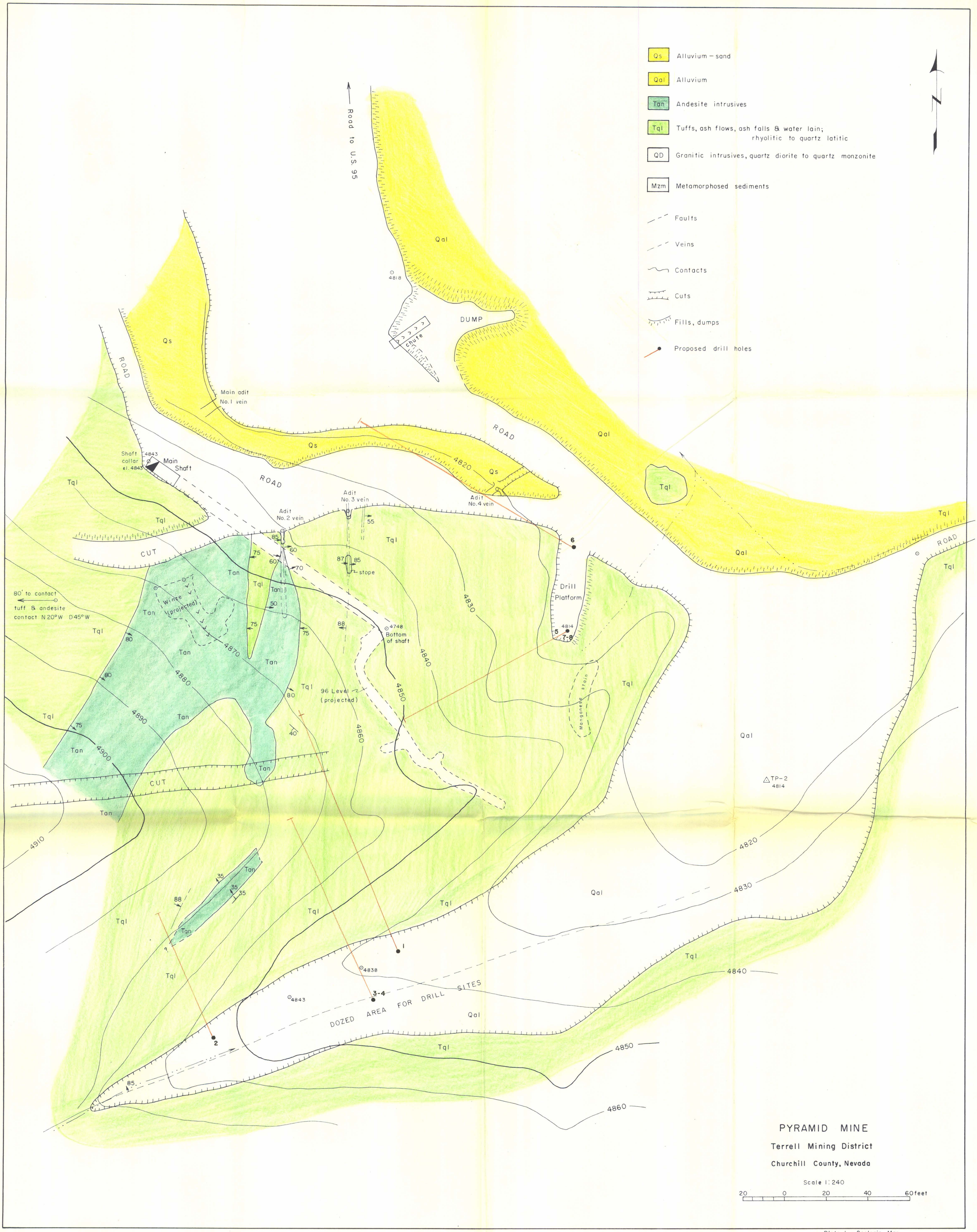
Map No. 2



SAMPLE MAP OF MAIN UNDERGROUND WORKINGS

1"=20'

NO	W	Au	Ag	Pb	
6159	1.7	Tr	8.7	Tr	
6160	1.4	0	8.5	0	
6161	12.0	0	4.7	0	
6162	4.5	0	0.5	Tr	
6163	4.0	–	1.2	0	
6164	4.0	–	3.2	Tr	
6165	3.4	–	4.8		
6166	0.5	0.01	475.4	9.4	
6167	0.2	Tr	85.5	0.9	
6168	2.4		7.8	0.1	
6169	1.9	–	1.8	Tr	
6170	1.5	–	12.4	0	
6171		–	20.2	Tr	Grab-gob in crosscut
6172	8.6	Tr	6.7	0	
6173	1.5	–	4.0	Tr	
6174		–	19.2	Tr	Grab-gob in stope
6175	9.1	0	4.9	Tr	
6176	4.0	–	24.8	Tr	
6177	1.0	–	15.2	0	
6178	0.7	0.01	60.7	1.0	
6179	0.15		749.8	20.1	
6180	1.0		52.2	1.0	
6181	1.0		29.6	Tr	
6182	0.8		36.4	Tr	
6183			1606.4	25.1	COMPOSITE HI-GRADE



PYRAMID MINE

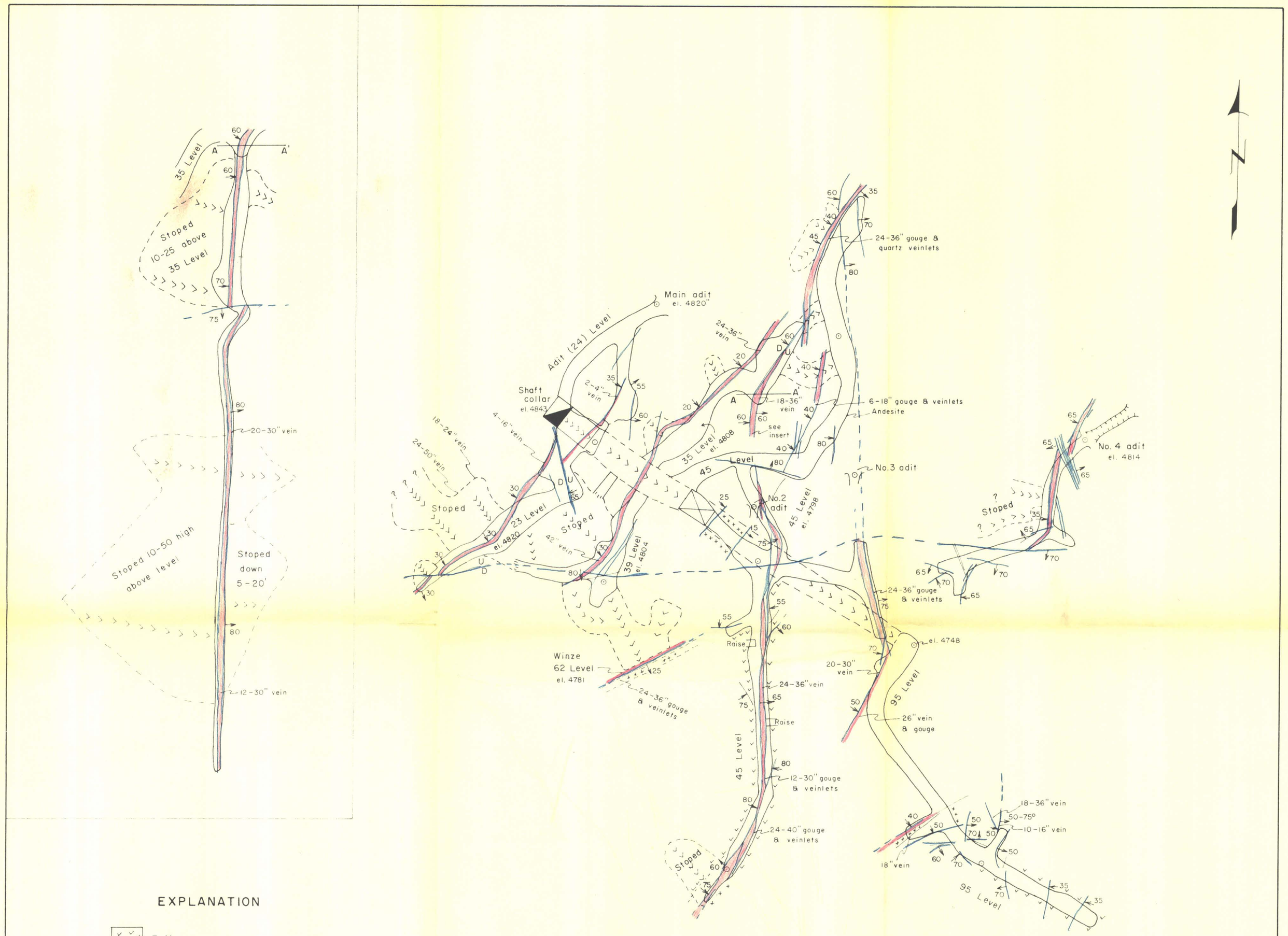
Terrell Mining District

Churchill County, Nevada

Scale 1:240

20 0 20 40 60 feet

Plate I — Geologic Map



EXPLANATION

- Tuff
- Andesite
- Faults
- Veins
- Inclined stope or shaft – chevrons point down

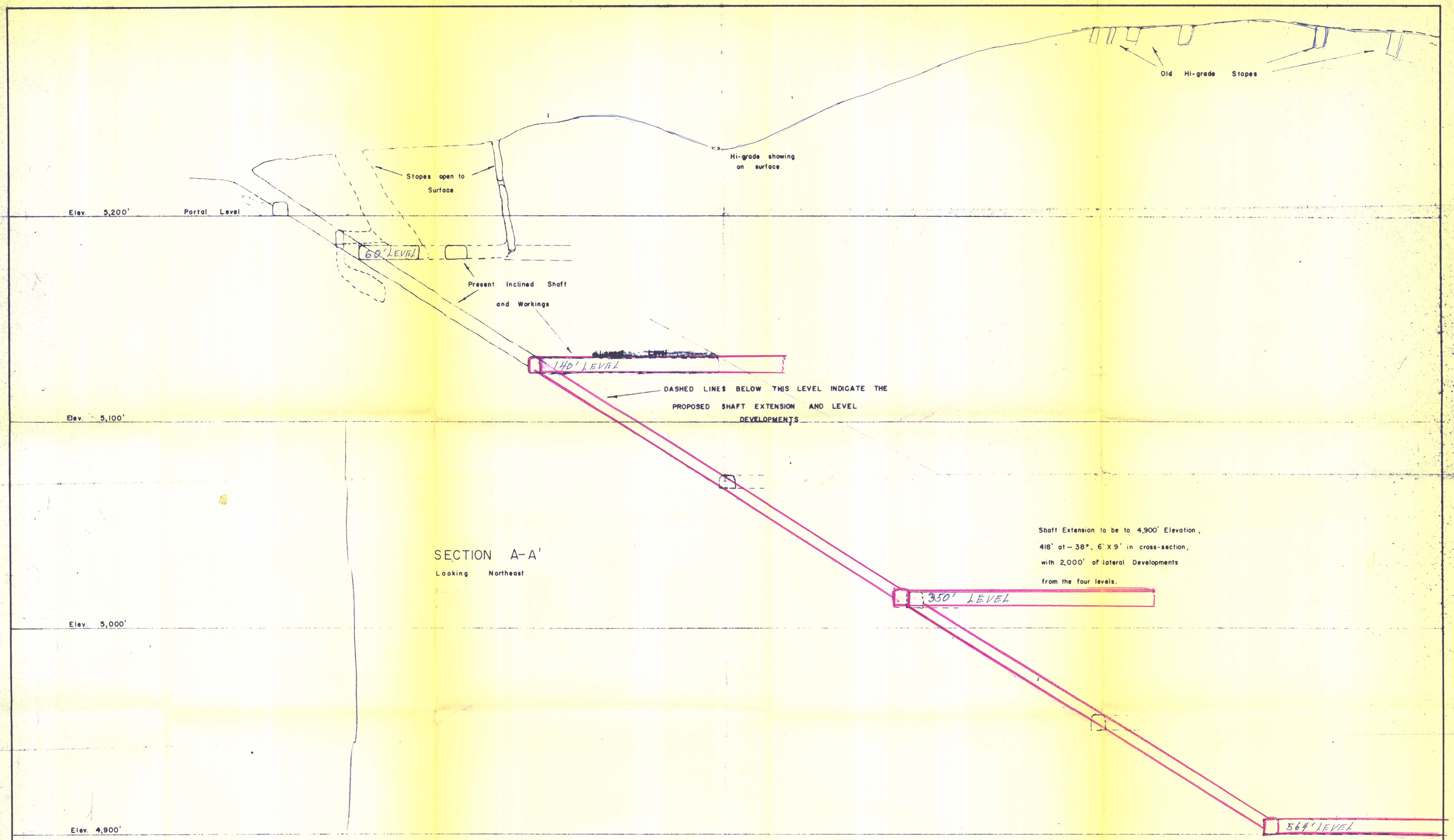
PYRAMID MINE

Terrell Mining District

Churchill County, Nevada

Scale 1:240

20 0 20 40 60 feet

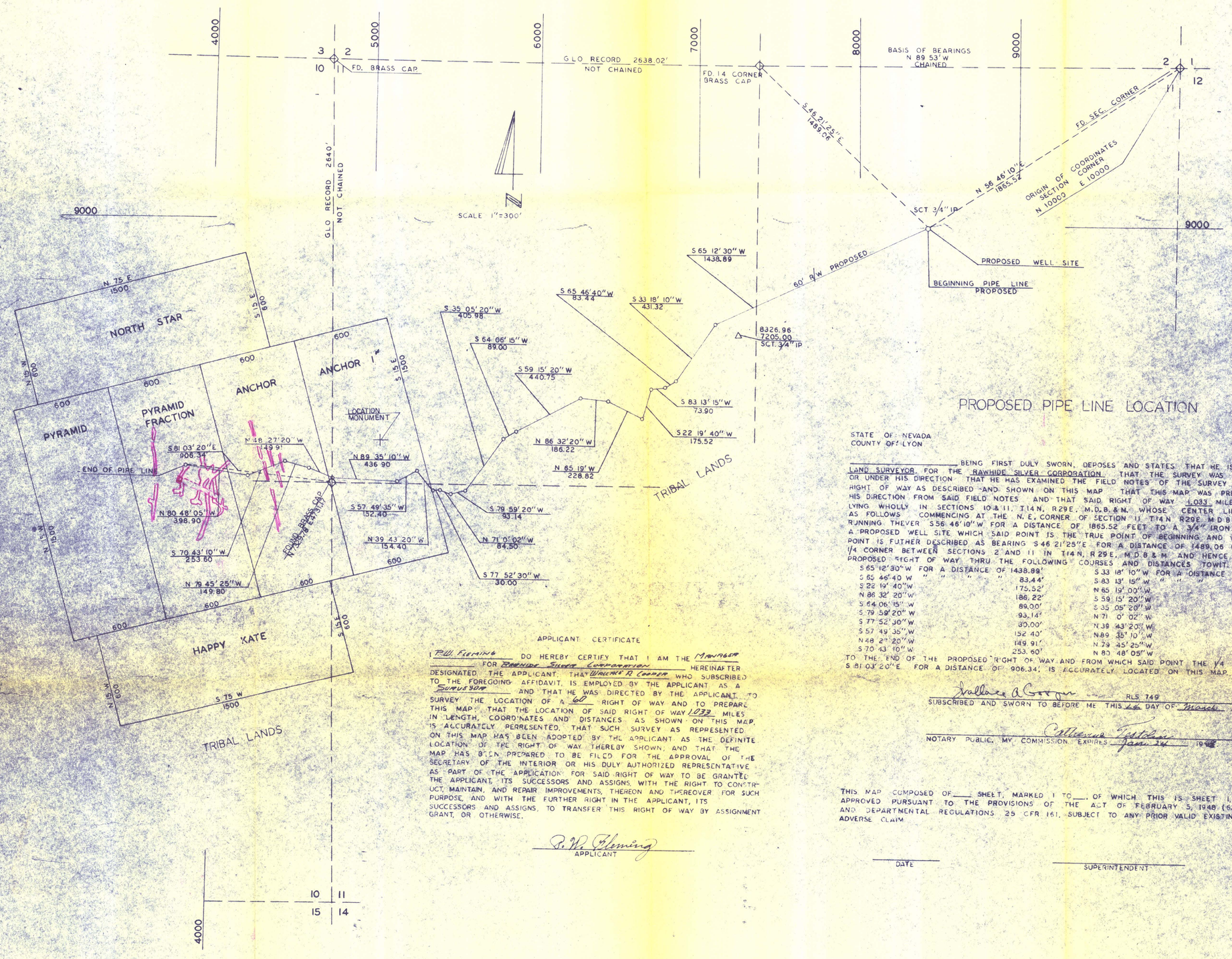


SECTION A–A'

Looking Northeast

REPRESENTS PROPOSED EXPLORATION PROGRAM

NEVADA RAWHIDE MINING CO.			
PYRAMID MINE	SCALE 1" = 20'	DRAWN BY C.E. TEDROW	REVISED
SECTION A–A' SHOWING PROPOSED DEVELOPMENT			
DATE 10-2-59	APPROVED BY		DRAWING NUMBER 103



PROPOSED PIPE LINE LOCATION

STATE OF NEVADA
COUNTY OF LYON

_____ BEING FIRST DULY SWORN, DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR THE RAWHIDE SILVER CORPORATION. THAT THE SURVEY WAS MADE BY HIM OR UNDER HIS DIRECTION THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEY FOR A 60 FOOT RIGHT OF WAY AS DESCRIBED AND SHOWN ON THIS MAP THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES AND THAT SAID RIGHT OF WAY 1.033 MILES IN LENGTH LYING WHOLLY IN SECTIONS 10 & 11, T 14 N, R 29 E, M.D.B. & M. WHOSE CENTER LINE IS DESCRIBED AS FOLLOWS COMMENCING AT THE N. E. CORNER OF SECTION 11 T 14 N R 29 E M D B & M AND RUNNING THEVER S 56 46' 10" W FOR A DISTANCE OF 1865.52 FEET TO A 3/4" IRON PIPE MARKING A PROPOSED WELL SITE WHICH SAID POINT IS THE TRUE POINT OF BEGINNING AND WHICH SAID POINT IS FUTHER DESCRIBED AS BEARING S 46 21' 25" E FOR A DISTANCE OF 1489.06 FEET FROM THE 1/4 CORNER BETWEEN SECTIONS 2 AND 11 IN T 14 N, R 29 E, M.D.B & M AND HENCE, ALONG THE PROPOSED RIGHT OF WAY THRU THE FOLLOWING COURSES AND DISTANCES TOWIT.

S 65 12' 30" W FOR A DISTANCE OF	1438.89'	S 33 18' 10" W FOR A DISTANCE OF	431.32'
S 65 46' 40 W " " " "	83.44'	S 83 13' 15" W " " " "	73.90'
S 22 19' 40" W	175.52'	N 65 19' 00" W	228.82'
N 86 32' 20" W	186.22'	S 59 15' 20" W	440.75'
S 64 06' 15" W	89.00'	S 35 05' 20" W	405.98'
S 79 59' 20" W	93.14'	N 71 0' 02" W	84.50'
S 77 52' 30" W	30.00'	N 39 43' 20" W	154.40'
S 57 49' 35" W	152.40'	N 89 35' 10" W	436.90'
N 48 27' 20" W	149.91'	N 79 45' 25" W	149.80'
S 70 43' 10" W	253.60'	N 80 48' 05" W	398.90'

TO THE END OF THE PROPOSED RIGHT OF WAY AND FROM WHICH SAID POINT THE 1/4 CORNER BEARS S 81 03' 20" E FOR A DISTANCE OF 906.34', IS ACCURATELY LOCATED ON THIS MAP.

Wallace A Cooper RLS 749
SUBSCRIBED AND SWORN TO BEFORE ME THIS 26 DAY OF March 1964

Catherine Pistolesi
NOTARY PUBLIC, MY COMMISSION EXPIRES Jan 24 1968

THIS MAP COMPOSED OF ___ SHEET, MARKED 1 TO ___, OF WHICH THIS IS SHEET 1, IS HEREBY APPROVED PURSUANT TO THE PROVISIONS OF THE ACT OF FEBRUARY 5, 1948 (62 STAT. 17) AND DEPARTMENTAL REGULATIONS 25 CFR 161, SUBJECT TO ANY PRIOR VALID EXISTING RIGHT OF ADVERSE CLAIM

_____ DATE

_____ SUPERINTENDENT

APPLICANT CERTIFICATE

I P.W. Fleming DO HEREBY CERTIFY THAT I AM THE Manager FOR Rawhide Silver Corporation HEREINAFTER DESIGNATED THE APPLICANT; THAT Wallace A. Cooper WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A Surveyor AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF A 60' RIGHT OF WAY AND TO PREPARE THIS MAP; THAT THE LOCATION OF SAID RIGHT OF WAY 1.033 MILES IN LENGTH, COORDINATES AND DISTANCES AS SHOWN ON THIS MAP, IS ACCURATELY REPRESENTED, THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT OF WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED FOR THE APPROVAL OF THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT OF WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER FOR SUCH PURPOSE, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, TO TRANSFER THIS RIGHT OF WAY BY ASSIGNMENT GRANT, OR OTHERWISE.

P. W. Fleming
APPLICANT

PROPOSED PIPE LINE LOCATION

DATE MARCH 9, 1964	DRWG. NO.
SURVEYOR WALLACE A. COOPER RLS 749	
DRAWN BY D.A. Moro	