DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3382

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Exploration Assistance

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Cys to USBM & USGS

Routing Slip

To:	700	Date	6/7/54
To:	Oper Com	Date	6-30-54
To:	Oper Com	Date	9-1-54
To:	Oper Com	Date	10-22-54
To:	Oper Com	Date	11-4-54
To:	M & F.	Date	11-15-54
To:	Oper Com	Date	5-11-55
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA 3382

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION		DATE RECEIVED	6/7/54
2	CONTRACT		DATE	10/7/54
3	TERMINATION AGREEMENT		DATE	
4	CERTIFICATION		DATE	
5	AUDIT REPORT		DATE	
6	AMENDMENTS - NUMBERS	1	DATE	5/25/55

400

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

3382

I have reviewed the Monthly Reports of:

John McMannon
1617 Division Street
Bend, Oregon

pertaining to Exploration Project Contract No. Idm-K721, Docket No. DMEA 3382, dated October 7, 1954, including Amendment No. 1, for the period of October 7, 1954, to June 6, 1955, covering a project for the exploration of mercury on property, known as Pinkey No. 1 and Pinkey No. 2 unpatented mining claims, located in Crook County, State of Oregon.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total Cost as billed by Contractor	$9,340.70
Exceptions (schedule attached)	58.00
Total Accepted Cost	$9,282.70

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Six thousand nine hundred sixty two and 03/100 Dollars

--$6,962.03--

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

C. A. Turner, Auditor

June 23, 1955

SCHEDULE OF EXCEPTIONS

John McManmon DMEA 3382 Idm-E721

Stage II Drifting

Claimed by Operator May 31, 1955 MF-104	150 feet @ $29.00	$4,350.00
Final Inspection June 6, 1955 Actual measurement	148 feet @ $29.00	4,292.00
Disallowed	2 feet @ $29.00	$ 58.00

C. A. Turner, Auditor

June 23, 1955

Docket Copy

(Amendment to Change Starting and/or Completion Dates)

RECEIVED
JUN 27 1955

AMENDMENT NO. 1

It is agreed this 25th day of May 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and John McManmon, 1617 Division Street, Bend, Oregon

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E721 dated October 7, 1954 between the parties hereto be modified and amended to change the starting date from -- (No. of days) to within -- (No. of days) of the date of the contract and the completion period from 6 (No. of months) to 9 (No of months) from the date of the contract. The effective date of this amendment shall be October 7, 1954.

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

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

Executed in sextuplicate the day and year first above written

JOHN McMANMON
(Operator)

By John McManmon

THE UNITED STATES OF AMERICA

By A E Weissenborn
A. E. Weissenborn
Executive Officer
DMEA Field Team, Region ~~II~~ I, NW District

Exploration Project Contract No. Idm-E721
John McMannon
Docket No. DMEA-3382

Justification for Amendment No. 1

Contract work has been progressing steadily from the date of the contract, but inclement weather and short periods of illness of the Operator slowed the work sufficiently so that the contract work was not completed within 6 months from the date of the contract. The additional time allowed by this amendment will be sufficient for the completion of the contract work.

Willard P. Puffett

DEPARTMENT OF THE INTERIOR
Docket copy Defense Minerals Administration
RECEIVED
NOV 15 1954

MF-200A
(Revised June 1954)

Docket No. DMEA - 3382

Commodity Mercury

Contract No. Idm-E - 721

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 7th day of October, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] John McKinnon and [illegible]
Our
whose mailing address is 1617 Division Street
Bend, Oregon
hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Oregon, County of Crook, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] locator of [5] entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] location notice, [7] recorded in Book 7, page 259, 261, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mercury. The work to be performed is described in Exhibit "A." The Operator on or before 30 days from date* shall commence the work, and on or before 6 months from date* (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $9,433.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $7,074.75: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(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. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *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 any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

*The word "date" refers to the date of the contract.

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *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 11. *Changes and added provisions.*—

Nov. 4/1954

Executed in sextuplicate the day and year first above written.

Dew

[redacted]

(Operator)

By John McMannon (Operator) [redacted]

By [redacted]

THE UNITED STATES OF AMERICA

By [redacted]

Hoffman Selfridge
Ching Johnson
Ellis
Chandler

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

DEPARTMENT OF THE INTERIOR
Bureau of Mines Minerals Administration
RECEIVED
NOV 15 1954

EXPLORATION PROJECT CONTRACT
JOHN McMANMON ~~AND RASKEX BOOKEAXXXX~~
DOCKET NO. DMEA-3382

ANNEX I

The property referred to in Article 2 of the contract form is located in Section 8, Township 18 South, Range 17 East, Crook County, Oregon, and consists of two unpatented mining claims, Pinkey No. 1 and Pinkey No. 2, recorded May 10, 1954, in the official records of Crook County, Oregon, Book No. 7, pages 259 and 261.

EXPLORATION PROJECT CONTRACT
JOHN McMANNON ~~AND BAYLEY~~
DOCKET NO. DMRA-3382 aew

EXHIBIT "A"

Description of the Work

The work consists of bulldozing an access road to the property and exploration by surface stripping, shaft sinking, and drifting on the silicified and brecciated zones indicated on the attached map entitled "Plan Map of McMannon and Bayley Mercury Prospect."

The shaft shall be timbered, with cross-sectional dimensions of 4 feet by 6 feet inside the timbers.

The drift shall be timbered where necessary and have cross-sectional dimensions of 5 feet by 7 feet in the clear.

The work shall be done in two stages. If in the opinion of the Government the results of Stage I work warrant it and the Government approves it in writing in advance, the work outlined in Stage II shall be done. The location, direction, and extent of all work under both stages are subject to the approval of the Government.

Stage I

Bulldoze an access road to the property and strip the surface at the intersection of the two brecciated zones and at points along the zones where such work is found desirable.

Erect a headframe, construct a compressor house, and sink a vertical shaft to a depth of 50 feet at the intersection of the two brecciated zones, or at any other point approved by the Government.

Representative channel samples shall be taken at appropriate points as the work progresses, but not more than 12 samples shall be analyzed chemically under Stage I.

Stage II

Cut a station at the 50-foot level of the shaft and drift on this level for a distance not to exceed 150 feet along the brecciated zones in whatever direction found most encouraging.

Representative channel samples shall be taken at appropriate points as the work progresses, but not more than 30 samples shall be analyzed chemically under Stage II.

Estimated Cost of the Project

Fixed Unit Costs

Stage I		
30 hours of bulldozing @ $10.00/hr. 1/	$ 300.00	
Transportation costs on bulldozer	50.00	
60 feet of shaft sinking @ $67.00/ft. 2/	4,020.00	
12 chemical analyses @ $3.00/ea.	36.00	
Headframe	200.00	
Compressor house	225.00	$4,831.00
Stage II		
210 cu. ft. station cutting @ $0.77/cu. ft. (rounded to)	162.00	
150 feet of drifting @ $29.00/ft. 2/	4,350.00	
30 chemical analyses @ $3.00/ea.	90.00	4,602.00
Estimated Total Cost of the Project		$9,433.00
Government Participation @ 75%		$7,074.75

1/ Includes operator, bulldozer, fuel, maintenance, and all other costs.

2/ Includes cost of the timbering prescribed under "Description of the Work."

[illegible]

[illegible] Nov 4 1954

Dear Sirs,

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Yours truly,

John [illegible] Hannon

RECEIVED

NOV 8 1954

U. S. G. S.
SPOKANE, WASH.

FORM No. 721—QUITCLAIM DEED.
(Revised 1958)

527 STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BOOK 72 PAGE 579

KNOW ALL MEN BY THESE PRESENTS, That I, Basil R. Bayley

in consideration of One *Dollars,*

to me *paid by* John McManmon

do hereby remise, release and forever QUITCLAIM unto the said John McManmon *and unto* his *heirs and assigns all* my *right, title and interest in and to the following described real property, with the tenements, hereditaments and appurtenances, situated in the County of* Crook*, State of Oregon, bounded and described as follows, to-wit:*

Two unpatented mining claims, Pinkey No. 1 and Pinkey No. 2 located in Section 8, Township 18 South, Range 17 East of the Willamette Meridian, in Crook County, Oregon, as recorded May 10, 1954 in the official records of Crook County, Oregon, in Book No. 7 on Pages 259 and 261.

To Have and to Hold the same unto the said John McManmon *and* his *heirs and assigns forever.*

Witness my *hand and seal this* 16th *day of* October *, 19* 54.

Basil R. Bayley (SEAL)

(SEAL)

STATE OF OREGON,
County of Klamath } ss.

On this 16th *day of* October *, 19* 54*,*
Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Basil R. Bayley *who*
known to me to be the identical individual described in and who executed the within instrument, and acknowledged to me that he *executed the same freely and voluntarily.*
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Amy B. Heel
Notary Public for Oregon.
My Commission expires Oct. 2 - 1957

AMY B. HEEL NOTARY PUBLIC STATE OF OREGON

QUITCLAIM DEED

Basil R. Bayley

TO

John McManmon

AFTER RECORDING RETURN TO

John McManmon
1617 Cresson
Bend, Oregon

(DON'T USE THIS SPACE; RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)

STATE OF OREGON,
County of Crook } ss.

I certify that the within instrument was received for record on the 23rd *day of* October *, 19* 54*, at* 10:00 *o'clock* A. M. *and recorded in book* 72 *on page* 579 *Record of Deeds of said County.*
Witness my hand and seal of County affixed.

HAZEL A. POWELL
County Clerk—Recorder.
By [illegible]
Deputy.

INDEXED

65754

721

$1.00

DOCKET SURNAME
Holt
Martin

Memorandum

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: General Summary of Contract and Results Obtained
Docket No. DMEA -3382 - Mercury
John McMurmon
Pinkey No. 1 and No. 2 claims
Crook County, Oregon
Contract No. Idm-8721

Operator: John McMurmon, 1617 Division Street, Bend, Oregon

Operator's Property Rights:
The operator owns the Pinkey No. 1 and No. 2 unpatented lode mining claims, situated in section 8, T. 18 S., R. 17 E. Willamette Meridian, Crook County, Oregon, as recorded in Book 7, pages 259 and 261 of the official records of Crook County, at Prineville, Oregon.

Contract: (a) Executed October 7, 1954.

(b) Completion period: Work to be started within 30 days, and to be completed within 6 months from the date of the contract.

(c) Work authorized: Fixed unit costs.

Stage I

Bulldozing access road and surface stripping, 30 hours @ $10.00/hr.	$ 300.00
Transportation of bulldozer	50.00
Shaft sinking, 60 feet @ $67.00/ft.	4,020.00
Analyses, 12 @ $3.00/each	36.00
Headframe, materials and erection, job	200.00
Compressor house, materials and erection, job	225.00
Total, Stage I	$4,831.00

Stage II

Cutting Shaft station, 230 cubic feet @ $0.77/cu.ft. (rounded to)	$ 162.00
Drifting, 150 feet @ $29.00/ft	4,350.00
Analyses, 30 @ $3.00/each	90.00
Total, Stage II	$4,602.00

Total estimated cost of the project	$9,433.00
Government participation at 75 percent	$7,074.75

Amendment 1, executed May 25, 1955, effective October 7, 1954, changed the completion period from 6 months to 9 months after the date of the contract.

(d) Work completed:

Bulldozing, 30 hours @ $10.00/hr.	$ 300.00
Transportation of bulldozer	50.00
Shaft sinking, 60 feet @ $67.00/ft.	4,020.00
Headframe, job	200.00
Compressor house, job	225.00
Cutting shaft station, 210 cubic feet @ $0.77/cu.ft.	161.70
Drifting, 148 feet @ $29.00/ft.	4,292.00
Analyses, 12 @ $2.833	34.00
Total accepted cost of contract	$9,282.70
Government participation @ 75%	6,962.03

The Operator's Final Report was received July 18, 1955, and the Final Report of the Field Team on March 16, 1956.

Audits: A review in lieu of final audit was received on June 27, 1955.

Comments and Recommendations:

The contract authorized the erection of a headframe and construction of a compressor house. In the case of the headframe the amount authorized was $200.00, which, as recommended by the examiners and approved by the Field Team, was for the job of construction, although not specifically so stated in the contract. The assumption was made that the amount of $225.00 authorized for the compressor house was also for the job of construction. Hence, both being fixed unit cost jobs, the Government did not acquire an interest in either structure. No salvage value should be claimed for the Government in the final settlement of the account, notwithstanding that the Operator in his final report stated that he had sought bids on the compressor house. Please note that Mr. Weissenborn states in his letter of July 5, 1955, to Mrs. Purdy: "The Government has no equity in equipment or supplies used at the project."

The project was established to explore for mercury in the Pinkney No. 1 and No. 2 claims, in Grant County, Oregon. The Field Team reported that exploration work at the McKinnon property (Pinkney claims) had been unsuccessful; that Government participation in additional exploration is not warranted; and that a certification of discovery is not recommended. This Division concurs

with the recommendation of the Field Team that no certification of discovery be issued, and therefore recommends that the contract be closed out without certification.

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

SPHolt/foc/esf
4/20/56
cc to: Docket
Code 400 (2)
Admr. Reading File
Operating Committee

☑ Audited

☐ Certified - No.

Name John McMannon

State Oregon

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 2-16-56
Incl. Voucher for May, 1955

Commodity
Mercury

☐ Actual Cost

☑ Agreed Unit Costs

Docket No. 3382

Idm-E No. 721

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	150	$ 4350.00	148.	4292.00	4292.00
Raising					
Shafts	60	4020.00	60	4020.00	4020.00
Winzes					
Drilling (Specify)					
Surface Excavation, Bulldozing		300.00		300.00	300.00
Underground Excavation - station cutting 210 cu ft		162.00		161.70	161.70
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc. Headframe 200.00, Compressor House 225.00		425.00		425.00	425.00
Other (Specify) Transp. of bulldozer		50.00		50.00	50.00
Other (Specify) 42 chem. analyses		126.00		34.00	34.00
Totals		$ 9433.00		$ 9282.70	$ 9282.70

MF 104 for May 1955 = 9340.70
Less disallowance 2 ft @ 29.00 = 58.00
$ 9,282.70

Govt share @ 75% $ 6,962.03

Prepared by S. P. Holt

71626

DOCKET
SURNAME
Holt
Martin
Chambers
Selfridge
JHJohnson

APR 24 1956

Mr. John Hallmann
2627 Division Street
Bend, Oregon

Re: Docket No. DMMA-3362 - Harvey
Pinney No. 1 and No. 2 claims
Crook County, Oregon
Contract No. IDm-4321

Dear Mr. Hallmann:

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

It is not our intention to issue a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

SFHolt/Tco/ecf
(4/20/56)
cc to: Docket
Code 110 - Mr. Johnson
Code 400 - Mr. Martin (2)
Code 800 - Mr. Chambers
Admr. Reading File
FT, Reg. I (NW Dist.) (2)
JHPennington, USGS
THHilmgaard, USGS

R.C.H.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

RECEIVED
MAR 20 1956

March 20, 1956

Memorandum

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

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Final Field Team Report, Docket No. DMEA - 3382 (mercury), John McManmon, Pinkey No. 1 and No. 2 Claims, Crook County, Oregon, Contract No. Idm-E721, $9,433.00

The Final Field Team Report of this project by Margaret R. Lickes, Bureau of Mines, and Donald C. Alvord, Geological Survey, has been reviewed.

According to the report, the exploration consisted of a 60-foot shaft and 148 feet of drift at a cost of $9,282.70.

Only slight mercury mineralization was discovered by the exploration and no indicated or inferred reserves resulted from the project.

The examiners recommend that Certification of Discovery not be issued; also, until more geologic data are available, further DMEA participation in exploring the property is not warranted.

I agree with their recommendations.

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard, U.S.G.S.
R. W. Geehan
F i l e s

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
MAR 16 1956

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

March 9, 1956

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

Re: Docket No. DMEA-3382 (Mercury)
John McManmon
Pinkey No. 1 and No. 2 claims
Crook County, Oregon
Contract No. Idm-E721

Dear Mr. Selfridge:

Enclosed are four copies of a Field Team final report written by Margaret R. Lickes, mining engineer, Bureau of Mines, and Donald C. Alvord, geologist, Geological Survey, on this property.

The authors state that a certification of discovery is not recommended and that Government participation in further exploration of the property is not warranted.

By Field Team, Region I, NW District

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

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

Enclosures
cc: USBM(2)
USGS(SRO)
Alvord

Reviewed by
DMEA OPERATING COMMITTEE
3-19-56
(date)

RECEIVED
MAR 16 1956

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I
Northwest District

FINAL REPORT

Contract Idm-E721

by

Margaret R. Lickes
Mining Engineer
U. S. Bureau of Mines

Donald C. Alvord
Geologist
U. S. Geological Survey

JOHN McMANMON
1617 Division Street
Bend, Oregon

Docket No.:	DMEA-3382
Commodity:	Mercury
Contract date:	October 7, 1954
Completion date:	June 6, 1955

Reviewed by
DMEA OPERATING COMMITTEE
3-19-56
(date)

PINKEY NO. 1 and NO. 2 CLAIMS
Howard Mining District
(Ochoco Mercury District)
Crook County, Oregon

Spokane, Washington

March 1956

3382

ACTION ON INTER

Date 3-19

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Finished — Burst!
2.
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division:

ROBERT E. ADAMS

Initials

CONTENTS

	Page No.
INTRODUCTION	1
Summary	1
Recommendations	1
LOCATION AND ACCESSIBILITY	1
THE PROPERTY	2
GEOLOGY	2
THE PROJECT	4
Summary of Factual Data	6
Discussion of Conclusions	6

ILLUSTRATIONS

Figure 1. Plan Map of McManmon Mercury Prospect, Sec. 8, T. 18 S., R. 17 E., W.M., Crook County, Oregon

Figure 2. Geology of D.M.E.A. Workings, Pinkey No. 1 Claim, McManmon Property, Crook County, Oregon

FINAL REPORT

JOHN McMANMON
Pinkey No. 1 and No. 2 Claims
Howard Mining District
(Ochoco Mercury District)
Crook County, Oregon

Contract Idm-E721

* * * *

INTRODUCTION

This report describes a project conducted jointly by John McManmon and the Defense Minerals Exploration Administration to explore for mercury near the intersection of two cinnabar-bearing fault zones. The geologic description of the deposit is taken from a memorandum by Willard P. Puffett of the Geological Survey and Webster S. Anderson of the Bureau of Mines.

Summary

The purpose of the project was to test the possibility that cinnabar occurring near the surface in opalite fracture fillings would be found at depth in commercial quantity.

Contract work was started in October 1954 and finished in June 1955. A 60-foot shaft and 148 feet of drift disclosed only traces of mercury-bearing rock.

Recommendations

Certification of discovery is not recommended. Government participation in further exploration of the property is not warranted.

LOCATION AND ACCESSIBILITY

The property is 2 miles east of Bear Creek Butte in sec. 8, T. 18 S., R. 17 E., W.M., Crook County, Oregon. The mine can be

reached from Prineville, Oregon, by traveling southeasterly 29 miles on State Highway 27, thence 1 mile northwesterly over a county highway, thence half a mile northeasterly over an unimproved mine road.

The topography is of moderate relief, sparsely covered with scrub timber. This is a semiarid region where summer temperatures are mild with little rainfall, and the winters are seldom severe.

THE PROPERTY

The property comprises two unpatented mining claims, Pinkey No. 1 and Pinkey No. 2, but DMEA work was done only on the Pinkey No. 1 claim. These claims were staked by John McManmon and Basil R. Bayley and are recorded in Book 7, pages 259 and 261, in the county recorder's office, Crook County, Oregon.

Application for the contract was made by McManmon and Bayley, but before the contract was signed, Bayley gave McManmon a quitclaim deed to his interest in the property, and the contract was undertaken and completed by John McManmon.

Prior to the contract period, only scattered surface work had been done. During the term of the contract a 60-foot shaft was sunk, and 148 feet of drift and crosscut were driven on the 54-foot level. The ground stood well in the limited area opened, and the only support required was 16 feet of cribbing at the collar of the shaft.

During the project work natural ventilation was sufficient. The drift and crosscuts driven under the contract are above the water table, and drainage was no problem.

A headframe and compressor house, erected under the contract, are the only facilities at the mine.

GEOLOGY

The general geology of the nearby Platner Mercury mine has been described by Gilluly, Reed, and Park (Gilluly, James; Reed, J. C.; and Park, C. F., Jr., Some mining districts of Eastern Oregon: U. S. Geol. Survey Bull. 846A, p. 138-139, 1933). Inasmuch as the Pinkey No. 1 and 2 claims are on a ridge parallel to that on which the Platner mine is located, and as the geologic environment is very similar, the following quotation from U. S. Geol. Survey Bull. 846A will apply to the applicant's property:

> "The country rock is Tertiary andesite and porphyritic andesite with a little tuff. The attitude of the series was not accurately determined, but is probably flat. A quartz lode, consisting of

numerous reticulating veinlets of quartz, cuts these volcanic rocks. This lode stands in relief above the country rock and forms the backbone of a long hill.

"* * * Accompanying the quartz are much chalcedony and opal and considerable kaolin and montmorillonite. The development of the clay minerals results in a bleached zone in the country rock. Pyrite and cinnabar impregnate the silicified zone and a little asphalt occurs in vugs in the veinlets. The cinnabar is richest in the quartz veinlets but also occurs disseminated in the walls."

The ridge on which the Pinkey No. 1 and 2 claims were staked is parallel to and about 2 miles northeast of the ridge on which the Platner Mercury mine is located. The rocks exposed along the crest of this ridge, locally called Wiltsie Ridge, are very similar to those exposed at the Platner Mercury mine. These are brown to yellow, brecciated andesitic to rhyolitic rocks with tuffs, which contain sparse to moderate amounts of tiny blebs and beads of chalcedonic and opaline silica. Locally there are masses of opaline silica more than 2 feet in width. Scattered fine grains of magnetite and partially leached pyrite crystals are found at many exposures. Locally the andesite is porphyritic.

One of two well-defined fault-breccia zones on the Pinkey No. 1 claim was explored by the contract (fig. 1). One fault zone strikes N. 65° W. and dips 80° SW. and is characterized by a 5 to 10-foot-thick footwall shear zone on its north side and from 30 to 40 feet of broken and brecciated tuffaceous material in a matrix of buff to dark-red clay. Thin stringers, bands, and small pods of opaline silica are scattered through the breccia zone, and it is cut here and there with minor north to northwest-trending shears. Most of the cinnabar in the breccia zone is associated with the opaline silica. An irregular, weakly developed hanging wall shear zone bounds the southern margin of the breccia zone.

The other fault-breccia zone strikes N. 20 W., dips 85° NE., and has features similar to the fault zone striking N. 65° W. but is thinner and less strongly developed. The intersection of these two fault-breccia zones, about 150 feet southeast of the DMEA shaft, was the principal target of the DMEA exploration.

Wiltsie Ridge, along which the N. 65° W. fault-breccia zone follows, extends a number of miles northwest to Taylor Butte. The entire length of this ridge northwest from the Pinkey property shows traces of cinnabar.

Cinnabar appears to be closely associated with the areas in which there are higher concentrations of the fine-grained silica. A few specimens examined with a hand lens contained tiny crystals of cinnabar in opaline silica. The cinnabar seems to occur most commonly near where the silica contains leached iron-stained spots which may represent oxidized pyrite grains.

THE PROJECT

The Pinkey claims are 2 miles northeast of the Platner mercury mine, bordering the Ochoco mercury district. Near the central part of the Pinkey No. 1 claim a northerly-trending fault intersects a southeasterly-trending fault. Assays of samples taken from shallow prospect pits in the fault areas assayed as much as 7 pounds mercury per ton. The project was designed to test whether a minable body of mercury ore exists below these surface exposures.

The project was set up in two stages, with Stage II work dependent on the results of Stage I. Stage I consisted of bulldozing an access road to the property, stripping the surface at the intersection of the two fault zones, erecting a headframe and a compressor house, and sinking a vertical shaft 60 feet (fig. 2). Stage II consisted of cutting a station on the 50-foot level of the shaft and drifting on this level a distance not to exceed 150 feet. The contract was dated October 7, 1954, with work to be completed in 6 months.

One amendment to the contract, dated May 25, 1955 (effective October 7, 1954), changed the time permitted for completion of the contract from 6 to 9 months. The contract was completed in June 1955.

Under Stage I of the contract three quarters of a mile of road to the property was bulldozed and the bedrock on the No. 1 claim exposed to help select the best location for the shaft. Sixty feet of shaft was sunk, the bottom 6 feet being a sump.

Under Stage II a station was cut, 54 feet below the collar of the shaft, from which 148 feet of workings was completed (fig. 2).

The shaft is inclined about 86° SW. (fig. 2). The headframe is about 12 feet southwest of the main fracture which forms the boundary of the "Wiltsie" dike. This main fracture was intersected in the lower portion of the shaft. The rock in the hanging wall area of the fault consists of brecciated volcanic rock plus angular blocks averaging 1 to 3 inches in diameter. A considerable amount of fine-grained rock and clay material fill the interstices between the angular fragments. In places moderate amounts of opaline silica have been deposited as fillings in open spaces and coatings along the fragmental rock.

Samples were taken 16, 40, and 56 feet below the collar of the shaft. The rock between the footwall fault and the shaft was sampled in an open cut on the northeast side of the shaft. With the exception of the samples in the lower part of the shaft, all assayed nil mercury. Samples taken in the shaft 56 feet below the collar show mercury, but these assayed only 0.1 and 0.2 pound of mercury per ton. None of the samples in the shaft compare favorably with a sample taken on the surface near the location of the headframe that assayed 7.0 pounds of mercury per ton.

The geology of the crosscut is shown diagrammatically on figure 2. In general the wall rock is a somewhat brecciated tuffaceous material with moderate amounts of reddish-brown to buff clayey material. Thin stringers and very small pods of opaline silica are scattered throughout this tuffaceous material. A nearly solid band or vein of opaline silica, measuring up to 18 inches thick, is exposed in the crosscut, 15 feet southwest of the main footwall-gouge zone. This band of opaline silica correlates favorably in strike, dip, and location with the narrow band of opaline silica near the collar of the shaft in which scattered to modest amounts of cinnabar were found. No cinnabar was seen in the band of opaline silica exposed in the crosscut. A sample of this rock was panned and small "tail" of cinnabar was recovered.

Other than the narrow band of opaline silica described above, nothing else that showed promise of containing cinnabar was exposed in the crosscut to the southwest. The wall rock contains many fractures, only a few of which can be traced from one wall to the other. The strongest appearing of these fractures are shown on the plan map on figure 2. In a general way it appears that the entire area explored by the crosscut to the southwest represents a somewhat sheared and faulted area, in which the most prominent faults strike to the northwest and dip steeply both to the northeast and southwest, paralleling the strong footwall fault zone.

The Operator attempted to drive a crosscut through the gougy clay zone to the northeast, but in this particular area near the footwall of the shaft there are many subsidiary fractures with accompanying gouge that created difficulty in drilling and blasting.

The drift southeast from the shaft followed the footwall of the breccia zone marked by moist clay and gouge 5 to 10 feet thick. Numerous narrow faults, with from 1 to 3 inches of gouge intersect the footwall gouge zone from the south at small angles. The rock exposed in the drift is coarsely brecciated tuffaceous material in a matrix of buff to dark-red clay. Near the southeast face of the drift a small amount of cinnabar has been found by panning the drillings. One sample from this area assayed 1.2 pounds of mercury per ton, by far the highest assay found in any samples taken in the underground workings.

The objective of the drift was to reach the intersection between the strong fault zone which trends about N. 60° W., with the fault zone whose surface trace strikes about N. 20° W. Some strong-appearing faults, striking about N. 20°-25° W., were intersected near the southeast face of the drift, and it is in this area that the best indications of cinnabar have been found. It is not believed that the work has been extended far enough to the southeast to reach the intersection with the strong fault that strikes N. 20° W.

No ore reserves have been indicated, nor can any be inferred from the results of the DMEA project.

Summary of Factual Data

Units completed and their cost are:

Item	Units	Unit cost	Total cost
Buildings	Job	Job	$ 425.00
Transportation	Job	Job	50.00
Bulldozing	30 hrs.	$10.00	300.00
Shaft	60 ft.	67.00	4,020.00
Station	210 cu.ft.	0.77	161.70
Drift	148 ft.	29.00	4,292.00
Assays	12 ea.	2.83	34.00
Total			$9,282.70

Total amount of contract	$9,433.00
Government's share at 75 percent	$7,074.75
Total amount expended	$9,282.70
Government's participation	$6,962.03
Total amount unexpended	$ 150.30
Government's share unexpended	$ 112.72
Royalty payments received	None

There was no production from the property during the term of the contract.

No equipment was purchased in which the Government had an equity so there were no problems of salvage.

Discussion of Conclusions

Mr. McMannon completed this small contract in a workmanlike manner. All labor was performed by Mr. McMannon and his two sons.

Quality of the work was adequate, and no difficulties of either an administrative or financial nature were encountered.

Although exploration at the McMannon property has been unsuccessful, further study may show that deeper exploration or diamond drilling is justified. Until more geologic data are available, however, further DMEA participation in exploring the McMannon property is not warranted.

Enclosures(2)
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Alvord

400
DOCKET
SURNAME
Rutledge
Martin
Chandler
Fahrney
Whitehead

JUL 28 1955

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

Re: Docket No. DMEA 3382 - Mercury
John McNamara
Pinney No. 1 and No. 2 Claims
Crook County, Oregon
Contract No. Ida-8721

Dear Mr. Weissenborn:

Reference is made to the subject docket and Mr. Millard P. Puffett's memorandum of June 6, 1955, which mentions the Government's equity in installations made under the referenced contract. Please note that the Government does not have an equity in such installations because the contract is on the short form, MF-200A.

The exploration completed has not resulted in a discovery. We understand from the Field Team's final report that the original target has not been reached, but sufficient work has been completed to indicate DMEA assistance in additional exploration is not warranted at this time.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (JHB)

APPROVED:

/s/ Robert W. Geehan (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

FARUTIEDGE:FOC
7-25-55
cc to: Docket
Code 400
Adm. Read. File
Operating Comm.
FT. REG. I - NW DIST.
H. M. Meyer, USBM
T. H. Kiilsgaard, USGS

P.L.H.

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

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

Re: Docket No. DMEA 3382 - Mercury
John McManmon
Pinkey No. 1 and No. 2 Claims
Crook County, Oregon
Contract No. Idm-E721

Dear Mr. Weissenborn:

Reference is made to the subject docket and Mr. Willard P. Puffett's memorandum of June 6, 1955, which mentions the Government's equity in installations made under the referenced contract. Please note that the Government does not have an equity in such installations because the contract is on the short form, MF-200A.

The results obtained from the exploration completed have not indicated a discovery. However there exists a possibility that the exploration was not extended far enough to the southeast to reach the intersection with the strong fault which strikes N. 20° W. This intersection was the objective of the exploration contract and the proposed location of the DMEA shaft, but the mineralization exposed apparently does not warrant DMEA participation in additional exploration.

Sincerely yours,

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

July 12, 1955

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

Re: Docket No. DMEA-3382 (mercury)
John McManmon
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon
Contract Idm-E721

Dear Mr. Selfridge:

Enclosed are the original and two copies of a final Operator's report by Mr. McManmon. This report is hereby accepted as satisfactory by the Field Team. No certification of discovery or development is recommended.

By Field Team, Reg. I, NW District

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

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

Enclosures

cc: USBM (2)
USBM (AD)

We started phase number one Nov. 3-54 It consisted of dozing about three fourths mile of new road and removing the overburden from mineralized section of the dike. We started the sixty feet of shaft Nov. 4 and completed it in two months also built the compressor house and headframe.

We had favorable weather and other conditions for this phase. However the weather and roads were really rugged through Jan. and part of Feb. It wasn't feeling too well either so the only work done was several pits which we would do mostly on week ends when the boys were free to help me. We had to carry gas in for the compressor so couldn't get much done.

I am sending a map showing what we got done on our own also showing assay returns not connected with the project.

This made it necessary for me to get a time extension on my contract. I am grateful for the time extension. I needed only one month of the three granted but was glad to have the governments cooperation in this matter.

We run a sample retort several weeks and would get some mercury from most samples run. We got one eighth ov-

teaspoon from twenty five lbs. of crushed rock. That was the highest amount. From that down to only a few fine beads. (And I mean fine).

We started the second phase Mar-1 and still had some difficulty with the weather. We cut 210 c. ft. of station at the 54 ft level

We crosscut the dike to the southwest for forty one feet with no ore showing that amounted to anything. Then we cut the mud wall to the north east about ten feet with no results. Then we drifted about thirty feet southeast. Cut six feet to the south west because we saw a few signs of mercury. However assay returns show 0.5 lbs per ton. at that point. After drifting six feet there was no improvement so we continued in a southeasterly direction along the wall for the remainder of the project

at about forty three feet we hit a narrow vein of iron pyrites that didn't show any mercury but we had an analysis made which I am mailing and showing location on the map. Then we drifted about thirteen feet where we had a little showing which I had assayed. Same thing 0.5 lbs. per ton.

About twenty feet from the end of the tunnel we hit a vein that run for about eight feet of low grade from which I sent two assays. Same thing 0.5 lbs per ton.

I am mailing two bids on the compressor house by private parties also one of my own. I would like to buy the compressor house on the property for my own use in the future if I should happen to need it.

The headframe we used all through the project and it would be of little value if removed or salvaged. I intend to do a little more work on my own in the tunnel and could still use it.

I am also doing a little more work in the Houston hole. The shaft there is at a depth of about twenty five feet now and I had an assay of 5.5 lbs per ton at a depth of 20 ft. Down another ~~five~~ feet it looks better. No assay returns yet as we sank a little farther just lately. This hole is about three hundred feet from where we sank our shaft to the north west. I have this property leased.

over

This is on the same vein along which we

~~we~~ run the tunnel. This is the only shaft we have so far that is improving with depth. We did not have this property leased before we got our D M E A. contract but leased it later. Would like to know if it would be possible to get some assitance on it.

I have appreciated the assitance given me on the project. Also the cooperation of the field team. Hope I have completed the contract in a satisfactory manner.

John McMannon

Contract No. Idm-E721
Docket No. DMEA 3382 (mercury)
Crook County, Oregon

RECEIVED
JUN 15 1955
U. S. G. S.
SPOKANE, WASH.

The exploration completed has not resulted in a discovery. ~~However~~ ~~As~~ We understand ~~from~~ from the Field Team final report ~~that~~ that ~~although~~ the original target has not been reached, but sufficient work has been completed to indicate DMEA assistance in additional exploration is not warranted at this time.

RECEIVED
JUL 11 1955

XXXXXX XXXXXXXXXX
1201 N. Division Street
Spokane 2, Washington
July 5, 1955

Mrs. Myrtle Purdy, Certifying Officer
DMEA Field Team, Region I, NW District
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA 3382
Contract No. Idm-8721
John McMannon

Dear Mrs. Purdy:

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

The Government has no equity in equipment or supplies used at the project.

A Certification of Discovery or Development covering this project will not be recommended by the Field Team.

A final Report of Review dated June 23, 1955, by DMEA Auditor C. A. Turner has been received.

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

Sincerely yours,

cc: DMEA (2)
USGS (2)

A. E. Weissenborn,
Executive Officer, DMEA
Field Team, Region I
Northwest District

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

June 23, 1955

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

Re: Docket No. DMEA-3382 (mercury)
John McManmon
Pinkey Nos. 1 and 2 claims
Crook County, Oregon
Contract Idm-E721

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 1 to the above-cited contract together with the justification.

Other copies of the amendment have already been distributed.

Sincerely yours,

John S. Vhay

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

Enclosures
cc: Finance Office
USBM(2)
Kellum

RECEIVED
AUG 2 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

RECEIVED
JUL 15 1955

June 6, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-3382 (Mercury), Final ~~Interim~~ Inspection of McManmon Property, Pinkey Nos. 1 and 2 Claims, Crook County, Oregon, Contract No. Idm-E721.

The final ~~routine~~ inspection of the McManmon property was made on Saturday evening, June 4, 1955. Mr. John McManmon accompanied me on this inspection.

The mapping of the underground workings was completed, and Mr. McManmon was advised of the procedure to be followed in preparing his final report and in disposing of equipment in which he and the Government had a joint equity. See Tolbert's Comment

The map of the drifts and crosscuts, driven from near the bottom of the shaft, accompanies this report. The drift has been to the southeast, along the hanging wall of a fault zone, marked by moist clay and gouge, with an average thickness in excess of 7 feet. Numerous narrow faults, with from one to three inches of gouge, intersect the main fault from the south at small angles. The rock exposed in the drift is coarsely brecciated tuffaceous material, in a matrix of buff to dark red clay. Near the southeast face of the drift, a small amount of cinnabar has been found by panning the drillings. One sample from this area assayed 1.2 pounds of mercury per ton, by far the highest assay found in any samples taken in the underground workings.

The objective of the drift was to reach the intersection between the strong fault zone which trends about N. 60° W., with a fault zone whose surface trace strikes about N. 20° W. Some strong appearing faults, striking about N. 20-25° W., have been intersected near the southeast face of the drift, and it is in this area that the best indications of cinnabar have been found. It is not believed though that the work has been extended far enough to the southeast to reach the intersection with the strong fault which strikes N. 20° W.

The property was inspected on May 23, 1955, at which time it was found that nearly 8 feet of drifting remained to be completed under the contract. On May 23, though, Mr. McManmon was in the hospital with an infection in his eye which had resulted from a small fragment of rock lodging there during drilling one day. Consequently, the work was interrupted for a few days, while Mr. McManmon was successfully recuperating from this accident.

On June 4, Mr. McManmon was of the opinion that he had advanced the drift enough to have completed the contract. An inspection of the accompanying map, however, shows the following footages have been completed:

Crosscutting southwesterly from shaft	37.5 feet
Crosscutting northeasterly from shaft	10.5 "
Drifting southeasterly from shaft	93.0 "
Drifting northwesterly from shaft	1.0 "
Crosscutting southerly from southeast drift	6.0 "
Total drifting and crosscutting	148.0 feet

The above total, 148.0 feet, appears to be the maximum that can be considered to have been completed.

Mr. McManmon had moved the compressor away from the property and probably will not complete the additional 2 feet in the near future. He did state that it was his intention to continue the drift to the southeast, but he was not definite as to when such work would be accomplished.

The total work completed under the contract is as follows:

Stage I	
Bulldozing	30 hours
Shaft sinking	60 feet
Construction of compressor house and headframe	
Stage II	
Drifting and crosscutting	148.0 feet
Cutting station in shaft at drift level	210 cubic feet

It is not known precisely how many samples the Operator has had assayed.

B

Although there still remains 2 feet of drifting to be completed under the contract, it is not believed that such work will result in finding better evidence than the work which has been completed. The Operator is planning on obtaining bids from individuals in the area for the compressor shed. When he submits his final report, he will also submit copies of these bids, and presumably will submit his own bid for the compressor shed, as he has stated that he wants to retain it. The compressor shed is the only thing in which the Government has an equity, other than the headframe, and actually the headframe will not last much longer with continued use.

During the routine inspections to the McManmon property, other prospects in the area have been visited. Nearly all these prospects have explored strong fault zones in siliceous, brecciated, tuffaceous material, in which sparse amounts of cinnabar have been deposited. Production has been obtained from one or two of the prospects, but in general the grade of the rock is too low. All these prospects are found in an area of about 10 square miles, and it may be that a detailed study of this area, with special attention being paid to the structure and the rock alteration, would be successful in locating a more promising place to explore than the McManmon property. Cinnabar has been sparsely disseminated along strong fracture zones over a fairly large area, and in sum total, the area contains a great quantity of cinnabar.

Although the exploration work at the McManmon property has been unsuccessful, further study may show that deeper exploration or diamond drilling is justified to further explore it. However, at this time, DMEA assistance in additional exploration at the McManmon property is not warranted.

Distribution:
DMEA (orig. & 3)
USBM (2)
USBM(AD)
Docket
Puffett
Kellum
Turner

3382

ON FINAL FILM TEST REPORT

Date 7-15-55

Routed to:

1. ~~Mr. Fitzgerald~~
2. ~~Mr. Dodson~~
3. Mr. Chambers
4. ~~Docket Control Mails and Files~~
5. ~~Jean Y. Jean Cobb, Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Final Inspection (Bust)
Did it reach target?
2.

3. Govt has no equity in headframe & compressor under short form contract. Field Team should be advised. Talbert

and take appropriate action.

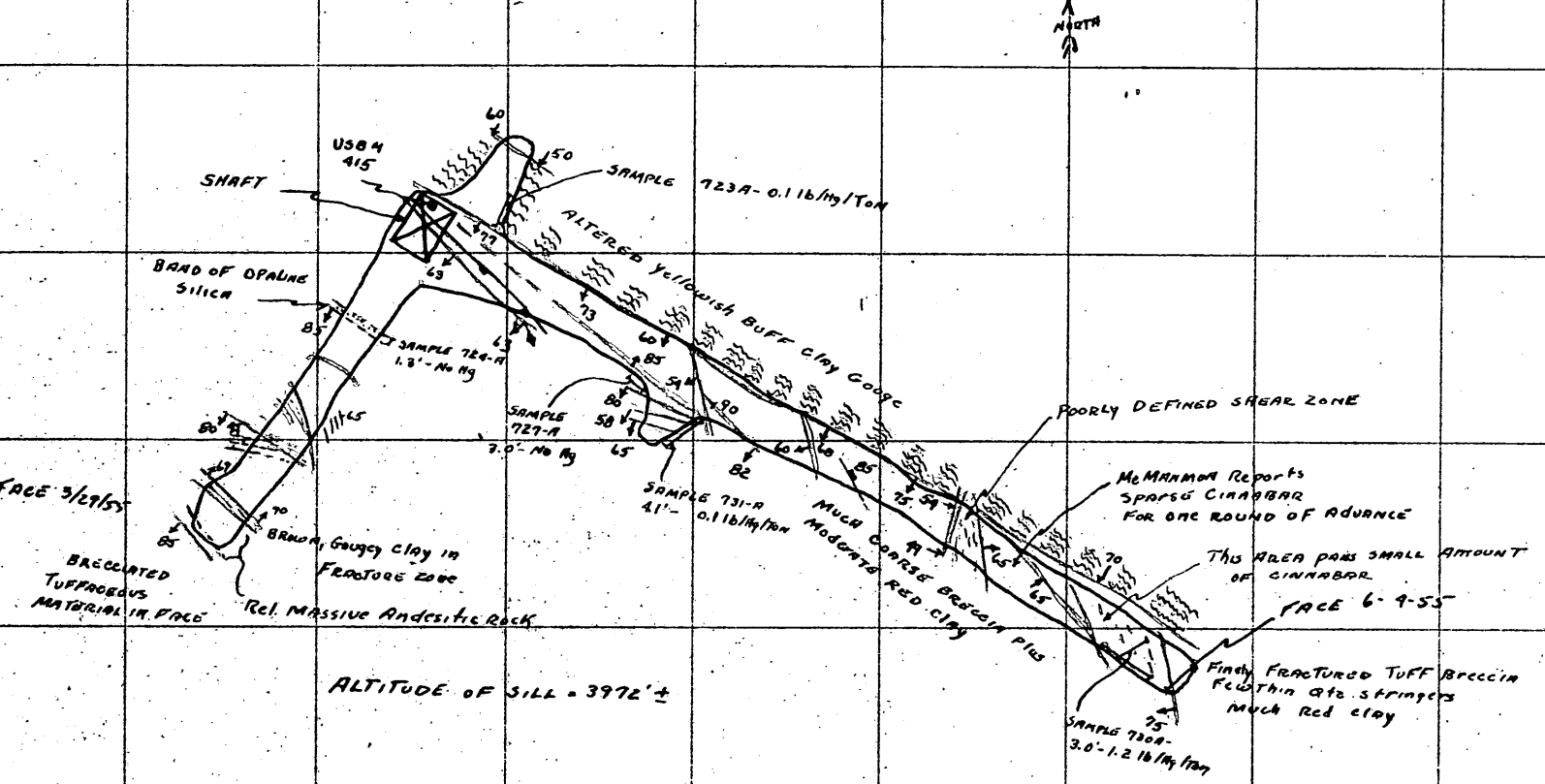
= = = = =

Action taken by Division:

Land remove

ROBERT E. ADAMS

Initials



GEOLOGY OF DRIFT AND CROSSCUT
NEAR BOTTOM OF SHAFT
PINKEY No. 1 CLAIM

McMAHMON PROPERTY
CROOK COUNTY, OREGON
1" = 20'

Tape AND COMPASS TRAVERSE
W.S. Anderson } USBM
W.R Poffett }
D.F Kellum } OSGS

"ALBANENE" NO. 196M K&E CO., N.Y. REG. U.S. PAT. OFF.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 11 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1955 Docket No. DMEA 3382 Contract No. DMEA-721
Operator's Name John McMannon Minerals Mercury
Address 1617 Division Bend, Ore.
Contract Amount, $ Government Participation: 75% Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		$ 300.00	$ 300.00		300.00	300.00
Crosscutting Station		161.70	161.70		161.70	161.70
Drifting 42 ft.	1218	$132.00	4350.00	1160.00	3132.00	4292.00
Shaft		4020.00	4020.00		4020.00	4020.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs headframe		$ 200.00	200.00		200.00	200.00
(6) New Bldgs., Improvements, etc.		225.00	225.00		225.00	225.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis 5	13	21.00	34.00	13.00	21.00	34.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
transporting dozer job		50.00	50.00		50.00	50.00
TOTALS	1231	$8109.70	$9340.70	1173.00	8109.70	9282.70

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-13-1955 *Payee John McMannon
Per Title

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

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

(Instructions on reverse)

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

$ 879.75

Signature MDP
(Authorized Certifying Officer)

Date 7-8-55 Vou. No. 1552
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 721 in accordance with the terms of the contract.

Signature /S/ M R Lickes Title Engineer Date 6-16-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng Date 6-22-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 11 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1955 Docket No. DMEA 3382 Contract No. 721
Operator's Name John McMannon Minerals Mercury
Address 1617 Division Fond. Ore.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	150 ft.	$1218.00	42 ft.	$4350.00	150	$4350.	150 ft.	@ $29.00
Crosscutting Station	210 cu. ft.			161.70	210	161.70	210 cu. ft.	@ .77
Raising								
Shafts	60 ft.			4020.00		4020.00	60 ft.	@ 67.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Dozing	30 hrs.			300.00	30	300.00	30 hrs.	300.00
Test Pits Trans. Dozer				50.00		50.00	Job	50.00
Roads and Trails Assays		13.00		34.00	12	34.00	42	3.00
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS		$1231.00		$9915.70				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs Headframe				200.00				
New Buildings, Improvements, etc.								
Compressor House				225.00				
TOTAL COSTS		$1231.00		$9340.70				

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

Date 6-13-1955 Operator John McMannon

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

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

REMARKS:

(Instructions on reverse)

(For Government use only)

151 M. R. Ricks
6/16/55

INSTRUCTIONS

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

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

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

GPO 872894

The following is a copy of the "Final Report" submitted by the Operator re: Docket No. DMEA 3382 (mercury), John McMarmon, Pinkey No. 1 and No. 2 claims, Crook County, Oregon, Contract Idm-E721.

RECEIVED
JUL-1-1956

- -

We started phase number one Nov. 3 - 54. It consisted of dozing about three fourths mile of new road and removing the overburden from mineralized section of the dike. We started the sixty feet of shaft Nov. 4 and completed it in two months; also built the compressor house and headframe.

We had favorable weather and other conditions for this phase. However the weather and roads were really rugged through Jan. and part of Feb. I wasn't feeling too well either so the only work done was several pits which we would do mostly on weekends when the boys were free to help me. We had to carry gas in for the compressor so couldn't get much done.

I am sending a map showing what we got done on our own, also showing assay returns not connected with the project.

This made it necessary for me to get a time extension on my contract. I am grateful for the time extension. I needed only one month of the three granted but was glad to have the governments cooperation in this matter.

We run a sample retort several weeks and would get some mercury from most samples run. We got one eighth teaspoon from twenty five lbs. of crushed rock. That was the highest amount. From that down to only a few fine beads (and I mean fine).

We started the second phase Mar. 1 and still had some difficulty with the weather. We cut 210 c. ft. of station at the 54 ft level.

We crosscut the dike to the southwest for forty one feet with no ore showing that amounted to anything. Then we cut the mud wall to the northeast about ten feet with no results. Then we drifted about thirty feet southeast. Cut six feet to the southwest because we saw a few signs

of mercury. However assay returns show 0.5 lbs. per ton at that point. After drifting six feet there was no improvement so we continued in a southeasterly direction along the wall for the remainder of the project.

At about forty three feet we hit a narrow vein of iron pyrites that didn't show any mercury but we had an analysis made which I am mailing and showing location on the map. Then we drifted about thirteen feet where we had a little showing which I had assayed. Same thing 0.5 lbs. per ton. About twenty feet from the end of the tunnel we hit a vein that run for about eight feet of low grade from which I sent two assays. Same thing 0.5 lbs. per ton.

I am mailing two bids on the compressor house by private parties also one of my own. I would like to keep the compressor house on the property for my own use in the future if I should happen to need it.

The headframe we used all through the project and it would be of little value if removed or salvaged. I intend to do a little more work on my own in the tunnel and could still use it.

I am also doing a little more work in the Houston hole. The shaft there is at a depth of about twenty five feet now and I had an assay of 5.5 lbs. per ton at a depth of 20 ft.

Down another five feet it looks better. No assay returns yet as we sank a little farther just lately. This hole is about three hundred feet from where we sank our shaft to the northwest. I have this property leased.

This is on the same wall along which we run the tunnel. This is the only shaft we have so far that is improving with depth. We did not have this property leased before we got our DMKA contract but leased it later. Would like to know if it would be possible to get some assistance on it.

I have appreciated the assistance given me on the project. Also the cooperation of the field team. Hope I have completed the contract in a satisfactory manner.

John McMammon

This was the only report sent in by the operator with this MF-104 and the Field Team decided to accept it as both a monthly narrative and a final report.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 31 1955

May 26, 1955

Mr. John McManmon
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA-3382 (Mercury)
Pinkey No. 1 and No. 2 Claims
Crook County, Oregon
Contract No. Idm-8721

Dear Mr. McManmon:

Enclosed are several copies of Amendment No. 1 to your DMEA contract. This amendment extends the time for completion of the contract from 6 to 9 months. If the terms of this amendment meet with your approval, sign all copies, retain that copy marked "Operator's Copy" and return the remaining copies to this office. It will be necessary that we receive these copies of the signed amendment before we can give credit for the work completed since April 7, 1955.

We have discussed with Mr. Puffett the possibility of your leasing the Pinkey claims to the present owners of the Platner Mine. It was our conclusion that if the DMEA project at your property did not result in a discovery, you would be free to make any arrangements for the leasing or selling of your property. Work to date on the contract has not been too encouraging and it seems probable that not enough ore will be found by the small amount of work remaining to justify a certification of discovery, although this decision is not made by us. If no discovery is made, the Government will have no further interest or claim on the property after the contract is completed. Should a certification of discovery be made, then you should protect yourself in leasing or selling the property by stipulating that the lessee or new owner would pay any royalty due the Government. If you do not take this precaution, you may find yourself obligated to pay it.

By Field Team, Region I, NW District

cc: DMEA (2)
USBM (2)
USBM(AD)
Puffett

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

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

Enclosure

400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955

XXXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
May 5, 1955

Mr. John McMannon
1617 Division
Bend, Oregon

Re: Contract Idm-8721
Monthly operating report
for April 1955

Dear Mr. McMannon:

The subject monthly operating report has been received and processed for payment.

This is to inform you that payment could not be made in the full amount claimed. The amount deleted is explained in the attached copy of a memorandum to the Field Team, Region I, from the DMEA Certifying Officer, Region I.

By Field Team, Region I
Northwest District

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

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

cc: DMEA (2)
USGS (2)

DMEA Field Team, Region I, NW District

May 5, 1955

DMEA Certifying Officer, Region I

MAY 12 1955

John McNamman, Contract Idm-N721
Monthly operating report for April 1955

The subject operating report has been received and processed for payment.

A disallowance of $290.00 has been made. There is a difference of 10 feet in the footage claimed on the MF-104 and in the amount of footage Mr. McNamman states in his narrative he accomplished during the reporting period. For this reason payment for the 10 feet has been withheld. If the inspecting engineer finds the correct footage to be 70 feet when he makes his next visit to the mine, Mr. McNamman may reclaim the amount disallowed.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS

MF-404 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
MAY 12 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1955 Docket No. DMEA -3382 Contract No. 721
Operator's Name John Mc Manmon Minerals Mercury
Address 1617 Division, Bend, Oregon
Contract Amount, $ 9433.00 Government Participation: 75 % Amount, $ 7074.75

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY (WSM): Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		$300.00	$300.00			
~~Crosscutting~~ Station	$50.82	110.88	161.70	50.82		
Drifting ~~60~~ 70 ft.	2030.00	1392.00	3422.00	1740.00		
Shaft		4020.00	4020.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) ~~XXXXXXXXXXXXXXXXXX~~ Head Frame		$200.00	$200.00			
(6) New Bldgs., Improvements, etc.		225.00	225.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		21.00	21.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify): Transp. Dozer		50.00	50.00			
TOTALS	$2080.82	$6318.88	$8399.70	1790.82	6318.88	8109.70

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

Date 4/29 *Payee John McManmon

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 1343 12

Signature M D P
(Authorized Certifying Officer)

Date 5-4-55 Vou. No. 1494
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E721 in accordance with the terms of the contract.

Signature 1S/ Webster S Anderson Title Mining Engr Date 5-2-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1S/ Stephen W Zoldok Title Mining Eng Date 5-2-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 12 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 5 Docket No. DMEA -3382 Contract No. DMEA-721
Operator's Name John Mc Manmon Minerals Mercury
Address 1617 Division, Bend, Oregon

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	108	~~2030.00~~ 1740.00	~~70~~ 60	$3,422.00	108	3,422.00	150ft.	@$29.00
Crosscutting Station	210	50.82	66	161.70	210	161.70	210cu.	@ .77
Raising								
Shafts	60ft.			$4020.00	60	4020.00	60ft.	@67.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
~~Trenching~~ Dozing	30hrs.			300.00	30	300.00	30hrs.	$300.00
~~Test Pits~~ Transp. Dozer				50.00		50.00	job	50.00
~~Roads and Trails~~ assays	7			21.00	7	21.00	42	@ 3.00
TOTAL DISTRIBUTED COSTS		$2080.82		$7974.70				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
~~Initial Rehabilitation and Repairs~~ Head frame				$200.00				
New Buildings, Improvements, etc.								
Compressor House				$225.00				
TOTAL COSTS		$2080.82		$8399.70				

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

Date 4/29 Operator John McManmon

Per Title

REMARKS:

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

(Instructions on reverse)

(For Government use only)

/s/ Webster S Anderson

INSTRUCTIONS

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

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

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

GPO 872894

C O P Y

Bend, Oregon
April 29, 1955

This month we drifted sixty feet to the South East. Everything is about the same as it was when we were visited last. We are past the outcropping that is below the shaft. We are into an opalite mass along the mud wall but no mercury at the present this is approx. 12 inches wide where we are now don't know what it will turn up yet but we are hoping to see some mercury soon. James has to go back to school for a couple of weeks for a review and I'm not feeling so good right now so it may take a little longer than we planed to finish the project.

Yours truly,

John McMannon
1617 Division
Bend, Oregon

Mines Administration
RECEIVED
MAY 12 1955

DMEA Field Team, Region I, NW District May 5, 1955

DMEA Certifying Officer, Region I

John Hoffmann, Contract Idm-8721
Monthly operating report for April 1955

The subject operating report has been received and processed for payment.

A disallowance of $250.00 has been made. There is a difference of 10 feet in the footage claimed on the MF-104 and in the amount of footage Mr. Hoffmann states in his narrative he accomplished during the reporting period. For this reason payment for the 10 feet has been withheld. If the inspecting engineer finds the correct footage to be 70 feet when he makes his next visit to the mine, Mr. Hoffmann may reclaim the amount disallowed.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS
WASH. (2)

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

1201 N. Division St.
Spokane 2, Washington
April 26, 1955

Department of the Interior
Bureau Records Administration
RECEIVED
MAY 12 1955

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: M. R. Lickes, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Docket No. DMEA 3382 (mercury), John McManmon, Pinkey No. 1 and No. 2 Claims, Crook County, Oregon, Contract No. Idm-E721

The John McManmon property was visited April 21, 1955, in the company of Willard Puffett, geologist, U. S. Geological Survey. Mr. James McManmon, the Operator's son, and his wife, Mary, accompanied us on the inspection. No one was working at the property. The Operator, who had gone to town for mine supplies, returned as we were leaving and we conferred with him.

Advance since the last inspection was 46 feet for a total of 87.5 feet of drift and crosscut. The advance was distributed as follows:

XC-NE -- 6 feet N 35° E
Drift SE — 37 feet S 58° E
XC-SW at 33.5 feet in the drift — 3 feet

The hanging wall of a gougy clay zone encountered in the shaft continues in the east side of the drift. At 33.5 feet in the drift the Operator had started a crosscut southwest for a distance of 3 feet. He was advised to discontinue this crosscut in favor of continuing the drift so that he would have sufficient footage to reach the projected intersection of the two dikes. Mr. Puffett took one sample at the intersection of the drift with this short crosscut. This is to be run for mercury and gold.

Water is being used for drilling. A 50-gallon tank on the surface is filled each day with water hauled 5 miles from the McManmon house. Fifty feet of 1-in. water line down the shaft and hose sufficient to reach the face have been installed. Pressure is good.

Materials to make ladder replacements are at the property and James McManmon, who does the hoisting, stated that he has enough time between cans to make the necessary replacements. One ladder landing had been broken and the Operator was advised to put it in safe condition.

A loose piece of ground at the point where the main southwest crosscut joins the drift was called to the attention of the Operator who stated that he would take it down.

No track has been laid. Cans are skidded to the shaft on plank.

Mr. McManmon reported news of the sale of the Plattner mercury mine, 2½ airline miles southwest of his shaft, to Kennemetal, Inc. Details of the transaction are unknown.

If the present rate of advance continues, the remaining 62.5 feet of drift should be completed during the second week in May.

Status of Contract

Stage I	Allowable	Completed
Bulldozing	30 hrs.	30 hrs.
Transportation of bulldozer	$50--job	$50
Shaft sinking	60 feet	60 feet
Analyses	12	7
Headframe	$200--job	$200
Compressor house	$225--job	$225
Stage II		
Station	210 cu.ft.	144 cu.ft.
Drift	150 ft.	87.5 ft.
Analyses	30	none

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

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

April 8, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Interim Inspection, Docket No. DMEA-3382 (Mercury), John McManmon, Pinkey No. 1 and No. 2 Claims, Crook County, Oregon, Contract No. Idm-E721.

On Tuesday, March 29, 1955, W. S. Anderson, Bureau of Mines, and I made a routine inspection of the exploration project work at the McManmon property, Crook County, Oregon. Mr. John McManmon and his son, James, were at the property.

A tape and compass survey was made of the new underground workings. Prospect pits and shallow shafts, completed by the Operator at his own expense during January and February, were located with respect to the DMEA shaft by means of transit and stadia. Figure 1 shows the location of these surface workings, plus the general outline of the bulldozed areas completed under Stage I of the contract. Assay data from samples taken in surface pits are also shown on figure 1. Figure 2 shows the plan outline and geology of the crosscut from near the bottom of the DMEA shaft, plus a section showing the relation of this crosscut to the shaft.

Since my last inspection on February 26, 1955, the Operator had excavated about 144 cubic feet for a shaft station and had driven a crosscut to the southwest for 37.5 feet. The sill level of this crosscut is 54 feet below the top of the shaft. He had also crosscut 4 feet to the northeast in an attempt to cut through the gougy clay zone that marks the main footwall structure of the zone which is being explored.

The geology of the crosscut is shown diagrammatically on figure 2. In general, the wall rock is a somewhat brecciated tuffaceous material with moderate amounts of reddish-brown to buff clay material. Thin stringers and very small pods of opaline silica are scattered throughout this tuffaceous material. A nearly solid band or vein of opaline silica, measuring up to 18 inches thick, is exposed in the crosscut, 15 feet southwest of the main footwall gouge zone which marks the footwall of the shaft. This band of opaline silica correlates favorably in strike, dip, and location with the narrow band of opaline

silica near the collar of the shaft in which scattered to modest amounts of cinnabar were found. No cinnabar was seen in the band of opaline silica exposed in the crosscut. A sample of this rock was panned and a small "tail" of cinnabar was recovered by the panning.

Other than the narrow band of opaline silica described above, there was nothing else exposed in the crosscut to the southwest that showed promise of containing cinnabar. The wall rock contains a great many fractures, only a few of which can be traced from one wall to the other. The strongest appearing of these fractures are shown on the plan map on figure 2. In a general way, it appears that the entire area explored by the crosscut to the southwest represents a somewhat sheared and faulted area, in which the most prominent faults strike to the northwest and dip steeply both to the northeast and southwest, paralleling the strong footwall fault zone.

The Operator has attempted to drive a crosscut through the gougy clay zone to the northeast, but in this particular area near the footwall of the shaft there are many subsidiary fractures with accompanying gouge which have created difficulty in drilling and blasting.

The original plan was to drift along the main footwall fault zone to the southeast to explore both sides of this gouge zone, and to determine if a cinnabar ore shoot has been localized at the intersection of this fault zone with a strong fault zone striking more to the northwest. This more northwesterly-striking fault zone has been explored by pits and shafts on the surface, which are shown on figure 1.

Experience by the Operator has indicated that, for the most part, the better showings of cinnabar have been found in opaline silica. In general, this opaline silica has been confined to the gougy and broken rock found along the most prominent fault zones. The fairly strong and persistent band of opaline silica exposed in the crosscut is not closely associated with a strong fault. It is believed, however, that some drifting should be done along it, both to the northwest and southeast, to determine if it persists along strike and if it contains higher grade concentrations of cinnabar than are exposed in the crosscut.

As there are only about 110 feet of drifting left to complete the contract, and as it will take about all this to reach the projected intersection between the main footwall fault and the more northwest-trending fault, it has been decided that perhaps the best method to continue the exploration would be to drift along the main footwall fault rather than along the strike of the opaline silica band. From the drift to the southeast, exploration for the opaline silica band could be done either by drilling or by short crosscuts.

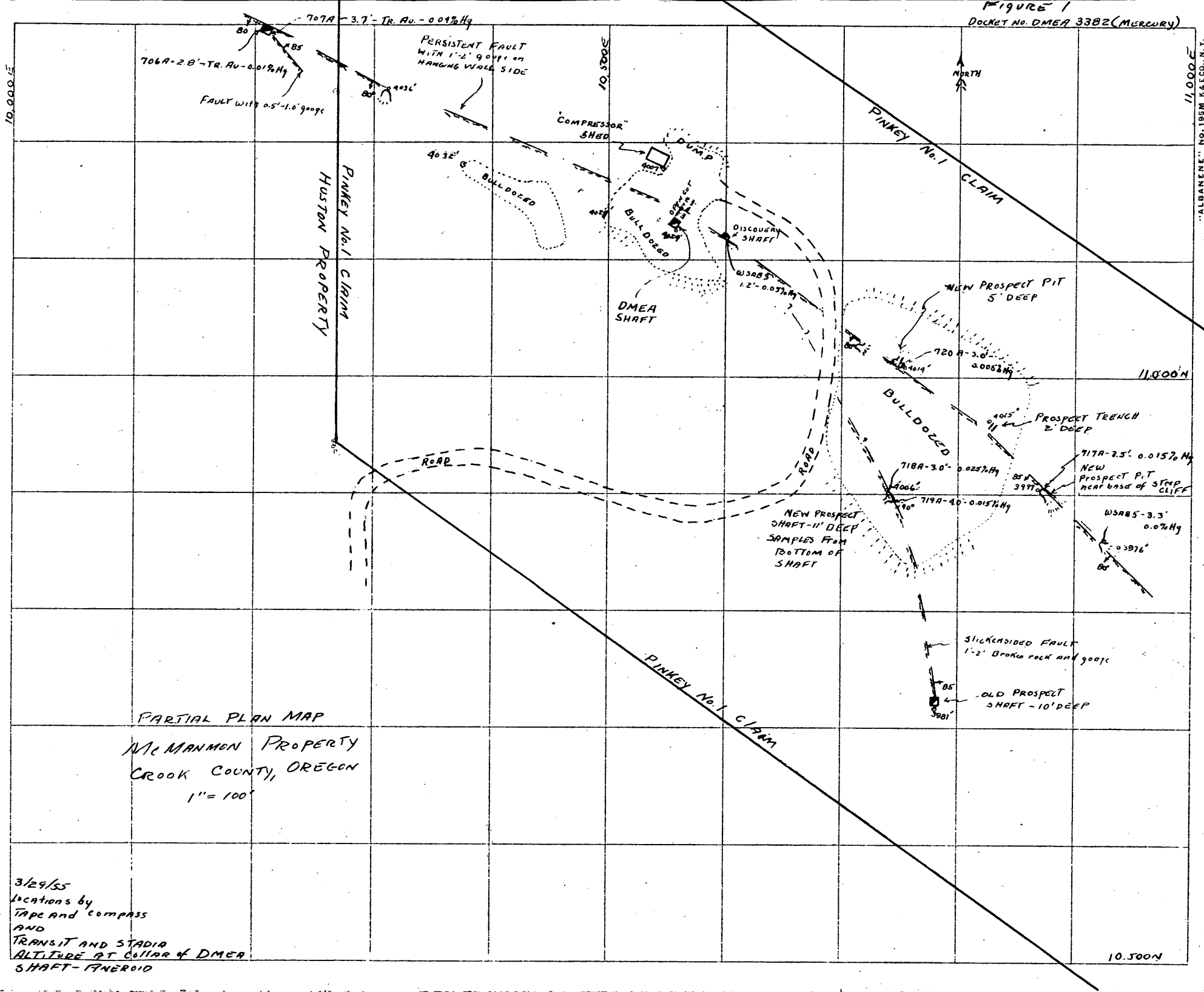
If the Operator can continue the exploration and encounter no major difficulties, it is believed that the contract work can be completed before the middle of May. At present it is believed that considerable amounts of very low-grade cinnabar rock are present on the property, but the prospects of finding a minable mercury deposit are not very encouraging.

Attachments - 2

Distribution:
DMEA (orig. & 3)
USBM (2)
USBM(AD)
Docket
Puffett

FIGURE 1

DOCKET NO. DMEA 3382 (MERCURY)



PARTIAL PLAN MAP

McMANMON PROPERTY

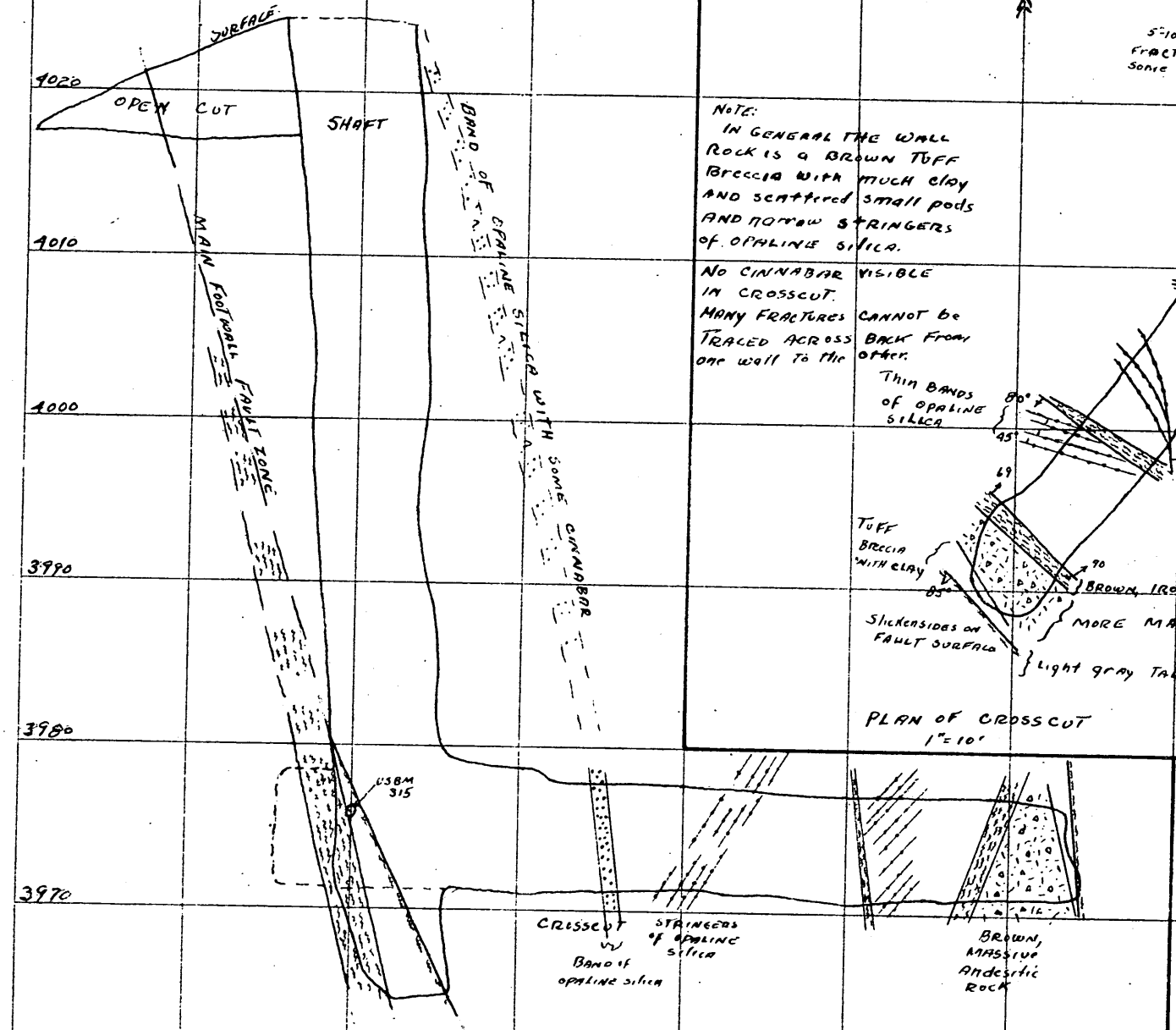
CROOK COUNTY, OREGON

1" = 100'

3/29/55

Locations by
Tape and compass
AND
TRANSIT AND STADIA
ALTITURE AT COLLAR of DMEA
SHAFT - ANEROID

FIGURE 2
DOCKET No. DMEA 3382 (MERCURY)

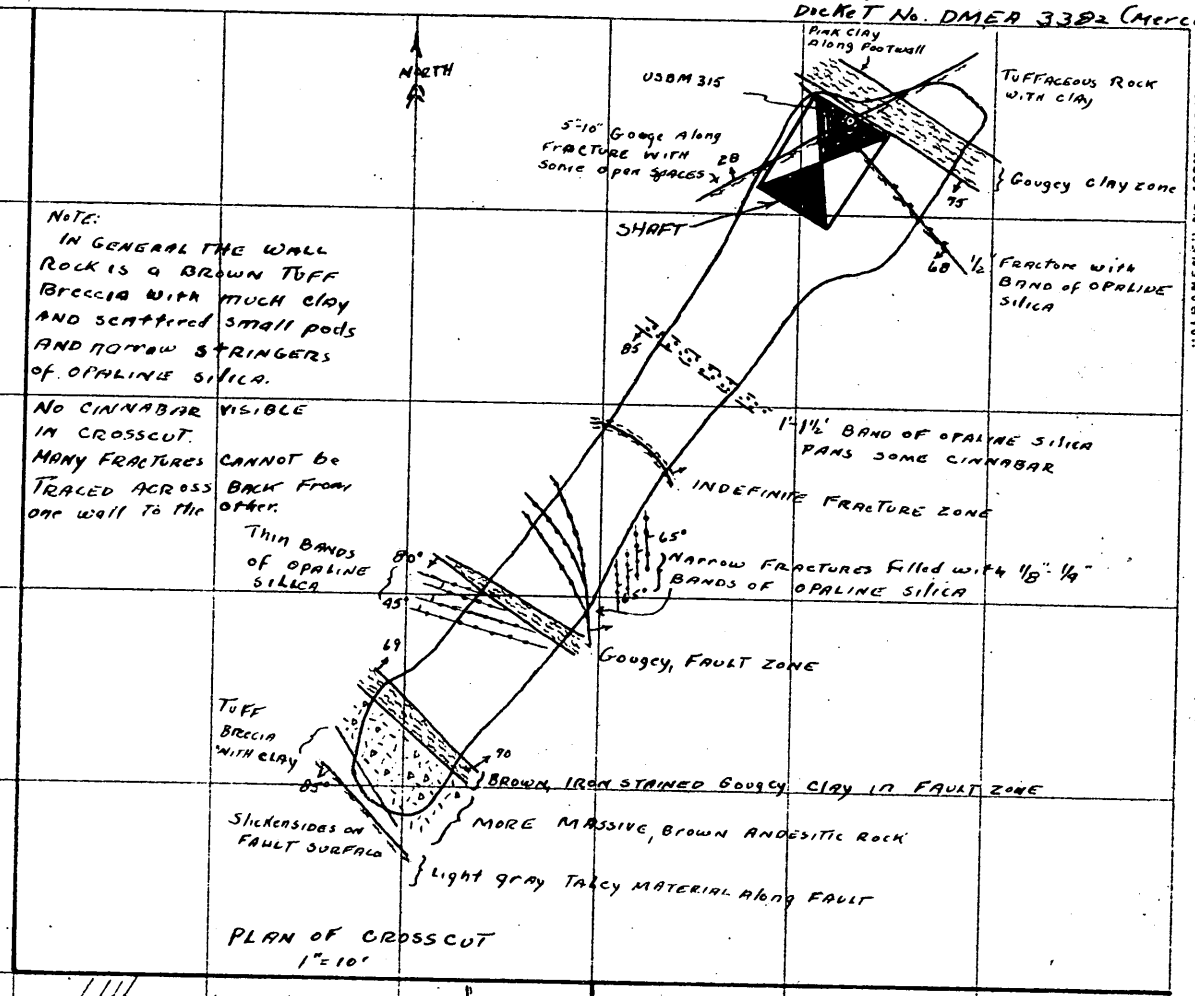


VERTICAL SECTION THROUGH SHAFT AND CROSSCUT

1" = 10'

NOTE:
IN GENERAL THE WALL ROCK IS A BROWN TUFF BRECCIA WITH MUCH CLAY AND SCATTERED SMALL PODS AND NARROW STRINGERS OF OPALINE SILICA.

NO CINNABAR VISIBLE IN CROSSCUT.
MANY FRACTURES CANNOT BE TRACED ACROSS BACK FROM ONE WALL TO THE OTHER.



PLAN OF CROSSCUT
1" = 10'

PLAN AND SECTION MAP
of UNDERGROUND WORKINGS

Mc MANAMON PROPERTY
CROOK COUNTY, OREGON
1" = 10'

TAPE AND COMPASS
SURVEY: 3/27/57
W.P. PUFFETT, USGS
W. S. Anderson, USBM

"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
April 4, 1955

RECEIVED APR 22 1955

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Docket No. DMEA 3382 (mercury), John McManmon, Pinkey No. 1 and No. 2 claims, Crook County, Oregon, Contract No. Idm-E721

The John McManmon property was visited March 29, 1955, accompanied by Willard Puffett, geologist, U. S. Geological Survey. Mr. John McManmon, the Operator, and James McManmon were at the property during the visit.

USBM brass tag #315 was placed on the bucket guide timber 49 feet below the collar. The sill of the lower level is 54 feet below the collar. The Operator has advanced a crosscut 43.4 feet from USBM 315 on a bearing of S. 33° W. An additional 4 feet of crosscutting was driven on a bearing of N. 33° E. The total advance under Stage II of the contract is 43.4 feet. A portion of the station at the 54-foot level has been cut. To date 144 cubic feet of rock has been broken and removed from the shaft station.

The Operator is using an 8 hole round with an average powder usage of 2.75 pounds per foot of advance. Average advance per shift is 3 feet.

The Operator has been drilling dry, and it was recommended to him that water should be used in all drilling. He stated that he would haul water to the property for future drilling under the contract. It was also recommended to the Operator that he improve his landings in the shaft and that the two upper sections of ladder should be replaced and realigned.

W. S. Anderson

W. S. Anderson

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

March 1, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-3382 (mercury), McManmon property, Crook County, Oregon, Contract No. Idm-E721.

A routine inspection of the McManmon property was made on Saturday, February 26, 1955. Mr. John McManmon and son, James, were at the property.

No work under terms of the contract had been completed since the date of the last routine examination on January 12, 1955. Mr. McManmon had been ill for a number of days. Some work had been done in enlarging prospect pits in an effort to expose more promising evidence of ore than had been exposed in the shaft. This work was partially successful, but actually proved little more than was already known, namely, that cinnabar occurs in sparse amounts at scattered locations along the brecciated fault zone which is being explored by the project.

Mr. McManmon reported that he was going to start the drifting and crosscutting from the bottom of the shaft during the week starting on February 28, 1955. If his past performance in sinking the shaft is an indication of the progress to be expected, it is estimated that the contract work will be completed by the end of April 1955.

Distribution:
DMEA (orig. & 3)
USBM (2)
USBM(AD)
Docket
Puffett

Operators monthly Report + Voucher

Docket no. DME A-3382

February 28-55 Commodity mercury

Contract no. Idm-6-121

Since my last report there has been no futher work done on second phase of my Contract. Due to bad wheather and the fact I haven't felt too well. However, I have done a considerable amount of work on my own. which consisted of three holes from about 6 to 12 feet deep, of varied widths across short sections of the Dike.

I sent several samples for assays, these were cross-section samples. Some of which have run -- .005% -- .0010% (.90 lbs per ton and (7.40 lbs per ton). Two assays have not been recieved yet. I intend to start the second phase march first.

John McMannon

Open's narrative for Feb

(u)

COPY

1617 Division
Bend, Oregon
January 26, 1954

DMEA-3382

Mr. Anderson

Dear Sir:

Enclosed please find statement for dozing. Dozing consisted o f about three-fourths mile of new road and removal of overburden from mineral dyke and was completed Nov. 3, 1954.

Started sixty foot shaft Nov. 4, 1954 and finished shaft, compressor house and headframe in about two months with two men working seven days per week and one man part-time. This was myself and two sons.

The shaft so far has shown very little of value as assays show.

I am doing a lot of work on my own on thhs project in which the government is not participating as I feel this dyke warrants it.

The crosscutting we will do in Phase II - of about 25 or 30 feet should show what we want to know on this first shaft from present indications.

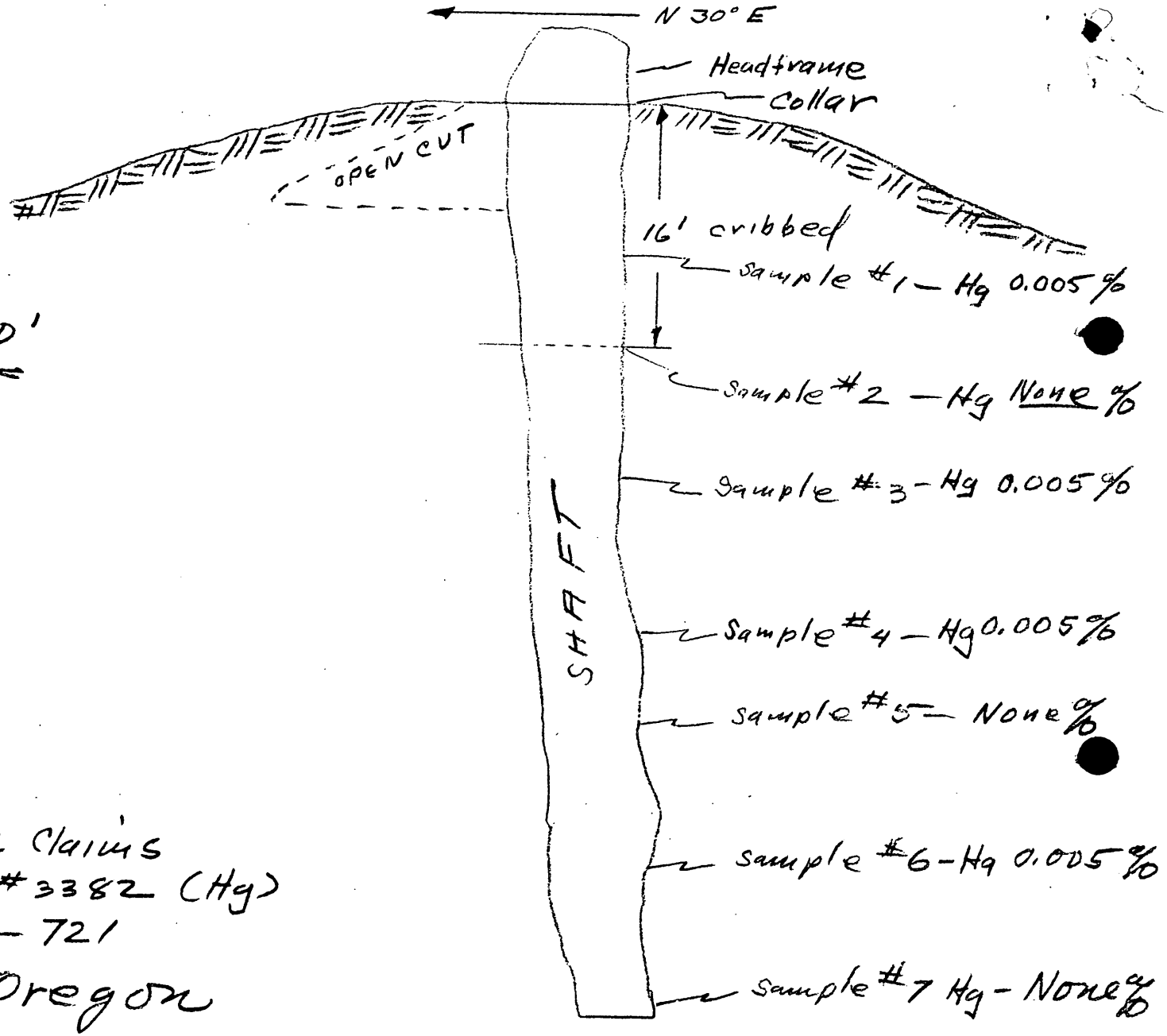
However I am not satisfied as to the dyke being explored as I have sunk two places, one about six feet and another eight or ten which should be explored further in my opinion. The assays are not back yet but I had a fair recovery of mercury from sample retort of my own. Six foot cut is about 150 feet east of shaft and the other is about 200 southeast.

Hope you find this enough proof and information so there will be no further delay on my check as I am getting short of funds to continue this project.

Yours truly,

John McMammon

P.S. Sorry I can't write much of story.



Scale 1" = 10'

John Mc Mammon

Pinkey No 1 + No 2 Claims
DMEA Docket # 3382 (Hg)
Contract Idm E — 721
Crook County, Oregon

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

1201 N. Division St.
Spokane 2, Washington
January 25, 1955

Mr. John McManmon
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA 3382 (mercury)
Pinkey No. 1 and No. 2 Claims
Crook County, Oregon
Contract Idm-E721

Dear Mr. McManmon:

This will notify you that you have authorization to proceed with Stage II of the contract. The first work that should be done is the crosscutting as discussed with the Field Team representatives on their last visit to the property. They will visit you again in the near future to help plan further exploration.

Please furnish us with substantiating vouchers for the bulldozer work completed and for the transportation costs on the bulldozer.

By Field Team, Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John S. Vhay, Acting Member
U. S. Geological Survey

cc: DMEA, Wash. (2)
USGS (2)
Certifying Officer

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

January 24, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: Willard P. Puffett, Geologist, U. S. Geological Survey, and Webster S. Anderson, Engineer, U. S. Bureau of Mines

Subject: Docket No. DMEA-3382 (mercury), Interim report, McManmon property, Crook County, Oregon, Contract No. Idm-E721

A routine examination of the McManmon property was made on Wednesday, January 12, 1955. Mr. John McManmon was at the property.

All the work specified as part of Stage I of the contract has been completed. The area along the ridge of "Wiltsie" dike has been bulldozed, a compressor shed and head frame have been erected, and the shaft has been sunk to a depth of 60 feet. Mr. McManmon was cutting some trenches to further explore portions of the bulldozed area while waiting for approval for the beginning of Stage II of the contract. Stage II specifies cutting a station on the 50-foot level of the shaft to be followed by 150 feet of drifting along the brecciated zone in whatever direction found most encouraging.

The locations of the bulldozed area were mapped. Nearly 5 inches of snow prohibited a very thorough examination of the exposures found by this work. The shaft was mapped also; copies of the maps showing the bulldozed area, location of the shaft, and a section through the shaft accompany this report.

The shaft is inclined about 86° to the southwest. The head-frame is about 12 feet southwest of the main fracture which forms the boundary of the "Wiltsie" dike. This main fracture was intersected in the lower portion of the shaft. The rock in the hanging wall area of the fault consists of brecciated volcanic rock plus angular blocks averaging 1 to 3 inches in diameter. A considerable amount of fine-grained rock and clay material fill the interstices between the angular fragments. Scattered to moderate amounts of opaline silica have been deposited as fillings in open spaces and coatings along the fragmental rock.

Near the bottom of the shaft, the main footwall fracture is accompanied by clay gouge at least 1 foot thick.

Samples were taken 16, 40, and 56 feet below the collar of the shaft. The rock between the footwall fault and the shaft was sampled in an open cut on the northeast side of the shaft. With the exception of the samples in the lower part of the shaft, all assayed nil mercury. Samples taken in the shaft 56 feet below the collar show increasing amounts of mercury, but these assayed only 0.1 and 0.2 pounds per ton of mercury. None of the samples in the shaft compare favorably with a sample taken on the surface near the location of the headframe which assayed 7.0 pounds per ton of mercury.

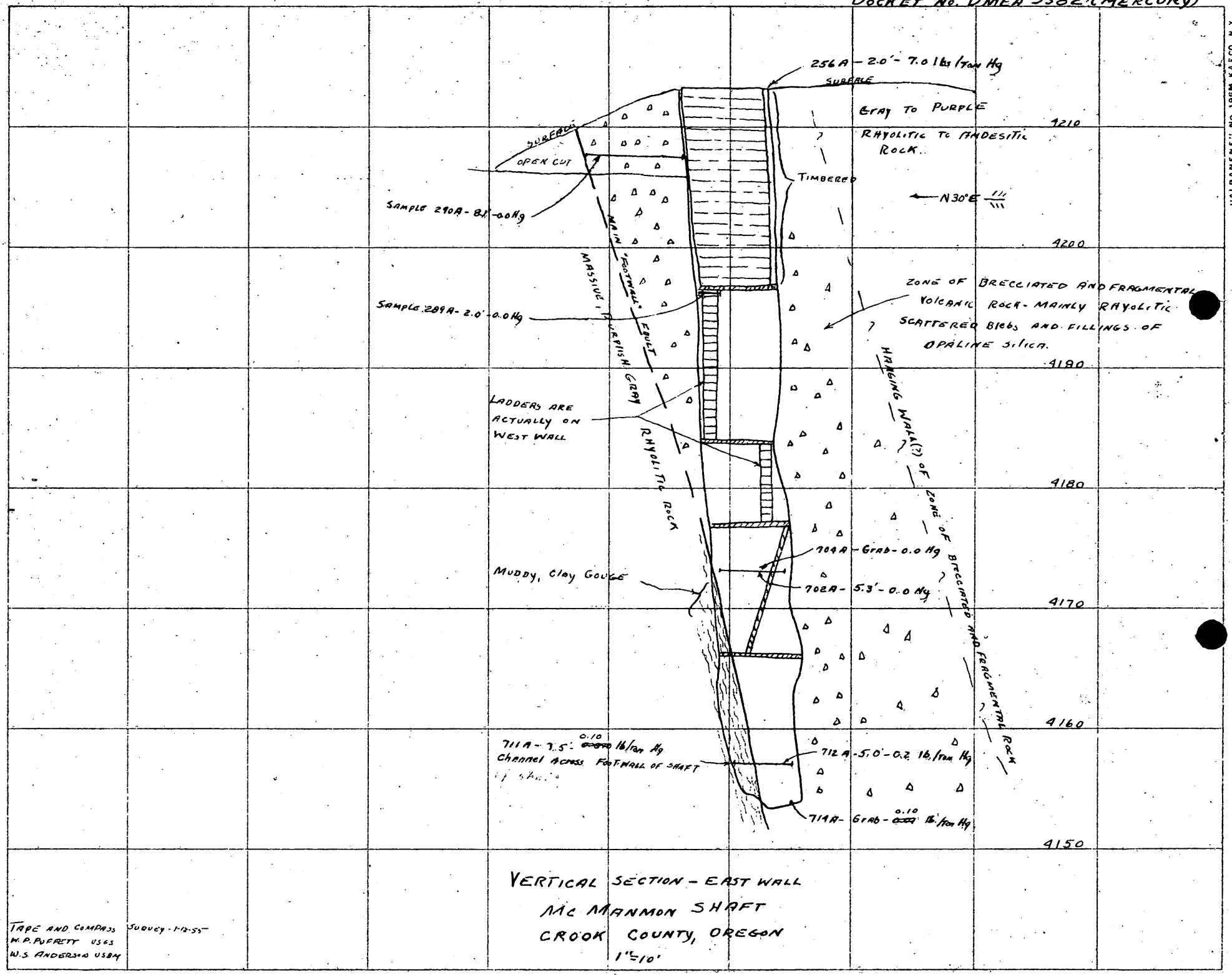
The shaft has more or less crosscut the zone in which it is hoped that cinnabar will be found. Although no evidence of mercury ore, other than a few very low-grade samples, have been found, it is believed that additional work should be done to explore along the strike of the zone. The clay gouge which marks the footwall of the zone appears to be a favorable structure along which to drift. It is believed that a crosscut should be driven, both to the southwest to test the width of the zone of brecciated rock, and to the northeast to determine the width of the gouge zone.

After the crosscut is driven, it is believed drifting along the footwall structure should be done to determine if intersections of other faults with this strong, persistent structure will mark the localization of an oreshoot.

Enclosures

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

DOCKET No. DMEA 3382 (MERCURY)



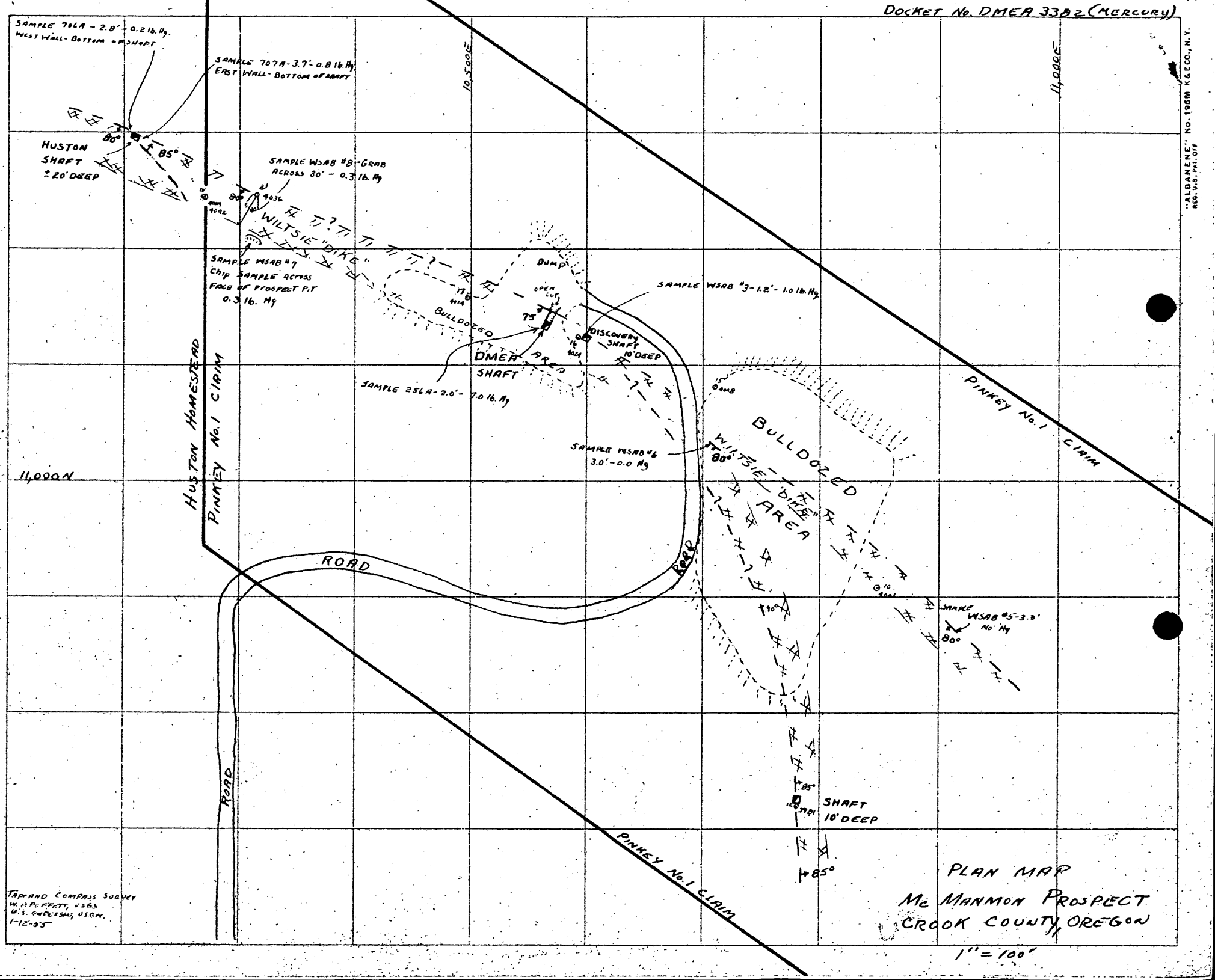
VERTICAL SECTION - EAST WALL
MC MANMON SHAFT
CROOK COUNTY, OREGON
1" = 10'

TAPE AND COMPASS
M.P. PUFFETT USGS
W.S. ANDERSON USBM

SUDUCY - 1-12-55

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

DOCKET No. DMEA 3382 (MERCURY)



"ALBANENE" No. 196M K&E CO., N.Y. REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
January 4, 1955

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Docket No. DMEA 3382 (mercury), John McManmon, Pinkey No. 1 and No. 2 claims, Crook County, Oregon, Contract No. Idm-E721

John McManmon telephoned the Spokane office of the Bureau of Mines from Bend, Oregon, on January 4, stating that the 60 feet of shaft authorized under the contract has been completed.

The property will be visited on January 11, 1955, by Willard P. Puffett, U. S. Geological Survey, and the writer.

W. S. Anderson

W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
WSA/he

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 1954 Docket No. DMEA -3383 Contract No. 121
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ 9433.00 Government Participation: 75 % Amount, $ 7074 25

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	300.00		300.00	300.00	-0-	300.00
Crosscutting						
Drifting						
[illegible]	4020.00		4020.00	4020.00	-0-	4020.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	200.00		200.00	200.00	-0-	200.00
(6) New Bldgs., Improvements, etc.	225.00		225.00	225.00	-0-	225.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	21.00		21.00	21.00	-0-	21.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
[illegible]	50.00		50.00	50.00	-0-	50.00
[illegible]						
	4816.00		4816.00			
TOTALS				4816.00	-0-	4816.00

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

Date [illegible] *Payee John McMannon

Per _____ Title _____

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
3612 00

$ 3612 00

Signature M DP
(Authorized Certifying Officer)

Date 1/26/55 Vou. No. 1417
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E721 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Eng. Date 1-22-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldok Title Mining Eng. Date 1-25-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November, 1954 Docket No. DMEA-3382 Contract No. 721
Operator's Name John McMannamon Minerals manganese
Address 1617 Wisconsin Milwaukee

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	ft	4020.00	60	4026.00			60 ft	@ 67.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	30 hrs	300.00		300.00			30 hrs	300.00
Trenching		60.00		60.00				300.00
Test Pits								
Roads and Trails	ft	21.00		21.00			42	@ 3.00
Total Distributed Costs		4391.00		4391.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		200.00		200.00				
[illegible]		325.00		325.00				
Total Costs		4916.00		4916.00				

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

Date Jan. 4, 1955 Operator John McMannamon

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

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

COPY

Bend, Oregon
January 4, 1955

Mr. W. S. Anderson

Dear Sir:

I have completed the first faze of my contract No. 3382.

I have returns on four assay report. Three more waiting on returns. We are still in an opalite formation and the ore to best of my knowledge lays to the south of the shaft.

I have bulldozed about 3/4 mile of road and removed overburden for about 500 ft. on the dyke.

Yours truly

/s/ John McMannmon

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

1201 N. Division St.
Spokane 2, Washington
December 2, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines, and Willard Puffett, Geologist, U. S. Geological Survey

Subject: Interim inspection, Docket No. DMEA 3382, John McManmon, Pinkey No. 1 and 2 Claims, Crook County, Oregon, Contract No. Idm-E721

The subject property was visited November 29, 1954. Mr. John McManmon and his son, James, were present at the property during the inspection.

Mr. McManmon stated that an additional 16 hours of dozer work had been completed to [illegible]initely outline the attitude of the vein structure. This compl[illegible]e bulldozing authorized under the contract.

The shaft has been sunk to a depth of 16 feet with the center line of the shaft 31 feet northwest of station 16, as shown on the plan map. The footwall of the vein structure is 10 feet northeast of the northeast end plate of the shaft. The structure dips 75° to the southwest and if the dip is constant the footwall will be intersected at a depth of 35 feet.

Three samples were cut with two of the samples being cut in the walls at the bottom of the shaft and the third sample across 10 feet of the structure on the surface. Assay results will be submitted with the next inspection report.

The Operator has a portable compressor at the property which has been rebuilt on a Schramm chassis. The compressor unit is a rebuilt Ford V-8 motor which is driven by a Ford V-8 motor. It is rated at 105 cfm. Average gasoline usage to date is 5 gallons per drill round. A hand-operated hoist is used and consists of a cable drum attached to a Model A Ford transmission. A 1/4" wire rope is used for hoisting.

The Operator uses a 6 hole round with an average of two sticks of 40% Dupont gelatin No. 2 powder per hole. A 2-ft. round is pulled each shift.

The shaft has been cribbed with 2-in. planking for the 16 feet of advance to date.

A headframe has not as yet been constructed and a temporary hoisting arrangement has been used for the initial advance. Also, the Operator has not built the shed for his compressor as authorized under the contract.

If the present rate of advance is maintained, Stage I of the contract will be completed by January 1, 1955.

W. S. Anderson

W. S. Anderson

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

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

November 2, 1954

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey, and Webster S. Anderson, Engineer, U. S. Bureau of Mines

Subject: Routine inspection, Docket No. DMEA-3382 (mercury), McManmon and Bayley mercury prospect, Pinkey Nos. 1 and 2 claims, Crook County, Oregon

An inspection of the McManmon and Bayley prospect was made on Friday, October 29, 1954. Mr. John McManmon and his son, James, were at the property.

On October 12, 1954, six copies of a DMEA contract were mailed to John McManmon and Basil R. Bayley in Bend, Oregon. At the time of the inspection, these contracts had not been signed and returned.

Mr. McManmon reported that Mr. Bayley no longer had an interest in the property. He had given Mr. McManmon a quitclaim deed, which was being recorded in the courthouse in Prineville, Oregon, the county seat of Crook County. Apparently some of the features of the contract were not acceptable to Mr. Bayley. Mr. McManmon reported that Mr. Bayley's chief objection was to the required size of the drifts to be driven from the bottom of the shaft. It was Mr. Bayley's opinion that a 5 by 7 drift was needlessly large for a prospect drift.

It is Mr. McManmon's intention to go ahead with the contract work. He will be assisted by his son, James. He is going to sign the copies of the contract and return them with a photostatic copy of the quitclaim deed attached to each copy of the contract. Inasmuch as Mr. Bayley has never signed the contract, and the partnership as such no longer exists, Mr. McManmon hopes that by submitting copies of the quitclaim deed with the contract, no further documentation of change from a partnership to a single operator will be necessary.

Mr. McManmon and his son recently have been prospecting a cinnabar deposit some two miles northwest of the Pinkey claims. Here they have assembled necessary equipment, including a portable compressor and drilling equipment, which they plan to move to the Pinkey claims, when they start sinking the shaft.

About $1\frac{1}{2}$ days of bulldozing have been done on the Pinkey No. 1 claim. This work has resulted in an access road being built to the top of the ridge and the excavation of three trenches across and along the Wiltsie "Dike," the zone in which it is hoped commercial quantities of cinnabar will be found.

A tape and compass survey was made of the road and the trenches. The location of the road and the trenches with respect to the claim boundaries and other pertinent features on the property are shown on the map accompanying this report.

The bulldozing just to the northwest of the discovery shaft, near station 16, has exposed a relatively wide band of silicified, brecciated andesite and tuff containing much opaline silica and sparse cinnabar. The trenches to the southwest had not satisfactorily explored the intersection between the two silicified zones, where it is hoped higher grade concentrations of cinnabar will be found.

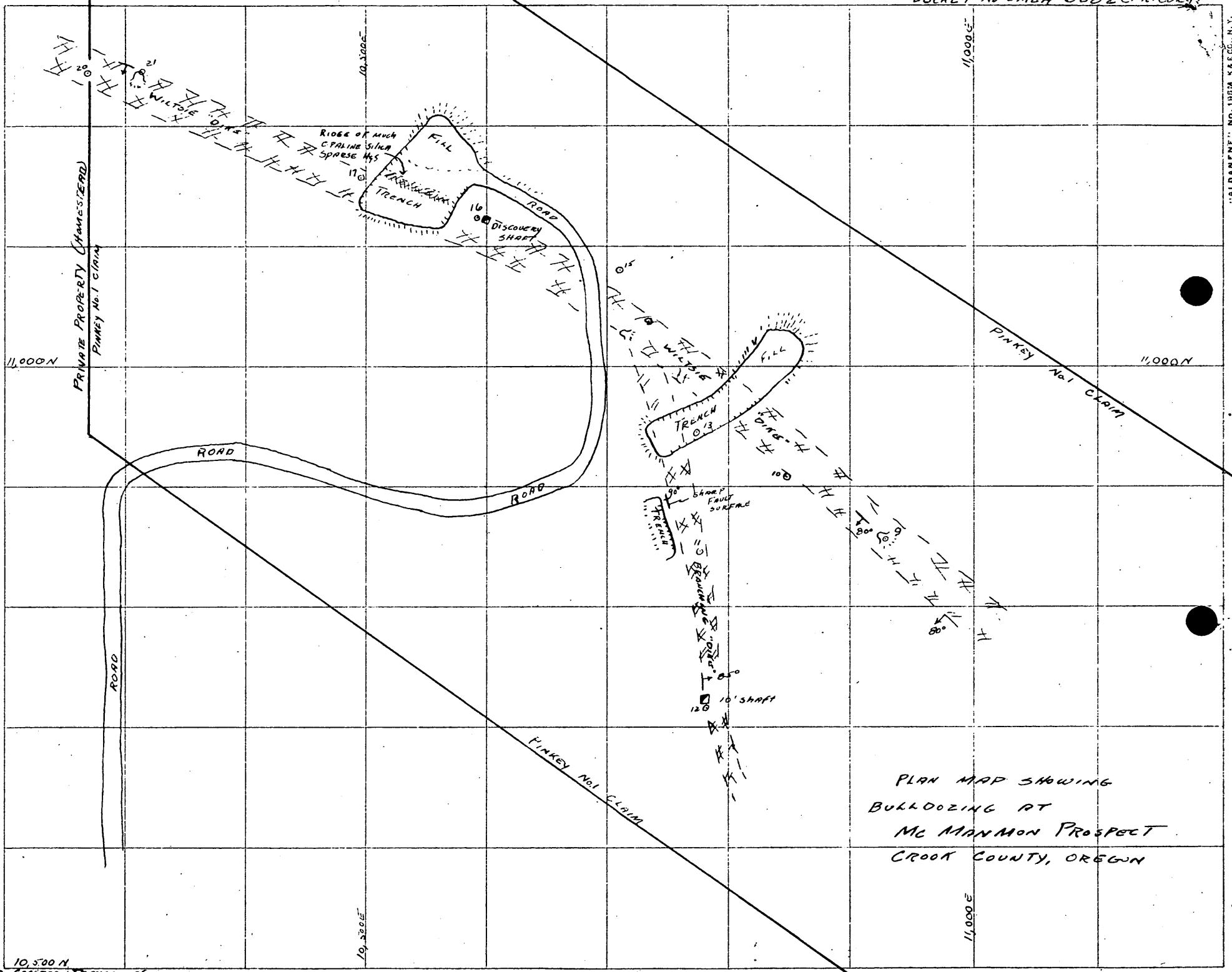
Mr. McManmon was instructed to attempt to bulldoze the area at the projected location of the intersection of the two branching silicified zones sufficiently to make certain if cinnabar occurs there.

In all probability it will not be possible for DMEA field examiners to revisit the property before shaft sinking operations are started. Thus it is hoped that the operator will satisfactorily complete the bulldozing and be certain that he is locating his shaft at the most promising site.

After completing the inspection at the Pinkey claims, the field examiners visited a number of other prospects on the Wiltsie "Dike," northwest of the Pinkey claims. The general features of all these prospects were the same. The prospects explored prominent topographic ridges composed of silicified tuffs and brecciated andesite. Considerable opaline silica had been introduced into this material, and generally the better showings of cinnabar were found where there were higher concentrations of the opaline silica.

Attachment
Distribution:
DMEA (orig. & 3)
USBM (2)
Docket
Puffett

DOCKET NO DMEA 3882 (Mercury)



TAPE AND COMPASS TRAVERSE OF
ROAD AND TRENCHES 10-29-59
WSA-USBM WPP-USGS.

"ALDANENE" No. 1951M K&E CO., N.Y.
REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 15 1954

November 10, 1954

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

Re: Docket No. DMEA-3382 (mercury)
John McManmon
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Dear Mr. Selfridge:

Enclosed are the original and two signed copies of Contract Idm-E721. Distribution of this contract is being made in the usual manner.

In accordance with instructions contained in your teletype of November 4, 1954, we have deleted Basil R. Bayley's name wherever it appeared, and these changes have been initialed by the Executive Officer.

Sincerely yours,

A. E. Weissenborn

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

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

Bend, Ore.
Nov. 4 1954

Dear Sirs:

Enclosed please find filed by Basil Bayley to me. There was no agreement other than the recording. If any further release is necessary let me know

Yours Truly

John McMannon

RECEIVED
NOV 8 1954
U. S. G. S.
SPOKANE, WASH.

Surname 700

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

NOV 4 - 1954

Ching
Ellis
Hoffgud
Selfridge
Mattendorf

INTERIOR DEPT.

NOV 2 - 1954

TELETYPE

MChing

DMEA-Department of the Interior

14X4.1(01)Revolving Fund,
Defense Production Act(Interior)
(Allocated Working Fund to the
Office of the Secretary)

SO[redacted]

A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION II
SOUTH 157 HOWARD STREET
SPOKANE 4, WASHINGTON

REURTT NOVEMBER 1 MCMANNON AND BAYLEY DOCKET 3382 SATISFACTORY DELETE BAYLEY'S NAME AND REFERENCES TO PARTNERSHIP WHEREVER FOUND IN CONTRACT, ANNEX I, EXHIBIT A AND MAP, LEAVING MCMANNON SOLE PROPRIETOR.

George C. Selfridge
George C. Selfridge, Chairman
Operating Committee

MChing:am
11-2-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. H. M. Meyer, Rm. 2623
T. H. Kiilsgaard, Rm. 5224
Code 700
Mr. Ching
Confirmation to Region II

XDXXXXXX-046K

YWA052 WA SP 10 -GS-G

SPOKANE WN 11-1-54 930A

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 - 1954

11/1/54 gla

VEORGE C SELFRIDGE CHAIRMAN OPERATING COMM DMEA DEPT OF INTERIOR

WA

RE DOCKET NUMBER DMEA 3382/MERCURY"/, MCMANMON AND BAYLEY, CROOK COUNTY,OREGON. PARTNERSHIP HAS BEEN DISOLVED. BAYLEY HAS RELEASED HIS INTEREST IN THE PROPERTY TO MCMANMON BY QUIT CLAIM DEED. BAYLEY HAS NOT SIGNED CONTRACT. MAY WE DELETE BAYLEYS NAME AND REFERENCE TO PARTNERSHIP FROM THE CONTRACT SO THAT MCMANMON WILL BE SOLE PROPRIETOR.

A E WEISSENBORN

3382 /MERCURY/

MH 930A

10/18/54 gla

[illegible]
No. 157 Howard Street
Spokane 4, Washington

October 12, 1954

Messrs. John McMarmon and
Basil R. Negley
1617 Division Street
Bend, Oregon

Re: Docket No. [illegible]-3342 (mercury)
[illegible]inney Nos. 1 and 2 Claims
[illegible] County, Oregon

Dear Sirs:

Enclosed are the original and five copies of proposed Contract No. [illegible]-8721 dated October 7, 1954. Please sign all copies, keep the one marked "Operator's Copy", and return the rest to this office.

The bulldozing covered under Stage [illegible] can be done as soon as you want to, after signing the contract, but we believe it would be best if you waited until [illegible]. P. Puffett and [illegible]. S. Anderson came down to help you decide on the best location for the shaft. They plan to be in your area some time during the week of October 17, but they will inform you of the exact time later.

Yours sincerely,

[illegible] Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: ([illegible] 2)
([illegible] 2)
[illegible]uffett

[illegible]

[illegible] 2, [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

700

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

Ching
Ellis

OCT 12 1954

Mr. John McCarmon
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA-3272 (Mercury)
Pinkey Nos. 1 and 2 claims
Crook County, Oregon

Dear Mr. McCarmon:

Receipt is acknowledged of your letter of October 6, 1954, regarding the subject application. A contract was mailed to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, on October 7, 1954. He will, no doubt, forward this contract to you for execution immediately upon its receipt.

Sincerely yours,

C. O. Mittendorf

Administrator

MChing/gla
10-12-54
cc to: Admr. Reading file
Docket
Messrs. H. N. Meyer, Rm. 2623
T. H. Kiilsgaard, Rm. 5227
Code 700
Mr. Ching
DMEA Field Team, Region II (2)

R.L.S.

Defense Minerals Administration
RECEIVED
OCT. - 8 1954

Bend, Ore.
Sept. 6 - 1954

Mr. E. C. Mittendorf
Dear Sir:
I am writing you in regards to my loan on a mercury claim.
W.M. EA - 3382 -
Pinky no 1 - and 2 - claims
I am now ready to start work and would like to know if my loan will be available in the near future? Please answer soon.

Yours Truly
John M. Hannon
1617 Division
Bend, Ore.

Surname 700

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

Ching
Ellis
Selfridge
JE Johnson

OCT 7 1954

Mr. A. . Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-3382 (Mercury)
John McMannon & Basil R. Bayley
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Dear Mr. Weissenborn:

Enclosed are the original and five copies of proposed short form contract between the Government and the captioned Applicant, executed by the Administrator.

If you and the Applicant find the contract in order, please have the latter sign all the copies, and make the usual distribution thereafter.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Enclosures

MChing:am
10-4-54

APPROVED:

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

cc to: Admr. Reading File
Operating Committee
Docket
Messrs. H. M. Meyer, Rm. 2623
T. H. Kiilsgaard, Rm. 5227
Code 700
Mr. Ching

R.C.J.

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

September 30, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. E. W. Ellis

From: Acting Assistant Solicitor,
Defense Minerals

Subject: Docket No. DMEA-3382, John McManmon and Basil R. Bayley, Mercury

Attached hereto is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment of the map referred to in Exhibit "A".

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments 8

JLHofflund/emd

Copy to: DMEA Docket
Solicitor's Docket
E. W. Ellis (2)
J. L. Hofflund
chron.

9/30/54 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
September 10, 1954

Defense Minerals Administration
RECEIVED
SEP 17 1954

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

Re: Docket No. DMEA 3382 (mercury)
McManmon and Bayley
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Dear Mr. Selfridge:

Enclosed are four copies of a memorandum written by W. S. Anderson, Mining Engineer, Bureau of Mines, giving a detailed breakdown of the costs on the referenced application. This is in line with your teletyped request of September 2, 1954.

The Field Team feels that the applicant's estimate of the costs is unrealistic and should be raised to be in line with exploration costs in Region II. As an example, the applicant requests $350 use allowance for shaft sinking (2 months) and the same for drifting ($2\frac{1}{2}$ months) which would barely pay for one month's rental of a compressor in either case.

The Field Team will not object if a contract is granted on the applicant's cost estimate; however, to be fair we feel consideration should be given to the estimate made by Anderson.

By Field Team, Region II

A. E. Weissenborn per S.S.U.

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

Wing G. Agnew

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

Enclosure

Reviewed by
DMEA OPERATING COMMITTEE
9/29/54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
September 9, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Docket No. DMEA 3382 (mercury), McManmon and Bayley, Pinkey Nos. 1 and 2 Claims, Crook County, Oregon

The following breakdowns of cost estimates for shaft sinking and drifting are submitted in compliance with a teletype dated September 2, 1954 from Mr. George C. Selfridge, Chairman, Operating Committee, DMEA, to Mr. A. E. Weissenborn.

The cost estimate of shaft sinking is based on an average advance of 1.5 ft/shift, 4'x6' in clear.

Labor	Cost/ft.	
2 miners @ $16.00/shift	$21.33	
1 hoistman-trammer and handyman @ $15.00/shift	10.00	
	31.33	
OAB, insurance, payroll taxes, etc. @ 11.5%	3.60	
Labor cost per foot of shaft		$34.93
Supplies		
Steel and bits	1.00	
Explosives	4.21	
3/4" pipe @ $0.19/ft.	.19	
1/2" pipe @ 0.12/ft.	.12	
Air hose, 50' @ $89.51/100'	.75	
Water hose, 50' @ $70.00/100'	.58	
*Timber	3.50	
Gas for compressor @ 15 gals/shift @ $0.24/gal.	2.40	
Small tools and misc. equipment	1.00	
Total supplies		$13.75

*Timber costs as submitted by Operator

Reviewed by
DMEA OPERATING COMMITTEE
9/29/54
(date)

Operating equipment 1/

To be rented:	Monthly Rental
1 air compressor	$325.00
1 air hoist and cable	65.00
1 hoisting bucket	25.00
1 jackhammer with pusher leg	50.00
	$465.00

26 days/mo. @ 1.5 ft/shift for 39 ft/mo.

$$\frac{465}{39'} = \$11.92/\text{ft.}$$

Summary

Labor	$ 34.93	
Supplies	13.75	
Operating equipment	11.92	
		$60.60
Plus 10% for contingencies		6.06
Total cost per foot for shaft sinking		$66.66
	SAY	$67.00

1/ The applicant has no equipment and will have to rent all equipment used on the project.

Cost estimate for 5'x7' drift @ 4 ft/shift

Labor	Cost/ft.	
2 miners @ $16.00/shift	$ 8.00	
1 hoistman-trammer and handyman @ $15.00/shift	3.75	
	11.75	
OAB, unemployment insurance, payroll taxes, etc. @ 11.5%	1.35	
Labor cost per foot of drift		$13.10

700

File Copy
Surname

Ching
Hedges
Selfridge
Mitchell

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

MChing, Rm. 4640 - Ext. 5295

T E L E T Y P E

DMEA - Department of the Interior

14X4401(01) Revolving Fund
Defense Production Act (Interior)
(Allocated Working Fund to the Office of the Secretary)

A. E. WEISSENBORN, EXECUTIVE OFFICER
DMEA FIELD TEAM, REGION II
SOUTH 157 HOWARD STREET
SPOKANE, WASHINGTON

SEP 1 1954

RE FIELD TEAM REPORT McMANMON AND BAYLEY, DOCKET 3382,

DETAILED BREAKDOWN PROPOSED UNIT COSTS FOR SHAFT SINKING AND DRIFTING

REQUIRED AS APPLICANT'S UNIT COST FOR SINKING ONLY $49.00 PER FOOT.

George C. Selfridge

George C. Selfridge, Chairman (242)
Operating Committee

MChing:ep 9-1-54

Copy to: Docket
Admr's Reading File
Operating Committee
Mr. H. M. Meyer, Rm. 2623
Mr. E. L. Newcomb, Rm. 5227
Code 700
Audits
Mr. Ching
Confirmation to Region II

R.C.S.

Supplies

	Cost/ft	
Steel and bits	$ 1.00	
Explosives	3.30	
3/4" pipe @ $0.19/ft.	.19	
1/2" pipe @ 0.12/ft.	.12	
*Timber	2.00	
Gas for compressor @ 30 gals/shift @ $0.24/gal	1.80	
Total supplies		$ 8.41

*As submitted by Operator

Operating equipment

To be rented:	Monthly Rental
1 air compressor	$325.00
1 air hoist and cable	65.00
1 hoisting bucket	25.00
1 jackhammer with pusher leg	50.00
	$465.00

Average advance of 4'/shift
26 days a month or 104'/month

$\frac{465}{104}$ = $4.47/ft. 4.47

Summary

Labor	$ 13.10	
Supplies	8.41	
Operating equipment	4.47	
		$25.98
Plus 10% for contingencies		2.59
Total cost per foot for drifting		$28.57
		SAY $29.00

Orig. & 3 cys - Wash.
USGS (2)
DMEA
WSA/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Defense Minerals Administration
RECEIVED
AUG 26 1954

August 26, 1954

Memorandum

To: E. William Ellis, DMEA

From: C. H. Johnson, for H. M. Meyer, Bureau of Mines

Subject: DMEA Docket 3382 (Mercury) McManmon and Bayley, Pinkey Claims, Crook Co., Oregon

I have reviewed the report by Puffett and Anderson, transmitted by the Field Team August 19, and believe that it adequately supports the recommendation in favor of a small exploratory project. The work proposed appears to be well planned and should accomplish the purpose of initial exploration. It is assumed the DMEA engineer or geologist will have an opportunity to inspect the showings exposed by bulldozing before shaft-sinking is started.

C. H. Johnson

C. H. Johnson

Copy to: Minerals Division
Base Metals Branch
B. Gildersleeve, Room 5223
H. M. Meyer
F i l e s

IN REPLY REFER TO:

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

August 25, 1954

Re: DMEA-3382
Pinkey Claims
Crook Co., Oregon
$7,074.25 - Mercury

Memorandum

To: E. Wm. Ellis, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Concurrence with Field Team recommendation for approval

The Field Team has recommended a two-stage program of bulldozing, shaft sinking and drifting be approved.

Although these claims must be regarded as prospects, there is sufficient evidence of promising mercury mineralization to justify limited DMEA assistance.

The proposed location of the 60 foot shaft at the intersection of the two fracture systems will test the best target area at a very moderate cost. The similarity of the Pinkey claims to the geological setting on the nearby Platner property provides an additional reason in favor of further exploration.

I concur with the Field Team recommendation for approval of this application.

E. L. Newcomb

E. L. Newcomb

2nd Copy

8-23-54
A. Ce.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

August 19, 1954

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

Re: Docket No. DMEA-3382 (mercury)
McManmon and Bayley
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Dear Mr. Selfridge:

Enclosed are four copies of an appraisal and cost analysis of the above-cited application by W. P. Puffett, Geological Survey, and W. S. Anderson, Bureau of Mines.

The Field Team concurs with the recommendation that a contract be granted.

By Field Team, Region II

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosure
cc: USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

August 12, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey, and Webster S. Anderson, Engineer, U. S. Bureau of Mines

Subject: Docket No. DMEA-3382 (mercury), Application examination, McMammon and Bayley, Pinkey Nos. 1 and 2 Claims, Crook County, Oregon.

APPLICANT

John McMammon and Basil R. Bayley
1617 Division Street
Bend, Oregon

INTRODUCTION

The applicants have staked two claims along Wiltsie Ridge which extends southeastward from Taylor Butte in southwestern Crook County, Oregon. Exposed along the crest of this ridge is a band of silicified, brecciated andesite with tuff containing scattered to abundant chalcedonic and opaline silica in which scattered disseminations of cinnabar occur.

Several shallow prospect pits and two shallow shafts have explored this band on the Pinkey No. 1 claim. The exposures in the pits suggest there is a sharp, persistent fault following along the crest of the ridge in a southeast direction, and another equally sharp and persistent fault that strikes in a more southerly direction. The intersection of these two faults is near the central part of the claim.

Along both faults there is from 1 to 3 feet of broken rock and gouge. Samples taken across the broken zone bounding the faults show that the zone contains low-grade cinnabar rock.

Cinnabar can be found in the opaline silica at many places along the ridge. One sample, taken across 2 feet of a strongly silicified area, yielded an assay of 7 pounds of mercury per ton.

Reviewed by
DMEA OPERATING COMMITTEE
8-25-54
(date)

RECOMMENDATIONS

It is recommended that the application for assistance in exploring the silicified zone along Wiltsie Ridge be given favorable consideration. It is recommended that the proposed project outlined in this report be approved.

EXAMINATION

The Pinkey Nos. 1 and 2 claims were examined on Friday, June 25, 1954, by Willard P. Puffett, Geological Survey, and Webster S. Anderson, Bureau of Mines. Messrs. McMannon and Bayley and "Doc" Hughes accompanied the DMEA examiners. A tape and compass traverse was made of the property and samples were taken at many exposures of the ore zone. About 5 hours were spent on this examination.

Willard Puffett revisited the property on Wednesday morning, July 28, 1954, with Messrs. McMannon and Bayley. This second visit was to sample a new exposure of a silicified area of the ore zone which had been exposed by the applicants subsequent to the examination in June. Two hours were spent on the property on this second visit.

COMPETENCY OF APPLICANT

Mr. McMannon attended a prospector's school which was sponsored by the Government in Portland prior to World War II. He has been engaged in various mining activities during the past 2 years, part of which has been with cinnabar properties in the Prineville area. He is currently employed as a miner at the Platner Mercury mine.

Mr. Bayley has had 8 years of general mining experience. He has been employed at the Holden mine, Chelan County, Washington, and at some lead mines near Picche, Nevada.

It is believed the applicants have only limited financial resources, but under a unit-cost contract and by furnishing the major portion of the labor, they should be able to finance their share of a modest exploration program.

LOCATION OF PROPERTY

The applicants' claims are in sec. 8, T. 18 S., R. 17 E., Crook County, Oregon.

The property can be reached by traveling south on State Highway 27 for 27.3 miles from the city limits of Prineville, Oregon. At this point a two-wheeled trail leads to the west. One follows this trail 0.7 mile, turns right for 0.25 mile, and then turns left for 0.1 mile to the end of the road. From the end of this road it is necessary to hike about half a mile northeastward to the ridge on which the claims have been staked.

The claims are about 2 miles northeast of the Platner Mercury mine.

PROPERTY RIGHTS

The applicants own the two claims by right of location. These claims are recorded at the Court House in Prineville, the county seat of Crook County, Oregon, in Book of Records No. 7 on pages 259 and 261. These records were not examined by DMEA personnel.

DESCRIPTION OF PROPERTY

The claims cover a relatively low ridge sparsely forested with junipers. There are no permanent streams on the property, but water can be obtained within a mile to the east from Bear Creek.

Other than a few prospect pits and two shallow shafts, there are no workings and no surface facilities on the property.

GEOLOGY

The general geology of the nearby Platner Mercury mine has been described by Gilluly, Reed, and Park 1/. Inasmuch as the Pinkey Nos. 1 and 2 claims are on a ridge parallel to that one on which the Platner mine is located, and as the geologic environment is very similar, the following quotation from the U. S. Geological Survey Bulletin will apply to the applicants' property:

> "The country rock is Tertiary andesite and porphyritic andesite with a little tuff. The attitude of the series was not accurately determined, but is probably flat. A quartz lode, consisting of numerous reticulating veinlets of quartz, cuts these volcanic rocks. This lode stands in relief above the country rock and forms the backbone of a long hill.
>
> ". . . . Accompanying the quartz are much chalcedony and opal and considerable kaolin and montmorillonite. The development of the clay minerals results in a bleached zone in the country rock. Pyrite and cinnabar impregnate the silicified zone and a little asphalt occurs in vugs in the veinlets. The cinnabar is richest in the quartz veinlets but also occurs disseminated in the walls."

The ridge on which the Pinkey Nos. 1 and 2 claims have been staked is parallel to and about 2 miles to the northeast of the ridge on which the Platner Mercury mine is located. The rocks exposed along the crest of this ridge, locally called Wiltsie Ridge, are very similar

---

1/ Gilluly, James, Read, J. C., and Park, C. F., Jr., Some mining districts of Eastern Oregon: U. S. Geol. Survey Bull. 846A, pp. 138-139, 1933.

to those exposed at the Platner Mercury mine. These are brown to yellow, brecciated andesitic to rhyolitic rocks with tuff, which contain sparse to moderate amounts of tiny blebs and beads of chalcedonic and opaline silica. Locally there are masses of the opaline silica more than 2 feet in width. Scattered fine grains of magnetite and partially leached pyrite crystals are found at many exposures. Locally the andesite is porphyritic, being termed by the applicants "bird's eye" rock.

Two main sharp, well-defined fractures have been exposed in the prospect pits and shafts. One fracture strikes N. 65° W. and dips 80° SW. and can be traced from the small pit at station 9 (see attached map) northwestward for a few hundred feet beyond the end line of Pinkey No. 1 claim. In the pit at station 9 about 3.5 feet of broken rock and gouge occurs on the hanging wall side of this fracture, and in the bottom of the discovery shaft near station 16 there are 15 inches of broken rock and gouge on the hanging wall of the fault. This broken rock was sampled in the prospect pits at stations 9 and 14 and in the bottom of the discovery shaft. Both samples in the prospect pits failed to yield mercury, whereas the sample in the discovery shaft assayed 1 pound of mercury per ton. Thirty feet west of the discovery shaft, a sample was taken of an exposure of opaline silica in which tiny specks of cinnabar were seen. This sample, 2 feet long, yielded an assay of 7 pounds of mercury per ton.

The other main fracture, striking N. 20° W. and dipping 85° NE., is exposed in the prospect pit at station 6 and the shallow shaft at station 12. On the hanging wall of this fracture there is about 3 feet of broken rock and gouge. A sample of this broken rock in the pit at station 6 yielded an assay of 1.6 pounds of mercury per ton. The broken zone in the shaft was not sampled, but the applicants report that at the surface the rock contained 1 pound of mercury per ton and at the bottom of the shaft samples yielded 3 pounds of mercury per ton.

Wiltsie Ridge, along which the N. 65° W. fracture follows, extends a number of miles northwest to Taylor Butte. The applicants report that nearly the entire length of this ridge northwest from their property has been staked by other individuals and fair evidence of cinnabar has been found along its entire length.

The area at the location of the projected intersection of the two strong fractures is relatively flat, and the bedrock is obscured by a few feet of overburden. This is rather a broad area and would require considerable hand trenching in an effort to expose the precise location of the projection intersection of the two faults. No prospect pits have been excavated here to determine if cinnabar has

been localized at this ideally favorable location of a possible oreshoot plunging along the intersection of the two faults.

Cinnabar appears to be closely associated with the areas in which there are higher concentrations of the fine-grained silica. A few specimens examined with a hand lens exhibited tiny crystals of cinnabar in opaline silica. The cinnabar seems to occur most frequently near leached iron-stained spots in the silica which may represent oxidized pyrite grains.

There are no measurable ore reserves on the property.

PAST OPERATIONS

Past operations include only the staking of the claims and the excavation of several shallow prospect pits and two 10-foot shafts.

AVAILABILITY OF MAN POWER, MATERIALS, SUPPLIES, ETC.

The two partners, Messrs. McManmon and Bayley, state that they will perform the exploration work themselves, with the possibility of the help of a third man when necessary. It is understood that they will rent the necessary equipment. They will contract the bulldozing.

It is not anticipated that much timbering will be necessary. During the summer months no water is available on the property, but water for drilling can be obtained within a mile of the site of the exploration.

The Platner Mercury mine, some 4 miles by road from the claims, is currently doing exploration and development work. At the Platner mine is a Cottrell furnace for furnacing mercury ore. If any ore is produced at the McManmon and Bayley property, it can be furnaced at the Platner mine.

PROPOSED EXPLORATION PROJECT

The applicant has proposed an exploration project which includes three phases. These phases include 3 days of bulldozer work to put a road to the property and strip the surface, sinking two 50-foot shafts and drifting 200 feet from the bottom of the shaft.

It is believed the applicants' proposal is essentially feasible as the property is now a mere prospect, and the proposed work will explore the exposed zone to a shallow depth to determine if an expanded program to crosscut from a lower elevation will be justified. Some changes are proposed, however, in Exhibit A of this report.

The applicants are desirous of deepening the discovery shaft to 50 feet as the first shaft. It is believed that 2 days of bulldozing to strip the surface material from the ridge will be sufficient to determine if a better site from which to sink can be found. At the present time it appears that the location of the projected intersection of the two strong structures may be more structurally ideal as a site of a localized oreshoot. It is believed that only one shaft will be necessary. This shaft will need to be sunk 60 feet to permit sump and loading room below the proposed drift on the 50-foot level.

Exhibit "A" is a suggested outline for a project which is believed by the field examiners to be justified on the basis of present knowledge of the property. This proposed work should be completed within 6 months. The applicants should be able to begin exploration within 30 days if they are granted a contract.

Attachment
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Puffett

McMANMON & BAYLEY
Exploration Project Contract
Docket No. DMEA-3382

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore a surface showing of cinnabar by surface stripping and by sinking and drifting on the structure.

The work is to consist of two stages, with the work of the succeeding stage contingent on the results of the preceding stage as evaluated by the Field Team.

STAGE I

1. This stage shall consist of dozing an access road to the property and surface stripping at the intersection of the two zones and possibly along the structure.

2. Sink a shaft 4 by 6 feet in the clear for a depth not to exceed 60 feet.

STAGE II

This stage shall consist of cutting a station at the 50-foot level in the shaft and drifting from this level for a distance not to exceed 150 feet. The drift shall be driven approximately 5 by 7 feet in the clear.

(1) Independent Contracts

30 hours of bulldozing @ $10.00/hr.	$300.00
Transportation costs to move dozer	50.00

(2) Labor, Supervision, & Consultants

Schedule waived - included in unit costs

(3) Operating Materials & Supplies

Schedule waived - included in unit costs

(4) Operating Equipment

To be rented:

1 - air compressor	@	$325.00 per mo.
1 - air hoist and cable	@	65.00 per mo.
1 - hoisting bucket	@	25.00 per mo.
1 - jackhammer with leg pusher	@	50.00 per mo.
		$465.00 per mo.

(These costs are included in the estimated unit costs.)

To be purchased:

None

To be furnished by the operator:

None

(5) Rehabilitation & Repairs

None

(6) New Building, Improvements, etc.

1 combination compressor house and storage shed	$225.00
Construction of headframe	200.00

(7) Miscellaneous

42 assays @ $3.00 each	$126.00

(8) Contingencies

None

Estimated Costs of the Project

STAGE I

Agreed Unit Costs

30 hours of bulldozing @ $10/hr.	$ 300.00	
Transportation costs to move bulldozer to property	50.00	
12 assays @ $3.00 each	36.00	
60 feet of shaft @ $67/ft.	4,020.00	
Erection of headframe	200.00	
Construction of compressor house	225.00	
		$4,831.00

STAGE II

Agreed Unit Costs

Cutting station at 50-foot level in shaft, 210 cu. ft. @ $0.77/cu. ft.	$ 162.00	
150 feet of drifting @ $29/ft.	4,350.00	
30 assays @ $3.00 each	90.00	
		$4,602.00
Total estimated cost of project		$9,433.00
Government Participation @ 75 percent		$7,074.25

The Government will contribute to the costs of the work as they accrue, for units of work actually performed on the basis of the agreed unit costs.

Surname 700

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

Ching
Selfridge

JUN 30 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-3382 (Mercury)
John McManmon and Basil R. Bayley
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Dear Mr. Weissenborn:

The subject application is being referred to you for investigation and recommendation. It is assumed that a copy of the application is already in your files.

Enclosed are two copies each of comments and recommendations relative to the application by E. L. Newcomb, Acting Member, and C. H. Johnson, Acting Member, Mercury Commodity Committee, dated June 17 and June 24, 1954, respectively.

It is noted that a field examination of the subject property was tentatively scheduled for June 25.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GHB)

Enclosures (2)

APPROVED:

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

Philip W. Guild
Member, Geological Survey (GHB)

MChing/am
6-30-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. B. Gildersleeve, Rm. 5221
H.M.Meyer, Rm. 2623
Code 700
Mr. Ching

R.C.G.

Surname 700

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

Ching
Ellis
Guild
Hedges
Selfridge
Johnson

JUN 30 1954

Messrs. John McManmon
and Basil R. Bayley
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA-3382 (Mercury)
Pinkey Nos. 1 and 2 Claims
Crook County, Oregon

Gentlemen:

The application for assistance in exploring your property in Crook County, Oregon, under the above-captioned docket number, has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration. It has been referred for a field examination to the Executive Officer of Region II at the following address:

Mr. A. L. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 4, Washington

The Regional Office will contact you in regard to your project.

Sincerely yours,

C. O. Mittenderf

Administrator

MChing/am
6-30-54
cc to: Admr. Reading File
Docket
Code 700
Mr. Ching
DMEA Field Team, Region II (2)

R.C.F

6/28/54 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

Defense Minerals Administration
Received
JUN 25 1954

June 24, 1954

Memorandum

To: E. William Ellis, DMEA

From: Helena M. Meyer, Base Metals Branch

Subject: DMEA Docket 3382, John McManmon and Basil R. Bayley, Mercury, $12,632

Although mercury has been produced in small quantities from areas near Prineville, Crook County, Oreg., there is no evidence in the application to indicate that the property in question provides a favorable location for the search for mercury.

Unless the applicant can supply a better map and other information, or unless the Field Team already has additional promising information on the locality, I do not believe any recommendation is possible without a Field Team investigation, and I recommend that one be made under those circumstances.

C. A. Johnson
for Helena M. Meyer

Copy to: Minerals Division
Base Metals Branch
H. M. Meyer
B. Gildersleeve, Rm 5223
F i l e s

Enclosure

6/18/54 gla

IN REPLY REFER TO:

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

June 17, 1954

Memorandum

Re: DMEA-3382
Pinkey Claims
Crook County, Oregon
$12,632
Mercury

To: Mr. E. Wm. Ellis

From: E. L. Newcomb

Subject: Review of application

The applicant's proposal includes bulldozing an access road, 100 feet of shaft sinking, and 200 feet of drifting.

This property is strictly a prospect and from material submitted it is impossible to judge whether Government assistance is warranted.

We do not have any available geologic information on the Pinkey Claims, but the prospect appears to be located on the edge of the Ochoco quicksilver district. Numerous prospects and some past production in the district suggest that limited exploration may be worthwhile.

I recommend the application be referred to the field team for an examination.

E. L. Newcomb
E. L. Newcomb
Geologist

6/18/54 glass

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

June 14, 1954

Mr. John McMarmon
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA-3580
McMarmon and Bayley
Pinkney No. 1 and No. 2 Claims
Crook County, Oregon

Dear Mr. McMarmon:

Mr. Webster S. Anderson, engineer, U. S. Bureau of Mines, and I will be in Oregon the week of June 20 to 26 to examine properties for DMEA. We have tentatively scheduled an examination of your property for Friday, June 25. If this date is convenient with you, will you notify us where we can contact someone to accompany us to the property.

Yours very truly,

Willard P. Puffett
Geologist

cc: USBM (2)
DMEA (2)
Puffett

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

June 14, 1954

Mr. John McMammon
1617 Division Street
Bend, Oregon

Re: Docket No. DMEA-3382
McMammon and Bayley
Pinkey No. 1 and No. 2 Claims
Crook County, Oregon

Dear Mr. McMammon:

Mr. Webster S. Anderson, engineer, U. S. Bureau of Mines, and I will be in Oregon the week of June 20 to 26 to examine properties for DMEA. We have tentatively scheduled an examination of your property for Friday, June 25. If this date is convenient with you, will you notify us where we can contact someone to accompany us to the property.

Yours very truly,

Willard P. Puffett
Geologist

cc: USBM (2)
DMEA (2)
Puffett

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

June 7, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region II.

DMEA - 3382 John McMannon & Basil R. Bayley

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

June 7, 1954

Messrs. John McMannon
& Basil R. Bayley
1617 Division St.
Bend, Oregon

Subject: DMEA-3382
Exploration Assistance
Re: Pinkey Nos. 1 & 2

Gentlemen:

The receipt of your application dated May 12, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3382 and referred to the Rare and Miscellaneous Metals Division.

Kindly refer to DMEA-3382 in any future correspondence relating to your application.

Sincerely yours,

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

June 2, 1954

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

Re: DMEA Application (cinnabar)
John McManmon and Basil R. Bayley
Pinkey No. 1 and Pinkey No. 2
Crook County, Oregon

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application submitted by John McManmon and Basil R. Bayley, Bend, Oregon. The applicant proposes to explore a cinnabar property in Crook County, Oregon.

This property will be examined the latter part of June when other properties in the area are being examined.

Sincerely yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
Acting Member, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
Geologist

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

June 2, 1954

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

Re: DMEA Application (cinnabar)
John McMammon and Basil R. Bayley
Pinkey No. 1 and Pinkey No. 2
Crook County, Oregon

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application submitted by John McMammon and Basil R. Bayley, Bend, Oregon. The applicant proposes to explore a cinnabar property in Crook County, Oregon.

This property will be examined the latter part of June when other properties in the area are being examined.

Sincerely yours,

Thor H. Kullgaard
Acting Member, DMEA
Field Team, Region II

Enclosure

cc: USBM (2)
Geologist

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
RECEIVED
JUN 7 1954

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

Not to be filled in by applicant

Docket No. 3382
Metal or Mineral Cinnabar (Mercury)
Date Received
Estimated Cost $12,632
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: John McManmon 1617 Division St., Bend, Oregon
Basil R. Bayley 1617 Division St., Bend, Oregon

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

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

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

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

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

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

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

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

(*e*) If you own the land, describe any liens or encumbrances on it

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

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

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

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

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

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

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore .....

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[X] Money [X] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated May 12th, 195---

Basil R. Bayley John McGrannon
(Applicant)

By.....

.....

.....

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

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

John McManmon 1617 Division st., Bend, Oregon
Basil R. Bayley 1617 Division st., Bend, Oregon

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 7 1954

1. (a) John McManmon and Basil R. Bayley 1617 Division St., Bend, Ore.

   (b) Partnership

   (c) Not applicable

   (d) Same as above

3. (a) Two unpatented mining claims, located in Section 8, Township 18 S., Range 17 E, Crook County, Oregon.

   (b) Pinkey No. 1 and Pinkey No. 2.

   (c) Original Locators

   (d) Does not apply

   (e) None

   (f) Recorded May 10, 1954, in Book of Records, No. 7, Pages 259 and 261; Prineville, Crook County, Oregon.

4. (a) Only work on this property are our location shafts as shown on sketch.

   (b) None

   (c) The country rock is andesite and porphyritic andesite, a quartz lode, which carries the cinnabar cuts these volcanic rocks. The discovery cut on Pinkey No. 1 appears to be in the cinter of an old thermal spring which was probably the cause of the cinnabar.

5 (c) The work will start within 15 days of an exploration contract and be finished within 12 months.

5 (d) Operators experience: John McManmon, 2 years mining; 1 year Government sponsored mining school. Basil R. Bayley, 8 years General mining.

John McManmon 1617 Division st., Bend, Oregon
Basil R. Bayley 1617 Division st., Bend, Oregon

Phase 1 of Project: Building road

6.	(a)	3 days bulldozer work @ #100.00 per day	$ 300.00

Phase 2 of Project: Sinking shafts
(This estimate based on 3 men sinking 2 ft. per shift)

	(b)	2 miners @ $16.00 per day for 50 days	$1600.00
		1 working foreman @ $20.00 per day	1000.00
	(c)	Timber @ $3.50 per foot	350.00
		Powder Caps and fuse @ $3.00 per foot	300.00
		Steel and bits @ $1.00 per foot	100.00
		Gasoline and oil for compressor	245.00
		Rock drill oil	5.00
		100 feet 3/4" pipe @ 19¢ per foot	19.00
		100 feet ½" pipe @ 12¢ per foot	12.00
	(d)	Suggested use allowance for machinery and equipment furnished by operator, (see list attached)	350.00
	(e)	Reconstruction on living quarters	40.00
		Estimated repairs on machinery	75.00
	(f)	None	
	(g)	State Industrial Accident Insurance	208.00
		Social Security	50.00
		Assaying	50.00
	(h)	Contingencies	200.00
			$4904.00

Phase 3 of Project: Drifting 200' on vein
(This estimate based on 3 ft. per shift for 3 men)

6.	(a)	None	
	(b)	2 miners @ $16.00 per day for 64 days	$2048.00
		1 working foreman @ $20.00 per day	1280.00
	(c)	Timber @ $2.00 per foot	400.00
		Powder caps and fuse @ $2.50 per foot	500.00
		Steel and bits @ $1.00 per foot	200.00
		Gasoline and oil for compressor	276.00
		Rock drill oil	5.00
		200 feet of 3/4" pipe @ 19¢ per foot	38.00
		200 feet of ½" pipe @ 12¢ per foot	24.00
			$5395.00

4771

John McManmon 16[illegible] Division st., Bend, Oregon
Basil R. Bayley 1617 Division st., Bend, Oregon

Phase 3 of Project: Drifting on Vein (Cont.)

6.	(d)	Suggest use allowance for machinery and equipment furnished by Operator. (See list on sheet attached)	$ 350.00
	(e)	Estimated repairs on machinery	75.00
	(f)	None	
	(g)	State Industrial Accident Insurance	266.24
		Social Security	66.56
		Assaying	75.00
	(h)	Contingencies	200.00
			$1032.80

Total Phase 1 of Project	$ 300.00
Total Phase 2 of Project	4904.00
Total Phase 3 of Project	7427.80
GRAND TOTAL	$12,631.80

John McManmon 1617 Division st., Bend, Oregon
Basil R. Bayley 1617 Division st., Bend, Oregon

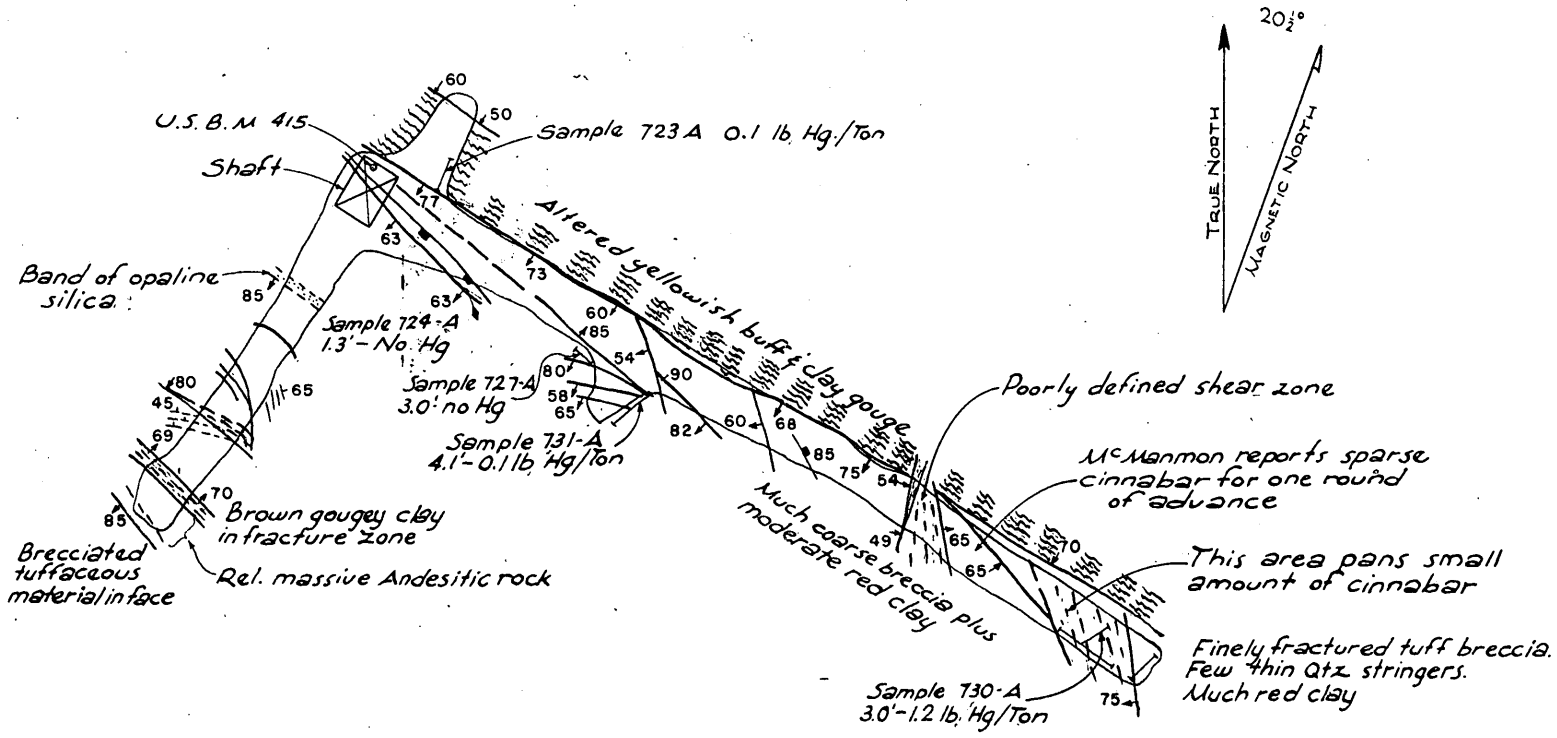
The Operator will furnish the following machinery and equipment:

1	Air Compressor	$2500.00
1	Air Hoist and cable	650.00
1	Hoisting Bucket	250.00
1	Head frame, etc.	200.00
1	Jack Hammer	165.00
1	Colum, arm and shell	100.00
1	3/4 Ton ore car	125.00
	400 ft. rail (used)	40.00
100'	3/4 air hose	56.00
	Steel Blasting sheets	60.00
		$4146.00

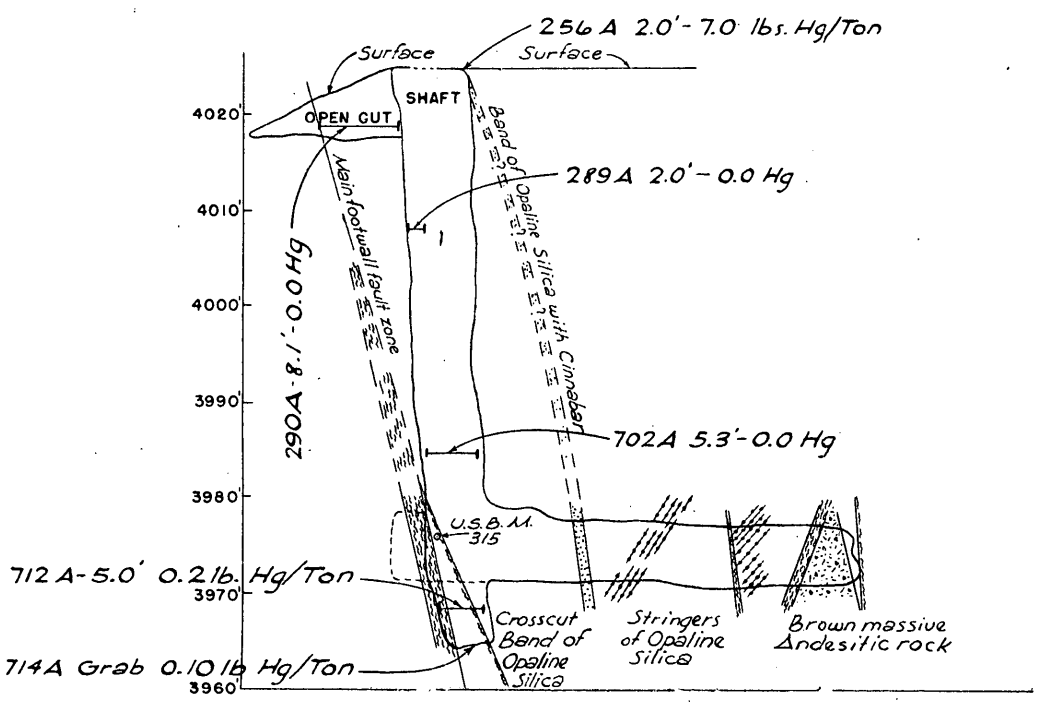
John McManmon 1617 Division st., Bend, Oregon
Basil R. Bayley 1617 Division st., Bend, Oregon

The Operator will furnish the following machinery and equipment:

1	Air Compressor	$2500.00
1	Air Hoist and cable	650.00
1	Hoisting Bucket	250.00
1	Head frame, etc.	200.00
1	Jack Hammer	165.00
1	Colum, arm and shell	100.00
1	3/4 Ton ore car	125.00
	400 ft. rail (used)	40.00
100'	3/4 air hose	56.00
	Steel Blasting sheets	60.00
		$4146.00



PLAN OF DRIFT AND CROSSCUT
(ALTITUDE OF SILL-3972'±)
SCALE: 1"=20'



VERTICAL SECTION THROUGH
SHAFT AT CROSSCUT
(LOOKING SOUTHEAST)
SCALE: 1"=20'

GEOLOGY OF D.M.E.A. WORKINGS
PINKEY NO. 1 CLAIM
McMANMON PROPERTY
CROOK COUNTY, OREGON

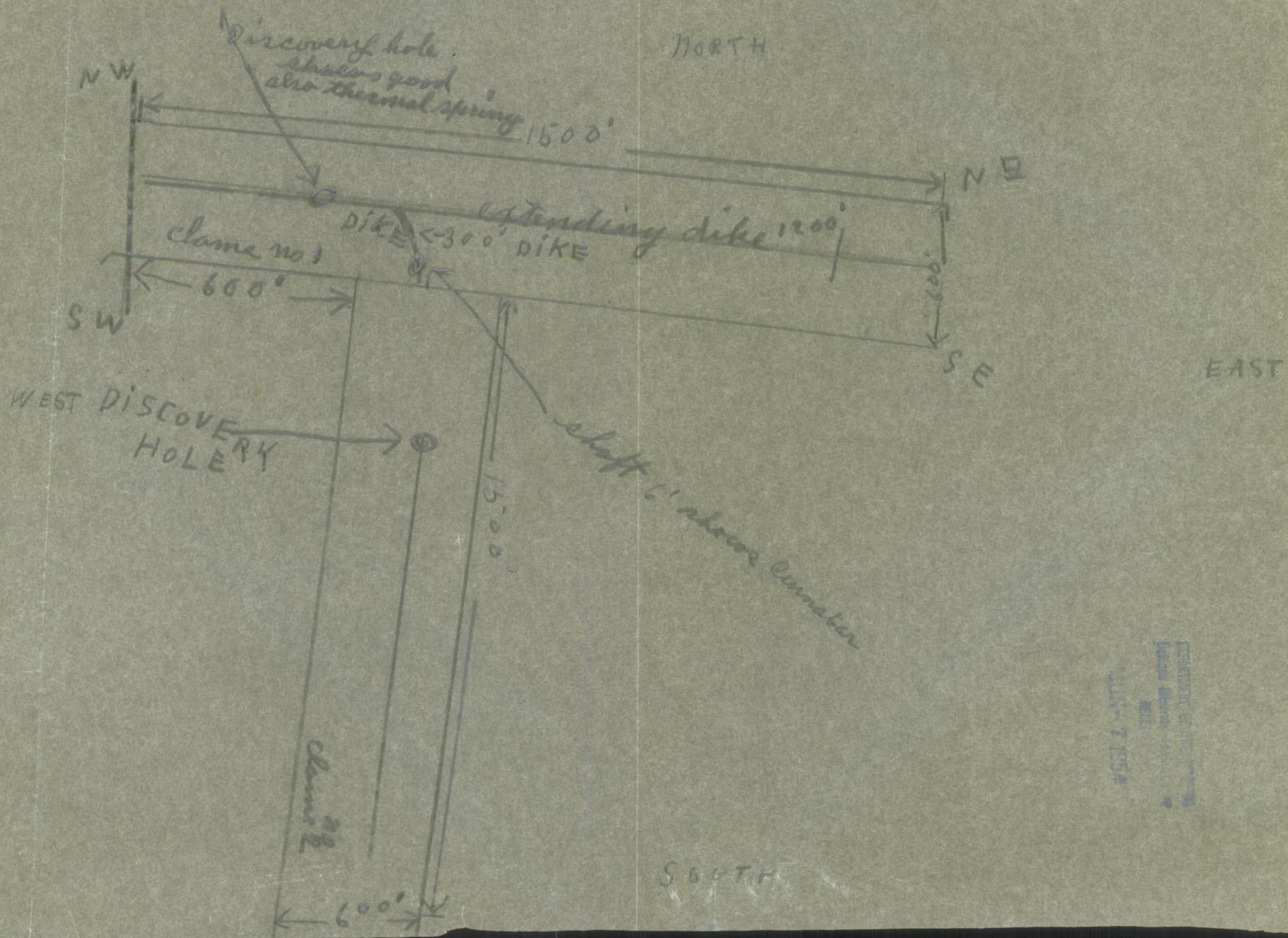
Tape and compass survey
W.S. Anderson, U.S.B.M.
W.P. Puffett and D.F. Kellum, U.S.G.S.

420 CUSTOM HOUSE
555 BATTERY STREET
SAN FRANCISCO 11, CALIF.
OFFICIAL BUSINESS

SAN FRANCISCO CALIF. JUN 2'54 U.S. POSTAGE 24 METER PB.109445

SAN FRANCISCO CALIF. JUN 2'54 U.S. POSTAGE 15 METER PB.109445

Defense Minerals Exploration Administration
Interior Building
Washington 25, D. C.


NORTH
NW
Discovery hole
shallow good
also thermal spring
1500'
NE
extending dike 1200'
DIKE
300' DIKE
claim no 1
600'
SW
SE
EAST
WEST DISCOVERY HOLE
shaft 6' above excavation
1500'
claim #2
600'
SOUTH

FORM No. 721—QUITCLAIM DEED. 537 STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

(Revised 1953)

BOOK 72 PAGE 579

KNOW ALL MEN BY THESE PRESENTS, That I, Basil R. Bayley

in consideration of One *Dollars,*

to me *paid by* John McManmon

do hereby remise, release and forever QUITCLAIM unto the said John McManmon *and unto* his *heirs and assigns all* my *right, title and interest in and to the following described real property, with the tenements, hereditaments and appurtenances, situated in the County of* Crook*, State of Oregon, bounded and described as follows, to-wit:*

Two unpatented mining claims, Pinkey No. 1 and Pinkey No. 2 located in Section 8, Township 18 South, Range 17 East of the Willamette Meridian, in Crook County, Oregon, as recorded May 10, 1954 in the official records of Crook County, Oregon, in Book No. 7 on Pages 259 and 261.

To Have and to Hold the same unto the said John McManmon *and* his *heirs and assigns forever.*

Witness my *hand and seal this* 16th *day of* October *, 19* 54.

Basil R. Bayley (SEAL)

(SEAL)

STATE OF OREGON,
County of Klamath } ss.

On this 16th *day of* October *, 19* 54*,*
Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Basil R. Bayley *who known to me to be the identical individual described in and who executed the within instrument, and acknowledged to me that* he *executed the same freely and voluntarily.*

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Amy B. Heil
Notary Public for Oregon.
My Commission expires Oct 2 - 1957

AMY B. HEIL NOTARY PUBLIC STATE OF OREGON

QUITCLAIM DEED

Basil R. Bayley

TO

John McManmon

AFTER RECORDING RETURN TO

John McManmon
1617 Division
Bend, Oregon

(DON'T USE THIS SPACE; RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)

STATE OF OREGON,
County of Crook } ss.

I certify that the within instrument was received for record on the 23rd *day of* October *, 19* 54*, at* 10:10 *o'clock* A. M., *and recorded in book* 72 *on page* 579 *Record of Deeds of said County.*

Witness my hand and seal of County affixed.

HAZEL A. POWELL
County Clerk—Recorder.

By [illegible]
Deputy.

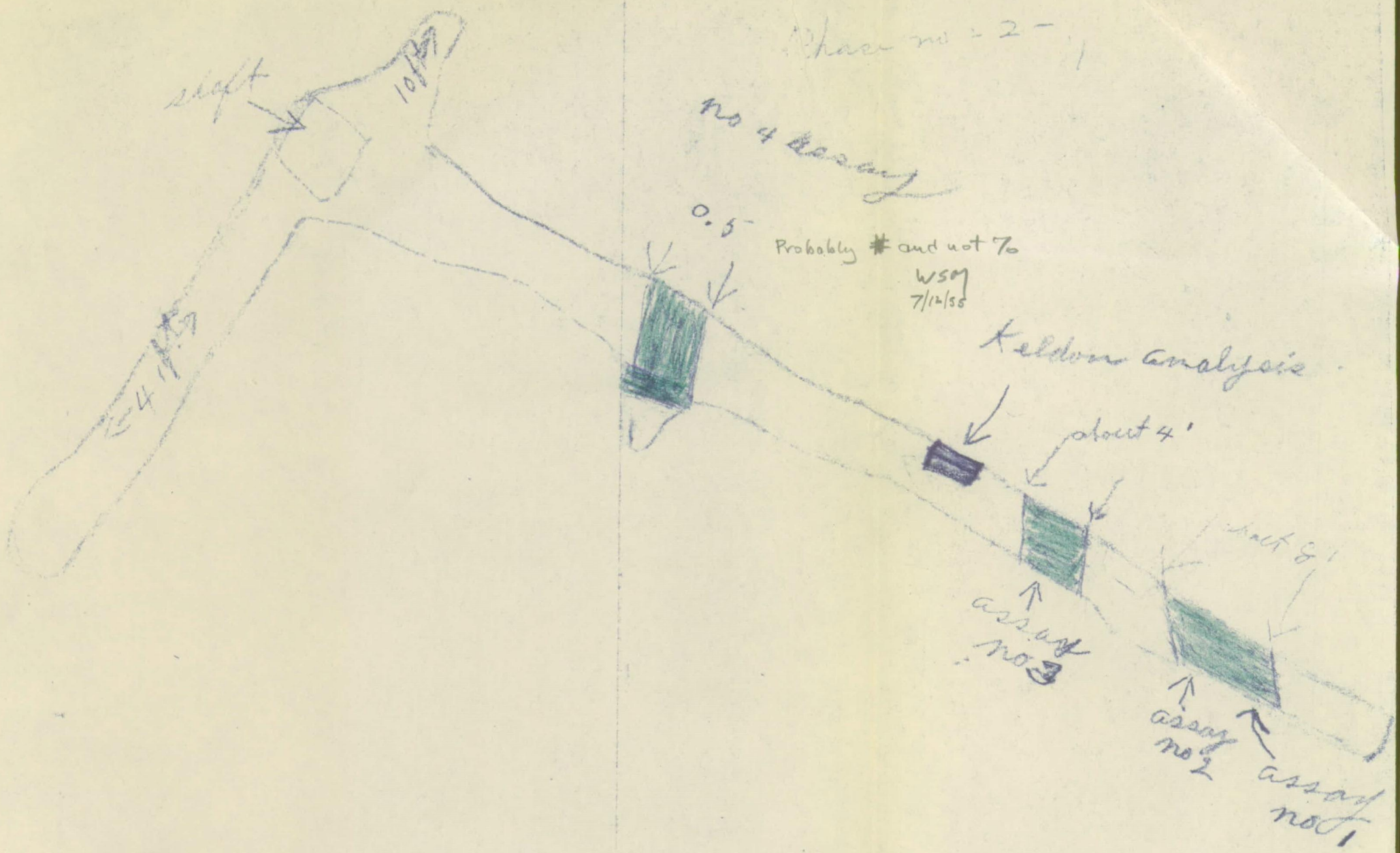
INDEXED

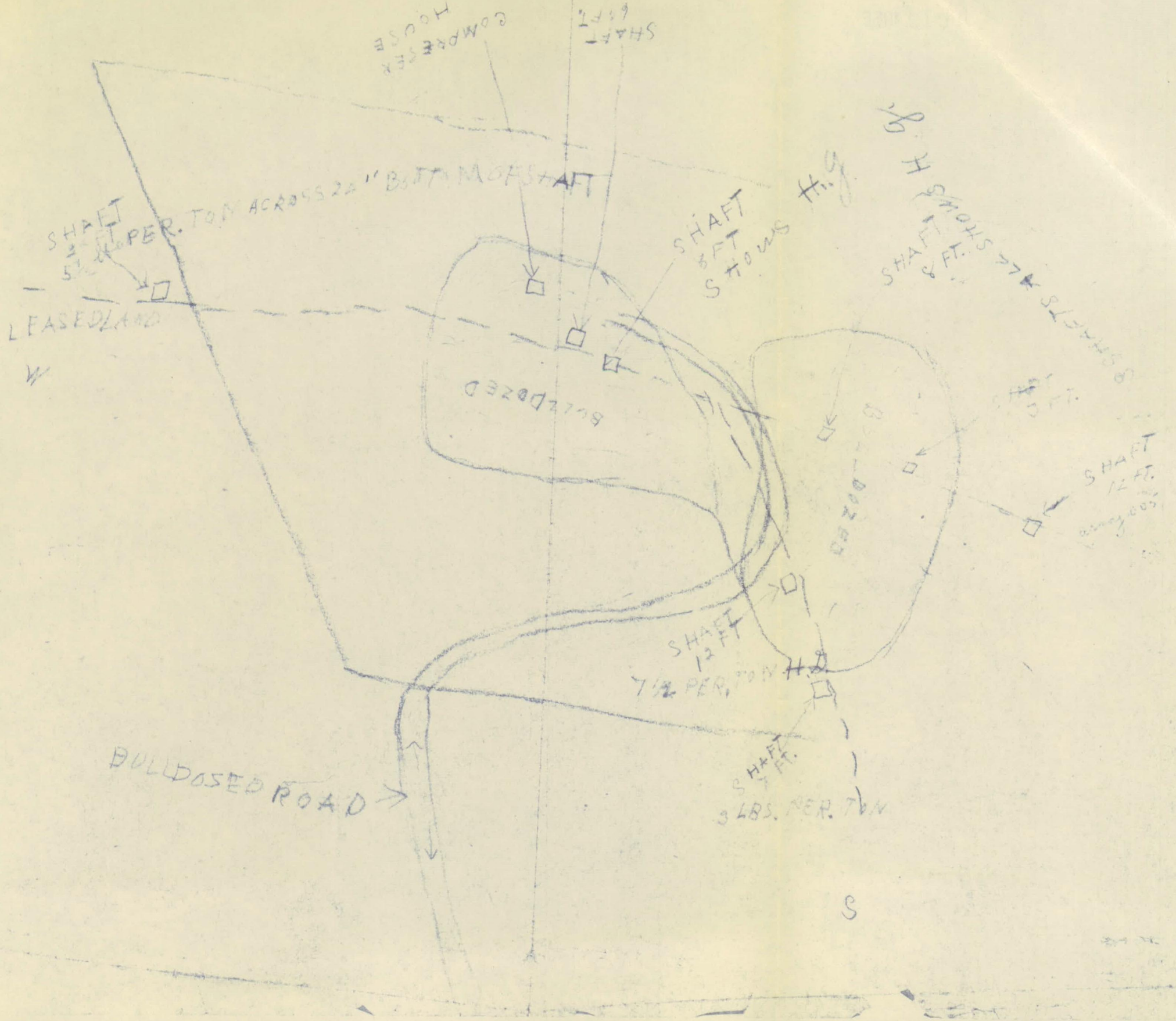
65754

721

$1.00

Chaco no - 2 -

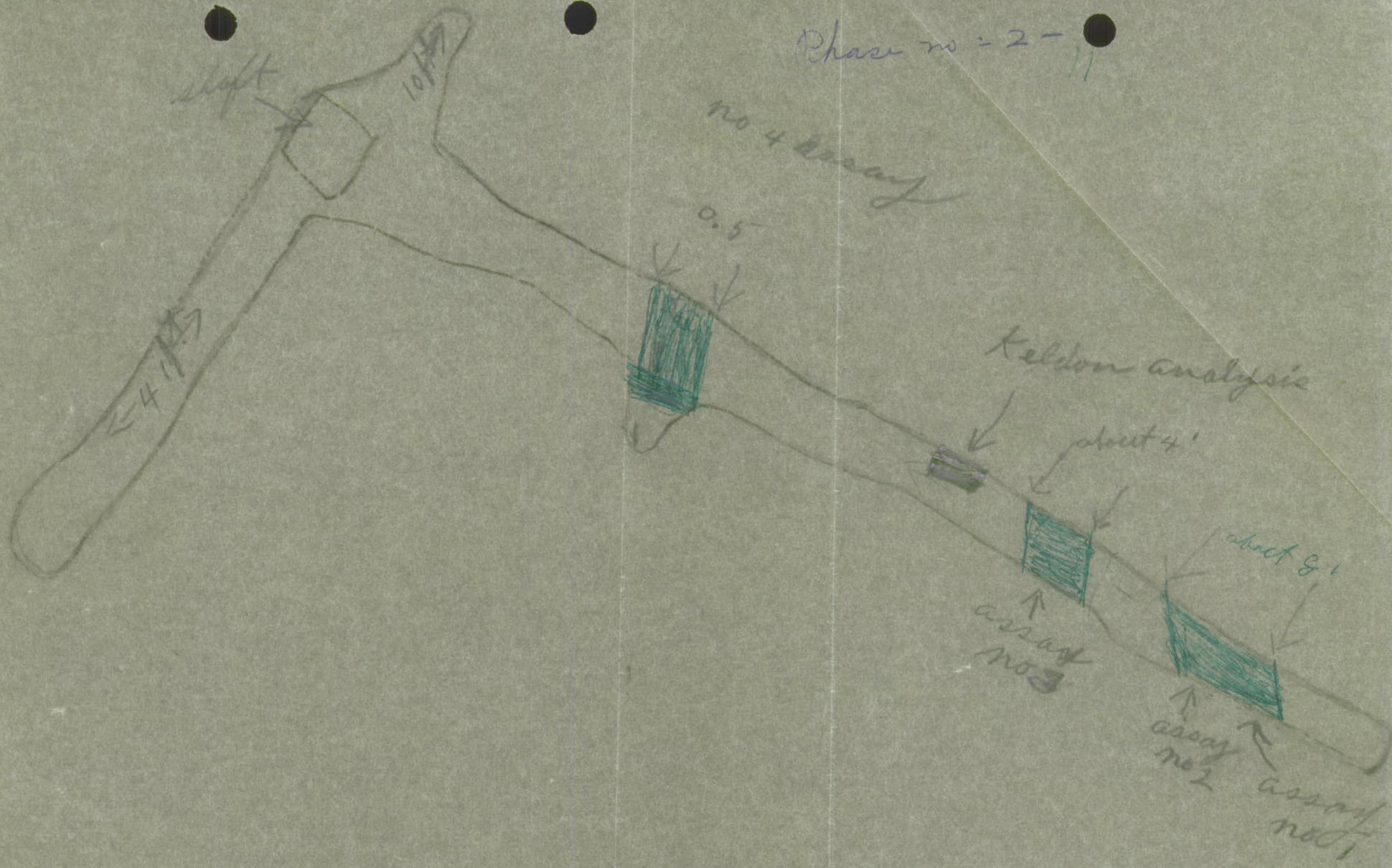

shaft
10 ft
124 ft
no 4 tracy
0.5
Probably # and not %
WSM
7/12/55
Keldon analysis
about 4'
shaft 8'
assay no 3
assay no 2
assay no 1


COMPRESSOR HOUSE
SHAFT 6 FT.
BOTTOM OF SHAFT
SHAFT 2 FT. 5 LBS. PER. TON
LEASED LAND
W
SHAFT 8 FT SHOWS
SHAFT 8 FT.
BULLDOZED
SHAFT 12 FT.
SHAFT 12 FT. 7 1/2 PER. TON
SHAFT 7 FT.
3 LBS. PER. TON
BULLDOSED ROAD
S

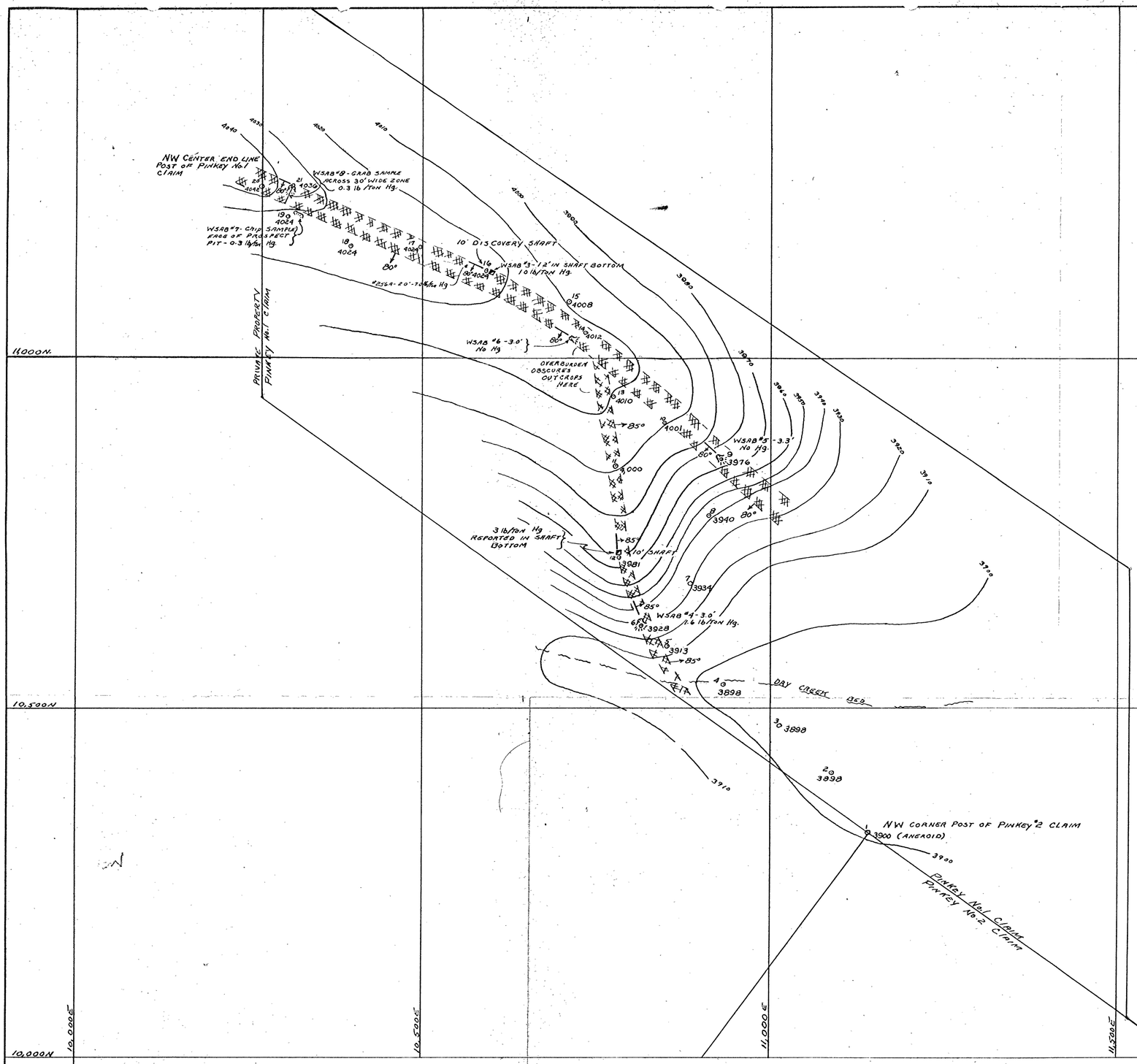
RECEIVED
JUL 1 1 1955

S
3 LBS. PER TON
SHAFT 4 FT.
BULLDOZED ROAD
SHAFT 12 FT.
BULLDOZED
BULLDOZED
SHAFT 12 FT.
SHAFT 8 FT.
85 SHAFTS ALL SHOWS
H. G.
SHAFT 8 FT.
SHAFT 8 FT. SHOWS
SHAFT 60 FT.
COMPRESER HOUSE
LEASED LAND
W

Phase no - 2 -


shaft
10'
4'
no 4 assay
0.5
Keldon analysis
about 4'
about 8'
assay no 3
assay no 2
assay no 1

RECEIVED
JUL 1 1955



EXPLANATION

GENERALIZED OUTLINE OF SILICIFIED, BRECCIATED ANDESITE WITH TUFF IN WHICH OPAL AND CINNABAR OCCURS.

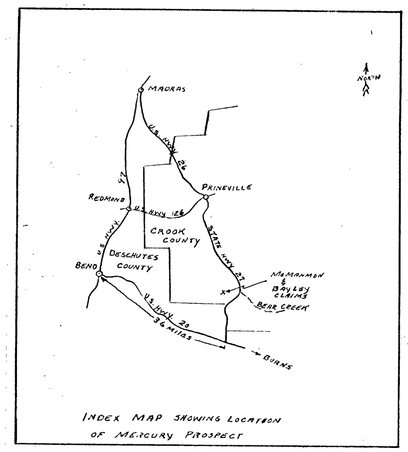
80° FAULT, SHOWING DIP

SHAFT AT SURFACE

PROSPECT PIT

3898 BRUNTON AND TAPE TRAVERSE STATION, SHOWING ELEVATION

CONTOUR LINES GENERALIZED



INDEX MAP SHOWING LOCATION OF MERCURY PROSPECT

PLAN MAP OF McMANMON AND BAYLEY MERCURY PROSPECT

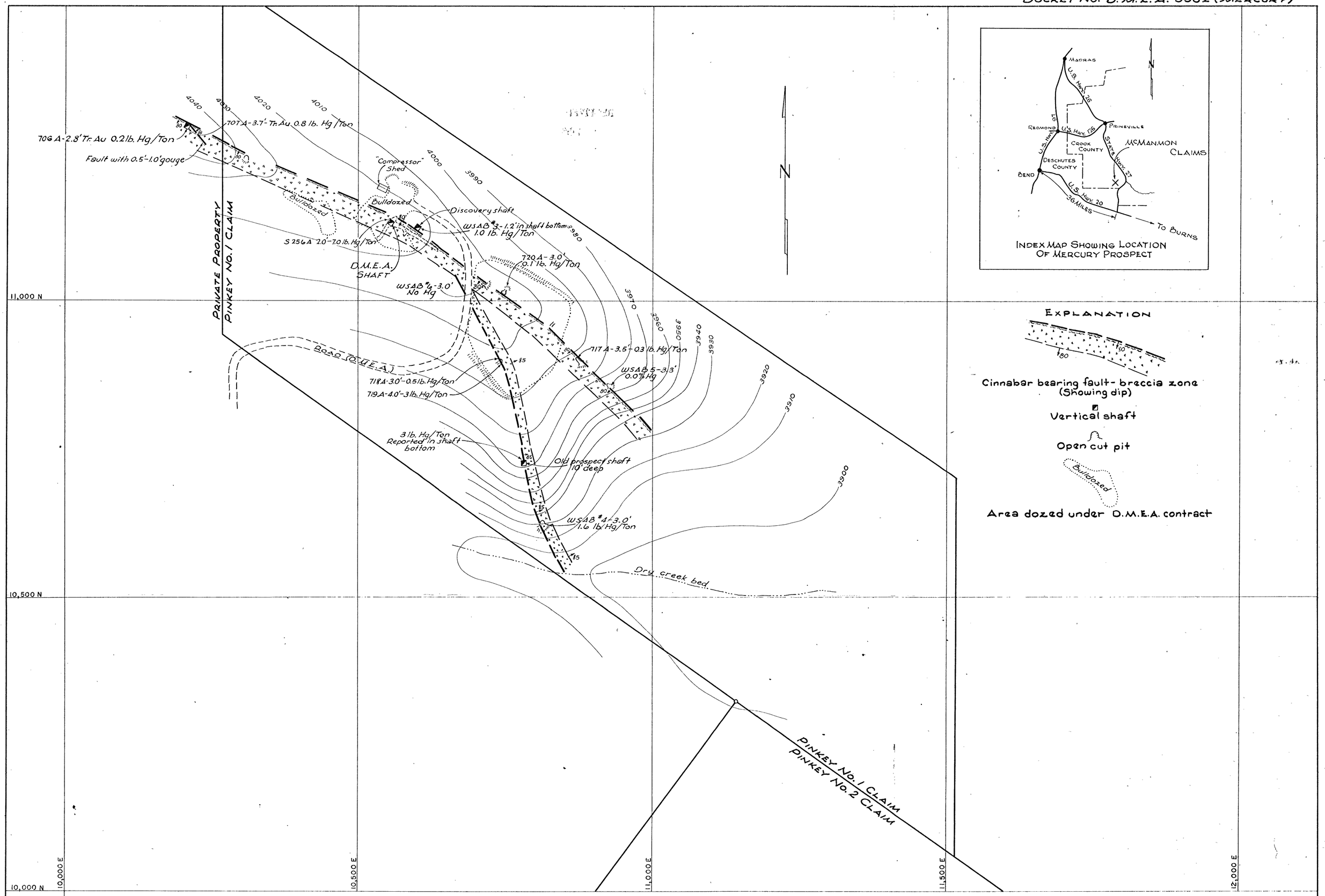
SEC. 8, T.18S., R.17E., W.M., CROOK COUNTY, OREGON

CONTOUR INTERVAL - 10 FEET

Tape and Compass Survey - 6-25-54

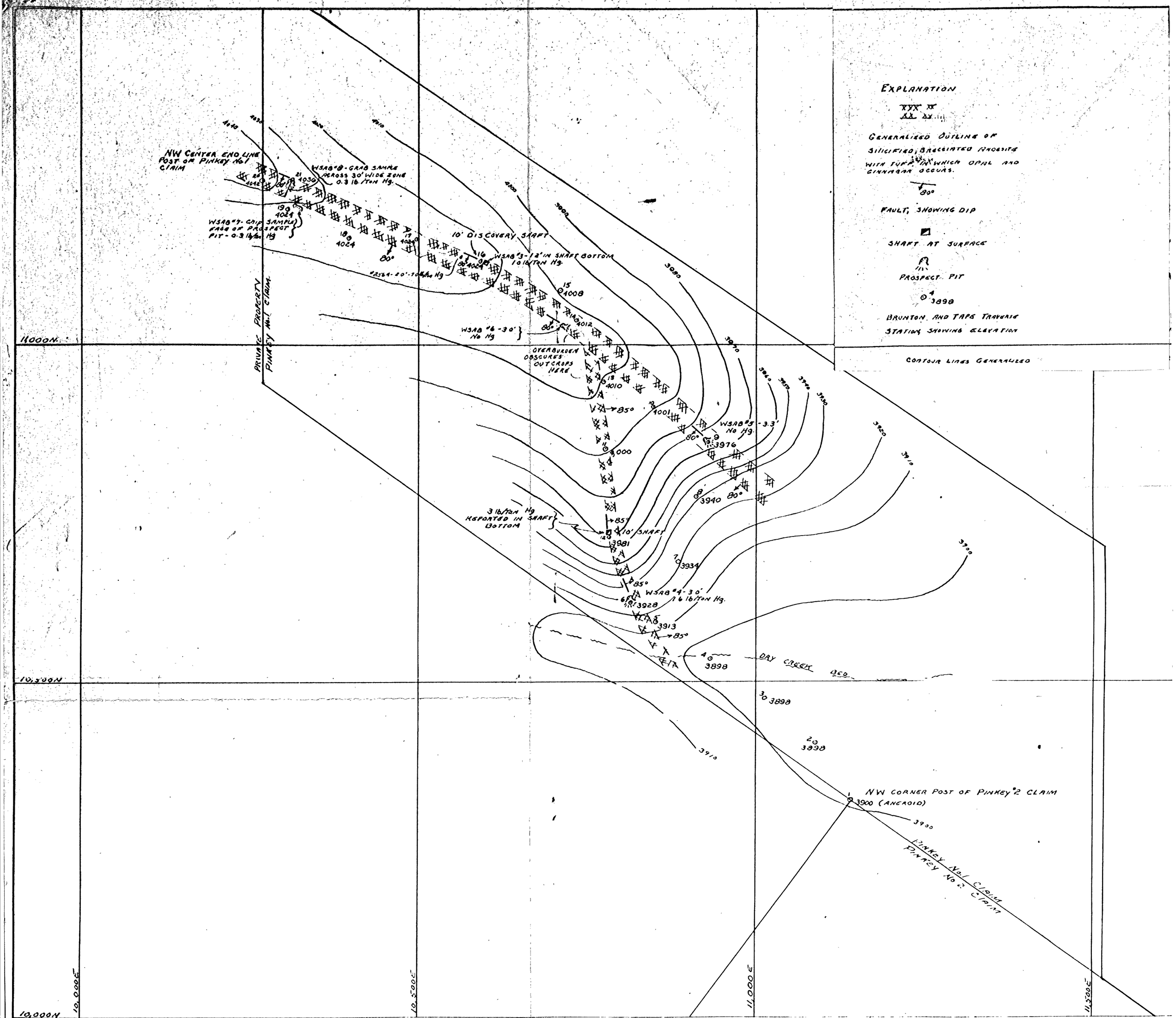
W. R. PUFFETT, USES.
W. S. ANDERSON, USDN.

FIGURE 1
DOCKET NO. D.M.E.A. 3382 (MERCURY)



PLAN MAP OF McMANMON MERCURY PROSPECT
SEC. 8 T. 18 S. R. 17 E. W. M.
CROOK COUNTY, OREGON
CONTOUR INTERVAL - 10 FEET
DATUM ASSUMED
1 INCH = 100 FEET

Tape and compass survey - 3-29-55
W.P. Puffett, U.S.G.S.
W.S. Anderson, U.S.B.M.



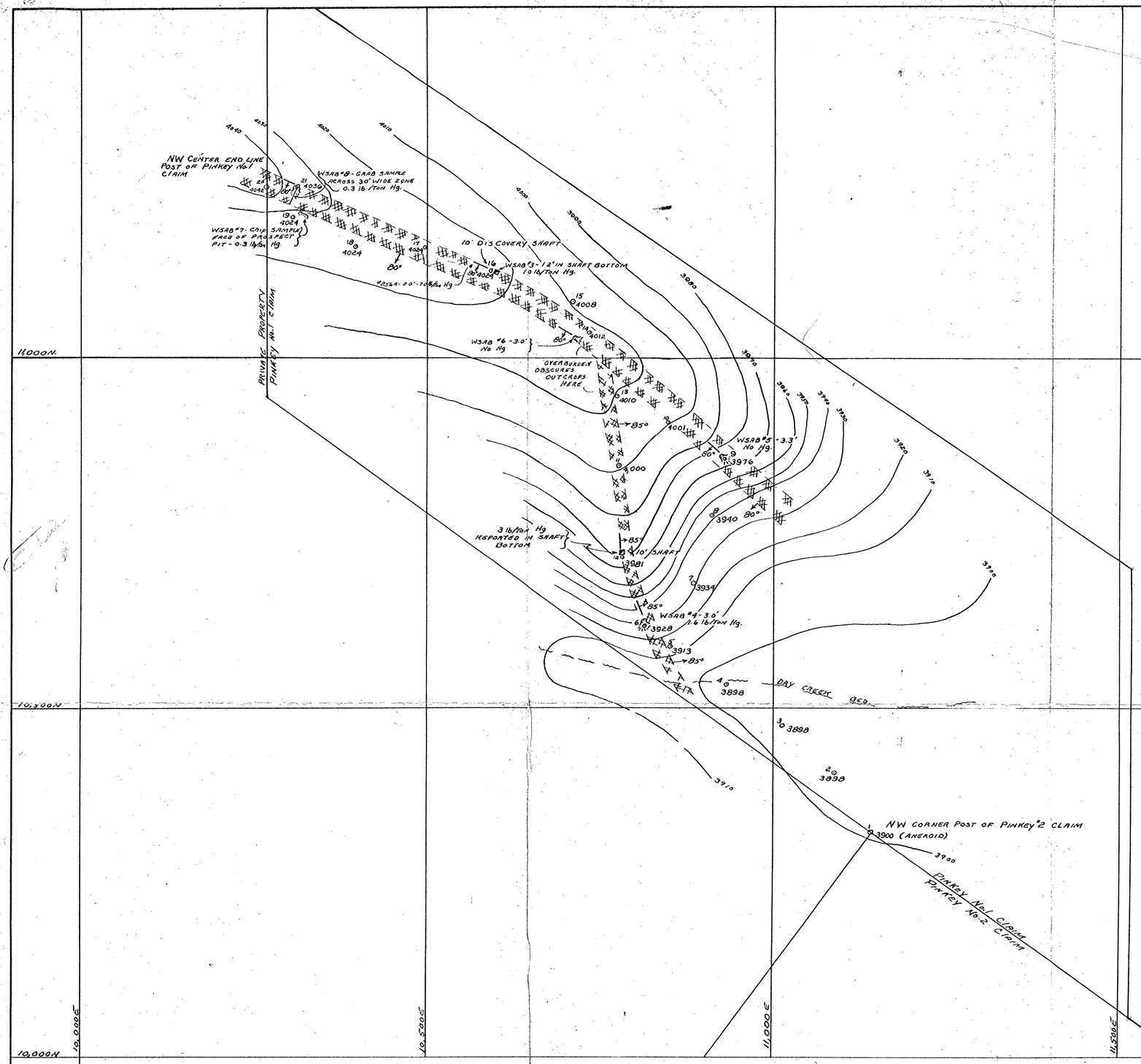
PLAN MAP OF McMANMON ~~AND BAYLEY~~ MERCURY PROSPECT

SEC. 8, T18S., R.17E., W.M., CROOK COUNTY, OREGON

CONTOUR INTERVAL - 10 FEET

Tape and Compass Survey - 6-25-54

W P PUFFETT USGS.
W S. ANDERSON USBM



EXPLANATION

GENERALIZED OUTLINE OF SILICIFIED, BRECCIATED RHYOLITE WITH TUFF IN WHICH OPAL AND CINNABAR OCCURS.

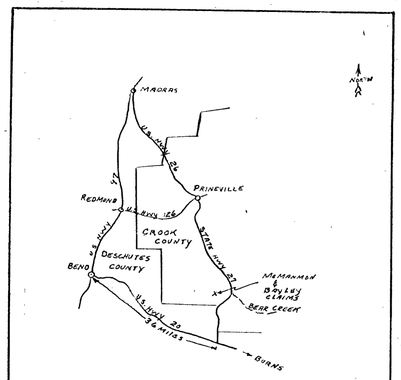
80° FAULT, SHOWING DIP

SHAFT AT SURFACE

PROSPECT PIT

4 3898 BRUNTON AND TAPE TRAVERSE STATION SHOWING ELEVATION

CONTOUR LINES GENERALIZED



INDEX MAP SHOWING LOCATION OF MERCURY PROSPECT

PLAN MAP OF McMANMON AND BAYLEY MERCURY PROSPECT

SEC. 8, T.18S., R.17E., W.M., CROOK COUNTY, OREGON

CONTOUR INTERVAL - 10 FEET

Tape and Compass Survey - 6-25-54

W. P. PUFFETT, USGS.
W. S. ANDERSON, USBM