DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Iron and Ferro-Alloys

Report Period ~~July 1~~ Ending to Dec. 31,1956

DMEA No.	Operator	Contract No.
2202	Amerimex Mining Co.	468

ORE ESTIMATES

	Tons	Flasks	Analysis
DMEA	3400	161	3.6#/ton
Operator to date	8000	368	3.5
Total	11400	529	
Production to date	6228	360	
Ore in ground	5172	169	

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts	?		?	$61,500.00
Raises				
Drilling	Type Surface	?	?	12,500.00
Rehabilitation	Description			

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Semi-annual Report dated April 18, 1957

Prepared by [signature] Date 3/7/58

31398

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
Box 431
Joplin, Missouri
August 12, 1958

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DMEA
RECEIVED AUG 15 1958

DATE	INITIALS	CODE
8/19		225
"		100
"		110
8/22		800
8/22		400

DMEA Operating Committee
Room 4457 - Interior Bldg.
Department of the Interior
Washington 25, D. C.

Re: Field-Team Semi-Annual Reports
on Certified projects, Region IV
for period ending July 31, 1958

Dear Sirs:

We are assured that for the 6-month period ending July 31, 1958, there were no pertinent production or development activities, and no royalties are due the Government under any of the six DMEA Project Contracts which have been certified in Region IV, listed as follows:

Report No.	Operator	Project Contract No.
DMA-197X (manganese)	Westmoreland Manganese Corp.	I-DMA-[illegible]
DMA-2002X (manganese)	Westmoreland Manganese Corp.	Idm-K139
DMA-1066X (zinc)	Shelton Mining Co.	Idm-K122
DMA-1371X (lead, etc.)	National Lead Co.	Idm-K48
DMA-2206X (mercury)	Amerimex Mining Co.	Idm-K46
DMEA-2495 (lead-zinc)	Dale Mining Co.	Idm-K365

Sincerely yours,

Clinton C. Knox

Clinton C. Knox
Executive Officer
DMEA Field Team, Region IV

cc: DMEA Op.Com.(3)
King, USGS, Denver
Ames, USGS, Knoxville
Semi-Annual Report file
197X-2002X file
1066 file
1371 file
2206X file
2495 file

XXXXXXXXXXXXXXXXXX

P. O. Box #431
Joplin, Missouri

August 9, 1955

Memorandum

To: DMEA Operating Committee, Interior Bldg., Wash. 25, D. C.

From: Executive Officer, DMEA Field Team, Region IV

Subject: Semi-Annual Report on "certified" projects in Region IV, as of June 30, 1955

Project contracts under which "Certifications" were issued, and their status during the first half of 1955, follows:

Idm-E8 Westmoreland Manganese Corp., Batesville, Ark., Docket DMA-197X (mn).
No production reported - no reported change in ownership.

Idm-E48 National Lead Co., Fredericktown, Mo., Docket DMA-1371X (Pb, etc.)
No production - no change in ownership

Idm-E139 Westmoreland Manganese Corp., Batesville, Ark., Docket DMA-2002X (mn)
No production reported - no reported change in ownership.

Idm-E122 Shelton Mining Co., Joplin, Mo., Docket DMA-1088X (Zn)
No production - no reported change in ownership.

Idm-E468 Amerimex Mining Co., Alpine, Tex., Docket DMA-2202X (Hg)
No production reported - Amerimex Co. relinguished lease Feb. 9, 1954, on March 18, 1955, paid royalty of $179.80 due on 1953 production, and that company

~~company~~ ro[illegible] [illegible]ciate. An inspection of production operations believed to be in progress there recently by another operating concern, is planned for August 13, 1955.

Clinton C. Knox
Clinton C. Knox

CCK/[illegible]ks

cc: DMEA Op[illegible] Com [illegible]1
DMEA Gen. File

Semi-Annual Report

on

Certified Project

by

Clinton C. Knox, DMEA Field Team, Region IV

July 31, 1957

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Period: ending June 30, 1957 Field examination: 7/17/57

Operator: Terlingua Mercury Corp.(Aug. 1954-Nov. 1956)

Mine name: Fresno(Smith & Wilson)

Location: Sec. 108, Blk. G-5, M.K.&T.E. Ry. Co. Sur., Buena Suerte, Presidio County, Tex. - Terlingua mercury district

Docket: DMA-2202X(mercury), Amerimex Mining Co.(defunct)

Project Contract: Idm-E468, dated 12/18/52

Certification: issued 1/8/54

While recently in West Texas primarily on other DMEA work, my investigation of this project on July 17 verified that no work had been done since all the Fresno exploration, mining and furnacing operations were closed down last November as mentioned in my Semi-Annual Report dated April 18, 1957. Only a watchman is employed there by the Terlingua Mercury Corp. He has continued some prospect trenching, however, on the newly discovered cinnabar-bearing fracture zone in the Buda limestone cliff area about 1/4 mile southwest of the Fresno mine workings, also mentioned in my previous report.

In addition to meeting with Mr. and Mrs. Robert N. Pulliam, representatives of the Operator, in Alpine, Texas, on the morning of July 17, I also conferred on July 3 with Mr. Harris Smith of Joplin, Missouri, who represents the Fresno mine owners, and with those owners, Mr. and Mrs. E. G. Bledsoe, in Big Bend, Texas, on July 18, with regard to documentation requested in the Administrator's June 20 letters on this subject. The Operating Committee's July 18 letter of instruction to me was received since. So far, however, I have been unable to obtain the desired information which might definitely determine whether the Terlingua Mercury Corporation, Mr. and Mrs. Pulliam, or the Crowley Tar Products Co. are liable for royalty payments due DMEA, or even verify that adequate documents of a pertinent nature actually exist.

Mr. Smith believes that about January, 1954, a registered letter was sent to Mr. Pulliam, then of the Amerimex Mining Co., giving 30 days notice of cancellation of its Fresno mining lease. He still has not been able to find a copy of that letter. Afterward, however, he recalled that the mine was advertized for lease in one of the leading mining trade journals. Following various negotiations handled by Mr. Smith, the lease was let to Mr. Raymond A. Wagner about August, 1954. Mr. Smith has located a copy of that lease in his files.

As I understood, Mr. Pulliam does not recall receiving the above-mentioned registered letter and to date has not found it in his or the company's Alpine Office files. He explained that with the knowledge that the Fresno mine was being advertized for lease and outsiders were negotiating thereon, he induced Mr. Wagner, his brother-in-law to obtain the lease, as mentioned above, even though the terms seemed unduly stringent. (I got the impression that the lease has not been kept in good standing in 1957, and that cancellation again may be imminent due to noncompliance with some of those stringent terms and due to the owners' insistence for profitable operations by a competent well-organized mining concern). Mr. Pulliam seemed to be under the impression that the Guaranty by Crowley Tar Products Co. had been signed for Crowley Tar Products Co. of New Jersey which he believed actually was a New York incorporation instead and if so, therefore, might be considered fraudulent.

Mr. Pulliam further explained that organization of the Terlingua Mercury Corporation, immediately after obtaining that lease, was handled rather unsatisfactorily through successive brokerage firms. Stock was issued and sold rather unsuccessfully to raise some operating capital. Upon assignment of their equipment and leases, Mr. and Mrs. Pulliam and Mr. Wagner were given a controlling block of the stocks; Mr. French, purchaser of the modest amount of DMEA financed equipment, and the Wilson Estate, owners of the surface rights, Fresno furnacing plant and Buena Suerte camp, also were understood to have received smaller stock issues for those assignments to the corporation. Businessmen, mostly of Victoria and Midland, Texas, put up the cash for shares and formed the Board of Directors. Mr. Pulliam said that it had been the understanding of him and Mr. Wagner by accepting the blocks of stock for assignments of their property rights that it was the intent of the corporation directors to assume any liability of Mr. and Mrs. Pulliam under the Guaranty executed with the DMA Project Contract. He has not had ready access to the corporation files in Victoria, at least since Mr. Wagner's death last year, but explained that he had not found any written reference to any assumption of that or Amerimex liabilities in his Alpine Office files although he still hoped to turn up something of that nature and would comply with the request in the Administrator's July 20 letter in the best manner possible at the earliest possible moment.

Mr. and Mrs. E. G. Bledsoe explained that they had inspected the Fresno mining property at recent intervals and verified that no production, development, or mining work had ensued on the subject project since November, 1956. They did not recall that the afore-mentioned registered letter had been sent notifying Amerimex to vacate the Fresno mining lease in January 1954 but explained that they were coordinating their file search with Mr. Smith's and intended to comply with the request in the Administrator's ~~July~~ June 20 letter as best they could at the earliest possible moment.

Clinton C. Knox

Clinton C. Knox
Mining Engineer

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DMEA
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DATE | INITIALS | CODE
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5/1 | Com | 100

Production Inspection and Semi-Annual Report

on

Certified Project

by

Clinton C. Knox, DMEA Field Team, Region IV

April 18, 1957

Period: ending December 31, 1956 Field examination: Feb. 19-21, 1957

Operator: Terlingua Mercury Corporation(Aug. 1954-Nov. 1956)

Mine name: Fresno

Location: Sec. 108, Blk. G-5, M.K.&T.E. Ry. Co. Sur., Buena Suerte, Presidio County, Texas

Docket: DMA-2202X(mercury), Amerimex Mining Co.(defunct)

Project Contract: Idm-E468, dated 12-18-52

Certification: issued 1-8-54

Expiration date: 12-18-62

Total amount of Contract: $80,000

Total accepted project costs: $61,953.39

Amount of Gov't participation at 75 percent: $46,465.04

Royalty payments this period: None

Previous royalty paid: $179.80

Total royalty paid to date: $179.80

Percent Gov't participation repaid: 0.39

Royalty due on production to date: $587.96

Royalty remarks: Making the production inspection in the Fresno mine last February 21, accompanied by Mr. R. N. Pulliam, Managing President of the Terlingua Mercury Corporation, I was convinced that the 740 tons mined and sorted, as represented in the Operator's statement and supporting

data with its letter to the DMEA Administrator on November 14, 1956, depleted all the actual DMEA reserves in the so-called Projects 3A and 3B; also, that the total production by the Terlingua Mercury Corporation beginning in November 1954 and discontinued November 17, 1956, from all the Fresno mine workings had totaled only 5,620 tons mined, sorted and comingled for furnacing from which 325 flasks of mercury were recovered and sold for a gross total of $89,306 but nevertheless, insufficient to prevent the financial collapse of this operation.

Thus 5 percent of $\frac{740}{5620}$ tons x $89,306 = $587.96,

the amount of royalty believed to be equitable and unquestionably due the Government under the Guaranties signed by Crowley Tar Products Co., Mr. and Mrs. R. N. Pulliam, as per the letter of the DMEA Operating Committee to me on September 21, 1954.

It appeared evident, however, that exploitation of the DMEA reserves had led to gophering above, from the 40-foot level up to within 15 feet of the surface, which, also according to the Operator's production records, netted an additional 1,023 tons of the mercury-bearing material included in the total 5,620 tons furnaced, which I believe also might be considered subject to the Government's percentage royalty thus:

5 percent of $\frac{1023}{5620}$ tons x $89,306 = $812.81,

or if that is decided to be the case, a total of $1,400.77 would be the amount of the royalty that is due the Government.

Under the stringent interpretation of the Contract and Certification, however, as indicated by the DMEA Operating Committee in its letter to me on September 29, 1955, royalty amounting to 5 percent of the entire $89,306 production sales total, or $4,465.30 probably would be claimed by DMEA.

Original estimate of DMEA reserves(Field Team Final Report):
Mines [X] Survey [ ] Joint [ ] - 3,400 tons, 3.6 lbs. Hg/T.

Revised estimate of DMEA reserves(Field Inspection 2-21-57):
Mines [X] Survey [ ] Joint [ ] - 740 tons, 4.4 lbs. Hg/T.

Increase of reserves by Terlingua Mercury Corp.(1954-56):
(Field assumption 2-21-57) - 8,000 tons, 3.5 lbs. Hg/T.

Production DMEA ore(this period) - 27 tons, (? - comingled)
(previous) - 1,086 tons, (? - comingled)
(to date) - 1,113 tons, assume 4.4 lbs. Hg/T.

Production Operator's ore	(this period)	-2,242	tons,	estimate	3.8	lbs.Hg/T.
	(previous)	-2,873	"	"	5.3	" "
	(to date)	-5,115	"	"	4.4	" "

Percent of reserves mined: -- 75

Investment data: Of the $245,865 stated by the Operator as having been spent from November 1954 to the end of September 1956, some $94,000 reportedly was for exploration -- $32,500 on surface rotary drilling and $61,500 on underground drifts, raises and crosscuts as partially indicated on the 20'-scale map of the Fresno mine, dated July 10, 1956. Mr. Pulliam indicated that the financial losses on actual production work alone amounted to some $71,000. The linear footage and unit costs of the work extending underground exploratory and development openings were not given, nor was any cost accounting made available for the final operations from October 1 to November 17, 1956.

Mr. Pulliam did state that after the dry rotary bit method had been adapted to the surface exploratory drilling, and a satisfactory automatic dust sample splitter had been devised, those drilling costs approached as low as $1.10 per foot, except where chert nodules were encountered on the Del Rio clay-Georgetown limestone contact. I believe that a total of some 90 holes were drilled on that surface exploration program, mostly inclined and ranging from 30 to 150 feet in depth, some of which indicated deposits of mercury-bearing material in a collapse breccia-filled fracture zone between No. 1 and No. 2 shafts, and beside a sink structure in the northwesterly extension of the Fresno workings(110 drift and raise).

Virtually all the production since July 1956 came from the new so-called "60" workings to the west of the No. 1 shaft.

Besides some modest camp improvements, repairs to the spring on Fresno creek for a better domestic water supply, installation of two-way radio from the mine to the Alpine Office, furnishing a small mercury analytical laboratory and other such investments, the major expenditures on facilities by the Terlingua Mercury Corporation were for skip-hoisting equipment at the No. 2 shaft to replace buckets, mine cars for hand-tramming instead of the buckets on small trucks on the mine levels, purchase of a small Eimco loader to eliminate much of the underground hand-mucking, replacement of the old air-operated Sullivan diamond drill with a diesel-powered HD-16 Joy rig, and purchase of a 315 c.f.m. portable compressor for removing cuttings from the holes.

Remarks: The Field Team estimate of DMEA reserves was revised downward to 740 tons when that amount had been mined and sorted by the Terlingua Mercury Corporation(1954-56) from the so-called DMEA Project 3A and 3B (the Amerimex Mining Co. also reportedly mined 373 tons there in 1953), because no significant mercury mineralization remains in evidence.

About July 1955, the Terlingua Mercury Corporation started prospecting at the top of an old raise 25 feet to the west of the start of the above-mentioned Project 3, which evidently led to the gophering on and above the 40-foot level above but along the structural zone revealed by the DMEA Project 3 work, netting an additional 1,023 tons of the mercury-bearing material for furnacing. It had been originally estimated that the DMEA reserves were indicated and inferred on a flat-lying zone about 20 feet thick above the 60-foot level on the intersection of the collapse breccia-filled fracture zone with the Del Rio clay-Georgetown limestone contact, and not nearer the surface than 40 feet.

It is virtually impossible to make any responsible reserve estimates on these very erratic mercury depositions, but I believe on the basis of underground exposures and drilling results observed by me February 21, indicated an inferred reserves of only about 2,000 tons containing a recoverable 80 flasks of mercury, remain to be mined between the No. 1 and No. 2 shafts and in the northwesterly extension of the mine, referred to on the map as 110 drift and raise. The Operator has recently discovered a new prospect in the Buda cliff, indicated on the southwest edge of the Fresno mine map dated July 10, 1956, on which some prospecting and exploratory work is contemplated.

Mercury recovery in furnacing theclayey-type Fresno ore has not been satisfactory to the Operator and the butane consumption for operating the existing 30-ton capacity Fresno rotary Gould-type furnace has been unduly expensive, so the Operator hopes to make major improvements.

Continuous negotiations for refinancing of the Corporation to furnish adequate exploration, development and operating capital had been unsuccessful up to the time of this Field inspection on February 21, 1956.

The camp, mine and plant facilities were being maintained in stand-by condition and one resident watchman was in charge.

During this inspection, the Operator made no commitment regarding any intentions to pay the Government any royalty.

2202

ACTION TRACER
[illegible] FIELD [illegible]
Date 9-11

Referred to:

1. ~~Mr. Fitzsimmons~~
2. ~~Mr. Johnson~~
3. ~~[illegible]~~
4. Docket Control Mails and Files
5. Joint Field Office Division
6. Docket Control Mails and Files

Give comments in report regarding:

1. Referred to Washington for appropriate Royalty action.
2. [illegible]
3. Follow up.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

Production Inspection

and

Semi-Annual Report

on

Certified Project

by

Clinton C. Knox, DMEA Field Team, Region IV

August 15, 1956

Period: ending June 30, 1956 Field examination: July 20-21, 1956

Operator: Terlingua Mercury Corporation

Mine name: Fresno

Location: Sec. 108, Blk. G-5, M.K. & T.E. Ry.Co. Sur., Buena Suerte, Presidio County, Texas

Docket: DMA-2202X (mercury), Amerimex Mining Co. (defunct)

Project Contract: Idm-E468, dated 12-18-52

Certification: issued 1-8-54

Expiration date: 12-18-62

Total amount of Contract: $80,000

Total accepted project costs: $61,953.39

Amount of Gov't participation at 75 percent: $46,465.04

Royalty payments this period: none

Previous royalty payments: $179.80

Total royalty payments to date: $179.80 or only about 0.39 percent of the account.

Royalty due on production this period: Possibly about $75, according to meager records made available for me to copy in the Operator's Office on July 21, which indicated that only 6 flasks of mercury had been produced from the Fresno mine this period. No sales documentation thereon was made available. Those six flasks, however, reportedly came from mercury-bearing material mined from a new exploratory winze below the 100-foot level and

from a little stoping from the new raise to the west of "Project #6" (see my May 28 Report and attached sketch map) as substantially verified during my July 20 underground inspection of the Fresno mine in the company of Mr. Joe Rector, Superintendent for the Terlingua Mercury Corporation, and John Faick (USGS-Tucson).

In view of the sampling data on three recent exploratory rotary drill holes cut to date by that stoping, the actual mercury content of the new reserves indicated there appears to have been very disappointing.

From the records made available to me by the Operator, evidently mercury production during the three periods of furnacing activity at the Fresno mine from the date of the Contract through May 1956, amounted to some 272 flasks with probably near $72,500 in total mercury sales. During June only custom furnacing of some mercury-bearing material hauled from the Operator's Campo de los Angeles prospect 5 miles east, was done at the Fresno.

In my discussions there May 4 with Mr. R. N. Pulliam, President, Terlingua Mercury Corporation, he said that the corporation intended shortly to submit the proper royalty due the Government with adequate documentary support. Again when I visited his office on July 21, he said that funds had been set aside by the corporation to pay whatever royalty he determined was properly due the Government, and he hoped to have the time available to calculate and submit that amount very shortly in response to my letter to him on July 13, 1956. He verbally acknowledged the notification therein that unless this matter of royalty was resolved within 30 days therefrom, it would be referred to the Washington Office of DMEA for appropriate action. To date, that royalty and documentation has not been forthcoming, so as of the date of this Semi-Annual Report, it also refers this matter to Washington for appropriate action.

I have estimated that 19 flasks of mercury produced during the project work in 1953 and sold for a total of $3,596 on which the $179.80 royalty was collected, and 116 flasks of the mercury produced in 1955 and sold for about $33,000, were as a result of the exploratory work under the DMEA Project Contract. The six flasks produced this period from the Fresno mine were from reserves indicated by the much recent surface exploratory rotary rock bit drilling.

Insufficient data is available on which to calculate any tangible ore reserves at the Fresno mine as of this date.

Due to the untimely death in June of Mr. R. A. Waggoner, who was a prominent and well-to-do young construction contractor of Victoria, Texas, the principal in organizing and financing the Terlingua Mercury Corporation, and a brother-in-law of Mr. Pulliam, doubt was expressed to me that operations could be continued much longer. Mr. Pulliam also told me that attractive offers of controlling interest in the Fresno operations were in negotiation with several large mining concerns who are believed to have the necessary know-how and finances to make a success of the Fresno mercury mine.

2202

[illegible] ON [illegible]

Date 7-13

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Saunders~~
4. ~~Docket Control Mails and Files~~
5. ~~[illegible]~~
6. Docket Control Mails And Files

Note comments in report regarding:

1. [illegible]
2. Legality problem
3.
4.

and take appropriate action.

Action taken by Division:

Discussed with Audits. Further action to depend on next report from Knox on his inspection scheduled for mid-July

WSQ

C

Initials

468

RECEIVED
JUL 16 1956

Production Inspection Report

and

Supplemental Addendum to Semi-Annual Report

on

A Certified Project

by

Clinton C. Knox, DMEA Field Team, Region IV

May 28, 1956

Period: ending December 31, 1955 Field examination; May 3, 1956

Operator: Terlingua Mercury Corporation

Mine name: Fresno

Location: Section 108, Blk. G-5, M.K. & T.E. Ry. Co. Sur., Presidio County, Texas.

Docket: No. DMA-2202X (mercury), Amerimex Mining Co. (defunct)

Project Contract: No. Idm-E468 (dated 12-18-52); terminated 8-19-53 when the mine was closed down by the Amerimex Mining Co., followed by relinquishment of its leases thereon.

Certification: issued January 8, 1954

Expiration date: December 18, 1962

Total amount of Contract: $80,000

Total accepted project costs: $61,953.39

Amount of Government participation at 75 percent: $46,465.04

Royalty payments this period: none

Previous royalty payments: $179.80, set-off from the above amount of the Government participation in making the final settlement to the Amerimex Mining Co. March 18, 1955. In connection with the final DMEA audit of the costs claimed on this project, that amount of royalty was calculated to be due on 19 flasks of mercury produced and sold for a total of $3,569.00 during the project work in 1953, according to production schedules furnished with the Operator's Final Report. During those furnacing operations from June to August 1953, an additional 28 flasks of mercury also had been produced and sold which

evidently came from the treatment of ore mined prior to the date of this project contract. The mine was idle from August 1953 until the Terlingua Mercury Corporation started work there about October 1954.

Total royalty payments to date: $179.80 or only about 0.39 percent of the Government's participation repaid to date.

Royalty due on production to date: According to 1955 Quarterly Royalty Reports of the Terlingua Mercury Corporation to the General Land Office of the State of Texas, mercury production of the Fresno mine from the resumption of furnacing operations about January 20, 1955, had amounted to about 223 flasks sold for a total of $63,130.00 by December 20, 1955, when furnacing again was discontinued until new ore reserves could be explored and developed. Furnacing was scheduled again to be resumed, however, soon after my May 3, 1956 production inspection there. I plan to make the regular semi-annual production inspection there after mid-July.

In a letter to me March 22, 1956, from Mr. Robert N. Pulliam, President of the Terlingua Mercury Corporation and one of the guarantors under the Project Contract Idm-E468, he stated that: "Only six flasks of mercury were produced as a result of the DMA project". While tabulating the pertinent data from that corporation's production and royalty reports to the State, from the Furnace Superintendent's and the Mine Foreman's Daily Reports, to which I was given access in its Alpine Office on May 4, 1956, Mr. Pulliam agreed (verbally) that royalty probably was due DMEA on more than six of the flasks of mercury on the 1955 production. He said also he expected that the corporation shortly would furnish proper and adequate documentation to that effect with a check for the actual amount of royalty due. Such has not been forthcoming.

On the basis of his contention that at most, royalty was due DMEA only on mercury produced and sold from ore reserves indicated as a result of the project work (obviously limited to the block which has been referred to as "Project #3"), using the data I tabulated from the above-mentioned operational reports, I calculated that of the total 3,733 tons of comingled ore reportedly furnaced from the various deposits worked in the Fresno mine during 1955, about 1,900 tons from which the average recovery was about 4.50 pounds of mercury per ton, came from the "Project #3" workings. Thus, some 116 flasks of the mercury produced in 1955 and sold at a price range from $253 to $322 per flask, apparently should have been subject to DMEA royalty payments according to Mr. Pulliam's interpretation of the Guaranties he, Mrs. Pulliam, and the Crowley Tar Products Co. signed. On a rigid interpretation of Contract Idm-E468, however, apparently 5 percent royalty should be due the Government on the entire $63,130.00 reportedly received from the 1955 mercury sales. In checking with the landowner's, Mr. and Mrs. E. C. Bledsoe, at their home in Big Bend National Park on May 6, 1956, they revealed 1955 production reports of only 199 flasks of mercury had been received from the operating corporation.

Why are we primary to take action? JLC

Original estimate of reserves:

The Operator in its Final Project Report (6-23-54) stated that: "There is no ore reserve, and there is nothing to deserve description as a 'discovery' ".

In the Final Field Team Report (1-13-56), my estimate of the indicated reserves was given as 3,400 tons of material with an average mercury content of only 3.6 pounds per ton in a small block over the 60-foot level as evidenced by very limited cinnabar exposures in the exploratory workings referred to in the Contract as "Project #3." In addition to the 373 tons (Operator's Final Report) mined there during the project work in 1953, about 1,900 tons (mentioned above) came from an intricate network of irregular workings extending nearly up to the surface in this "Project #3" block of reserves and no significant-appearing ore exposures remain there.

Most of the other 1,833 tons of ore furnaced during 1955 came from ore discovered a year ago on the westward extension of the large area stoped during World War II (see my attached sketch map indicating the underground work for each period of activity). Some ore, however, has come from exploration work on a significant-appearing manto deposit discovered in a new winze from the 100-foot level, about 85 feet below the Del Rio clay-Georgetown limestone contact (apparently somewhat similar to the new phenominal-appearing deposit being exploited by the Lone Star Mercury Co. 5 miles east on Tres Cuevos mountain).

Also prior to my May 3 examination, a new discovery had been indicated about 70 feet below the surface by a fan of drill holes west of the breccia "pipe" structure referred to in the Contract as "Project #6". The "Project #6" drift had been extended and a raise was being driven to that new discovery.

No reserves then could be estimated reliably on the basis of the limited exploration work which had been done on these various new discoveries. The ore expected from development work and clean up was expected to sustain furnace operations scheduled to be resumed by mid-May; otherwise a stock pile of ore from development work by the Terlingua Mercury Corporation on its Campo de los Angeles prospect near the Lone Star mine on Tres Cuevas mountain, will be hauled to the Fresno furnace. It also has leased and started prospect drilling on several other mercury properties in the district.

Other remarks:

According to the Operator's 1955 audit, showed me by Mr. Pulliam, total operating losses exceeded $70,000. Other figures indicated that $61,500 was spent on underground exploration and development work from April 1955 through February 1956; $32,500 on surface exploratory drilling. A loading machine was purchased for mucking in underground development drifts and cross cuts; a skip was installed in No. 2 shaft and regular mine cars put on the 100-foot haulage level to overcome the high cost of tramming and hoisting buckets of rock.

Submitted: July 12, 1956

Clinton C. Knox

Clinton C. Knox

CCK/enn
cc: DMEA Op. Com. (3)
2202X file
2202X Royalty file
Semi-Annual Report file
Knox

2202

5/1

[illegible]

[illegible] Division
Detroit Control Cards and Files

[illegible] comments in report regarding:

Beans done
Watching

[illegible] appropriate action.

[illegible] taken by Division:

Watching
WSM
5/14/56

ROBERT E. ADAMS

Initials

Addendum to Semi-Annual Report

On a

Certified Project

By

Clinton C. Knox, DMEA Field Team, Region IV

March 27, 1956

Period: ending December 31, 1955 Field examination: August 18, 1955

Operator: Amerimex Mining Co. (defunct)

Mine name: Fresno

Location: Presidio County, Texas

Docket: No. DMA-2202X (mercury)

Project Contract: No. Idm-E468 (dated 12-18-52); terminated 8-19-53 when all operations at the Fresno mine were closed down, followed by the Operator's relinquishment of its lease thereon.

Certification: issued January 8, 1954

Expiration date: December 18, 1962

Total amount of contract: $80,000

Total accepted project costs: $61,953.39

Amount of Government participation at 75 percent: $46,465.04

Royalty payments this period: none

Previous royalty payments: $179.80 set-off in making the final settlement to the Operator March 18, 1955, on the basis of the letter of review February 24, 1955, from Donald Finch, DMEA Auditor, to Mr. Jay L. Chambers; the Operator never acknowledged that royalty was due.

Total royalty payments to date: $179.80 or only about 0.39 percent of the Government's participation repaid.

Royalty due on production to date: The letter to me March 22, 1956, from Mr. Robert N. Pulliam, one of the guarantors under the Project Contract, stated that: "Only six flasks of mercury were produced as a result of the

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DMA Projects". To date neither the Terlingua Mercury Corporation which obtained the lease and reopened the Fresno mine in March 1955, nor any of the three guarantor's under the Contract, have furnished the Field Team with any of the repeatedly requested mercury sales documentation, or any other actual production data to either support or discredit that statement by Mr. Pulliam who also is now the President of this newly formed corporation.

The Field Team was aware that some part of the mercury production by the Amerimex Company in 1953 (as per Schedules No. 1 and 3 attached with its Final Engineering-Geologic Report, dated 6-23-54) was furnaced from ore mined prior to the date of the DMEA Project Contract and from sources other than the Fresno mining properties. Therefore, I concurred in the above-mentioned DMEA Auditor's royalty review letter of 2-24-55. From personal contacts, I am confident that there was no production at the Fresno from August 19, 1953 (when it was closed down and the DMEA project work discontinued without prior approval of the Government, after which the Amerimex Company was forced to relinquish its lease thereon to the landowners) until about March 1955. Then the new Terlingua Mercury Corporation had been formed by Mr. Pulliam, his brother-in-law, a Mr. Waggoner, and others who had obtained a new lease on the Fresno and financed reopening of that mine where limited production was being obtained when I was there in August.

By interpetations placed on the Contract and the Certification issued thereunder, and based on my underground observations at the Fresno then, however, I believe the Government is entitled to royalty on substantially more than six flasks of the mercury produced by the Terlingua Mercury Corporation from March to December, 1955. While that corporation's Offices were closed during the days I was in the Alpine and Terlingua localities, the management had given me the impression that the actual ore production figures I requested would be prepared and forwarded to Joplin without undue delay, along with copies of the latest mine map, all mercury sales invoices, and the royalty payments due the Government.

Of course, as at most mercury producing operations, the ore is furnaced at the mine, and production disposed of generally in small lots in the form of standard flasks of mercury to the buyers making the best offers which, under this particular Contract at least, presents much difficulty in any audit to verify the total reported mercury sales.

In December I informally got indirect word that the landowners had been paid their percentage royalty on 199 flasks of mercury sold during 1955, and that a stock of perhaps an additional 40 flasks, also produced in the Fresno furnacing plant, remained on hand awaiting the most favorable market offer. Later, I likewise was told that the landowner's had begun to suspect some error or falsification in such information as they had received. Undoubtedly, however, all operations at the Fresno mine since World War II, which include those in 1953 and from March 1955 to date, have been unprofitable.

Reserve estimates:

The Operator in its Final Engineering-Geologic Report, dated 6-23-54, maintained that: "There is no ore reserve, and there is nothing to deserve description as a 'discovery'."

In the Final Field Team Report by C. C. Knox (USBM), dated 1-13-56, my estimate of indicated reserves was given as 3,400 tons of material with an average mercury content of only 3.6 pounds per ton in a small block in exploration site referred to in the Contract as "Project #3". In most cases, work in the other exploration sites designated in the Contract, was discontinued before reaching the targets, thus precluding any comprehensive conclusions regarding estimates of other indicated and inferred reserves.

The present operating concern has contended that only six flasks of mercury is subject to the Government's percentage royalty on that part of the production in 1955 which was mined in some "gopher" holes in the above-mentioned block I estimated as the reserves. It was obvious when I was there last August that the larger part of the total production had been mined from a small manto-type deposit which had been discovered earlier in 1955, extending along the west edge of the old Fresno stope.

Judging also from my last underground inspection at the Fresno, it seems plausible to assume from the statements in Mr. Pulliams letter of March 22 that no commercial ore reserves now are evidenced there. He also stated that although extensive exploration was in progress at the Fresno, no production has ensued therefrom in 1956. As soon as other DMEA examinations or project inspection justify a Field Team trip to that Big Bend region of Texas, I plan to again make a production inspection at the Fresno mine and at the offices of the Terlingua Mercury Corporation. If the necessary information then is not made completely available, I believe the next step would be to request a formal DMEA royalty audit.

No information is available to indicate that the project work accomplished under this DMEA Project Contract resulted directly in encouraging any responsible investments, developments, or plant installations of actual significance to reviving the industry at or near the Fresno properties, but it was virtually the first spark of life evidenced in the Terlingua mercury mining district since complete abandonment when mercury prices collapsed near the close of World War II. Indirectly, these signs of reviving activity at the Fresno probably have furnished a little assurance and some review of basic mercury exploration, development, and production techniques to other such activities as slowly have been starting in the surrounding region during the past two years of high mercury prices. Most of the activities in that district, however, have been highly promotional in nature.

I understand that the most significant recent mercury ore development in the Terlingua district was by the Lone Star Mercury Co., controlled by Skubic Bros. of the Minnesota iron range, which early last year leased the Maggie mine and furnacing plant, owned by Mr. Robert N. Pulliam, 4 miles east of the Fresno. In rebuilding the long winding road up to the Maggie mine at the top of the Terlingua anticline, the bulldozer blade exposed a good cinnebar "pipe" deposit on a neighboring property which then was leased

near the Maggie. I understand that the larger part of 1955 Texas mercury production was obtained during sinking operations on that breccia "pipe". The Maggie furnace plant, rehabilitated by Gould & Co. of San Francisco, is used to process that production.

Clinton C. Knox

CCK/enn

Clinton C. Knox

cc: DMEA Op. Com. (3)
2202X file
Semi-Annual Report file
Knox

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

P. O. BOX 431
JOPLIN, MISSOURI

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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SEP 10 1953

August 27, 1953

Memorandum

To: William P. Williams, Executive, D.M.E.A. Field Team, Region VI

From: Clinton C. Knox, Mining Engineer, Bureau of Mines

Subject: Interim Project Inspection Report
Docket DMA-2202X (mercury)
Amerimex Mining Co.
Box 626, Alpine, Texas
Buena Suerta (Fresno Mine) Presidio County, Texas
D.M.E.A. Project Contract No. Idm-E468

Although the period from August 4 to 12, 1953, was spent primarily in Alpine with you and the D.M.E.A. Auditor, Mr. Donald T. Finch, as a three-man auditing committee on the detailed investigation of the subject Operator's project cost accounts, prior to June 1, this report covers only the inspection, check sampling, and surveying, on which I assisted you at the subject project on August 9.

Summary and Conclusions

Since my previous Amerimex inspection on Febr. 9, 1953, the actual exploratory work accomplished on all the six projects specified in Exhibit "A" of the contract, amounted to 805 feet of prospect drifts, crosscuts, raises, and shafts, 476 feet of diamond drilling, and 9 hours of surface bulldozer trenching. The Operator's July Report yet has not been received by the Field Team, but probably three-fourths of the allowable maximum funds had been expended by August 1, while little more than two-fifths of the allowable maximum units of exploratory work had been completed. With the exception of 3,400-ton, marginal appearing reserve, indicated in crosscuts and raises on Project #3, and estimated on the basis of the weighted average content of 3.6 pounds of mercury per ton, as reported from the seven check samples we cut there, so far the other exploratory work virtually has been ineffective in probing the exact, originally specified, geologic targets.

Besides the noticeable results of the inefficient labor available for employment there, as previously anticipated, obviously the project also has not received the necessary detailed attention of competent geological, engineering, and supervisory personnel, either in the employ of the Operator, or D.M.E.A. Such as the Operator could employ were either incompetent or unwilling to stay because of the severe operating conditions in that hot, remote, primitive locality. The exception is a very able-appearing master mechanic, who has been on the job since the beginning. Mr. Robert N. Pulliam, President, Manager, and Superintendent of the Amerimex Co., evidently is a typical Texas mine operator with reportedly little successful mining experience there and in Mexico, but nevertheless has maintained safe and clean mine and plant operations, probably at the expense of more productive activities in many instances. Evidently too much of his time so far has been required away from the project on duties as Employment and Purchasing Agent, etc., which probably could have been construed partly as corporation management.

Despite the apparent inefficiency in comparison to the work of better established mining concerns in the other States, the subject mining exploration work to date, under the most difficult operating conditions, evidently is on a par with all such previous southwest Texas operations. Therefore, it is concluded that, except for demanding realistic cost distributions and project reports from the Operator in the future, and subject to the Interim Audit Report being prepared by Mr. Finch, drastically disallowing the audited project expenditures which have been permitted in violation of the contract, the Field Team should exert all reasonable efforts to nurture this single spark of mining activity remaining in southwest Texas, thus preventing further undue hardships upon the Operator.

A total of 43 flasks of mercury had been produced and sold by the Operator during intermittent furnacing of 536 tons of ore from June 6 to August 9, 1953. All the first 23 flasks were from cleaning up the old stope, but a yet uncalculated and unreported part of the last 20 flasks was from the reserves indicated by the subject project work. On March 20, 1953, the Operator was finally able to obtain a lease and option on the furnace, Buena Suerte Camp buildings, mine shop, and other surface appurtenances from the Smith and Wilson estates, thus alleviating the need for constructing the building authorized by the subject project contract, most of the materials for which had been purchased.

Recommendations

On the basis of the recent Amerimex project inspection and audit of the cost accounts, the following recommendations are made:

(1) Repeating (8) in my previous Interim Report, dated March 2, 1953, the only recommendations therein which never was complied with: "All mercury depositions are to be systematically sampled and mapped by the Superintendent, when encountered by the exploratory work and occasional jackhammer test holes are to be drilled wherever justified in walls or backs of drifts."

(2) As previously advised in my letter to the Operator on April 6, 1953, submitting of a detailed cost distribution sheet with each monthly MF-104 Report, should be mandatory since preparations for production reportedly commenced in May. It should be a compilation from all the daily distribution sheets and stockroom records, properly kept by the Superintendent, showing the charges to production and exploration which easily could be audited. Items which were all chargeable to exploration during the first 4 months of project operation but which since must be charged partially to production, include supervision, labor, insurance (all kinds), cook's wages and kitchen equipment, truck drivers and the use of trucks, water tanks and pump, the double-drum electric slusher and scraper, jack-legs, welder, and other purchased equipment; rent on hoists, compressor, drills, jeep, etc., and supplies such as electric lines, pipe, rail, drill bits, hoses, tools, butane gas, gasoline, diesel fuel, and other materials; bookkeeping, consulting engineering, freight and other services.

In the summary conference, Mr. Finch and I held with Mr. and Mrs. Pulliam just before we left Alpine, they agreed to submit all the necessary cost distributions, tonnage factors, and other data to the Field Team henceforth monthly, on which basis an equitable formula could be derived for the respective production and exploration cost segregations. The failure to submit the July MF-104 Report yet, has probably been necessitated by that requested revamping of the cost accounting system.

(3) No additional diamond drilling appears to be justifiable on Projects #7 or #8.

(4) An attempt should be made to diamond drill one steep down hole in Project #6 with the wall and "floor" zones of the indicated circular "sink" or "pipe" deposit as a target. Probably surface churn drilling would be more successful.

(5) Because virtually the same target was crosscutted from old shaft No. 3 years ago, abandoning of Project #3A crosscut is recommended. It has apparently passed beneath the shallower mercury-bearing fracture zone anyhow, just as Project #1 drift apparently passed beneath the target, a mercury-bearing fracture zone, at about 50 feet from the start of that drift.

(6) Diamond drilling or cross-cutting southeasterly from the breast of Project #3 drift would appear justifiable.

(7) Diamond drilling of a downward, easterly striking hole from the bottom of the new 48-foot prospect shaft to the indicated circular "sink" or "pipe" deposit, 100 feet east, presents favoraable possibilities.

(8) First consideration should be given, however, to the exploration outlined and the transfer of funds in the proposed Amendment #3 to the contract, yet to be outlined in a formal request which the Operator is understood to be preparing now.

(9) Since the original contract was drafted under the misconception that all Supervision, Labor, and Technical Services on the project, must be lumped in those allowable maximums under (2) Article 6 of the contract and appended "Exhibit A", and the Operator therefore was required to do likewise in his MF-104 Monthly Cost Reports, although distributing those costs properly in the MF-104A, proposed Amendment #3 to the contract, also should transfer the necessary funds for Supervision and Labor to (5a) Rehabilitation and Repairs to surface plant, (5b) Underground Rehabilitation, and to (6) New Buildings and Installations.

(10) On the basis of the reports so far received from the Operator, and the Consulting Engineer-Geologist on the project, there is little justification yet for recommending a contract amendment to increase the allowable maximum which may be expended on the Amerimex project.

Work Completed

On Aug. 9, 1953, the following work, as shown on the attached sketch map, had been completed on the six exploratory projects, specified by the contract and Amendment #2:

Project #1 - 217 feet of drifting and raising, average~~ing~~d slightly under the 5 x 7-foot size limitation, but exceed~~ing~~ed the authorized maximum linear footage by 17 feet, calculated average costs of which were disallowed by the Field Team in approving the Operator's June MF-104 Report. The target fracture zone evidently veered off on a shallower bedding plane, so apparently after passing beneath the intended target, the explorations wandered aimlessly on slight mercury mineralization in "open" bedding planes until early in June, since which no work is reported to have been done.

Project #3 - total advance in the drifts, crosscuts, and raises driven to date, measured 410 feet. Although those original exploratory openings apparently averaged slightly under the 5x7-foot size limitation, two places have been enlarged during the beginning of stope productions where a total of 983 cubic feet was calculated to have been stoped recently, as shown in 3A-raise and 3B-crosscut on the attached sketch map.

Project #6 - a total advance of 197 feet had been made to April in the drifts along the fractured, mercury and iron mineralized, limestone wall, circumventing the clay-filled "sink" or "pipe" deposit, previously indicated there by U.S.G.S. mapping. Because of high temperatures and poor ventilation in those drifts, and because they are 60 feet above the mercury mineralization indicated in old churn drill hole No. 6, further work was discouraged there by the Field Team.

Project #7 - a 150-foot hole, 30 feet in excess of the allowable maximum, was diamond drilled in April, northward from the breast of the old north crosscut apparently without encountering the significant-appearing structures shown on the surface U.S.G.S. map.

Project #8 - a fan of 6 holes, totaling 326 feet, ~~have~~ has been drilled southward from the breast of the old south crosscut each finding ~~a~~ the target, a projected, clay-filled, fissure, but each failing to penetrate that clay. A trace of cinnabar reportedly was recovered, however, in one of the holes, midway between the collar and the clay body.

Project #12 - the Operator reportedly determined after only a total of 9 hours work in two trenches southeasterly from old churn drill hole No. 7, that the originally proposed surface bulldozer trenching was impractical. Then in June the Field Team approved starting to sink the new 5x7' prospect shaft on churn drill hole No. 7. The first 22 feet, sunk in June, measured during the recent inspection, when it had been timbered, 5x7-foot inside the sets, averaged 7x8½ feet in size. Therefore a calculated 41.2 percent of the overall shaft sinking costs or $524.78 was disallowed by the Field Team in approving the June MF-104 Report on August 14.

Continuing to a completed depth of 48 feet, the average size of that lower 26 feet of the shaft, is 7½x10 feet and the crosscut south from the bottom which had been driven 14 feet by Aug. 9, averaged 7½x7½ feet in size. As one example of the apparent poor management on the project work, all the rock from those large excavations still was being hoisted by two men turning a hand windlass while the rented Sullivan air-tugger was standing idle, an estimated 99 percent of the time at the old No. 1 shaft, which is

used to lower tools only to Project #3. The now unused old 3-inch pipe, purchased for the framework of the originally proposed new building, should make a suitable small, welded headframe for the new prospect shaft, if further work is to be done there.

As reported in Smith's log of old churn drill hole No. 7, the new shaft reportedly encountered mercury mineralization only from 21 to 35 feet in depth. Mr. Arthur Blucher, Mine Foreman, stated that about 2 truck loads (±10 tons?) of ore was hand-sorted and furnaced during the entire sinking of that new 48-foot prospect shaft.

INVENTORY OF EQUIPMENT IN USE ON EXPLORATION (8-1-53)

PURCHASED:		PRICE
2	JAL-48 Jack Legs with attachments for L-57 drills (X-1419-DG) Shop #30892 and 30893	$390.00
1	3x2x4 Duplex Pump (FBM Shop #768602)	190.00
3	Aluminum 1,222 gal. Rocket fuel tanks for water storage	312.51
1	Bomber wing tank, for water storage	12.50
1	Butane kitchen stove, Norge NC2-T240	80.00
1	'52 Ford, ½-ton, pickup, Motor #FIR2DL21327	1,960.37
1	'53 GMC, 2-ton, truck, Motor #A248176097	3,116.00
1	Gould centrifugal pump #3670 with 1 H.P. gas engine, #5,052,505	170.95
1	Skilsaw #107	138.75
1	B.&D. HD Valve reseater set, motor #1678013	120.00
1	Lincoln arc-welder #A277866 with Wis. Enginer #1967264	481.95
1	Servel Refrigerator, 9 cu. ft., #BR-1118	425.00
1	Servel Refrigerator, 11 cu. ft., #101623	225.00

RENTED:		RENT/MONTH
1	Joy air compressor, 315 c.f.m., Cat. engine #50019	$470.00 (?)
1	Willys Jeep, Motor #J83920	30.00
1	International 30 H.P. engine #274183 and hoist	125.00
1	Sullivan air tugger, #1469	35.00
1	C.P. Jackhammer, #3039	40.00
1	Sullivan Jackhammer, #101471	40.00
1	Longyear Diamond Drill #578, and accessories	100.00

RESULTS OF CHECK SAMPLES

The description of the locations, as shown on the attached sketch map, and the results of the 12 samples we took at the Fresno Mine on August 9, follow:

			Percent Hg Content
PROJECT #3			
3A - #1	8'	Channel cut west wall near top 3A raise..... (obviously not representative)	1.21
#2	12'	Channel cut 0 - 12' along west wall 3A X-cut.....	0.31
#3	9'	Channel cut 12 - 21' along west wall 3A X-cut....	0.19
#4	6'	Channel cut 21 to 27' along east wall 3A X-cut...	0.11
3B - #1	16'	Channel cut 16 to 32' along west wall of 3B X-cut	0.13
#2	20'	Channel cut 18 to 38' along east wall of 3B X-cut	0.15
#3	5'	Channel cut at 48' west face of 3B sub-level.....	0.14
PROJECT #12			
#1	5'	Channel cut 6 to 11' from new prospect shaft on east wall of 48' level X-cut south.....	0.05
#2	7'	Channel cut west end of new prospect shaft 29' below collar.....	0.06
#3	7'	channel cut east end of new prospect shaft 29' below collar.....	0.16
FURNACE:			
#A		Grab sample from fine ore bin 8-9-53.....	0.16
#B		Grab sample from hot residue dump 8-9-53..... (obviously not representative)	0.21

Submitted by: Clinton C. Knox
Clinton C. Knox
Mining Engineer

CCK/vks

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McElvenny - 2
Knox - 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Joplin, Missouri
July 10, 1953

Re: Docket No. DMEA-2202X
Mercury
Amerimex Mining Co., Inc.
Presidio County, Texas
Contract No. Idm-E468

Memo

To: Operating Committee

From: W. P. Williams, Executive Officer, Field Team, Region VI

Subject: DMEA Interim Report.

DMEA Docket No. 2202X, Mercury
Amerimex Mining Co., Inc.
Alpine, Texas
Fresno Mine, Buena Suerte Claim Group
Presidio County, Texas
Contract No. Idm-E468

Two days, July 1 and 2, 1953 were spent by the writer conferring with personnel of the Amerimex Mining Co. and inspecting the Amerimex DMEA Project at the Fresno Mine.

Summary and Recommendations

Active exploration work is being pursued at the above-referenced DMEA Project. Progress in the work has been less than exemplary due partly to the isolated location of the subject property and to the scarcity of efficient, trained, and dependable mine labor.

As a result of the field examination the following recommendations concerning the Amerimex Project are made:

1) A complete and careful audit should be made of this Project as soon as practicable by an auditor from the Contract and Audit Division. If and when the audit is made the auditor should be accompanied by a member or members of the Field Team, Region VI.

2) As a result of careful project inspection all unnecessary and unused items of equipment should be deleted from the Contract, and the cost or rental fees for such items be made ineligible for Government participation.

3) It should be determined what just amount is due the Superintendent for monthly salary and this figure should be adjusted, retroactively, in Exhibit "A" of the Contract.

4) All salaries for Supervision should be paid for exploration work only, and no part of supervision or labor costs incurred in production of mercury ore or metal will be participated in by the Government.

5) All costs incurred in sinking the oversize shaft from surface, contrary to specifications in Amendment No. 2 to Contract Idm-E468 should not be participated in by the Government.

6) A Certificate of Discovery should be issued by the Government, within the prescribed time limits, to cover the Amerimex Project.

It is unfortunate that so much latitude and freedom has been given an Operator of this type by the form of Contract Idm-E468. //?

Contract Idm-E468 is complicated in that Exhibit "A" contains "Equipment Purchases," "Equipment Rentals," "Operating materials and supplies," "Rehabilitation and Repairs," "New Buildings, improvements and installations," "Rehabilitation of mine headframe, shaft and underground workings," and "Miscellaneous."

Much of the equipment purchased and rented for this project has been purchased and rented from the Operator, R. N. Pulliam, who has been a mine promoter in Texas and Mexico for several years. Some of the items within the above categories have not yet been put to use. Examples are one 125 KVA power plant which is to be rented to the Project by the Operator owner at a rental fee of $400 per month. At present a small 30 KVA generator is serving adequately. There are other such items in Exhibit "A". A great deal of mechanical equipment owned by the Operator but not in direct use on the Project is being reconditioned, repaired, and otherwise renovated through the use of DMEA sponsored funds and personnel.

It is recommended that this Project be minutely scrutinized and all unnecessary items of equipment be disallowed from Government participation in either purchase or rental.

It is obvious that this Operator is using DMEA Contract Idm-E468 as a means to rehabilitate and recondition the idle but completely accessible Fresno Mine with a view toward later production in the event sufficient ore is discovered.

The Operator receives full rental rates for his equipment instead of the usual depreciation allowance. He was able to do this, evidently, because the Amerimex Mining Co. has no equipment and R. N. Pulliam, Operator rents his equipment as an individual to Amerimex and to the Government per Contract Idm-E468. The Amerimex Corporation is a very small concern made up principally of one R. N. Pulliam. I have not verified Pulliam's assertion that he does not hold controlling interest in the Amerimex Corporation.

Contract Idm-E468 provides for the following Supervision:

1	Superintendent (R. N. Pulliam)	@ $600	per mo.
1	General Foreman	@ 400	" "
1	Master Mechanic	@ 450	" "
1	Timekeeper-Stock Clerk	@ 200	" "

Inspection of this Project on various occasions and interview with Project personnel indicates that outlay for supervision as outlined above is excessive. I have determined, without doubt, that the Superintendent is rarely present at the Fresno Mine property. In effect all supervision of the Project is done by the General Foreman and the Master Mechanic. Excessive supervision costs is reflected by the fact that it was necessary to readjust Project funds by Amendment No. 2 to the Contract, effective June 18, 1953, which provides for an increase in the allowable maximum funds for supervision at the expense of other categories in the Contract.

During May, 1953, the Operator began producing a small amount of mercury metal through use of a rotary furnace and condensers on the Fresno Property. Some of the ore for this production comes from clean-up work in the old stopes and partly from ore found as a result of the DMEA Project. Much personnel and supervision is required at the furnace and plant. It is the Field Team's opinion that costs for supervision should be prorated between production and labor. Moreover it is the opinion of the writer that payment of $600 per month to the Superintendent is unwarranted. This conclusion is based on the contentions 1) that the Superintendent is not earning that much pay, and 2) since he is an official of the Amerimex Corporation his salary is an item of general overhead and is not, therefore, eligible for Government reimbursement under DMEA regulations. It is recommended that the Superintendent's salary be at least reduced, retroactively to a more applicable figure.

The Operator, within the past month, has completely replaced his labor and mine crew composed of naturalized Mexicans with Mexican nationals, or "wetbacks". The "wetbacks" have made illegal entry

into the United States and their presence in this country, without benefit of proper immigration procedure, is illegal. I do not know what the responsibility of this office is in such a situation. I can only speculate upon the possible problems of protocol and appearance that might arise when a Government sponsored Project is almost completely staffed with that kind of personnel.

Amendment No. 2 provides for the sinking of a prospect shaft from the surface. The amendment specifically states that the size of this shaft shall not exceed 5'x7' in cross section. The Operator is sinking the shaft 6'x8' in cross section without regard to the specified size. All costs incurred in sinking the over-size shaft should not be participated in by the Government.

Work Completed

On July 1, 1953 the following footages of exploratory mine openings 5'x7' in cross section had been completed by the Operator:

Project No. 1	222'
" No. 3	297'
" No. 6	188'
Shaft from surface(6'x8')	22'
Total footage	729'

Diamond drill footage had been completed as follows:

Project No. 7	150'
" No. 8	58'
Total footage	208'

The allowable maximum of 56 hours of bulldozer surface trenching has been completed. ? Only ? hrs. of trenching completed!

Sites of the above projects are shown on the accompanying map.

The above-tabulated exploration work represents about 32 percent of the total work allowable under the original Exhibit "A" of the Contract. On July 1, 1953 I estimate that about $56,658.00, or about 70%, out of a total Contract amount of $80,000.00 had been spent by the Operator. My estimate is occasioned by the fact that the Operator's Monthly MF-104 for June had not yet been submitted at this writing.

Mecury mineralization of ore grade in economic amounts has been found only in crosscuts 3-A and 3-B of Project 3. Some of this ore has been furnaced; and results from furnace returns and check sampling indicate that the grade is about one-half of one percent mercury, or less. This is of economic grade if the clayey ore can be furnaced successfully. The presence of the ore grade material in Project 3 and the fact that the Operator has furnaced some of that ore makes necessary the recommendation that a Certificate of Discovery be issued by the Government to cover the Amerimex Project. The Operator states he will remit the required reimbursement to the Government from furnace proceeds.

Check samples were taken during the inspection at the places shown on the accompanying map. Assay values for mercury are shown on the accompanying assay certificate from the Bruce Williams Laboratories, Joplin, Missouri.

W. P. Williams

W. P. Williams
Executive Officer, DMEA
Field Team, Region VI

:jd
Encs.

cc - Operating Committee (3)

ENGINEERS
INSPECTIONS and TESTS

The Bruce Williams Laboratories

ESTABLISHED 1898

Main Office 618-622 Joplin Street Telephone 556

JOPLIN, MISSOURI

JUL 9 1953

CHEMISTS
INDUSTRIAL and ANALYTICAL

Picher, Oklahoma
Connell Hotel Bldg.
Telephone 710

St. Louis, Missouri
306 Valley Drive
Telephone Imperial 3226

Defence Minerals Administration
221 West 3rd Street
Joplin, Missouri

7-9-53

OUR NO.	MARK	DESCRIPTION	ZINC	IRON	LEAD	LIME	MOISTURE
			MERCURY				
651136	Sample #W-1		0.01				
137	W-2		0.01				
138	W-3		0.06				
139	W-4		0.09				
140	W-5		0.22				

Bruce Williams

UARCO INC. . CHICAGO

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
May 18, 1953

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Amerimex Mining Co.
Presidio County, Tex.
Mercury

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 20 1953

Memo

To: Operating Committee

From: W. P. Williams, Executive Officer, Field Team, Region VI

Subject: Interim Report -- DMEA Docket No. 2202X (Mercury)
Amerimex Mining Company, a corporation
P. O. Box 626
Alpine, Texas
Contract No. Idm-E468

The property upon which the exploration project is being conducted is known as the Fresno Mine. The Fresno Mine is located in the Terlingua mercury district, Block 341, T.C. Ry. Co., Presidio County, Texas.

The Operator, Mr. R. N. Pulliam, has been authorized under the above-referenced contract to perform exploration work underground in the Fresno Mine at six places, designated as Projects 1, 3, 6, 7, 8, and 12 (see accompanying map). The exploration work may consist of drifts, crosscuts, inclines, raises, and winzes. In addition, diamond drilling, surface bulldozer trenches, shafts, pits, and adits may be completed where indicated. Much of the work is subject to prior Field Team approval.

The writer spent the equivalent of 3-½ days, April 19-22, 1953 in the inspection of the Amerimex project. The date of the Contract is December 18, 1952, and the term of the Contract is 6 months. At the time of the field examination the project had been in operation for approximately 3 months.

Summary, and recommendations

The Operator appeared to be conducting his exploration work in an efficient and workmanlike manner considering the isolated location of the mine and the scarcity of trained, dependable mine labor.

After 3 months of operation it is becoming more evident that some of the work sites are more favorable than others.

Project No. 1 (see accompanying map) appeared distinctly unfavorable in that the drift progressed through massive, relatively unfractured Georgetown Limestone. However, the last round fired in the drift encountered some fracturing, brecciation, and clay-like fracture filling. It is recommended that unless significant favorable structure and/or mineralization is found, only the preliminary work described in Exhibit A of the contract be allowed at this work-site.

Project No. 3 (see map) appears favroable and the Operator should be given permission to explore further the mineralized trends already discovered by the project.

Project No. 6 contains some mineralization, but the work-site appears to be too high stratigraphically to be favorable for ore deposition. The existing project work at this place should be carefully reviewed before permission is given to the Operator to complete the allowable maximum work on Project No. 6.

Diamond drilling had just begun at the time of the field examination. Not enough data are available yet to form the basis for recommendations on this phase of the work.

The Contract has been amended once, Amendment No. 1, effective date January 11, 1953. This amendment provides for the purchase of a portable ark welder and the temporary rental of two drifters and a portable compressor.

Work completed

Following is a tabulation of work completed on the project, as of April 22, 1953:

Project #1.	.108'	drifting
" #3.	.177'	"
" #6.	.195'	"
Total	480'	"

Diamond drilling - EX Size . . . . . .50'

No appreciable surface trenching had been completed due to lack of a bulldozer operator.

Through March, 1953 total expenditures on the project were $32,304.25, of which the Government's share is 75 percent, or $24,228.19. Total Contract amount is $80,000.00.

Check sampling

Five channel samples were taken in the mine at the places shown on the map. A copy of the assay certificate for these samples is attached. The best assays were obtained in Project No. 3 at a place where the overlying Del Rio clay forms a slump in the underlying Georgetown limestone.

All of the samples were composites cut from channels 5 to 7 feet long, cut vertically in the ribs of the drifts. Thus, the assay values attached are for a full mining face. At present mercury prices and mining costs on ore averaging 0.2 percent Hg is considered to be of economic grade.

Conclusion

This project appears to be progressing satisfactorily in view of the physical circumstances involved. Significant mineralization, of ore grade, has already been discovered; and it seems probable, in view of the favorable geological conditions present, that mercury ore may be found through proper exploration.

W. P. Williams
Executive Officer

:JD
Encs.

		Operators Unit Cost	Total	% of 54,010.33	Adj.	Adj. Total	
Drifting	[illegible].0'	58.53	33,947.40	62.86	4796.57	38,743.97	[illegible]
Crosscutting	177'	53.47	9,464.19	17.52	1336.87	10,801.06	61.02
Raising	106'	47.78	5,064.68	9.38	715.75	5,780.43	54.53
Shafts	49'	59.90	2,935.10	5.43	414.34	3349.44	68.35
Drilling	476'	5.46	2,598.96	4.81	367.03	2965.99	6.23
			54,010.33				
Trenching	9 hrs.	12.50	112.50			112.50	
Roads	10 hrs.	12.50	125.00			125.00	
Bulkhead Building Sta.	6 hrs.	12.50	75.00			75.00	
Total distributed costs			54,322.83				
Total accepted costs			61,953.39			61,953.39	
difference			7,630.56				

① Drifting reduced 28' to adjust to RT. total of drifts, crosscuts, raises.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Iron & Ferro-Alloys Division Date

Semi-Annual Report - Certified Project Date

DMEA No. 2202 Operator Amerimex Mng. Co Contract No. Idm-E 468

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)	3400	3.6 lbs./ton
Increase (Operator)		
Total		
Decrease (Production)		
Net Available		

Investment

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

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

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 9 1955

P. O. Box #431
Joplin, Missouri

February 8, 1955

Airmail

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

Re: Docket DMA-2202X (mercury)
Project Contract Idm-E468
Amerimex Mining Company
Alpine, Texas

Dear Mr. Selfridge:

Your two copies of each of all the MF-104 Reports received from the subject Operator during January 1954 inadvertently have been retained in the Field Team files covering the Operator's cost claims for the following months in 1953, during which the project remained inactive: September, October, November, and December. The copies of all the other Operator's reports were forwarded to you.

Although you probably became somewhat familiar with the items in all those claims through Mr. Finch's letter to Mr. Chambers on February 17, 1954, and my subsequent correspondence, I realize now that the enclosed, yet unapproved copies, also should have been forwarded a year ago for your more complete information. In view of your letter to me on January 31, 1955, however, the two copies each of those four Operator's Monthly Reports belatedly are forwarded herewith so that it will be possible for you to refer to items therein in case telephonic consultation with your office should be deemed necessary.

In a telephone call from Mr. Finch on January 31, his arrival here for the proposed final reconcilliation of the subject Operator's account and coordination of our reports and recommendations, was scheduled for next Tuesday, February 15.

Very sincerely yours,

Clinton C. Knox

Clinton C. Knox
Executive Officer
DMEA Field Team, Region IV

CCK/vks

cc: DMEA Op. Com (2)
2202X file

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

JAN 25 1954

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Fresh Copy

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration
RECEIVED
FEB - 9 1954

Month of December, 1954 Docket No. DMEA 2202 Contract No. Idm-5468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	123.40	25,946.68	26,070.08			
Supervision	28.00	10,136.85	10,164.85			
Technical Services		498.82	498.82			
(3) Operating Mat'ls. and Supplies:						
Timber		480.20	480.20			
Explosives		3,062.99	3,062.99			
Pipe		1,163.31	1,163.31			
Track		124.60	124.60			
Other Supplies	10.21	6,629.32	6,639.53			
(4) Operating Equipment:						
Rental	120.00	7,061.14	7,181.14			
Purchase	190.16	7,708.64	7,898.80			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,821.16	1,821.16			
(6) New Bldgs., Improvements, etc.		1,492.89	1,492.89			
(7) Miscellaneous:						
Repairs to Equipment		255.85	255.85			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	6.81	1,566.76	1,573.57			
Trk Liability Insurance		175.96	175.96			
Workmen's Comp		3,769.24	3,769.24			
Freight		461.16	461.16			
Travel & Comm.	10.25	563.28	573.53			
(8) Contingencies (specify):						
Accounting	30.00	810.24	840.24			
	518.83	73,772.46	74,291.29			
Less Oversize Shafts & Drifts		975.63	975.63			
TOTALS	518.83	72,796.83	73,315.66			

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

Date 1-23-54 *Payee Amerimex Mining Company

Per R. N. Pullin Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form WF-104
Docket DFEA-2202
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of December, 1953

PAYROLL - Watchman-Maintenance Service and Other Labor

December, 1953	Gross	FICA Tax	W H Tax	Other Ded.	Net Salary	Contract Acct.
Master Mechanic						
Carl E. Thain	$ 28.00	$ .42	$ 2.50	$20.16*	$ 4.92	2B
Mechanic's Helper						
Wesley E. Roberts	108.00	1.62	10.90	10.00	85.48	2A
Truck Driver						
Manuel Granado	15.40	.23	2.30		12.87	2A
Total	$151.40	$2.27	$15.70	$30.16	$103.27	

Form MF-104
Docket DMEA-2202
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of December, 1953

CHECK DISBURSEMENTS and COMMITMENTS

1953					Amount	Contract Acct.
12-19	E. G. & Elizabeth Bledsoe - Mineral Lease				$ 100.15	Genl.
31	R. N. Pulliam - Rental of Equipment					
	Gasoline Hoist @ $125.00 per mo.			1/2 Rental	62.50	4B-5
	Air Tugger	35.00	" "	" "	17.50	4B-6
	2 Jackhammers	80.00	" "	" "	40.00	4B-10
				($120.00)		
	Buda JH-4 Engine	225.00	" "		112.50	Genl.
	Jackhammer	40.00	" "		20.00	Genl.
				($132.50)		
	R. N. Pulliam - Account for Company Travel and Communications				11.31 10.25	Genl. 7G
	Brewster County Motors					
	Drum Rent		$ .45			
	Gasoline		7.06			
	Gasoline		2.70		10.21	3E
	First National Bank, Alpine					
	GMC Truck Prin. Note #10				117.56	4C-8
	Interest				10.57	Genl.
	Ford 1U Prin. Note #10				72.60	4C-9
	Interest				6.54	Genl.
	L. B. Pulliam - Accounting Service				30.00	7H
	Postage				3.00	Genl.
	Director of Internal Revenue					
	1-1/2% Social Security Tax				2.27	7G
	.3% Unemployment Tax				.45	7G
	Texas Employment Commission					
	2.7% Unemployment Tax				4.09	7G
			Total		$ 631.50	
	Total Payroll Owed				151.40	
			TOTAL		$ 782.90	

Docket DMEA-2202
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of December, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Since the Operator has only such capital as may be receivable from DMEA for expenses and commitments previously made by the Operator, it was not possible to resume operations.

It has remained necessary to maintain watchman services on the property. The Mechanic's Helper has served in this capacity at one-half his customary rate of pay. Other wages listed are for a trip to the mine by the Master Mechanic and Truck Driver for the purpose of hauling to town dynamite, lubricating oil and an oxygen cylinder returned to local dealers for credit on unpaid accounts. Also, 16 sacks of cement were delivered to Carl E. Thain and credited at $1.25 per sack in the total amount of $20.16.

Equipment rental expense reduced by 50% on the equipment used or retained on the property during this period is shown on the itemized receipt attached.

In addition to the expectation of the Operator to find it possible to resume operations through receipt of August reimbursement and/or Reclaim recovery of Interim Audit disallowances, it was the hope of the Operator to obtain DMEA approval of the Proposed Amendment to the Contract providing for a substantial amount of additional exploration work which it is believed would have made the possibility of a commercial discovery sufficiently attractive to interest new capital. This probably would have justified financial reorganization and refinancing.

Consequently, any removal and replacement of equipment would have been at unjustified expense. On the other hand, the Operator has had no funds with which to remove and return rented equipment to the owner. Likewise, even if it had been possible to predict the termination of operations, no removal or disposition of equipment, materials and supplies would have been possible without release by DMEA of a substantial part or all of the Operator's funds being withheld.

These circumstances justified continuation of equipment rental on a basis of 50% of the regular rate and justified the maintenance of watchman service on the property to protect and preserve the property owned jointly by the Operator and the Government.

Equipment Purchases include only monthly installments due on trucks and other equipment in which the Government owns an interest.

Docket DMEA-[illegible]
Contract [illegible]

[illegible] Mining Company
[illegible], Texas
Month of December, 1957

Operator's Monthly Operative Report

Payroll taxes include Social Security and Unemployment Compensation on salaries for watchman-maintenance and other wages paid.

Communication expense itemized has been incurred exclusively for the necessary conduct of the exploration project, as explained on the itemized receipt.

The cost of Accounting Service for the month of December has been entered.

Every effort has been made to reduce and maintain at a minimum expenses necessary to maintain and protect the rights and interests of the Government and the Operator.

Respectfully,

R. N. Pulliam

R. N. Pulliam
General Superintendent

Form MF-104
Docket DMEA-2808
Contract Idm-E468

Ameriflex Mining Company
Alpine, Texas
Month of December, 1967

CODE ITEMS OF COST

(2) A. Labor
B. Supervision

(3) E. Other Supplies

(4) Operating Equipment

B. Equipment Rented
C. " Purchased

(7) Miscellaneous

G. Payroll Taxes
H. Travel & Communications
M. Accounting

[illegible] Company

[illegible]

[illegible]

1 [illegible]

1 [illegible]

1 [illegible]

[illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible] # 1277013

1 [illegible]

1 [illegible]

[illegible]

1 [illegible]

Exploration

1 [illegible] refrigerator # [illegible] 13-cu. ft.

Project [illegible]
Contract Idm-[illegible]

[illegible] Mining Company
Alpine, Texas

[illegible]

[illegible]

Exploration

1 Large portable low air compressor [illegible] 315 c.f.m. cap. Intermittent [illegible] engine [illegible] rented from R. [illegible] Sullivan @ $[illegible] per mo. new.

1 Allis Chal. Motor [illegible] used, rented from R. [illegible] Sullivan [illegible] mo.

1 International [illegible] gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. [illegible] Sullivan @ $[illegible].00 mo. Eng. #[illegible].

1 Air tugger, Sullivan [illegible], ser. [illegible]1403, rented used from R. [illegible] Sullivan @ $35.[illegible] mo.

1 [illegible] Scrapper, 42-[illegible], rented used from R. [illegible] Sullivan @ $4[illegible] per mo.

General

1 Sullivan [illegible]-97 Jackhammer [illegible] rented used from R. [illegible] Sullivan @ $4[illegible] per mo.

1 Engine, Buda JD-4 ser. no. 20[illegible]-A 4-Cyl. 6" x 7 1/8". Stationary engine is used to drive entire crusher-furnace assembly 3 shifts totalling 24 hours per day. Rented used from R. [illegible] Sullivan @ $[illegible].00 per mo.

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

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

JAN 25 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Wash. Copy.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration
RECEIVED
FEB 9 1954

Month of November, 1954 Docket No. DMEA 6302 Contract No. Ian-F463
Operator's Name Ameriinex Mining Company Minerals Mercury
Address P.O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form } Contracts:		Including Audit Reclain				
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	160.00	26,033.63	26,043.63			
Supervision	220.00	9,911.95	10,130.95			
Technical Services		498.88	498.88			
(3) Operating Mat'ls. and Supplies:						
Timber		420.20	420.20			
Explosives		3,032.00	3,032.00			
Pipe		1,106.31	1,106.31			
Track		124.60	124.60			
Other Supplies	2.85	6,620.47	6,623.32			
(4) Operating Equipment:						
Rental	229.66	6,854.48	7,081.14			
Purchase	222.34	7,486.33	7,708.64			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,821.16	1,821.16			
(6) New Bldgs., Improvements, etc.		1,492.00	1,492.00			
(7) Miscellaneous:						
Repairs to Equipment		256.05	256.05			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	14.02	1,551.72	1,503.76			
Liability Insurance		176.96	176.96			
Workmen's Comp		3,720.24	3,720.24			
Freight		467.16	467.16			
Travel & Adm.	32.50	550.78	583.28			
(8) Contingencies (specify):						
Accounting	90.00	720.24	810.24			
Less Oversize	928.27	72,844.10	73,772.43			
Shafts & Drifts		970.65	970.65			
TOTALS	928.27	71,869.56	72,796.83			

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

Date 1-21-54 *Payee Ameriinex Mining Company

Per R. M. Pulliam Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form UF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of November, 1953

PAYROLL - Repair, Maintenance and Watchman Service

November, 1953	Gross	FICA Withholding	Net Salary	Cont. Acct.
Master Mechanic				
Carl E. Thain	$ 225.00	$ 3.38	$ 34.10	$ 187.52	2B-3
Mechanic's Helper				
Wesley E. Roberts	108.00	1.62	10.90	95.48	2A-5
	$ 333.00	$ 5.00	$ 45.00	$ 283.00	

Form MF-104
Docket DMA-2202X
Contract Ida-5458

Americex Mining Company
Alpine, Texas
Month of November, 1953

CHECK DISBURSEMENTS AND COMMITMENTS

1953

11-13	. L. & Elizabeth Bledsoe - Mineral Lease		$ 100.15	Genl
14	First National Bank, Alpine			
	G.C. Truck Prin Note #9		117.56	4C-8
	Interest		12.57	Genl
	Ford 2T Prin Note #9		75.60	4C-9
	Interest		6.04	Genl
30	Big Three Welding Equipment Company			
	Note No. 10	$32.73	32.12	4C-15
	Interest		1.61	Genl
30	R. L. Pulliam - Account for Company		4.22	Genl
	Travel and Communications		27.50	7C
	R. L. Pulliam - Rental of Equipment			
	Air Compressor @ $470.00 per mo. 1/2 Rental		106.66*	4B-2
	Gasoline Hoist 125.00 " " " "		62.50	4B-5
	Air Rugger 35.00 " " " "		17.50	4B-6
	2 Jackhammers 80.00 " " " "		40.00	4B-10
		(*226.66)		
	Buda JK-4 Engine 225.00 " " " "		112.50	Genl
	Jackhammer 40.00 " " " "		20.00	Genl
		($132.50)		
	Director of Internal Revenue			
	1 1/2% Social Security Tax		4.98	7C
	Director of Internal Revenue			
	.9% Unemployment Tax		.99	7C
	Texas Employment Commission			
	2.7% Unemployment Tax		8.00	7C
	L. M. Pulliam - Accounting Service			
	September $30.00			
	October 30.00			
	November 30.00		90.00	7H
	Total		$ 842.66	

Form MF-104
Docket DM4-2203X
Contract

Amerimex Mining Company
Alpine, Texas
Month of November, 1953

PETTY CASH DISBURSEMENTS

1953

11- 2	Postage	$4.50		Genl
9	Telegram - Patterson Houston	3.34		Genl
14	R. A. Metcalfe - Map Supplies	8.85		SE
	Total		$ 16.69	
	Total Check Disbursements & Commitments		842.66	
	Total Payroll Owed		300.00	
	Total		$1,142.66	

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of November, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Since the Operator has only such capital as may be receivable from DMEA for expenses and commitments previously made by the Operator, it was not possible to resume operations.

It remained necessary to maintain watchman services on the property. The Master Mechanic and one other employee have continued to do watchman service and maintenance work at half their customary rate of pay.

Equipment rental expense reduced by 50 per cent on the equipment used or retained on the property during this period or a part thereof is shown on the itemized receipt attached.

In addition to the expectation of the Operator to find it possible to resume operations through receipt of August reimbursement and/or Reclaim recovery of Interim Audit disallowances, it was the hope of the Operator to obtain DMEA approval of Proposed Amendment to the Contract providing for a substantial amount of additional exploration work which would have made the possibility of a commercial discovery sufficiently attractive to interest new capital. This probably would have justified financial reorganization and refinancing.

Consequently, any removal and replacement of equipment would have been at unjustified expense. On the other hand, the Operator had had no funds with which to remove and return to the owner rented equipment. Likewise, even if it had been possible to predict the termination of operations, no removal or disposition of equipment, materials and supplies would have been possible without release by DMEA of a substantial part or all of the Operator's funds being withheld.

These circumstances justified continuance of equipment rental on a basis of 50 per cent of regular rate and justified the maintenance of watchman service on the property to protect and preserve the property owned jointly by the Operator and the Government.

Equipment Purchases include only monthly installments on trucks and other equipment in which the Government owns an interest.

Payroll taxes include Social Security and Unemployment Compensation on salaries for watchman-maintenance crew.

Any Travel and Communication expenses itemized have been incurred exclusively for the necessary conduct of the exploration project, as explained on the itemized receipts.

Docket DMA-2202X
Contract Idm-5468

Amerimex Mining Company
Alpine, Texas
Month of October, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Accounting services cover cost itemized on the statement attached for the work completed for the Months of September, October, and November and cover far less than the time required and expense involved in the preparation of those respective Monthly Reports, Reclaim for Interim Audit Disallowances, etc.

Every effort has been made to reduce and maintain at a minimum expenses necessary to maintain and protect the rights and interests of the Government and the Operator.

Respectfully,

R. N. Pulliam
General Superintendent

Docket [illegible]
Contract [illegible]

Superior Mining Company
Alpine, Texas

[illegible]

[illegible]

Exploration

1	Double Drum Hoist 5x8, [illegible]/440 Volt. 3-Phase, 60-Cycle, Show #[illegible]015 Joy 3-[illegible]11, Electric Motor [illegible] Horsepower [illegible]. Ameco Scraper, Model [illegible]	$1,[illegible].00
	Cleaner Gasoline Sump	[illegible].65
1	[illegible] Jack Legs equipped with attachments for [illegible]-87 drills ([illegible]-14[illegible]-[illegible]) Shop [illegible] & [illegible]	[illegible].00
1	[illegible]4 Duplex Pump (Fisher No. 76[illegible])	[illegible].00
3	Aluminum [illegible], each [illegible] gal. cap.	[illegible].51
1	Used Army [illegible] Water Tank	[illegible].50
1	Used [illegible] 4-burner Kitchen Stove with oven	[illegible]
1	[illegible] Ford 2/[illegible]-ton cap. Gasoline Motor [illegible] & accessories complete with lic. $10.00	1,[illegible].37
1	[illegible] 1-ton cap. truck Motor [illegible] complete with lic. [illegible]	2,[illegible].00
1	[illegible] Gold Centrifugal Pump [illegible] Gasoline engine complete with 15' suction hose	170.95
1	Used [illegible] #107	[illegible].75
1	[illegible] & Brown [illegible] Valve Tester complete with attachments # 167[illegible]013	[illegible].00
1	Lincoln S-[illegible], 1[illegible] Amp. Arc-Welder #A-[illegible] complete with Gasoline motor and accessories	[illegible].05
1	Servel Refrigerator 11-cu. ft., 2-door	[illegible].00

General

1	1[illegible] Ford [illegible] Truck 1[illegible]" Chassis & Cab Motor No. F60[illegible] 13[illegible]7	[illegible],[illegible]8.00

Exploration

1	Servel Refrigerator # BR1118 13-cu. ft.	4[illegible].00

[illegible]

[illegible]

[illegible]

Exploration

[illegible] large portable low air compressor [illegible] c.f.m. [illegible] cap. [illegible] rented from [illegible] @ $470.[illegible] per mo. net.

[illegible] Allis deep, [illegible] used, rented from [illegible] @ $30.[illegible] mo.

[illegible] International [illegible] gasoline-[illegible] engine, single-[illegible] [illegible] on skids and bolted down temporarily on old concrete foundation, rented used from [illegible] @ $[illegible] mo. net. [illegible].

[illegible] Air tugger, Sullivan [illegible], ser. [illegible], rented used from [illegible] Sullivan @ $[illegible] mo.

[illegible] [illegible] accessories, [illegible], rented used from [illegible] Sullivan @ $[illegible] per mo.

General

[illegible] Sullivan [illegible]-37 jackhammer [illegible] rented used from [illegible] Sullivan @ $[illegible] per mo.

[illegible] engine, Buda [illegible]-4 [illegible] ser. [illegible]-A [illegible]. [illegible] engine is used to drive entire crusher-[illegible] [illegible] totalling 24 hours per day. Rented used from [illegible] Sullivan @ $[illegible] per mo.

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

CODE	Items of Cost
(2)	A. Labor B. Supervision
(3)	E. Other Supplies
(4)	Operating Equipment B. Equipment to be rented C. " " " purchased
(7)	Miscellaneous C. Payroll Taxes G. Travel and Communications H. Accounting

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

UNITED STATES JAN 23 1954
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Wash. Copy

OPERATOR'S MONTHLY REPORT AND VOUCHER

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB 8 1954

Month of October, 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals Mercury
Address [illegible] Box 676, Alpine, Texas
Contract Amount, $[illegible] Government Participation: 75% Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:		[illegible]				
Drilling		[illegible]				
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	[illegible]	[illegible]	[illegible]			
Supervision	[illegible]	[illegible]	[illegible]			
Technical Services		[illegible]	[illegible]			
(3) Operating Mat'ls. and Supplies:						
Timber		[illegible]	[illegible]			
Explosives		[illegible]	[illegible]			
Pipe		[illegible]	[illegible]			
Track		[illegible]	[illegible]			
Other Supplies	[illegible]	[illegible]	[illegible]			
(4) Operating Equipment:						
Rental	[illegible]	[illegible]	[illegible]			
Purchase	[illegible]	[illegible]	[illegible]			
Depreciation						
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment		[illegible]	[illegible]			
Sampling and Analysis		[illegible]	[illegible]			
Payroll Taxes	[illegible]	[illegible]	[illegible]			
[illegible] Liability Insurance		[illegible]	[illegible]			
Workmen's Comp.		[illegible]	[illegible]			
Freight		[illegible]	[illegible]			
Travel Expense	[illegible]	[illegible]	[illegible]			
(8) Contingencies (specify):						
Accounting		[illegible]	[illegible]			
Loss Overdue	[illegible]	[illegible]	[illegible]			
Thefts [illegible]		[illegible]	[illegible]			
TOTALS	[illegible]	[illegible]	[illegible]			

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

Date 1-30-54 *Payee [illegible]

Per [illegible] Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form AF-104
Docket AIA-2202X
Contract Idm-1468

Americex Mining Company
Alpine, Texas
Month of October, 1953

PAYROLL - Repair, Maintenance and Watchman Service

October, 1953	Gross	FICA	Withholding	Net Salary	Cont. Acct.
Master Mechanic					
Carl E. Thein	$ 225.00	$ 3.38	$ 34.10	$ 187.52	2P-3
Mechanic's Helper					
Wesley F. Roberts	108.00	1.62	10.90	95.48	A-5
	$ 333.00	$ 5.00	$ 45.00	$ 283.00	

Form MT-[illegible]
Docket D[illegible]
Contract Id[illegible]

Ameriminex Mining Company
Alpine, Texas
Month of October, 1953

CHECK DISBURSEMENTS AND COMMITMENTS

1953

10- 7	L. G. & Elizabeth Bledsoe - Mineral Lease		$ 100.15	Genl
	Big Three Welding Equipment Company			
	Note No. 3	$83.23	92.[illegible]	4C-15
	Interest & Carrying Charge		1.61	Genl
10	Universal C.I.T. Corporation			
	Payment on Dump Truck		[illegible]	Genl
30	Reason Giles, Commissioner, General Land Office			
	Royalty - State of Texas		76.[illegible]	Genl
31	First National Bank, Alpine			
	[illegible] Truck	Prin. Note #6	[illegible]	4C-8
		Interest	[illegible]	Genl
	[illegible]	Prin. Note #8	[illegible]	4C-9
		Interest	[illegible]	Genl
31	W. D. Pulliam - Account for Company		4.12	7G
	Travel & Communications		134.82	Genl
31	Worcester County Motors			
	[illegible] Rent		[illegible]	[illegible]
31	W. D. Pulliam - rental of Equipment			
	Air Compressor @ $470.00 per mo. 1/2 Rental		[illegible]	4B-2
	Jeep 30.00 " " " "		15.[illegible]	4B-8
	Gasoline Point 135.00 " " " "		67.[illegible]	4B-5
	Air Jugger 35.00 " " " "		17.[illegible]	4B-6
	2 Jackhammers 80.00 " " " "		[illegible]	4B-10
		($370.00)		
	Buda JH-4 Engine 225.00 " " " "		112.[illegible]	Genl
	Jackhammer 40.00 " " " "		20.[illegible]	Genl
		(132.50)		

Total Check Disbursements and Commitments - Forward $1,160.46

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of October, 1953

Check Disbursements & Commitments - Forward			$1,160.45	
1953				
10-31	Director of Internal Revenue 1 1/2% Social Security Tax		4.98	70
	Director of Internal Revenue .3% Unemployment Tax		.99	70
	Texas Employment Commission 2.7% Unemployment		8.91	70
		Total	$1,175.43	

PETTY CASH DISBURSEMENTS

1953				
10- 2	Telegram - New York	$2.99		Genl
21	Brewster County Motors Gasoline	3.71		35
24	Brewster County Motors Gasoline	4.20		35
	Total		10.90	
	Total Payroll Owed		333.00	
	Total Check Disbursements & Commitments		$1,519.35	

Docket DMA-2208X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of October, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Since the Operator has only such capital as may be receivable from DMEA for expenses and commitments previously made by the Operator, it was not possible to resume operations.

It remained necessary to maintain watchman services on the property. The Master Mechanic and one other employee have continued to do watchman service and maintenance work at half their customary rate of pay.

Equipment rental expense reduced by 50% is considerably less costly than would otherwise be the case. If rental equipment were removed and returned to the property, such costs would be considerably more than rental.

Furthermore, the equipment materials and supplies could not have been removed from the property because the Operator has only such funds as may be recovered from DMEA.

Equipment Purchases include only monthly installments on trucks and other equipment in which the Government owns an interest.

Payroll taxes include Social Security and Unemployment Compensation on salaries for watchman-maintenance crew.

Travel and Communications include only a long distance telephone call to Texas Employers' Insurance Association to urge that action be withheld on collection of premium due because payment was precluded when Interim Audit retroactive disallowances and Field Team disallowances were deducted from June and July reimbursements expected by Operator for expenses and commitments made for the exploration.

Unless the Operator had been prepared to state that there was no intention to resume the Operation, the reported standby expenses would have been necessary and in the best interest of both the Government and the Operator. The Operator has hoped that through the availability of additional funds through release by DMEA or from outside sources, resumption of the exploration work would be possible.

Respectfully,

R. N. Pulliam

R. N. Pulliam
General Superintendent

Docket [illegible]
Contract [illegible]

[illegible] Mining Company
Alpine, Texas

[illegible]

[illegible]

Exploration

1	Double Drum Hoist 5[illegible], [illegible]/440 Volt. [illegible]-base, [illegible]-Cycle, [illegible] 50lb Joy [illegible]-Ill, Electric Motor Fairbanks-Morse [illegible]. Amsco Screen, Model [illegible]	[illegible]
	Rusher Loading Chute	112.55
1	J[illegible]-10 Jack Legs equipped with attachments for [illegible]-57 Drills ([illegible]) [illegible]	[illegible]
1	8x x4 Pulley [illegible] ([illegible] No. 26[illegible])	[illegible]
3	Aluminum [illegible] box, each 1,[illegible] gal. cap.	[illegible]
1	Used [illegible] Drilling tank	[illegible]
1	[illegible] Sears 4-burner kitchen stove with oven	[illegible]
1	[illegible] and 1/2-ton cap. Chevrolet motor [illegible] & accessories complete with lic. [illegible]	1,[illegible]
1	[illegible] 2-ton cap. truck motor [illegible] complete with lic. [illegible]	[illegible]
1	[illegible] Gould Centrifugal [illegible] Fig. 3571 & Gasoline engine complete with 15' suction pipe	[illegible]
1	Used Gilbarco [illegible]	1[illegible].75
1	New [illegible] & Decker [illegible] Valve Operator complete with attachments	[illegible]
1	Lincoln [illegible], 150 amp. Arc-[illegible] complete with gasoline motor and accessories	[illegible]
1	Servel Refrigerator 11-cu. ft., 2-door	[illegible]

General

1	[illegible] Truck 134" Chassis & [illegible] motor [illegible]	[illegible]

Project [illegible]
Contract [illegible]

[illegible] Company
[illegible], Texas

[illegible] Inventory as of October 1, [illegible]

[illegible]

Exploration

1 Large portable low air compressor [illegible] c.f.m. [illegible], Caterpillar D-318 engine [illegible] rented from [illegible] @ $4[illegible].00 per mo. new.

1 [illegible] Jeep, motor [illegible] used, rented from [illegible] @ $[illegible] mo.

1 International [illegible] gasoline-powered engine, steel-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from [illegible] Sullivan @ $[illegible].00 mo. [illegible].

1 Air tugger, Sullivan F115, ser. [illegible], rented used from [illegible] Sullivan @ $[illegible].00 mo.

1 [illegible], diesel [illegible], rented used from [illegible] @ $[illegible] per mo.

General

1 Sullivan L-27 Jackhammer [illegible] rented used from [illegible] @ $[illegible] per mo.

1 Engine, Buda [illegible] ser. No. [illegible] 4-cyl. 6" x 7 3/4", stationary engine is used to drive entire crusher-furnace assembly [illegible] totalling 24 hours per day. Rented used from [illegible] Sullivan @ $[illegible] per mo.

Form [illegible]-1[illegible]4
Contract No. [illegible]-[illegible]
Docket No. [illegible]-[illegible]X

Ameritex Mining Company
Alpine, Texas

[illegible] REPORT [illegible]

COD[illegible] Items of Costs

(1) Independent contracts - none

(2) Labor, supervision and technical services:
A. Labor
B. Supervision
C. Technical services

(3) Operating materials and supplies
A. Timber
B. Explosives
C. Fuse
D. Track
E. Other supplies

(4) Operating equipment

A. Equipment to be rented:
1. Bulldozer
2. Air Compressor 215 c.f.m.
3. Power Plant, 1.5 KVA
4. " " 20 KVA
5. Hoist, cable and accessories
6. Air tugger
7. Diamond Drill & accessories
8. Jeep
9. Drifter
10. Jackhammer, heavy

B. Equipment to be purchased
1. Jackhammer
2. Drifter
3. Double-drum slusher, scraper, cable & accessories
4. Ventilation fan & motor
5. Diamond drill 10' core barrel
6. Diamond " 5' " "

Form 4F-104
Contract No. [illegible]
Docket No. [illegible]

Quicksilver Mining Company
Alpine, Texas

Operator's Monthly Report and Voucher (Cont'd)

Items of Costs

(4) Operating equipment (Cont'd)

C. Equipment to be purchased (Cont'd)

7. Gaulex hi-pressure water pump
8. Truck, [illegible]-ton - down payment
9. Pickup, [illegible]-ton - down payment
10. [illegible] steel water supply tanks
11. Cert. water pump & engine
12. Butane cook stove
13. [illegible] refrigerator
14. Refrigr. food storage cabinet
15. Misc.

(5) Initial rehabilitation and repairs

(6) New buildings, improvements & installations

(7) Miscellaneous

A. Repairs to Equipment
B. Sampling & Analysis
C. Payroll Taxes
D. Truck Insurance
E. Workmen's Compensation
F. Freight
G. Travel & Communication
H. Accounting & Supplies

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

JAN 1954

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB - 9 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 195 3 Docket No. DMEA 2202X Contract No. Idm-2468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75% Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form } Contracts:		Including Audit Reclaim				
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	108.00	25,622.68	25,730.68			
Supervision	225.00	9,461.85	9,686.85			
Technical Services	172.07	326.75	498.82			
(3) Operating Mat'ls. and Supplies:						
Timber		480.20	480.20			
Explosives		3,062.99	3,062.99			
Pipe		1,163.31	1,163.31			
Track		124.60	124.60			
Other Supplies	13.30	6,597.46	6,610.76			
(4) Operating Equipment:						
Rental	370.00	6,094.48	6,464.48			
Purchase	222.28	7,041.80	7,264.08			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,821.16	1,821.16			
(6) New Bldgs., Improvements, etc.		1,492.89	1,492.89			
(7) Miscellaneous:						
Repairs to Equipment		255.85	255.85			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	14.98	1,521.82	1,536.80			
Trk Liability Insurance		175.96	175.96			
Workmen's Comp.		3,769.24	3,769.24			
Freight		461.16	461.16			
Travel & Comm.	11.75	514.91	526.66			
(8) Contingencies (specify):						
Accounting		720.24	720.24			
		70,752.72	71,890.10			
Less Oversize		975.63	975.63			
Shafts & Drifts						
TOTALS	1,137.38	69,777.09	70,914.47			

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

Date 12-29-53 *Payee Amerimex Mining Company

Per J. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form WF-104
Docket DSA-2202X
Contract Idm-5468

Americex Mining Company
Alpine, Texas
Month of September, 1953

PAYROLL - Repair, Maintenance and Watchman Service

September, 1953	Gross	FICA	Withholding	Net Salary	Cont. Acct.
Master Mechanic					
Carl E. Thain	$ 225.00	$ 3.38	$ 34.10	$ 187.52	2B-3
Mechanic's Helper					
Wesley L. Roberts	108.00	1.62	10.90	95.48	2A-5
	$ 333.00	$ 5.00	$ 45.00	$ 283.00	

Form Mf-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of September, 1953

CHECK DISBURSEMENTS AND COMMITMENTS

1953			Amount	Contract Account
9- 3	Mrs. Ogarita B. Wilson - Surface Property Rental $		150.00	Genl
8	Motor Inn Machine Shop			
	Furnace Repair	14.00		
	Dump Bed Installation	152.77	167.00	Genl
9	Great Southern Life Insurance Co.		35.35	Genl
15	Universal CIT Corp.			
	Payment on Dump Truck		99.7[illegible]	Genl
10	E. G. & Elizabeth Bledsoe - Mineral Lease		100.15	Genl
10	E. G. & Elizabeth Bledsoe			
	Surface Property Rental		150.00	Genl
	E. G. & Elizabeth Bledsoe			
	Frame Houses		50.00	Genl
30	F. W. B. Alpine			
	G. C. Truck - Prin. Note #7		117.56	4C-8
	Interest		10.57	Genl
	Ford PU - Prin. Note #7		72.60	4C-9
	Interest		6.54	Genl
	Big Three Welding Equipment Co.			
	Note No. 8	(33.73)	33.12	4C-15
			1.61	Genl
	R. W. Pulliam - Account for Company			
	Travel & Communications		11.75	7C
	Seals for Consulting Geologist	(23.69)	19.00	2C
	A. H. Fletcher			
	Geological Examination & Report		150.00	2C
	Shoppers' Guide Press Account			
	5-11 Sea Foam Bond (Office)	1.25		
	7- 1 3 Dozen Pencils (Comm.)	2.10		
	1 Box Envelopes (Comm.)	2.00		
	7-20 Sea Foam Bond (Office)	1.40	6.75	Genl

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of September, 1953

CHECK DISBURSEMENTS AND COMMITMENTS

1953

9-30	Director of Internal Revenue 1½% Social Security						$ 4.50	7C
	Director of Internal Revenue .3% Unemployment						.99	7C
	Texas Employment Commission 2.7% "						9.00	7C
	E. N. Fulliam - Rental of Equipment							
	Air Compressor @ $470.00 per mo. 1/2 Rental						235.00	4B-2
	Jeep	30.00	"	"	"	"	15.00	4B-8
	Gasoline Hoist	125.00	"	"	"	"	62.50	4B-5
	Air Tugger	35.00	"	"	"	"	17.50	4B-6
	2 Jackhammers	80.00	"	"	"	"	40.00	4B-10
					($570.00)			
	Buda JH-4 Engine	225.00	"	"	"	"	112.50	Genl
	Jackhammer	40.00	"	"	"	"	20.00	Genl
					($132.50)			
	Total Check Disbursements and Commitments						$1,689.70	

Form MF-104
Docket DM4-2202K
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of September, 1953

PETTY CASH DISBURSEMENTS

1953		Amount	Cont. Acct.
8-20	Big Bend Gulf Station - Gas for Pickup	$ 2.80	3E
9- 4	Gulf Servicenter - Gas for Pickup	4.27	3E
4	Safeway - Camp Groceries	2.95	Genl
4	Webb Publishing Co. - 2 Col. Pads	1.30	Genl
10	Gulf Servicenter - Gas for Pickup	1.63	3E
10	Safeway - Camp Groceries	14.46	Genl
12	Southern Pacific Lines - Fare Paid for A. E. Fletcher, Consulting Geologist	11.57	20
17	Telegram - New York	1.27	Genl
18	Telegram - New York	2.45	Genl
28	Telegram - New York	2.30	Genl
28	Brewster County Motors - Gas for Pickup	4.50	3E
30	Telegram - New York	3.54	Genl
	Total Petty Cash Disbursements	$ 53.12	
Total Check Disbursements and Commitments		1,689.70	
Total Payroll Owed		333.00	
	TOTAL	$2,075.82	

Docket No. DMEA-2202X
Contract No. Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of September, 1953

RECEIVED

OPERATOR'S MONTHLY NARRATIVE REPORT

Since the Interim Audit and the retroactive and other disallowances which resulted deprived the Operator of his last operating capital, it was not possible to resume operations during September.

Consequently, it became necessary for the Operator to maintain watchmen on the premises and to meet other expenses necessary to protect both the rented equipment and the equipment, materials and supplies owned jointly by the Government and the Operator.

In view of the Operator's intention to resume operations by financial reorganization of the Company if necessary, Mr. A. R. Fletcher, Consulting Geologist, was employed to make a report on the property and he recommended considerably more exploration work, which was incorporated in the Operator's Proposed Amendment to the DMEA Contract submitted November 11, 1953.

The Master Mechanic and one other employee, whose salaries are shown at half the usual rate, agreed to stay on the property to do watchman service and maintenance work for half their customary salaries.

Technical Services include only the fee charged by Mr. A. R. Fletcher for his Geologic Report and a part of his actual expenses.

Other Supplies include only gasoline used in going back and forth from the mine to supply the watchmen and to make the trip with Mr. Fletcher, Consulting Geologist.

Equipment Rental expense was reduced by 50% because the equipment was not in actual operation although kept in place on the property. Also, it may be added that regardless of the intention of the Operator, the equipment, materials and supplies of all kinds could not have been removed from the property because all funds of the Operator are held by DMEA as various disallowances and potential reimbursements.

Equipment Purchases include monthly installments on trucks and equipment in which the Government owns an interest.

Payroll taxes include Social Security and Unemployment Taxes on salaries for watchman-maintenance crew.

Travel and Communications include long distance telephone

calls to the Regional DMEA Office in Joplin, Missouri, and to the Finance Office in Amarillo, Texas, made in a desperate effort to obtain release of funds being withheld by DMEA and urgently needed by the Operator to meet past due commitments.

In conclusion, this Operator respectfully points out that the operation was forced into suspension by having been deprived of essential operating funds as a result of disallowances made retroactively on the Interim Audit and by allocation of costs to Production which the Operator believed to be justly Exploration expenses.

Unless this Operator had been prepared immediately to state that there was no intention to resume the Operation and so had begun to remove without delay all equipment, materials and supplies from the property, stand-by expenses would have been unavoidable and in the best interest of both the Operator and the Government. Consequently, such expenses are an essential and justified part of the cost of the project in which the Government should participate.

Respectfully,

R. N. Pulliam

R. N. Pulliam
General Superintendent

Secret [illegible]
Contract [illegible]

[illegible] Mining Company
[illegible], Texas

[illegible]

[illegible]

[illegible]

Exploration

1	Double drum point [illegible], [illegible]/440 Volt. 3-phase, 3-Cycle, [illegible] Day [illegible]-All, Electric Motor Fairbanks-Morse [illegible]47. [illegible] Compressor, Model [illegible]	$1,[illegible]
	Lucker Gasoline [illegible]	117.[illegible]
1	J[illegible]-[illegible] Jack legs equipped with attachments for [illegible]-97 drills ([illegible]-141[illegible]-[illegible]) [illegible] & [illegible]	[illegible]
1	2x24 pulley [illegible] ([illegible] No. [illegible])	[illegible]
[illegible]	[illegible] [illegible], [illegible] [illegible]	[illegible].51
1	[illegible] [illegible]	[illegible]
1	[illegible] 4-burner kitchen stove with oven	[illegible]
1	[illegible] 1½-ton exp. [illegible] motor [illegible] & accessories complete with lic. [illegible]	1,[illegible]
1	[illegible] [illegible]-ton [illegible] truck motor [illegible] complete with lic. [illegible]	[illegible]
1	[illegible] centrifu[illegible] [illegible] Lic. [illegible] & gasoline engine complete with 15' suction [illegible]	[illegible]
1	[illegible] [illegible]	[illegible].35
1	[illegible] [illegible] valve tester complete with attachments	[illegible]
1	Lincoln [illegible], [illegible] Arc-Welder [illegible] complete with gasoline motor and accessories	[illegible]
1	Servel refrigerator 11-cu. ft., 2-door	[illegible]

General

1	[illegible] Truck [illegible] Chassis [illegible] Motor [illegible]	[illegible]

Docket D A-2202X
Contract Ion-[illegible]

Ameriex Mining Company
Alpine, Texas

[illegible] OF THE MINING
[illegible] Illinois Metallurgic
[illegible]
RECEIVED
[illegible] 9 [illegible]

EQUIPMENT INVENTORY as of October 1, 1958

REVISED

Exploration

1 Large portable Joy Air Compressor [illegible]-80 cfm c.f.m. cap. Ontwoiller D-[illegible] engine [illegible]19 rented from [illegible] [illegible].00 per mo. new.

1 Willys Jeep, Motor [illegible] used, rented from [illegible] [illegible] mo.

1 International [illegible] gasoline-covered engine, single-cyl. [illegible] on skids and bolted down temporarily on old concrete foundation, rented used from [illegible] [illegible] $135.00 mo. Ser. #274183.

1 Air Compressor, Sullivan [illegible], Ser. [illegible], rented used from [illegible] [illegible].00 mo.

1 C. P. Jackhammer, [illegible], rented used from [illegible] [illegible].00 per mo.

General

1 Sullivan [illegible]-57 Jackhammer [illegible] rented used from [illegible] [illegible].00 per mo.

1 Engine, Buda JB-4 Ser. No. 200[illegible]-A 4-Cyl. 6" x 7 1/8", stationary engine is used to drive entire crusher-furnace assembly [illegible] shifts totalling 24 hours per day. Rented used from [illegible] [illegible].00 per mo.

Form [illegible]-1[illegible]4
Contract No. [illegible]
Docket No. [illegible]

Americex Mining Company
Alpine, Texas

[illegible]

Code

Items of Costs

(1) Independent contracts - none

(2) Labor, supervision and technical services:
A. Labor
B. Supervision
C. Technical services

(3) Operating materials and supplies
A. Timber
B. Explosives
C. Fuel
D. Grease
E. Other supplies

(4) Operating equipment

I. Equipment to be rented:
1. Bulldozer
2. Air compressor 315 c.f.m.
3. Power plant, 1.5 KVA
4. " " 20 KVA
5. Drill, rods and accessories
6. Air tugger
7. Diamond drill and accessories
8. Jeep
9. Drifter
10. Jackhammer, 10 HP

II. Equipment to be purchased
1. Jackhammer
2. Drifter
3. Double-drum slusher, scraper, cable & accessories
4. Ventilation fan & motor
5. Diamond drill 1½" core barrel
6. Diamond " 5" "

[illegible] Field
Contract No. [illegible]
Docket No. [illegible]

[illegible] Alpine Corporation
Alpine, Texas

Operations Monthly Report and Voucher (Cont'd)

Items of Cost

(4) Operating Equipment (Cont'd)

F. Equipment to be Purchased (Cont'd)

7. Gaulen [illegible]-pressure water pump
8. Truck, [illegible]-ton - down payment
9. Pickup, [illegible]-ton - down payment
10. [illegible] steel water supply tanks
11. Cent. water pump [illegible] engine
12. Butane cook stove
13. " refrigerator
14. Office [illegible] food storage cabinet
15. Misc.

(5) Initial Rehabilitation and Repairs

(6) New Buildings, Improvements & Installations

(7) Miscellaneous

A. Leasing to Equipment
B. Handling & Unloading
C. Payroll Taxes
D. Truck Insurance
E. Government Administration
F. Contract
G. Travel & Communication
H. Accounting & Auditing

COPY Operating Committee
Washington, D. C.

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

P. O. Box #431
Joplin, Missouri

November 19, 1954

Airmail

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Docket DMA-2202X (mercury)
Project Contract Idm-E468
Amerimex Mining Co.
Alpine, Texas

Dear Bob:

This is to acknowledge receiving your letter of November 4, transmitting your Final Cost and Liquidation Reports, and your letter ofNovember 10 returning unsigned, the copies of the Termination Agreement of September 20, with your objections to paragraphs 4, 5, 6, and 7 therein.

I hope you will bear with me when I admit that time yet has not permitted digesting all the material in, and pertaining to those letters, reports, and the agreement. Unfortunately, therefore, I have not been able to frame the quick, adequate, pleasant reply to you that I would prefer. In fact, I decided that my reply to you must await counsel and suggestions based on the copies of your reports and letters which I forwarded for reviews by the Washington Office and by Mr. Finch, DMEA Auditor in Denver.

On first glance at your Final Cost and Liquidation Vouchers I was inclined to believe that virtually no item therein can be approved until some document on the order of the Termination Agreement is put into effect. Even then, as I understand existing DMEA regulations and instructions pertinent to your contract which have been issued to date, I doubt that a good many of your claims can be approved. Also at first glance, from a practical standpoint, it does not appear logical to me that the Government would participate to the extent of a very large sum in safeguarding and disposing of equipment from which it can realize only a fraction of that sum in return.

I am sure that we all are in agreement on one point: the desired settlement does present quite a complex problem. I assure you that I will make every effort to help solve it, and

I am confident that I and all the other DMEA personnel involved will not see anything personal in the position you have taken or any comments you make.

With best personal regards to you and Mrs. Pulliam, I remain

Very sincerely yours,

Clinton C. Knox
Executive Officer
DMEA Field Team, Region VI

CCK/vks

cc: DMEA Operating Committee (2)
Finch, Denver
2202X File

10/23/54 gla

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

P. O. Box #431
Joplin, Missouri

November 19, 1954

Memorandum

To: DMEA Operating Committee, Interior Building, Washington 25, D. C.

From: Field Team, Region VI, Joplin, Mo.

Subject: Transmittal of Final Cost and Liquidation Reports and return of Termination Agreement as unacceptable by Amerimex Mining Co., Box 626, Alpine, Tex., Docket DMA-2202X (mercury), Fresno Mine, Presidio County, Tex. project contract Idm-E468

Enclosed herewith for your inforamtion are self-explanatory copies of:

1. The subject Operator's Final Cost and Liquidation Reports (the original and documentation is being sent to Finch in Denver).

2. The Operator's letter to me on November 10 rejecting the termination Agreement of September 20.

3. My stopgap reply to the above mentioned letter.

4. The Termination Agreement (in case you should decide to reword it) - I'm still at a loss for suitable words but I am inclined to recommend that you take no action and just hold this agreement until Mr. Pulliam writes asking for it to be returned for his signature. As yet, I can not see any reason for serious objections to it.

No doubt you will suggest or advice me on a wiser course of action.

Clinton C. Knox
Clinton C. Knox
Executive Officer

CCK/vks
Encl (16)
cc: DMEA Oper. Com. ✓
Finch, Denver
2022X file

November 10, 1954

Mr. Clinton C. Knox, Executive Officer
Defense Minerals Exploration Administration
U. S. Department of the Interior
P. O. Box 431
Joplin, Missouri

Re: Docket DMEA-2202X (Mercury)
Contract Idm-E468

Dear Clint:

Thank you for your letter of transmittal dated September 23, 1954, and for the revised "Termination Agreement" dated September 20, 1954, which I regret to advise is still not acceptable because of the wording of Paragraphs 4, 5, 6, and 7, which were fully discussed in our letter dated July 21, 1954, to which I respectfully refer you.

For the sake of clarity and in the hope that Defense Minerals Exploration Administration through its officials may see the legal and moral basis of my objections, I shall attempt to summarize my reasons for objection:

> Re. Paragraph 4: Why should Article 3 of the Contract be changed to read "prior to August 20, 1953," instead of "within a period of 12 months" as agreed upon by Amendment No. 2 transmitted with our letter dated June 29, 1953?

The fact that Amerimex was never able to resume actual operations after August 19, 1953, was occasioned by DMEA's continued withholding of reimbursements long due the Operator.

The Operator hoped and believed that operations could and would be resumed until formal denial dated December 24, 1953, of our Proposed Amendment No. 3, which would have provided for $96,900.00 in additional exploratory work.

Formal "Notice of Termination of Exploration Project Contract, under the Terms of the Contract, Before the Completion of the Work" dated January 5, 1954, was received by the Operator subsequent to that date despite the fact that the Contract had previously terminated on December 18, 1953, by its own terms and amendments thereto unless extended by the Operator's Proposed Amendment No. 3, which was denied December 24, 1953.

Why does the Government now seek to disclaim its just share of stand-by expenses for the period from August 19 through December 18, 1953? If that is the purpose, was the Operator to have assumed such a possibility and ordered immediate dismantling and removal of all equipment, materials and supplies on the premises? If the Operator had made such an assumption and had acted accordingly, would the Government have paid its share of the cost for removal and reinstallation if Amendment No. 3 had been approved whereby the project could possibly have been continued?

Re. Paragraph 5: Why must Certification of this project be retained? If Certification is actually to be limited to "ore discovered or developed as a result of said contract," which is certainly the way the Contract reads, why does your Administrator state in his letter transmitting formal Notice of Certification dated January 8, 1954, "all production from the aforesaid lands, from December 18, 1952, the date of the Contract, is subject to the Government's percentage royalty as set forth in the contract..."?

If ore has been discovered or developed as a result of the Contract from which production may be made, why is the Government unwilling or unable to describe, define or delimit its occurrence? Can someone tell me where the ore occurs and of what grade and quantity?

I am willing to admit that erratic occurrences of mercury mineralization do occur in a limited area in Project No. 3, but unless some of the leads can be followed by further exploration to open into an actual ore occurrence, I do not believe that production can be sustained even at present unprecedented mercury prices.

Re. Paragraph 6: This paragraph is fully covered by my objections to Paragraph 4, previously stated herein and in our letter dated July 21, 1954.

Re. Paragraph 7: My objection to Paragraph 7 is the same as stated in our letter dated July 21, 1954. I do believe that the Operator and the Government should sign a bilateral release of a similar nature when and if the Contract is finally settled to our mutual satisfaction.

If it is truly the purpose of Defense Minerals Exploration Administration to encourage the discovery and development of domestic sources of strategic minerals, why is the machinery

of administration so awkwardly set up as to cause the shut-down of a project such as Amerimex on the very threshold of the greatest need for mercury that this Nation has ever known?

I trust that you will see nothing personal in my attitude or comments.

With kindest regards, I remain

Sincerely,

R. N. Pulliam, President
AMERIMEX MINING COMPANY

RNP:A

Inclosure: Returned to you herewith are 5 copies of Termination Agreement dated September 20, 1954, which you transmitted to me with your letter of September 23, 1954.

RECEIVED
MINERALS TECHNOLOGY
DIVISION
NOV 9 1954
BUREAU OF MINES
JOPLIN, MO.

November 4, 1954

Mr. Clinton C. Knox, Executive Officer
Defense Minerals Exploration Administration
P. O. Box 431
Joplin, Missouri

Re. Docket No. 2202 (Mercury)
Contract No. Idm-E468
Presidio County, Texas

Dear Clint:

Inclosed herewith is the Final Report and Voucher of Amerimex Mining Company dated November 4, 1954, showing total cost incurred in the amount of $71,112.19 instead of the $80,000.00 approved by Defense Minerals Exploration Administration under the terms of our Contract.

It is believed that the items of expense and credits are self-explanatory with the possible exception of the following:

Supervision: This item includes only one-half of the actual time from January 1, 1954, to August 31, 1954, which I devoted to preserving and disposing of the facilities and equipment owned by the Government and the Operator.

Labor: This item includes watchman's salary from January 1, 1954, to August 31, 1954. Without a watchman, loss by theft of equipment and supplies could have and probably would have been sustained, for which the Government could have held the Operator liable.

It will be noted that watchman's salary has been reduced for March, 1954, when a part of his time was devoted to labor for which he was paid his regular rate. This labor is included on a separate schedule with that of other laborers who spent the time shown in March in removing pipe and other equipment from underground and on surface and in separating, inventorying and preparing for sale and severance from the premises the machinery, equipment and supplies in which the Government owned an interest.

Three schedules "C","B" and "A" precede the detailed statements of each copy of the Final Report.

Schedule "A" is a breakdown of various items included

in the cost of oversize shafts and drifts disallowed by Interim Audit and Field Team decisions. The portion of this cost which Operator did not attempt to Reclaim has been integrated with the totals according to the various classifications previously reported.

Schedule "B" is a detailed statement of liquidation and winding-up expenses incurred from January, 1954, when Operator was formally notified of "Termination of Exploration Project Contract, under the Terms of the Contract, Before Completion of the Work" until August 24, 1954, when final liquidation was accomplished.

Schedule "C" shows the items of credits for return of unused merchandise and the liquidation sale of equipment, materials and supplies jointly owned by Operator and the Government.

With kindest personal regards, I remain

Sincerely,

R. N. Pulliam, President
AMERIMEX MINING COMPANY

RNP:L

Incl: Final Report

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Schedule C

Month of FINAL REPORT, 195 Docket No. DMEA 2202 Contract No. Idm-2468
Operator's Name Amerimex Mining Company Minerals Mercury
Address Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts: LIQUIDATION Credits						
Drilling						
Bulldozing						
Crosscutting		(Including)				
Drifting		(Reclaim)				
(2) Labor and Supervision:						
Labor		26,663.91	26,663.91			
Supervision		10,853.78	10,853.78			
Technical Services		498.82	498.82			
(3) Operating Mat'ls. and Supplies:						
Timber		480.20	480.20			
Explosives	329.80	3,001.27	2,671.47			
Pipe		1,163.31	1,163.31			
Track		124.60	124.60			
Other Supplies	491.45	6,657.62	6,166.17			
(4) Operating Equipment:						
Rental		7,102.57	7,102.57			
Purchase	2,760.64	7,898.80	5,138.16			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,821.16	1,821.16			
(6) New Bldgs., Improvements, etc.		1,492.89	1,492.89			
(7) Miscellaneous:						
Repairs to Equipment		255.85	255.85			
Sampling and Analysis		43.37	43.37			
Payroll Taxes		1,624.10	1,624.10			
Tr Liability Insurance		175.96	175.96			
Workmen's Comp.	1,185.40	3,769.24	2,583.84			
Freight		461.16	461.16			
Travel & Comm.		681.27	681.27			
(8) Contingencies (specify):						
Accounting		1,077.90	1,077.90			
Exp. of Sale						
(Printing, etc)		31.70	31.70			
TOTALS	4,767.29	75,879.48	71,112.19			

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

Date 11-4-54 *Payee Amerimex Mining Company

Per P. N. Pullian Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Schedule B

Month of FINAL REPORT, 195____ Docket No. DMEA 2202 Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address Box 626, Alpine, Texas

Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts: LIQUIDATION EXPENSE						
Drilling						
Bulldozing						
Crosscutting		(Including)				
Drifting		(Reclaim)				
(2) Labor and Supervision:						
Labor	1,121.00	25,542.91	26,663.91			
Supervision	810.00	10,043.78	10,853.78			
Technical Services		498.82	498.82			
(3) Operating Mat'ls. and Supplies:						
Timber		480.20	480.20			
Explosives		3,001.27	3,001.27			
Pipe		1,163.31	1,163.31			
Track		124.60	124.60			
Other Supplies	76.10	6,581.52	6,657.62			
(4) Operating Equipment:						
Rental		7,102.57	7,102.57			
Purchase		7,898.80	7,898.80			
Depreciation						
(5) Initial Rehabilitation and Repairs		1,821.16	1,821.16			
(6) New Bldgs., Improvements, etc.		1,492.89	1,492.89			
(7) Miscellaneous:						
Repairs to Equipment		255.85	255.85			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	153.89	1,470.21	1,624.10			
Liability Insurance		175.96	175.96			
Workmen's Comp.		3,769.24	3,769.24			
Freight		461.16	461.16			
Travel & Comm.	123.73	557.54	681.27			
(8) Contingencies (specify):						
Accounting	247.40	830.50	1,077.90			
Exp. of Sale (Printing, etc)	31.70		31.70			
TOTALS	2,563.82	73,315.66	75,879.48			

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

Date 11-4-54 *Payee Amerimex Mining Company

Per [signature] Title President

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

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

(Instructions on reverse)

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

$_____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

Schedule A
FINAL REPORT

ANALYSIS OF DISALLOWANCE FOR OVERSIZE SHAFTS & DRIFTS (Not Reclaimed)
For Purpose of Integrating Figures

	Totals 12-31-53	Adjustment Oversize Shafts & Drifts	Totals 12-31-53
(2) Labor & Supervision			
Labor	$26,070.08	- $ 527.17	$25,542.91
Supervision	10,164.85	- 121.07	10,043.78
Technical Services	498.82		498.82
(3) Operating Materials & Supplies			
Timber	480.20		480.20
Explosives	3,062.99	- 61.72	3,001.27
Pipe	1,163.31		1,163.31
Track	124.60		124.60
Other Supplies	6,639.53	- 58.01	6,581.52
(4) Operating Equipment			
Rental	7,181.14	- 78.57	7,102.57
Purchase	7,898.80		7,898.80
(5) Initial Rehabilitation & Repairs	1,821.16		1,821.16
(6) New Bldgs., Improvements, etc.	1,492.89		1,492.89
(7) Miscellaneous			
Repairs to Equipment	255.85		255.85
Sampling & Analysis	43.37		43.37
Payroll Taxes	1,573.57	- 103.36	1,470.21
Truck Insurance	175.96		175.96
Workmen's Compensation Insurance	3,769.24		3,769.24
Freight	461.16		461.16
Travel & Communications	573.53	- 15.99	557.54
Accounting	840.24	- 9.74	830.50
Expense of Sale			
Total	$74,291.29		$73,315.66
Less Oversize Shafts & Drifts	975.63	- 975.63	
Total	$73,315.66		$73,315.66

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

EXPLORATION CREDITS

			Cont. Acct.
Returned Merchandise			
Alpine Lumber Co.			
Cement Returned	$ 144.39		3E
Brewster County Motors			
Powder Returned	329.80		3B
Magnolia Petroleum Co.			
Mobiloil Returned	47.30		3E
Diesel Returned (Net)	245.60		3E
Total		$ 767.09	
Sales			
Carl E. Thain			
Cement	$ 20.16		3E
Durham Steel & Supply Co.			
Supplies	34.00		3E
R. D. French			
Balance of Assets	2,000.00		4B
Total		2,054.16	
Other Credits			
Texas Employers' Insurance Ass'n Dividend Earned. Other Credits & Transfer of prorata of Expense to General Account (See Schedule Attached "Workmen's Compensation Insurance")		1,185.40	7F
Total Exploration Credits		$4,006.65	
Add			
Truck payments charged after 9-1-53 (DMEA waived interest in 2 trucks effective 9-1-53)		760.64	4B
Total Exploration Credits		$4,767.29	

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

WORKMEN'S COMPENSATION INSURANCE (Analysis of Credit)

Total Wages Paid to 8-31-53 (End of Coverage Reporting)		$44,900.10	100.0%
Total Wages Claimed DMEA Reports (Including Labor in Items 5 & 6, MF-104)		37,356.92	83.2%
Balance Remaining in General Account		$ 7,543.18	16.8%
Total Cost of Workmen's Compensation Insurance carried in DMEA Report		$ 3,769.24	
Total Premium Settlement With Texas Employment Ins. Ass'n	$3,105.58		
Exploration Portion	83.2%	2,583.84	
Credit Exploration Account (Previously reported as $780.51)		$ 1,185.40	

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

GENERAL ACCOUNT CREDITS

Returned Merchandise			
Mine & Smelter Supply Co.	$ 11.65		
" " " "	51.83		
		$ 63.48	
Sales			
Brewster County Motors - Dump Truck Bed	200.00		
R. D. French - Balance of Assets	1,000.00		
		1,200.00	
Other Credits			
Jim Francois Agency			
Ford PU - Coll., Fire, Theft	20.77		
" " BI & PD	15.39		
GMC - Coll., Fire, Theft	34.35		
		70.51	
Total		$1,333.99	Genl

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

DISBURSEMENTS AND COMMITMENTS

1954		Amount	Contract Account
1- 1	Butler, Binion, Rice & Cook, Houston Legal	$ 15.01	Genl
	Mine & Smelter Supply Co., Items purchased for use during operation - not charged to Exploration	14.44	Genl
	Returned for credit at less than cost (See list of credits)	59.90	Genl
	M. A. Ohlund Machine Shop 8-22-53 Turn Armature Starter Engine on Hoist	1.00	Genl
2-11	Newspaper Printing Corp. - Advertising Dump Trucks	5.60	Genl
15	Jim Francois Agency Ford PU Insurance Coll., Fire, Theft	55.75	Genl
	BI & PD	36.00	Genl
	GMC Insurance Coll., Fire, Theft (See list of credits)	92.20	Genl
3- 8	Jim Francois Agency GMC Insurance BI & PD (See list of credits)	30.90	Genl
8	First National Bank, Alpine Interest Truck Notes	207.94	Genl
11	Brewster County Motors - Ford PU Gas & Oil	5.10	3E
15	" "	5.13	3E
16	" "	2.05	3E
19	" "	9.11	3E
17	Lajitos Trading Post Gas & Oil	7.75	3E
30	Brewster County Motors - Service Ford PU	5.75	3E

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

DISBURSEMENTS AND COMMITMENTS

1954		Amount	Contract Account
3-30	Secretary of State, Austin - Franchise Tax	$ 27.50	Genl
30	Brewster County Tax Collector - License PU	16.80	Genl
31	Shoppers Guide - Office Supply	2.25	Genl
4- 3	Bell's Cosden - Ford PU		
	Gas	6.00	3E
	Tire Repair	1.00	7A
14	Brewster County Motors - Repairs Ford PU	4.55	7A
5- 3	Bell's Cosden - Ford PU		
	Gas	6.12	3E
	Tire Repair	1.50	7A
5-12	Cosden Petroleum Corp - Gas & Oil	2.90	3E
5-26	" " " " "	4.90	3E
6-21	Bell's Cosden - Gas	7.75	3E
8- 7	Bell's Cosden - Gas	6.49	3E
25	First National Bank, Alpine - Balance		
	Interest Truck Notes	7.25	Genl
31	Distribution of Bid Forms		
	Printing by Shoppers Guide	24.00	Sale
	" " " "	5.75	Genl
	Postage	7.20	Sale
	"	.60	Genl
	Envelopes	.50	Sale
	"	.50	Genl
31	Other Postage - 8 months	9.45	Genl
31	Director of Internal Revenue		
	Interest & Penalty SS & WH Taxes Qtr. 9-30-53	94.72	Genl
	" " .3% Unemp. Taxes Year 1953	10.92	Genl
31	L. M. Pulliam - Accounting Service 8 months		
	161½ hrs. @ $3.00 $484.50	247.40	7H
	Typist Hired 10.31 $494.81	247.41	Genl

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

DISBURSEMENTS AND COMMITMENTS

1954			Amount	Contract Account
8-31	Payroll - Watchman Service		$ 826.60	2A
	Other Labor		294.40	2A
	Supervision of Liquidation 81 days @ $20.00	$1,620.00	810.00	Genl
			810.00	2B
31	Director of Internal Revenue			
	FICA Tax	54.81	16.20	Genl
			38.61	7C
	.3% Unemployment Tax	8.22	5.79	7C
			2.43	Genl
31	Texas Employment Comm.			
	2.7% Unemployment Tax	74.01	52.14	7C
			21.87	Genl
31	R. N. Pulliam - Reimbursement			
	Travel & Communications	152.11	123.73	7C
			28.38	Genl
31	Texas Employment Ins. Assn.			
	Balance of Account		75.00	Genl
	RECLAIM			
	Payroll Taxes (See Reclaim Statement Attached)		57.35	7C
	Total		$4,459.59	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

RECLAIM STATEMENT	Audit Apprvd to 5-31-53 & Jun & Jul	Reclaim	August	Sept Oct Nov Dec	Totals to 12-31-53
From Schedule "A" Joplin Letter of 9-29-53					
Labor	$23,450.89	$ 11.90	$2,159.89	$ 447.40	$26,070.08
Supervision	6,520.28	1,810.32	1,131.25	703.00	10,164.85
From Audit Item 5 ($449.67)					
Labor	267.46	658.32			925.78
Supervision	155.98	713.17			869.15
From Audit Item 6 ($1,492.89)					
Labor	291.47				291.47
Supervision	185.99				185.99
Total Payroll	$30,872.07	$3,193.71	$3,291.14	$1,150.40	$38,507.32
Less: Unemployment Tax Exemption					
R. N. Pulliam	1,000.00		600.00		1,600.00
C. E. Thain			393.75	703.00	1,096.75
Total Payroll for Unemployment Tax	29,872.07	3,193.71	2,297.39	447.40	35,810.57
3% Tax	896.16	95.81	68.92	13.42	1,074.31
Total Payroll	30,872.07	3,193.71	3,291.14	1,150.40	38,507.32
Less:					
SS Tax Exemption					
R. N. Pulliam	400.00		600.00		1,000.00
Total Payroll for SS Tax	30,472.07	3,193.71	2,291.14	1,150.40	37,507.32
1½ %	457.08	47.90	34.37	17.26	556.61
Total Payroll Taxes	1,353.24	143.71	103.29	30.68	1,630.92
Payroll Taxes Entered MF-104	1,273.82	128.04	119.96	51.75	1,573.57
Reclaim - Payroll Taxes	$ 79.42	$ 15.67	-$ 16.67	-$ 21.07	$ 57.35

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

PAYROLL: Watchman - Maintenance
W. M. Roberts

1954	Gross	FICA	WH Tax	Net Salary	Cont. Acct.
Jan.	$ 108.00	$ 2.16	$ 9.80	$ 96.04	
Feb.	108.00	2.16	9.80	96.04	
Mar.	70.60	1.41	2.60	66.59	
Apr.	108.00	2.16	9.80	96.04	
May	108.00	2.16	9.80	96.04	
Jun.	108.00	2.16	9.80	96.04	
Jul.	108.00	2.16	9.80	96.04	
Aug.	108.00	2.16	9.80	96.04	
	$ 826.60	$ 16.53	$ 71.20	$ 738.87	2A

FORM FM-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

LABOR (March, 1954)	Gross	FICA	WH Tax	Board	Net Salary
Guillermo De LaRosa	$ 36.30	$ .73	$ 4.70	$ 5.20	$ 25.67
Andres F. Gonzales	32.00	.64			31.36
Amando Granado	42.90	.86	3.20	5.20	33.64
Manuel V. Granado	49.50	.99	7.30	5.20	36.01
Florentino Muniz	36.30	.73	2.20	5.20	28.17
W. M. Roberts	37.40	.75	4.90	5.20	26.55
Carl E. Thain	60.00	1.20	9.30	5.20	44.30
	$ 294.40	$ 5.90	$ 31.60	$ 31.20	$ 225.70

Contract Account 2A

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

SUPERVISION OF LIQUIDATION - R. N. Pulliam

1954		Gross	FICA	Net
Jan.	16 days @ $20.00	$ 320.00	$ 6.40	$ 313.60
Feb.	11 " " "	220.00	4.40	215.60
Mar.	18 " " "	360.00	7.20	352.80
Apr.	8 " " "	160.00	3.20	156.80
May	6 " " "	120.00	2.40	117.60
Jun.	6 " " "	120.00	2.40	117.60
Jul.	8 " " "	160.00	3.20	156.80
Aug.	8 " " "	160.00	3.20	156.80
	Total	$1,620.00	$ 32.40	$1,587.60

Exploration 2B	$ 810.00
General Acct.	810.00

FORM MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

FINAL REPORT

CODE

(2) Labor and Supervision
- A. Labor
- B. Supervision

(3) Operating Materials and Supplies
- A. Timber
- B. Explosives
- C. Pipe
- D. Track
- E. Other Supplies

(4) Operating Equipment
- A. Rental
- B. Purchase

(5) Initial Rehabililation and Repairs

(6) New Buildings, Improvements, etc.

(7) Miscellaneous
- A. Repairs to Equipment
- B. Sampling and Analysis
- C. Payroll Taxes
- D. Truck Insurance
- E. Workmen's Compensation Insurance
- F. Freight
- G. Travel and Communications
- H. Accounting
- I. Expense of Sale (Printing, etc.)

12/28/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
December 22, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

Operating Committee
Defense Minerals Exploration
Administration
Interior Building
Washington 25, D. C.

Re: DMEA-2202X Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Sirs:

Enclosed herewith is a copy of RECLAIM of interim audit disallowances which has been prepared by the Operator of the above referenced project. A copy of this reclaim has been sent to Mr. J. L. Chambers, Chief, Contract Administration and Audit Division for his consideration. A copy of my letter of transmittal to Mr. Chambers is also attached hereto. I suggest that the points raised by the Operator in his reclaim of audit disallowances be covered by a terminal on-site audit of the above project.

Sincerely yours,

W. P. Williams

W. P. Williams
Executive Officer
Field Team, Region VI

WPW:jd
Enc.

Reclaim Voucher

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

Joplin, Missouri
December 22, 1953

Department of the Interior,
Defense Minerals Administration
RECEIVED
DEC 28 1953

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

Re: DMEA-2202X Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Mr. Chambers:

For your information I am forwarding to you herewith a copy of a RECLAIM of interim audit disallowances which has been prepared by the Operator of the above referenced project on standard form MF-104. The itemized MF-104 entitled Reclaim is accompanied by a text in which each item is discussed and argument set forth in the effort to substantiate the Operator's basis for reclaim.

You may recall that the interim audit on this project was conducted by Mr. Donald T. Finch during the first week of August, 1953. The Field Team was present during the interim audit and all disallowances were discussed with the Operator at that time. In his justification for reclaim the Operator has raised many points which are undoubtedly speculative and worthy of consideration by personnel in DMEA and in the Contract Administration and Audit Division. In a letter to the Administrator, DMEA, dated December 11, 1953, I recommended that this project be closed by on-site audit by an appropriate member of the Contract Administration and Audit Division. The termination date of this contract was December 18, 1953. I should like to repeat the suggestion that this project be closed by terminal audit and that all points covered in the enclosed Operator's reclaim be considered at that time.

Very sincerely yours,

W. P. Williams
Executive Officer
Field Team, Region VI

WPW:jd
Enc.

cc - Operating Committee

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

Joplin, Missouri
December 22, 1953

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC 28 1953

Mr. R. N. Pulliam
Amerimex Mining Co.
Box 626
Alpine, Texas

Re: DMEA-2202X Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Bob:

We have received the original and three copies of your RECLAIM of interim audit disallowances covering your DMEA project. I have carefully reviewed your reclaim and have forwarded copies to Mr. J. L. Chambers, Chief Contract Administration and Audit Division, DMEA, and to the Operating Committee, DMEA, for their consideration.

I will let you know immediately as soon as a definite decision is reached concerning your reclaim of audit disallowances.

Sincerely yours,

W. P. Williams
Executive Officer
Field Team, Reg. VI

WPW:jd
cc - Operating Committee

Div. copy. DEC 22 1953 Op. Com.

Form No. 45-104 (Rev.) (April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

The Director
Defense Minerals Administration
RECEIVED
DEC 28 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of RECLAIM, 195____ Docket No. DMEA 2202X Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address P. O. Box 626, Alpine, Texas

Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:	RECLAIM	AUDIT Approved plus Aug. Report			Contract and Amendments	
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	611.90	25,610.78	25,622.68	25,440.00		
Supervision	1,810.32	7,651.53	9,461.85	1,800.00	36,540.00	
Technical Services		326.75	326.75	1,200.00		
(3) Operating Mat'ls. and Supplies:						
Timber		480.20	480.20			
Explosives		3,062.99	3,062.99			
Pipe		1,163.31	1,163.31		13,230	
Track		124.60	124.60			
Other Supplies		6,597.46	6,597.46			
			11,428.26			
(4) Operating Equipment:				by Amend No.		
Rental	405.00	5,689.48	6,094.48		8220.00	
Purchase	107.80	6,934.00	7,041.80	8,200	10,[illegible]00	2,550.
Depreciation						
(5) Initial Rehabilitation and Repairs	1,371.49	449.67	1,821.16	30	[illegible]	1,821.16
(6) New Bldgs., Improvements, etc.		1,492.89	1,492.89	1330	31,[illegible]00	1816.89
(7) Miscellaneous:						Amend. No. 2
Repairs to Equipment	188.32	67.53	255.85			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	128.04	1,393.78	1,521.82			
Trk Liability Insurance		175.96	175.96	2462.53	7615.00	
Workmen's Comp.	326.37	3,442.87	3,769.24			
Freight		461.16	461.16			
Travel & Comm.	132.53	382.38	514.91			
(8) Contingencies (specify):						
Accounting		720.24	720.24			
	4,481.77	66,270.95	70,752.72			
Oversize Shafts & Drifts *	1,410.39	-2,386.02	- 975.63			
TOTALS	5,892.16	63,884.93	69,777.09			

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

Date 12-15-53 *Payee Amerimex Mining Company

Per P. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$_____

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

* $2,386.02 Disallowed by Field Team for Oversize Shafts and Drifts.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

DEC 28 1953

RECLAIM
Recapitulation

	Interim Audit	June Report	July Report	Reclaim Totals
LABOR & SUPERVISION				
Labor	$ 3.20 132.00	$- 123.30		$ 11.90
Supervision	315.00 1,119.92	375.40		1,810.32
OPERATING MATERIALS				
Timber				
Explosives				
Pipe				
Track				
Other Supplies				
OPERATING EQUIPMENT				
Rental	405.00			405.00
Purchases	107.80			107.80
INITIAL REHABILITATION & REPAIRS	658.32 713.17			1,371.49
NEW BUILDINGS, Etc.				
MISCELLANEOUS				
Repairs to Equipment	188.32			188.32
Sampling & Analysis				
Payroll Taxes	44.12	9.61	74.31	128.04
Truck Insurance				
Workmen's Compensation	267.49	27.51	31.37	326.37
Freight				
Travel & Communications	63.97	58.06	10.50	132.53
Accounting				
	$4,018.31	$ 347.28	$ 116.18	$4,481.77
Disallowed by Field Team for Oversize Shaft and Drifts		524.78	885.61	1,410.39
Totals	$4,018.31	$ 872.06	$1,001.79	$5,892.16

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

RECLAIM - June

PAYROLL SUMMARY

	Hours		Gross Payroll	
	Prod.	Expl.	Production	Exploration
6-15	1,007	2,214	$1,113.77	$2,569.87
6-30	1,578	2,472	1,566.57	2,748.12
Totals	2,585	4,686	$2,680.34	$5,317.99

Total Payroll $7,998.33

. DMEA-2202X
Docket No. Idm-E468
Contion Project Contract

- June

F

LL DISTRIBUTION Between Exploration and Production
Period 6-1-53 through 6-15-53

Amerimex Mining Company
Alpine, Texas
December 15, 1953

or	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Total Payroll	Cont. Acct.
Tomas Lujan		54		$ 112.00	$ 112.00	2A-1
Guillermo De La Rosa		104		123.20	123.20	2A-3
Andres Garcia		32		32.00	32.00	
Jesus Garcia		32		32.00	32.00	
Reynaldo Garcia		96		110.00	110.00	
Amando Granado		80		88.00	88.00	
Benjamin Macias Sr.		96		112.52	112.52	
Andres Reyes		90		104.50	104.50	
Wesley Roberts		109		115.50	115.50	
Vicente Molinar		105		109.00	109.00	2A-4
Isabel Vega		96		100.00	100.00	
Alfonso Alamodova		96		80.00	80.00	2A-5
Ausencio Carrasco		48		38.40	38.40	
Manuel Carrasco		56		48.00	48.00	
Lucio Galindo		40		32.00	32.00	
Manuel Garcia		8		6.40	6.40	
Santiago C. Garcia		8		6.40	6.40	
Benigno Granado		48		38.40	38.40	
Domingo Hinojas		40		32.00	32.00	
Pillar Llanez		88		82.80	82.80	
Salamon Longorio		130		118.80	118.80	
Timoteo Lopez		104		112.00	112.00	
Pedro C. Lujan		56		48.00	48.00	
Cruz Ochoa		40		32.00	32.00	
Simon Villa		48		38.40	38.40	
Johnnie Matthews	55	97	$ 68.75	121.25	190.00	2A-6
Manuel Granado		108		127.60	127.60	
	55	1,899	$ 68.75	$2,001.17	$ 2,069.92	

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

RECLAIM - June

PAYROLL DISTRIBUTION Between Exploration and Production
Period 6-1-53 through 6-15-53

	Hours		Gross Payroll		Total	Cont.
	Prod.	Expl.	Production	Exploration	Payroll	Acct.
Labor						
Juan Chavez	88		$ 79.20		$ 79.20	Prod.
Silberio Dominguez	8		6.40		6.40	Prod.
Martin Estrada	48		48.00		48.00	
Pablo Huerta	40		32.00		32.00	
Salamon Macias	88		82.80		82.80	
Tomas Rodriguez	96		90.00		90.00	
Victor Suchil	48		38.40		38.40	
	416		$ 376.80		$ 376.80	
Santiago Garcia Furnace Supt.	112		$ 150.00		$ 150.00	
Jose Guiterrez	96		89.10		89.10	Furn.
Florentino Muniz	104		86.40		86.40	
Jose Padilla	56		48.00		48.00	
Manuel Suchil	8		6.40		6.40	
Toribio Suchil	8		6.40		6.40	
	384		$ 386.30		$ 386.30	
TOTAL LABOR	855	1,899	$ 831.85	$2,001.17	$2,833.02	
Supervision						
R. N. Pulliam	43	77	$ 108.00	$ 192.00	$ 300.00	2B-1
Jess R. Cornelison 22.5%	27	93	40.50	139.50	180.00	2B-2
Carl E. Thain	43	77	81.00	144.00	225.00	2B-3
Bernard J. Socha	39	68	52.42	93.20	145.62	2B-4
TOTAL SUPERV.	152	315	$ 281.92	$ 568.70	$ 850.62	
Add: Total Labor	855	1,899	831.85	2,001.17	2,833.02	
TOTAL PAYROLL	1,007	2,214	$1,113.77	$2,569.87	$3,683.64	

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

RECLAIM - June

PAYROLL DISTRIBUTION Between Exploration and Production
Period 6-16-1953 through 6-30-1953

	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Total Payroll	Cont. Acct.
Exploration Project No. 12 Shaft						
Angel Renteria		64		$ 68.00	$ 68.00	2A-3
Manuel Terrazas		64		68.00	68.00	
Alvaro Flores		64		54.40	54.40	2A-5
Lino Hernandez		48		38.40	38.40	
Javier Hernandez		48		38.40	38.40	
Roman Villa Chavez		64		61.20	61.20	
David Carrasco		64		51.20	51.20	
Manuel Galindo		48		38.40	38.40	
Manuel Hinojas		48		38.40	38.40	
		512		$ 456.40	$ 456.40	
Tomas Lujan		81		$ 164.00	$ 164.00	2A-1
Guillermo De La Rosa		26		28.60	28.60	2A-3
Martin C. Estrada		88		92.00	92.00	
Andres Garcia		96		100.00	100.00	
Benjamin Macias Sr.		90		105.77	105.77	
Wesley Roberts		103		113.50	113.50	
Vicente Molinar		96		110.00	110.00	2A-4
Isabel Vega		90		103.40	103.40	
Ausencio G. Carrasco		120		102.40	102.40	2A-5
Lucio Galindo		96		80.00	80.00	
Benigno P. Granado		88		73.60	73.60	
Domingo Hinojas		96		80.00	80.00	
Pablo Huerta		96		80.00	80.00	
Timoteo Lopez		96		100.00	100.00	
Pedro Lujan		96		80.00	80.00	
Victor Suchil		90		75.20	75.20	
Johnnie D. Matthews	43	77	$ 53.75	96.25	150.00	2A-6
Manuel Granado		110		135.30	135.30	2A-7
	43	1,635	$ 53.75	$1,720.02	$1,773.77	
	43	2,147	$ 53.75	$2,176.42	$2,230.17	

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

RECLAIM - June

PAYROLL DISTRIBUTION Between Exploration and Production
Period 6-16-1953 through 6-30-1953

	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Total Payroll	Cont. Acct.
Exploration Project No. 12 Shaft						
Juan Chavez	90		$ 84.60		$ 84.60	Prod.
Silberio Dominguez	90		76.20		76.20	
Manuel Carrasco	96		80.00		80.00	
Jesus S. Garcia	96		100.00		100.00	
Manuel P. Garcia	96		81.20		81.20	
Cruz Ochoa	90		75.20		75.20	
Domingo Salazar	16		12.80		12.80	
Simon Villa	88		73.60		73.60	
	662		$ 583.60		$ 583.60	
Santiago Garcia Furnace Supt.	96		$ 125.00		$ 125.00	
Jose Guiterrez	90		81.00		81.00	Furn.
Florentino Muniz	90		73.60		73.60	
Manuel Suchil	96		80.00		80.00	
Santiago C. Garcia	104		87.60		87.60	
Jose G. Suchil	48		38.40		38.40	
Jose H. Padilla	96		80.00		80.00	
Toribio Suchil	96		80.00		80.00	
	716		$ 645.60		$ 645.60	
TOTAL LABOR	1,421	2,147	$1,282.95	$2,176.42	$3,459.37	
Supervision						
R. N. Pulliam	43	77	$ 108.00	$ 192.00	$ 300.00	2B-1
Jess R. Cornelison 22.5%	27	93	40.50	139.50	180.00	2B-2
Carl E. Thain	43	77	81.00	144.00	225.00	2B-3
Bernard J. Socha	44	78	54.12	96.20	150.32	2B-4
TOTAL SUPERVISION	157	325	$ 283.62	$ 571.70	$ 855.32	
Add: Total Labor	1,421	2,147	1,283.95	2,176.42	3,459.37	
TOTAL PAYROLL	1,578	2,472	$1,566.57	$2,748.12	$4,314.69	

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
November 30, 1953

RECLAIM OF DISALLOWANCES MADE ON INTERIM AUDIT
Covering the Period January 10 to May 31, 1953

It is the belief that there is no desire or intent on the part of any employee of the Defense Minerals Exploration or the Contract Administration and Audit Division to impose an unjust burden of expense upon any Operator through failure to understand the contractual authority for various expenditures made in good faith by the Operator as reasonable and necessary costs of the Exploration Project. The Operator requests that careful consideration be given the following explanation of facts and circumstances upon which reclaim of the various sums is requested.

Perhaps a general statement of fact would be appropriate before proceeding with a discussion of each disallowance on which reclaim is sought.

This Operator has at all times sought to abide by the terms of his Contract with the United States of America, and where phraseology employed seemed indefinite, not clear, or contradictory, his criterion for the contractual propriety of his expenditures or actions has been simply: Is it reasonable and necessary to the exploration project and does it serve both the interest of the Operator and the Government in finding out as quickly and as economically as possible whether or not the property contains an orebody of commercial importance? It is the belief of the Operator that this is the substance of the Contract and the fundamental reason for the existence of the Defense Minerals Exploration Administration. It has certainly been the intent of the Operator and it is believed that he has strictly adhered to the spirit and purpose of the Contract. However, the Interim Audit and the withholding of Government repayments of vitally needed funds which the Operator had reasonably expected to use to continue the project, resulted in forced suspension of operations.

The Field Team and the Auditor were notified at the time of the Interim Audit on August 7th that it would be necessary to suspend the operation unless the reimbursements for June and July were received promptly and without substantial disallowances for the reason that the Operator was without funds.

Since this suspension is the direct result of the Government's action in withholding reimbursements an inordinately long time and in making retroactive disallowances for expenditures made during previous months for which the Operator had been previously reimbursed after his operation had been examined and his reports and documentary receipts scrutinized and certified, the Government should participate

in paying essential standby expenses necessary to protect both the Government's interest and that of the Operator in equipment, materials and supplies.

Such standby expenses have been necessary for preservation of the equities in equipment, materials and supplies which had to be looked after and protected from theft, vandalism and from the elements while the Operator through this writer has tried to formulate a satisfactory Reclaim for recovery of essential funds with which to continue the operation.

Furthermore, the writer in his capacity as Superintendent of the Operation is making every effort and all reasonable concessions in trying to bring about resumption of operations through refinancing the business sufficiently to permit completion of the present DMEA Contract and the pending requested Amendment thereto in the belief that the Operation can be made a highly successful project.

Docket No. [illegible]
Contract No. I[illegible]
Exploration Project Contract

Meritor Mining Company
Alpine, Texas
November [illegible], 19[illegible]

Reclaim of Disallowances made on Interim Audit
Covering the Period January 10 to May 31, 19[illegible]

Page 3

1. Section 3(A), Page 3, Interim Audit Report, dated August [illegible], 19[illegible], shows the following disallowances of Labor costs:

Overpayment to Vincente Molinar, Roistman, 4-15-5[illegible] $ [illegible]3.30
Duplicate payroll receipt in the files of the Operator and presumably the original submitted with Report for April and that the employee worked [illegible] hours of regular time at $1.00 per hour equals $8[illegible].00 and 8 hours overtime at $1.50 per hour equals $1[illegible].00, making a total of $10[illegible].00 total earnings for the period ended 4-15-5[illegible] from which was deducted F.I.C.A. in the amount of $1.[illegible], Board 13 days at $1.10 totalling $14.[illegible], and overpayment adjustment for March 15, 19[illegible] in the amount of $[illegible].00, showing total deductions to have been $[illegible]1.80, leaving net payment in the amount of $78.20. The Operator fails to see where there has been an overpayment and requests that this sum be allowed and reinstated.

Compressor tender, January, 19[illegible] $1[illegible].00 ✓
In the opinion of the Executive Officer, not necessary to the project work. Due to the fact that it was necessary to begin work on a routine basis in only one face on a two shift basis, and since the compressor had to be operated when neither the Roistman (who was essentially located some distance from the compressor) or the Master Mechanic were on duty, it was absolutely necessary to the project and to the reasonable financial protection of the Operator and the Government, who were jointly responsible for the care, maintenance and repair and replacement of rented equipment, that someone be at hand at all times when the $10,000.00 compressor was in operation. This policy was maintained consistently by the Master Mechanic, Timekeeper and Stock Clerk, Roistman and Truck Driver who alternately contributed their time without remuneration when a second shift was working.

seems necessary to pay

In such service, the heat equipment occasionally fails. Fan belts break; water hoses come loose or break; fuel; oil, and air lines are broken by vibration and unless someone is on hand immediately to stop the machine, it may be virtually destroyed. For these reasons, based on many years of operating experience, the Operator requests that this sum be reinstated and allowed as an expense essential to the project.

Docket No. [illegible]
Contract No. Ida-[illegible]
Exploration Project Contract

Amerinex Mining Company
Alpine, Texas
November 30, 1957

Reclaim of Disallowances Made on Interim Audit
Covering the Period January 10 to May 31, 1953

Portion of Labor applicable to that part of Underground Rehabilitation in excess of the allowable maximum for this item $ 688.32

Any excess of the allowable maximum for Underground Rehabilitation is occassioned by the fact that the wording at the heading of Section 2, Page 4, Exhibit A, of the Contract is worded in such manner as to seem certainly to mean that labor, supervision and technical services were to have been used on constructions, installations, repairs and rehabilitations, and it has been the belief of the Operator and members of the Field Team that Section No. 5, Rehabilitation and Repairs, and Section No. 6, New Buildings, Improvements and Installation applied only to the set rials used for those purposes and not to the labor and supervision accounted for under those general headings.

Therefore, it is requested that this disallowance be reinstated and allowed by amendment to the Contract or by such other means as may be permissible as necessary to the exploration and allowable by the terms of the Contract and by instructions of the Field Team.

2. Section 3(b), Page 4, Interim Audit Report, dated August 20, 1953, shows the following disallowances of Supervision Costs:

(1) 75% of salaries of Superintendent and of Master Mechanic for months of April and May, 195[illegible], considered applicable to preparation for production. $[illegible]
In April, $[illegible]70.80 was spent for labor used in preparing for production; and in May, $[illegible]30.00 was spent for labor used in preparing for production. Each employee was paid for the actual time spent in production labor out of the General Account.

This labor in April constituted principally the nailing back of the sheet metal roofs which had been blown off of the furnace ore bin and the condenser system. Neither roof covered a big area; and since the corrugated iron roofing remained nailed to relatively large section of the wood frame, it is presumed that laborers simply lifted those section back in place and nailed them on. The Superintendent simply told the laborers to replace the blown off roofs in the manner jus described, and in a few days went back to check the completed job.

Docket No. [illegible]
Contract No. [illegible]
Exploration Project Contract

American Mining Company
Globe, [illegible]
November [illegible], [illegible]

Reclaim of Disallowances Made on Interim Audit
Covering the Period January 1[illegible] to May 31, 1[illegible]

The labor preparatory for production done in May consisted of screening and clean up of the old stope. The men employed in this work were paid by separate check out of the General account for the actual time put in. The Superintendent took these men into the old stope and explained exactly what was to be done and advised the Mine Foreman to observe in passing that the men continued their work until the job was finished. The place where these men were working in the old stope had to be passed by all supervisory personnel to reach any part of the mine except Project [illegible]; so observation of the work entailed no great effort nor extra time on the part of the supervisory personnel.

Also on May 1[illegible], Santiago Garcia, an experienced furnace operator who formerly ran the furnaces at the Chiqua Mine and Sac Mine, was employed as Furnace Supervisor; and he was instructed to clean up the furnace and condenser, and to make fast the various cables and chokers, lubricated where necessary and install various drive belts preparatory to beginning production. He was satisfied on occasions by the Master Mechanic and did consult the Superintendent at regular intervals; however, it is believed that not more than 10 per cent of the time of the Superintendent and Master Mechanic were devoted to supervision related to the preparation for production. Therefore, it is requested that the difference between the [illegible] disallowance and the 1[illegible] per cent of [illegible] total supervisory salaries paid the Superintendent and Master Mechanic be reinstated and allowed as a necessary cost of the exploration.

F.T. should go to this.

[illegible]

(b) Salary of "Timekeeper-Stock Clerk" [illegible]
Total salary to May 31, 1[illegible], was disallowed because the stock records kept by this individual were not subject to finite audit, and in the opinion of the Executive Officer, the Supervisory Engineer and the Auditor, the volume of clerical work of this nature required or performed, does not justify any participation by the Government in the salary paid.

It is requested that this sum of [illegible] supervision be reinstated and allowed as a justifiable, necessary expense essential to the exploration.

The Time-Keeper-Stock Clerk did check in all materials and supplies against the invoices, and he did issue materials and supplies to the various mine employees as needed. It is a tribute to his efficiency that no time was ever lost because of shortage of material or supplies. It is true that materials and

supplies were charged off as purchased and reported monthly on the MF-104. Consequently, no requisition system or perpetual inventory card system was maintained because the method employed seemed appropriate for a small organization such as ours. Had such a system been undertaken to provide information subject to finite audit, it doubtlessly would have been a full time job requiring the services of one much more skilled in clerical procedure than the employee used who made his services invaluable to the exploration by doing willingly anything and everything which needed to be done in addition to carefully keeping the time of each employee and checking in and out various materials and supplies.

If this man's salary cannot be reinstated and allowed as Timekeeper-Stock Clerk supervisory expense, then it should be allowed by amendment or otherwise, because every cent of the total salary paid this man was paid, properly documented; and his full time and effort was devoted to work essential to the exploration.

see Cochran, Lacy
memo to Williams Mar 2/53

Reasonable ?

$ [illegible] ✓

(3) Portion of supervision applicable to that part of Underground Rehabilitation in excess of the allowable maximum

If this disallowance is in excess of the allowable maximum, the Operator should not be penalized because the wording employed in the contract at the heading of Section 3, Page 4, Exhibit A, specifically states that Labor, Supervision, and Technical Services may be employed on constructions, installations, repairs and rehabilitation work. Furthermore, it was assumed by the Operator and by the members of the field team that the sums allocated as estimates for Rehabilitation and Repairs, and for new Buildings, Improvements, and Installations were to cover materials only. This was carried out in all Monthly Reports and until the Interim Audit, no exception was taken. This may be confirmed by reference to Paragraph 6, Page 3, of the Interim Audit Report.

4. Section 4(a), Note (4), Page 7, of the Interim Audit Report disallows $[illegible].00 per month for March, April, and May for compressor rental being the difference between $[illegible].00 per month and $470.[illegible] and refers to Note (3), Paragraphs 2 and 4, Page 4 of the Interim Audit Report, making a total disallowance of $[illegible] for Compressor Rental.

It is correct that the contract shows estimated rental cost of $330.00 per month for a 315 cu. ft. air compressor and an additional rental cost of $[illegible].00 per month for the electric generating plants needed to produce electrical energy with which to operate the specific compressor combination. Therefore, installation of the compressor rental for $335.00 per month would have resulted in the actual payment of $[illegible].00 rental per month for compressor and power plants. Despite the fact that this equipment was the individual property of the superintendent who had contractual authority to rent it to the Operator, he preferred to sacrifice the difference in rental income in an effort to effect operating economy.

In view of the fact that under existing circumstances, a substantially lesser amount was actually spent for rental of operating equipment than had been estimated and in view of the fact that the amount of rental actually charged for the 216 cu. ft. diesel powered air compressor is the amount of monthly rental currently charge in this area, it is requested that the amount disallowed be reinstated and allowed as a reasonable and necessary expense of the exploration as per Article 6 (b) of the Contract.

contract not completed!!

4. Section 4(b), Paragraph 2, Line 11, of the Interim Audit Report disallows as a part of Equipment Purchased the cost of Texas licenses for the GMC Truck $[illegible] and for the Ford Pickup Truck $[illegible].00, without which the trucks could not be operated on the highways of Texas; therefore, it is the belief of the operator that this sum totalling $[illegible].00 should be reinstated and allowed as an actual necessary cost in keeping with Article 6(b) of the Contract. Since the receipts from licenses are presumably utilized to build and maintain the highways used by vehicles so licensed, this could hardly be construed to be a single tax as mentioned in Article 6(c) of the Contract, but should be looked upon as the operator's share of the cost of building and maintaining a splendid highway and road system as valuable to the exploration as any other factor

Legal question

$ [illegible].00

Docket No. [illegible]
Contract No. Idm-[illegible]
Exploration Project Contract

American Mining Company
Alpine, Texas
November 30, [illegible]

Reclaim of Disallowances Made on Interim Audit
Covering the Period January 10 to May 31, 1953

Page 3

5. Section (3), Initial Rehabilitation and Repairs, Page 11, Interim Audit Report, showing a total of [illegible]449.37 for this item, including [illegible]257.48 for Labor and $155.98 for Supervision as a correction in accounting distribution, may be justified by the facts. If this distribution is maintained, the allowable maximum for this item will be exceeded by virtue of Article 4, Amendment No. 2, effective June 1[illegible], 1953, whereby at the Operator's request, Contract Item 5, "Rehabilitation and Repairs" was reduced from $[illegible]50.00 to $[illegible]20.00, and the difference of $[illegible] was transferred to become a part of increase in Supervision because this was expected not to be needed for Rehabilitation and Repairs based upon inclusion of Labor and Supervision for this purpose as a part of general Labor and Supervision estimates set forth in the Contract.

Therefore, in order to avoid further confusion and unjustified hardship being imposed on the Operator on a subsequent audit, it is requested that the Contract be amended to transfer the sum of $[illegible]00.00 back out of Supervision to Rehabilitation and Repairs.

6. Section (3), New Buildings, Improvements, Etc., Page 1[illegible], Interim Audit Report, showing a total of $1,4[illegible], including Labor $[illegible]1.47 and Supervision $189.69, which exceeds the maximum allowable remaining for this item in the amount of $1,330.00 after transferring $1,[illegible]5.[illegible] out of this item to Supervision in accordance with Amendment No. 2 effective June 1[illegible].

Therefore, it is requested that the Contract be again amended to transfer back into "New Buildings and Improvements" the sum of $13[illegible].69 from Supervision so that the allowable maximum will be sufficient to cover the total determined chargeable to this item by the audit rather than the previous smaller figure determined by the Operator which does not take into account the apportionable Labor and Supervision previously believed not to be segregated from their general allocations.

Budget No. [illegible]
Contract No. [illegible]
Exploration Project [illegible]

[illegible] Company
Alice, Texas
November [illegible], 1955

Section [illegible] of disallowances made on Interim Audit
Covering the period January 1 to July 31, 1955 Page 9

7. Section 7, Miscellaneous, (a) Repairs to Equipment, Pages 11 and 12, Interim Audit Report, disallowance of $[illegible] originally charged to other materials and supplies account in the opinion of the Executive Officer and Supervisory Auditor, the authorized rental allowance for this equipment is adequate for ordinary operating repairs of such equipment.

It is believed that the rental charged for each piece of equipment is not more than the set billed rate for an 8-hour day whereby the operator contracts to make all needed repairs and to return the equipment in as good a state of repair as it was when rented, less normal wear. No company renting equipment of this type of which we have knowledge will permit its use 16 hours per day as has been done in the instance of this operation or will it pay any cost for repairs or maintenance of equipment rented.

Therefore, it is requested that the disallowed item for repairs to equipment be reinstated and allowed as a reasonable and necessary cost of the exploration since it is definitely not a responsibility of the owner to repair or maintain rented equipment and since the equipment on this project has been used two shifts per day a large part of the time. OK

(c) Payroll Taxes, Page 12, Interim Audit Report, disallowed in the amount of $47.[illegible] consisting [illegible] of wages and salaries disallowed: Labor $[illegible] and Supervision $[illegible], of which [illegible] has been made previously herein: Labor $[illegible] and Supervision $[illegible], totalling $[illegible] which if allowed will justify reinstatement and allowance of [illegible] thereof or $44.[illegible] which is requested. 44.[illegible]

(d) Workmen's Compensation Insurance, Page 14, Interim Audit Report, disallowance $[illegible].48 representing [illegible]% of wages and salaries previously disallowed, of which $[illegible],941.61 has been reclaimed on the basis of reasoning set forth previously herein. Therefore, it is requested that premium in the amount of $[illegible] be allowed and reinstated on $[illegible],941.61, wages and salaries previously paid by the operator for services as sensible and necessary to the exploration. 67.69

(h) Travel and Communication, long distance telephone calls and cable fees, fourth paragraph, page 15, Interim Audit Report, disallows this item in the amount of $81.65 as not being a direct cost of the Exploration. This item of expense is expressly authorized by Exhibit A attached and a part of the Contract, and the Operator has been extremely careful in paying out of the Exploration Fund bank account and charging as an expense of the exploration only those long distance calls and cable fees which were believed to be allowable actual necessary costs of the Exploration. Other long distance telephone calls and telegraph fees have been paid out of the General Account, a special bank account maintained to meet expenses not justifiably chargeable to the Exploration.

The expense claimed for long distance telephone calls and telegrams has been essential to the efficient and economical conduct of the Exploration. This item of expense is supported by invoices and receipts submitted with monthly reports showing to whom the calls were made and to whom messages were sent, leaving little doubt as to the need for such communication as a direct necessary cost of the Exploration, not in excess of any allowable maximum, as provided by Article 8b of the Contract.

Due to the fact that it has been agreed by the Auditor and the Field Team that the allowance made for Public Liability Insurance in Exhibit A, Article 7, of the Contract refers only to such insurance on the trucks and was not intended to provide for premium payment for general public liability and property damage insurance, the Operator makes no effort to reclaim this disallowance and agrees that if the premium is not allowable, the long distance telephone and cable charges, totalling $27.58 spent for this purpose should also not be allowed, and this sum is deducted from the $81.65, leaving $53.07 believed to be justified and allowable costs of the project for which reclaim is requested. $ 53.07

[illegible] 26,[illegible]

Docket No. DEA-2202X
Contract No. Icm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

REQUESTED RECLAIM FOR FIELD TEAM AND FINANCE OFFICE DISALLOWANCES
Deducted from June and July, 1953, Monthly Reports and Vouchers

Notice of Recommended Field Team Disallowances dated September 15 includes the following items which were deducted from the Government's participation payment and for which reclaim is requested as follows:

(1) Supervision: Contract Item No. 2B should be revised and adjusted in keeping with the formula suggested during the Interim Audit based on distribution of supervisory salaries according to ratio of utilization of labor for Exploration and Production.

Since the Superintendent, Master Mechanic, and Timekeeper-Stock Clerk were engaged in working with and supervising both underground and surface employees except furnace personnel who were under the direct supervision of the Furnace Supervisor, but who have been nevertheless included among Production personnel, as stipulated by the Auditor and Field Team, the salaries paid these men have been distributed on a ratio of 64 per cent to Exploration and 36 per cent to Production as the ratio of man-hours of labor devoted to Exploration and Production respectively bears to the total man-hours of all labor as shown on the attached schedule of comparative time and cost for labor and supervision distribution.

Therefore, the mine personnel whose total man-hours were devoted 77.5 per cent to Exploration and 22.5 per cent to Production provide the ratio basis for distribution of the time and pay of the Mine Foreman whose only concern was with the mine personnel.

On the basis of this distribution, the following revisions are justified and are reflected as parts of the respective totals on the Form 104 attached:

Cont. Item No.	Amount Paid June Report	Corrected Total	Amount Received
2 - Labor	$4,300.09	$4,176.79	- 123.30
2 - Supervision	765.00	1,140.40	+ 375.40

Please note that reclaim has been included for the $295.94 paid to the Timekeeper and Stock Clerk on the basis of Section 2, Subsection 2, of the Reclaim on Disallowances during Interim Audit included as a preceding part hereof. If there is any item of expense unquestionably needed and necessary to the Exploration Project, it is that part of the salary of the employee designated as Timekeeper and Stock Clerk, who did maintain such records as were believed necessary and appropriate for a small-scale operation and in addition thereto willingly devoted his full time and effort to the operation.

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

Requested Reclaim for Field Team and Finance Office Disallowances Deducted from June and July, 1953, Monthly Reports and Vouchers

(2) Reclaim is requested for long distance telephone calls itemized and submitted with the Form MF-104 Monthly Report and Voucher for the Month of June. Whereas allowance is expressly made for "Sustenance, Communications, Travel and Transportation" in Exhibit A, Item 7, of the Contract and each and every long distance telephone call for which charge has been made for Exploration has been for some purpose directly essential to carrying on the Exploration Project. In such instances, the ultimate cost for having failed to utilize the telephone would have been decidedly greater to both the Government and to the Operator.

$58.06

(4) Reclaim is requested for that portion of disallowance made for Project No. 12 Shaft due to its being oversize in excess of 5' x 7'. It was not possible to sink this shaft 5' x 7' outside the timber and leave enough room for a staggered offset ladder-way and a hoisting compartment of sufficient size to permit efficient work.

The ground in which this shaft is sunk is in a fault zone composed of Del Rio Clay containing boulders scattered throughout. Many such boulders will not break clean but will cave out of the shaft walls bringing large quantities of material with them.

It was planned to use wall and end plates of 6" x 6" with 2" lagging, which would have reduced a 5' x 7' shaft to 3' 10" x 5' 10" inside the timber, making vertical ladder-way mandatory; therefore, it was decided to break the shaft 6' x 8'; but the nature of the ground resulted in overbreakage and continued sloughing of the shaft walls, which accounted for the unpreventable excess size unless each round was to have been followed by indeterminate picking and hand moiling, which would have cost considerably more.

A copy of a letter from Texas Employers' Insurance Association dated June 11, 1953, with reference to that Company's demands for safety requirements in the main entry shaft to the mine, leaves no doubt as to their demands for the safety factors which the Operator sought to incorporate in Project No. 12 Shaft, without which insurance would probably have been cancelled.

In view of these facts and circumstances, reclaim is respectfully requested for the sums disallowed for overbreakage of Project No. 12 Shaft during the Months of June and July as follows; and it is suggested that consideration be given the fact that if the disallowances are not deleted and if the total disallowed $1,410.39 is deducted from the total cost of Project 12 Shaft, the cost per foot would be $31.12

Docket No. DMEA-2202X
Contract No, Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

Requested Reclaim for Field Team and Finance Office Disallowances Deducted from June and July, 1953, Monthly Reports and Vouchers
(4) Continued

as compared with an average cost of $58.53 for drifiting, $53.47 for crosscutting and $47.78 for raising. It is neither correct nor reasonable to assume that the shaft could have been sunk for less per foot than the cost for drifiting or crosscutting.

June Disallowance Reclaimed	$ 524.78	
July " "	885.61	
TOTAL Reclaimed for Oversize Shaft during June & July		$1,410.39

Reinstatement or adjustment of disallowances made by the Finance Officer during the months of June and July is based on the following payroll revisions and clarification of overtime and tax policies:

JUNE

A.	Workmen's Compensation Allowed				$ 442.72
	Salaries corrected to include reclaim			$5,317.79	
	Less remuneration paid extra for overtime, which is 1/3 of total overtime of $217.16, leaving deductible overtime			144.77	
	Premium per $100.00	$9.09	x	5,173.02	470.23
	Difference Reclaimed				27.51
B.	Payroll Taxes Allowed			737.96	
	Reclaimed FICA 1.5% of $5,317.79		$ 79.77		
	Salaries approved by Mr. Finch	$19,452.56			
	June salaries corrected to include reclaim	5,317.79			
	Texas Employm't Comm. 2.7% of	24,770.35	667.80	747.57	9.61
TOTAL June Tax Reclaim					$ 37.12

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

Requested Reclaim for Field Team and Finance Office Disallowances Deducted from June and July, 1953, Monthly Reports and Vouchers

JULY

A.	Payroll Tax Allowed			$ 229.05		
	Reclaimed FICA 1.5% of $5,453.52		$ 81.80			
	Texas Employm't Comm 2.7%		147.25			
	Director of Internal Revenue .3% of Salaries approved by Mr. Finch	$19,452.56				
	Plus June including reclaim	5,317.99				
	.3% of	$24,770.55	74.31	303.36	$	74.31
B.	Workmen's Compensation insurance allowed			445.70		
	Reclaim based on $5,453.52		5,453.52			
	Less Exploration's 65.3% of total extra remuneration paid for overtime of $314.36 or		205.28			
	Premium per $100.00	$9.09 x	5,248.24	477.07	$	31.37

C. Travel and Communications allowed under Item 7, Exhibit A of the Contract expressly allows travel presumably essential to the Exploration.

On the occasion of flying the Master Mechanic and a new cook to the mine at a cost of $10.50, which has been disallowed and for which reclaim is requested, the Master Mechanic had come to town, a distance of 100 miles, in his own car to bring the distributor off the mine hoist to repair it in his own machine shop in order to permit resumption of hoisting muck as soon as possible and to notify me that the camp cook was leaving immediately and that it would be necessary to locate the replacement whom I had been in town trying to find and get him to the mine without delay.

While the Mechanic was in town, a very heavy rain fell on the watershed of Terlingua Creek and washed out the bridge approach, rendering the road impassable for several days; so I sent the Master Mechanic and the Cook to the mine by plane at a cost of $10.50 when to have undertaken the trip by other means would have been not only futile and foolish, but even with the road in good condition, they could not have been hauled to the mine and the Company Pickup returned to Alpine for less than $10.50. Furthermore, a few shifts of underground work would have been lost, and it is certain that some of the employees would have

Docket No. DMEA-2202X
Contract No. Idm-E468
Exploration Project Contract

Amerimex Mining Company
Alpine, Texas
December 15, 1953

Requested Reclaim for Field Team and Finance Office Disallowances
Deducted from June and July, 1953, Monthly Reports and Vouchers

(July "C" Continued) Forward	(	$ 74.31
	(	31.37

quit when the Cook returned to his home at Lajitas, a nearby community. If there is any justification for the use of transportation, including a plane, it seems that this is an example of extreme economy and efficiency through utilization of modern facilities. For these reasons, reclaim is requested for the sum disallowed $ 10.50

TOTAL July Reclaim $ 116.18

TEXAS
EMPLOYERS' INSURANCE ASSOCIATION

El Paso, Texas

June 11, 1953

El Paso
District

526 E. Yandell Blvd.

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Tex.WC-38908

Dear Mr. Pulliam:

Mr. Henry Herndon, our Industrial Hygiene Engineer, and Mr. Gene Gimble paid a visit to your mine on June 3, 1953. I am sorry they did not get to see you on that visit. The following recommendations were left with Mr. Cornelison:

1. Straighten and tie (or nail securely) all manway ladders.

2. Construct standard railings around all manway landings.

Your prompt attention to these matters will be appreciated.

Sincerely yours,

/s/ Tom Roberts

Tom Roberts
District Manager

TR:cs

C O P Y

3/2/54 gla

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Joplin, Missouri
November 25, 1953

Re: DMEA-2202X Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Memorandum

To: W. P. Williams, Executive, DMEA Field Team, Region VI

From: Clinton C. Knox

Subject: Operator's August Report, Amerimex Mining Co., Alpine, Texas
Project Contract Idm-E468

I have reviewed the subject Operator's August Report, received by the Field Team on November 12. That report covers the project work done from August 1 until the company suspended all operations on August 19, 1953. The Operator's proposal for an Amendment No. 3 to the contract, received on November 17, and supporting maps and a geologic report by Mr. A. N. Fletcher, Consulting Geologist, received on November 19, also have been reviewed.

Of the total $5,735.33 project costs claimed in the subject August Report, calculated Field Team disallowances amounting to $1,405.63 are recommended for the costs itemized below in which the Government apparently should not participate under the existing contract stipulations and DMEA regulations. Therefore the claimed costs in the subject report evidently can be approved by the Field Team only to the extent of the remaining $4,329.70 providing that the Finance Officer is instructed to withhold certification for the Government's participation payment on the assumption that it may be the last and subject to a possible terminal audit soon by the DMEA Contract Administration and Audit Division, as per instructions reiterated in the October 27 letter from Selfridge to you; and furthermore the payment should be withheld pending a satisfactory settlement of royalties apparently due the Government on mercury reportedly produced and sold from ore mined as a result of the project work.

My disallowance recommendations largely stem from existing DMEA policies, also reiterated in the above-mentioned Selfridge letter which stated "the Government cannot participate in costs incurred during the recessed period." My calculations of the costs incurred after August 19 were based on scrutiny of the Operator's cost supporting documentation submitted with the report.

Although actual production operations evidently were suspended after the Field Team left there August 11, following the project inspection and cost audit, most of the project work reported for that month, altogether consisting of only 75 feet of drift, crosscut, and raise advances, also had been completed, so in my opinion there is no justification for the Operator's charge of all the supervision costs to the exploration project during the last half of August. Likewise, I believe that the costs claimed for telephone and telegraph services, office supplies, trips to El Paso for the few small supplies evidently purchased, and for transportation of a new Mine Foreman, all should have been charged to corporation overhead expense.

Your attention also is directed to costs claimed for gasoline purchases for the Ford pickup and G.M.C. truck in the latter part of August. They indicate that equipment in which the Government holds an equity is being used during the project recess, costs of which possibly could be determined and charged to the corporation.

Itemized Field Team disallowances recommended:

Labor after 8/19/53 --

G. De LaRosa	8/20-31	20½ hrs. @ $1.10	$22.55
M. Granado	8/20-31	20½ hrs. @ $1.10	22.55
W. Roberts	8/20-31	64 hrs. @ $1.00	64.00
Total labor chargeable to corporation overhead			$109.10

Supervision -- 35 percent Aug. 15 to 19, and all thereafter --

R. N. Pulliam - $300 x .35 $\left(\frac{19 - 15}{16}\right)$ + 300 $\left(\frac{31 - 19}{16}\right)$ - $251.25
(Superintendent)

C. E. Visel 35% of 7 days @ $15.00 + 2 days @ $15.00 - 66.75
(Mine Foreman)

C. E. Thain 225 x .35$\left(\frac{19 - 15}{16}\right)$ + 225$\left(\frac{31 - 19}{16}\right)$ - 188.44
(Master Mechanic-Watchman)

Total supervision chargeable to corporation overhead $506.44

Petty cash disbursements --

7/15	Metcalfe Co. (office supplies)	$ 3.25
8/25	Collector of Internal Rev.(telegraphicM.O.)	1.44

Pulliam expense account

8/7	Trip to El Paso)	16.00
8/13	" " " "	33.25
7/31	Telephone to Williams-Joplin	8.75
8/14	" " Jonas-Amarillo	1.90

Texas Employers Ins. Ass'n

8/31	Workmen's Comp. $615.54 @$9.09	$55.95

Pulliam - equipment rental Aug. 19 to 31 --

8/31	1 - jeep	$\frac{31 - 19}{31}$ x 21.75	$ 8.42
	1 - compressor	$\frac{12}{31}$ x $423	163.74
	1 - hoist	$\frac{12}{31}$ x $112.50	43.55
	1 - tugger	$\frac{12}{31}$ x $ 31.50	12.19
	2 - Jackhammer	$\frac{12}{31}$ x 80.00	30.97
	Total equipment rent charged when not used--		$258.87

Brewster County Motors --

8/21	gas & tire repair	- G.M.C. truck	$ 6.06
8/25	gas	- Ford pickup	2.70
8/31	gas	- G.M.C. truck	4.91

Mine & Smelter Supply Co.

8/27	Inv. #318231		2.96
	Total incurred expenses chargeable to corporation overhead		$1,011.58

Driving of the 14-foot crosscut south from the bottom of Project No. 12 shaft had been completed when I last inspected the project on August 9. That crosscut averaged 7½x7½-foot in size, violiating the 5x7-foot size limitation specified in Amendment No. 2. Using the Operator's reported August crosscutting costs, the oversize chargeable to mine development for production was calculated as follows:

Actual excavation - 14x7½x7½ = 787.5 cu. ft.
Authorized " - 14x5x7 = 490 cu. ft.
oversize 297.5 cu. ft. or

$\frac{297.5}{787.5}$ = 37.78 percent of the cost of 14 feet of crosscut;

But 18.5 feet of crosscut reportedly cost $1,378.25

Therefore the recommended disallowance for oversize crosscut is calculated: $.3778 \times \frac{14}{18.5} \times \$1,378.25 = \$394.05$

Total Field Team disallowances recommended = $1,405.63

Because of the Operator's apparent inability to satisfactorily accomplish the relatively small amount of justifiable project work authorized under the existing contract which has been in force nearly a year, and because no definite assurance has been given that the Operator can resume work on the project, approval of the proposed Amendment No. 3 and the extension of time for completion of the work that would be required, are not recommended.

Clinton C. Knox

Clinton C. Knox
Mining Engineer

:jd
cc - Operating Committee(2)
Finance Officer
L. T. McElvenny
C. C. Knox

COPY DMEA Operating Committee
Washington 25, D. C.

2/10/55 gla

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

XXXXXXXXXXXXXXXXXXXX

P. O. Box #431
Joplin, Missouri

Defense Minerals Administration
RECEIVED
FEB 9 1955

February 7, 1955

Memorandum

To: L. A. Hill, Acting Chief, Division of Administration, Region IV
Through: W. M. Smith, Regional Director, Bartlesville, Okla.

From: Executive Officer, DMEA Field Team, Region IV

Subject: Voucher DMEA 6.-74, Operator's August 1953, MF-104 Report Project Contract Idm-E468, Amerimex Mng. Co., Alpine, Tex. Docket DMA-2202X (mercury)

Thanks for your Febr. 2 Memo with information on the above-cited voucher payment. To aid Mr. Finch in reviewing and assembling his pertinent files when he expects to stop over only briefly in Denver next week enroute to Joplin from his present assignment at Pocatello, I am sending him the copy of your Memo and of this.

I believe the subject voucher and schedule you mentioned as having been paid by the Disbursing Officer on March 5, 1954, must be the document Mr. Finch referred to when talking to me on the phone last Monday morning, since as well as I can recall now, Waldrop's original of that August MF-104 Operator's Monthly Report and Voucher was with the others when Finch and I made the audit in Alpine, a year ago.

Disturbed upon being unable to state positively the location of such documents, probably my inquiry to you on January 31 was premature, but in searching the 1953 Field Team correspondence file in the subject docket, I failed to find anything to confirm my recollection that Waldrop's copy had been placed in the hands of the Auditor. I did note where the original of that August 1954 MF-104 Report (when the project work was stopped) had been approved and forwarded to Waldrop at Amarillo on November 27, 1953, by W. P. Williams, who was the Executive Officer then, a copy of the telegram from him 3 days later, cautioning Waldrop not to certify that claim for payment, and a copy of Williams' January 11, 1954, letter transmitting to Waldrop the originals of the Operator's September 1953 MF-104 Report and Reclaim MF-104 (dated 12-15-53) for

Waldrop's file, but advising that Field Team approval would be withheld thereon pending a terminal audit.

As I recall further, I handed Mr. Finch the originals (all received by Field Team in January, 1954) of the Operator's MF-104 reports for October, 1953, November 1953, and December 1953, likewise unapproved, when I met him for the audit at Alpine, Texas, a year ago. Then when the Operator's Final Cost and Liquidation Report was received by this office on November 9, 1954, I forwarded the originals to Mr. Finch in Denver, and two copies to Washington with my Memorandum of November 19, 1954.

I also am sending Mr. Waldrop a copy of this in case he could add any useful recollections for us.

Clinton C. Knox
Executive Officer
DMEA Field Team, Region IV

CCK/vis

cc: DMEA Op. Com (2) w/c Hill's Memo
Finch, w/c Hill's Memo
Waldrop, w/c " "
2202 X file

C
O
P
Y

February 2, 1955

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB - 9 1955

Memorandum

To: Clinton C. Knox, Executive Officer, DMEA Field Team, Region IV

From: Acting Chief, Division of Administration, Region IV

Subject: Docket DMA-2202X (mercury), Amerimex Mining Company, Alpine, Texas, Project Contract Idm-E468

This will acknowledge receipt of your memorandum dated Jan. 21 on the above subject and your letter of January 31 addressed to the Regional Director Harold M. Smith.

We have been attempting to find in the files which were transferred to us from Amarillo the vouchers and correspondence which would assist us in understanding the problem in this particular case. Apparently all of our file has been sent to Mr. Finch. We are unable to locate any of the vouchers covering previous payments. This is to advise you that the original of Voucher DMEA-6.-74 is not in our files and we are unable to locate it.

We do have our copy of the voucher and schedule of payments on which Bureau Voucher DMEA-6.-74 was paid by the Disbursing Officer on March 5, 1954. The amount of the payment was $2,519.45. Payment was made to Amerimex Mining Co, P. O. Box 626, Alpine, Texas. Reference is made to contract Idm-E468, August 1953; however., we do not have the original of the voucher which would normally be attached to our copy of the schedule. There is a memorandum attached which indicates the computation that was used to arrive at the approved amount of $2,519.45. Apparently the approved amount of the voucher was $3,359.26.

I am not sure how we can help you and the auditor if you should come here to discuss the matter with our Finance Officer. Our complete file presently consists of: A copy of your letter to Ed Waldrop, Regional Finance officer at Amarillo, dated February 26, 1954; a memorandum listing of the items contained in the report of the operator, and from which the above mentioned payment was made in the amount of $2,519.45; the original of your memorandum of January 21, 1955, with which you forwarded a copy of your letter to Mr. Pulliam, President of the Amerimex Mining Company; and your letter of January 31, with attachments. Any information which you may be able to give us as to the location of the original documents from which payments were made by the Regional Office will be appreciated.

L. A. Hill, Acting Chief
Division of Administration, Region IV

Form MF-104A
(April 1952)

NOV 12 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Minerals Administration

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

MAR 1 - 1954

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

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

REMARKS: .....

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

Per J. N. Sullivan 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.

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

Budget Bureau No. 22-R[illegible]
Approval expires 6-30-53.

[illegible] Defense Minerals Administration
RECEIVED
MAR 1 - 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: [illegible]% Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form } Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	[illegible]	[illegible]	[illegible]			
Supervision	[illegible]	[illegible]	[illegible]			
Technical Services		[illegible]	[illegible]			
(3) Operating Mat'ls. and Supplies:						
Timber		[illegible]	[illegible]			
Explosives	[illegible]	[illegible]	[illegible]			
Pipe		[illegible]	[illegible]			
Track		[illegible]	[illegible]			
Other Supplies	[illegible]	[illegible]	[illegible]			
(4) Operating Equipment:						
Rental	[illegible]	[illegible]	[illegible]			
Purchase	[illegible]	[illegible]	[illegible]			
Depreciation						
(5) Initial Rehabilitation and Repairs		[illegible]	[illegible]			
(6) New Bldgs., Improvements, etc.		[illegible]	[illegible]			
(7) Miscellaneous:						
Repairs to Equipment		[illegible]	[illegible]			
Sampling and Analysis		[illegible]	[illegible]			
Payroll Taxes	[illegible]	[illegible]	[illegible]			
Fire, Liability Insurance		[illegible]	[illegible]			
Workmen's Comp.	[illegible]	[illegible]	[illegible]			
Freight		[illegible]	[illegible]			
Travel & Comm.	[illegible]	[illegible]	[illegible]			
(8) Contingencies (specify) Acct. Fees	[illegible]	[illegible]	[illegible]			
Totals	[illegible]	[illegible]	[illegible]			
Less Limitations		[illegible]	[illegible]			
TOTALS	[illegible]	[illegible]	[illegible]			

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

Date [illegible] *Payee [illegible] Mining Company

Per [illegible] Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E468 in accordance with the terms of the contract.

Signature Clinton C. Knox Title Mining Engineer Date Nov. 25, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. P. Williams Title Exec. Off. Date Nov. 25, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Docket DMA-2202X
Contract I[illegible]-T4[illegible]

Ameriquex Mining Company
Alpine, Texas

[illegible] 1 - 1954

STATE [illegible] and PROPERTIES COSTS

August, 1953

	Exploration	Production & General	Totals
OVERHEAD			
Office		$ 29.68	$ 29.68
Interest & Carrying Charge		18.72	18.72
Rental - Surface		300.00	300.00
Houses		50.00	50.00
Mineral Lease		100.00	100.00
Mercury Purchase		20.00	20.00
LABOR & SUPERVISION			
Labor	$2,159.89	993.80	3,153.69
Supervision	1,131.25	253.75	1,385.00
OPERATING MATERIALS			
Explosives	439.56	48.84	488.40
Other Supplies	~~519.76~~ 514.66	351.00	~~870.76~~ 865.66
OPERATING EQUIPMENT			
Rental	668.75	336.25	1,005.00
Purchase	222.28	99.72	322.00
MISCELLANEOUS			
Repairs		9.47	9.47
Payroll Taxes	119.96	45.50	165.46
Workmen's Comp. Ins.	320.64	135.41	456.05
Travel & Communications	61.34	157.07	218.41
Accounting ~~& Supplies~~	87.00	33.00	120.00
TOTALS	~~5,740.43~~ 5,735.33	$2,972.51	~~8,712.94~~ 8,707.54

Form MF-104
Docket LMA-2302X
Contract Idm-E460

Amerimex Mining Company
Alpine, Texas
Month of August, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 8-1-53 through 8-15-53

	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Total Payroll	Cont. Acct.
Exploration Project No. 12 Shaft						
Manuel Terrazas		86		$ 90.00	$ 90.00	2A-3
David Carrasco		86		70.00	70.00	2A-5
Victor Buchil		86		70.00	70.00	2A-5
Simon Villa		86		70.00	70.00	2A-5
Manuel Garcia		80		68.80	68.80	2A-5
Pedro Garcia		80		67.20	67.20	2A-5
Lino Hernandez		80		67.20	67.20	2A-5
Benigno Granado		80		67.20	67.20	2A-5
		566		$ 570.40	$ 570.40	
Other Exploration & Production Labor						
Guillermo De La Rosa		88.5		102.02	102.02	2A-3
Martin Estrada	48	40	$ 45.82	38.18	84.00	2A-3
Andres Garcia	16	64	16.00	64.00	80.00	2A-3
Jesus Garcia	8	80	8.37	83.63	92.00	2A-3
Angel Henteria	16	66	14.42	54.38	68.80	2A-3
Wesley Roberts	44	44	46.00	46.00	92.00	2A-3
Isabel Vega	14	74	16.85	84.35	101.20	2A-4
Vicente Holiner	14	74.5	16.99	85.03	102.02	2A-4
Magdalino Araiza		75.5		60.40	60.40	2A-5
Ausencio Carrasco	40	72	36.24	66.16	102.40	2A-5
Manuel Carrasco		56.5		45.20	45.20	2A-5
Alvaro Flores	16	72	13.38	60.22	73.60	2A-5
Lucio Galindo	8	80	6.70	66.90	73.60	2A-5
Pablo Huerta		88		73.60	73.60	2A-5
Timoteo Lopez	15	73.5	15.44	77.31	92.75	2A-5
Pedro Lujan		80		64.00	64.00	2A-5
Jose Padilla	20	68	16.72	56.88	73.60	2A-5
Domingo Salazar	20	68	16.72	56.88	73.60	2A-5
Ramon Galindo	40	72	49.55	90.45	140.00	2A-6
Manuel Granado	44	45	50.85	52.00	102.85	2A-7
	363	1,381.5	$ 370.05	$1,327.59	$1,697.64	
		2,047.5		$1,897.99	$2,268.04	

Form MF-104
Docket DMA-1202X
Conytract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of August, 1953
Page 2

PAYROLL DISTRIBUTION Between Exploration and Production
Period 8-1-53 through 8-15-53

	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Total Payroll	Cont. Acct.
Exploration Project No. 12 Shaft						
Furnace Supervision & Labor						
Santiago Garcia Furnace Supt.	100		$ 137.50		$ 137.50	
Helpers:						
Roman Chavez	91		86.85		86.85	
Alberto Ramirez	96		83.20		83.20	
Florentino Muniz	92		88.20		88.20	
Santiago Garcia C.	84		68.80		68.80	
Manuel Suchil	90		76.00		76.00	
Jose Suchil	96		83.20		83.20	
	649		$ 623.75		$ 623.75	
Total Labor	1,012	2,047.5	$ 993.80	$1,897.99	$2,891.79	
Supervision						
R. N. Pulliam	42	78	$ 105.00	$ 195.00	$ 300.00	2B-1
Arthur G. Blucher	42	78	70.00	130.00	200.00	2B-2
Carl E. Thain	42	78	78.75	146.25	225.00	2B-3
Total Supervision	126	234	$ 253.75	$ 471.25	$ 725.00	
Add: Total Labor	1,012	2,047.5	$ 993.80	$1,897.99	$2,891.79	
TOTAL PAYROLL	1,138	2,281.5	$1,247.55	$2,369.24	$3,616.79	

Form 3F-104
Docket DMA-2202x
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of August, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 8-15-1953 through 8-31-1953

EXPLORATION	Hours Prod.	Hours Expl.	Gross Payroll Production	Gross Payroll Exploration	Cont. Acct.
Labor					
Magdalino Araiza		40		$ 40.00	2A-5
Guillermo De La Rosa		44.5		48.95	2A-3
Manuel Granado		44.5		48.95	2A-7
Wesley Roberts		88		88.00	2A-5
Manuel Terrazas		36		36.00	2A-5
Total Labor		253		$ 261.90	
Supervision					
R. T. Pulliam		120		$ 300.00	2B-1
Clifton E. Visel		72		135.00	2B-2
Carl E. Thain		120		225.00	2B-3
Total Supervision		312		$ 660.00	
Add: Total Labor		253		261.90	
TOTAL PAYROLL		565		$ 921.90	

Form MF-104
Docket [illegible]
Contract Idn-1468

Ameriney Mining Company
Alpine, Texas
Month of August, 1953

PAYROLL SUMMARY

	Hours		Gross Payroll	
	Prod.	Expl.	Production	Exploration
8-15	1,138	2,261.5	$1,247.55	$2,[illegible]39.24
8-31		585		921.90
Totals	1,138	2,846.5	$1,247.55	$3,261.14

Total Payroll $4,5[illegible].69

Form PF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of August, 1953

DISBURSEMENTS - Petty Cash - Receipts Attached

1953		Amount	Contract Account
7-13	Crowder & Wise - Gasoline for Pickup	$ 4.10	3E
7-15	R. M. Metcalfe - Map Supplies	3.[illegible]5	3E
	" "	8.15	3E
8- 7	Francis Wagner Invoice 884 Hose Gaskets	5.88	3E
	M. M. Metcalfe Co. - Map Supplies	3.30	3E
8- 8	Alpine Drug - Welding Flux	1.45	3E
8-10	Regular Mail Fee	.37	Genl.
~~8-11~~	~~Lancaster County Motors~~	~~5.10~~	~~3E~~
8-17	A. C. Schoenwaldt N. Y. - Telegram	2.58	Genl.
8-17	Crowley Tar Products Company N. Y. - Telegram	2.58	Genl.
8-19	Manuel Terrazas - Purchase of 11 pounds of mercury cleaned out of old abandoned furnace	20.00	Genl.
8-25	Collector Internal Revenue - Telegram	1.44	Z0

Total Petty Cash Disbursements $ 56.20

— 5.10

Form MF-104
Docket DMA-2202X
Contract Idm-E469

Americex Mining Company
Alpine, Texas
Month of August, 1953

CHECK DISBURSEMENTS and CURRENT COMMITMENTS

1953			Amount	Contract Account
8- 4	Mrs. Ogarita B. Wilson - Surface Property Rental		$ 150.00	Genl
10	E. G. & Elizabeth Bledsoe - Mineral Lease		100.15	Genl
15	Univ. C. I. T. Corp. - Truck Payment		99.72	Genl
20	E. G. & Elizabeth Bledsoe - Surface Property Rental		150.00	Genl
	Rental-Purchase - Frame Houses		50.00	Genl
24	Newspaper Printing Corp. - Want ad for Mine Foreman		29.16	Genl
31	Mine & Smelter Supply Company Invoice 318220		13.39	3B
	318231		2.96	3B
	Sea-Ho Packing Co. Inc. Invoice 1445 Asbestos		9.47	Genl
	Car Parts Depot		32.74	3B
	Brewster County Motors		95.44	3B
			439.53	3B
			48.84	Genl
	Alpine Butane Company		8.00	3B
			151.00	Genl
	Magnolia Petroleum Company		316.10	3B
	G. A. Sullian - Rental of Equipment Jeep (72.5% of	$ 30.00	21.75	4B-8
			8.25	Genl
	Air Compressor (196 hrs. actual mining or approx. 10% of total hrs. of mine labor - 1,830.5) (10% of	470.00	47.00	Genl
			423.00	4B-9
	Gasoline Hoist (10% of	125.00	12.50	Genl
			112.50	4B-5
	Air Tugger (10% of	35.00	3.50	Genl
			31.50	4B-6
	2 Jackhammers		80.00	4B-10

Form [illegible]-1[illegible]4
Docket [illegible]
Contract I[illegible]

[illegible] Island Company
Alpine, [illegible]
[illegible] of Account, [illegible]

[illegible] and [illegible]

1[illegible]

8-31	[illegible] Sullivan - Rental of Equipment 1 Jackhammer		[illegible] cent
	Auto [illegible]-4 Engine		[illegible].00 cent
	Air Chase Welding Equipment Co. - Note [illegible]		[illegible] 46-15
	Carrying Charge		1.31 cent
	First National Bank, Alpine [illegible] Truck - Prin. Note #6		117.50 46-[illegible]
	Interest		[illegible].57 cent
	Ford [illegible] Prin. Note #6		[illegible] 46-[illegible]
	Interest	([illegible]7.7)	6.54 cent
	Texas Employment Insurance Assn. (7.[illegible]% of	4[illegible]	[illegible] 7[illegible]
			[illegible].41 cent
	Texas Employment Commission Gross Payroll $4,[illegible].69 - 9[illegible].7[illegible] equals [illegible],544.94 7.5% of the [illegible].7% Payroll Tax of	[illegible]	[illegible] 7[illegible]
			[illegible] cent
	Director of Internal Revenue Gross Payroll $4,[illegible].69 - 9[illegible].7[illegible] equals [illegible],544.94 [illegible] of .5% Unemployment Tax	1[illegible]	[illegible] 2[illegible]
			[illegible] cent
	L. [illegible] Sullivan - Accounting Service (7[illegible] of	[illegible]	[illegible] 7[illegible]
			[illegible] cent
	[illegible] Sullivan - Reimbursement for Company Travel and Communications		[illegible] 2[illegible]
			[illegible].[illegible] cent
	Director of Internal Revenue Gross Payroll $4,[illegible] - [illegible] or [illegible] 8.69 [illegible] or [illegible].16 - 59.[illegible] equals $59.11 7.[illegible]% of 1[illegible] Social Security Tax	[illegible].11	[illegible] 7[illegible]
			[illegible] cent
	Total Check Disbursements		$4,116.[illegible]

Form [illegible]-104
Docket [illegible]
Contract Idn-[illegible]

Amerimex Mining Company
Alpine, Texas
Month of August, 1[illegible]

CHECK DI[illegible] and [illegible]

Total Check Disbursements		$4,115.[illegible]	
Total Petty Cash Disbursements		58.[illegible]	- 5.10
		$4,173.[illegible]	
Payroll - Labor	$3,153.69		
Supervision	1,385.00	4,5[illegible]	
TOTAL DI[illegible]		$8,7[illegible].84	
LESS GENERAL EXPENSES			
Production Payroll	$1,[illegible]47.55		
Other General Expenses	1,7[illegible]4.66	[illegible]	
TOTAL EXPLORATION DEVELOPMENT		$5,740.43	
		5.10	
		5,735.33	

[illegible]

[illegible]

[illegible]

[illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible]

1 [illegible]

[illegible]

1 [illegible]

1 [illegible]

Form MF-104
Contract No. Idm-E468
Docket No. DMA-2308X

Amerimex Mining Company
Alpine, Texas

OPERATOR'S MONTHLY REPORT AND VOUCHER

CODE Items of Costs

(1) Independent contracts - none

(2) Labor, supervision and technical services:
A. Labor
B. Supervision
C. Technical services

(3) Operating Materials and supplies
A. Timber
B. Explosives
C. Pipe
D. Track
E. Other Supplies

(4) Operating equipment

B. Equipment to be rented:
1. Bulldozer
2. Air Compressor 315 c.f.m.
3. Power Plant, 125 KVA
4. " " 30 KVA
5. Hoist, cage and accessories
6. Air tugger
7. Diamond Drill & accessories
8. Jeep
9. Drifter
10. Jackhammer, heavy

C. Equipment to be purchased
1. Jackhammer
2. Drifter
3. Double-drum slusher, scraper, cable & accessories
4. Ventilation fan & motor
5. Daimond drill 10' core barrel
6. Diamond " 5' " "

Form MF-104
Contract No. Idm-5468
Docket No. DMA-9202X

Amerimex Mining Company
Alpine, Texas

Operator's Monthly Report and Voucher (Cont'd)

Items of Costs

(4) Operating equipment (Cont'd)

C. Equipment to be purchased (Cont'd)

7. Duplex Hi-pressue water pump
8. Truck, 2-ton - down payment
9. Pickup, ½-ton - down payment
10. 3 steel water supply tanks
11. Cert. water pump & engine
12. Butane cook stove
13. " refrigerator
14. Refriger. food storage cabinet
15. Misc.

(5) Initial Rehabilitation and repairs

(6) New Buildings, improvements & installations

(7) Miscellaneous

A. Repairs to Equipment
B. Sampling & Analysis
C. Payroll Taxes
D. Truck Insurance
E. Workmen's Compensation
F. Freight
G. Travel & Communication
H. Accounting & Supplies

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of August, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Special Note

When the Interim Audit was made August 7 to 11, it was explained to the DMEA Field Team and the Auditor that it would be necessary to suspend mine operations unless the Government reimbursement for June expenditures was received by August 14, when the semi-monthly payroll became due.

On August 14, reimbursement for June had not been received, and it became necessary for the writer personally to borrow the money with which to pay the men because the Operating Company had neither funds nor credit standing. At that time, most of the men were laid off, and only a skeleton crew was returned to remove tools and supplies from underground workings and to prepare the mine for temporary work suspension.

Meanwhile, the Interim Audit had been made through the Month of May; and despite the fact that the Operator had tried deligently to interpret correctly and adhere to the terms of the DMEA Contract, it was indicated that many retroactive disallowances would be made and deducted from the reimbursements for expenditures made by the Operator during the Months of June, July and August.

The Operator had never read any clause of the Contract nor had he ever received other official notice that such retroactive disallowances could possibly be made on expenditures honestly made, properly documented and used for the payment of actual, necessary costs incurred not in excess of the allowable maximums for the exploration provided for by the Contract. Once the Monthly Reports had been submitted, certified by the DMEA Field Team, certified by the Finance Office and paid by the Treasury Officer, the Operator had no reason to believe that the Government would disallow and take away from the Operator a comparatively large sum of money urgently needed to carry on the operation unless there were some evidence of attempted fraud or purposeful evasion of the Contract.

When the June reimbursement was received August 21, it had been reduced by the disallowance of $2,082.03; and only $1,624.41 was received for July reimbursement after Field Team and Audit disallowances had been deducted.

Thus, all of the funds received were not adequate to pay expenses incurred, and operations have of necessity remained suspended.

Efforts have been made to induce the present stockholders

or outside interests to put up additional capital with which to resume work. To date, no commitment has been made; and while it is hoped that additional capital will be made available so that operations can be resumed, there is no assurance it will be possible.

The Form MF-104

The cost items shown on the Form MF-104 include items chargeable directly to Exploration and items prorated on the basis of their application to both Exploration and Production, which are more completely explained as follows:

Labor: Direct labor has been distributed on the basis of actual man-hours spent doing exploration, mining and ore hauling, indicating that approximately 10% of such man-hours was spent in mining exclusive of furnacing and ore hauling and approximately 90% in Exploration. The percentage basis on which the time of hoistmen and surface trammers has been prorated is in direct ratio to total man hours spent in Exploration and Production exclusive of furnacing. Direct labor, underground and surface including furnace and all other labor, reflects the total following percentage ratio on which labor and supervision costs have been prorated between Exploration and Production, as indicated on the comparative statement included herewith.

Exploration	64.61%
Production	35.39%

Supervision: Supervision costs, exclusive of the Furnace Supervisor, whose salary is included with "Furnace Supervision and Labor," has been prorated on the same percentage ratio as labor Exploration and Production Costs, despite the fact that the furnace had its own supervisor and independent labor, and it is believed should not be included as a part of the total labor cost in calculating percentage of Supervisory cost and other costs for allocation between Exploration and Production.

Operating Materials and Supplies: Distribution of costs for operating materials and supplies between Exploration and Production is based upon estimation that roughly 10% of the total labor was devoted to mining, where such material and supplies were used in contrast to the tramming and handling of the low grade ore previously saved from Exploration and to direct Exploration.

The mining done during August was principally some scaling of walls in the Project 3A and 3B Area and elsewhere in the old stope

in an effort to extract some "high grade" to mix with the material saved from Exploration in an effort to produce a furnace grade ore. A total of 363 man-hours were spent in Production labor, based upon actual time and estimated time for certain labor common to both exploration and production.

A total of 162.8 tons of material was delivered to the furnace bin and processed. Most of this came from material accumulated as a result of Exploration.

Equipment Rental: Such expenses have been prorated on the basis of actual man-hours devoted to Production labor as distinguished from Exploration labor and labor exclusively for furnace operation, which results in roughly 10% of such costs being allocated to Production in addition to those xpenses exclusively for Production.

Payroll Taxes and Workmen's Compensation Insurance have been prorated between Exploration 72.5% and Production 27.5% on the basis each bears in ratio to the total labor monetary value allocated to each.

Travel & Communication: These expenses are allocated to each Exploration and Production on the basis of the actual purpose for which such expenses were incurred, and allowance is expressly made in the Contract for such necessary expenses.

Accounting: This expense, totalling $120.00, has been prorated between Exploration, 72.5%, and Production, 27.5%, of the total in keeping with the percentage of the monetary totals for labor.

The total operating expenses for the month of August were $8,707.54, of which $5,735.33 was for Exploration and $2,972.21 was for Production. There was no work on Production after August 14.

General Operating Conditions

When on the last day of July, the Operator had not received reimbursement from the Government for June DMEA expenditures, work was begun with some misgivings but with the firm belief that reimbursement would be forthcoming very soon.

However, when the Interim Audit was begun on August 7 and the Operator was then informed that reimbursements were being withheld pending outcome of the Audit, the Operator knew that any substantial disallowances of sums previously paid to be deducted from reimbursements due or any substantial disallowances of items on

which reimbursements were being awaited would greatly hamper, if not force suspension, of operations. This was explained to the DMEA Field Team and Auditor - but to no avail.

When no funds had been received from DMEA by August 14, the writer personally arranged for money with which to meet the payroll and laid off all but a skeleton crew, who were used intermittently during the remainder of the month.

Because the writer has no liquid resources of substantial nature, and because any standing of the operating company in this area has been based upon a lifetime of honorable relationships on the part of the writer, to say nothing of the high hopes and sincere faith he felt in the ultimate success of this venture, the apparent unfairness and injustice of most of the disallowances made on the Audit and on the subsequent months of June and July left both the writer and his wife, who does the accounting for the operating company, in a state of abject despair.

Despite this serious handicap, which one can understand only after personal experience, Exploration was carried on in Project 3A, 3B and in Project 12 Shaft, and continued furnace tests were carried on primarily with material saved from previous exploratory work supplemented to some extent by small quantities of better mineralized "ore" mined. It was found that regardless of the methods employed, the material saved from exploration and that mined would not produce a grade of ore which would pay even the costs.

Project No. 3 Previous Total 403' 6" Present 452' 6" Advance 49'

The Main Drift, Project No. 3, was not extended during August.

Crosscut 3A was extended 4' 6" from 119' to 123' 6"; and a drift was driven N 64° W a distance of 16', following significant mercury mineralization, from a point 26' from the opening of Crosscut 3A. From this same point, a drift was driven S 64° E a distance of 6' 6", following significant mercury mineralization. Both of these drifts followed mercury mineralization which occurs in altered Del Rio Clay and Limestone along the Northwest-Southeast trending limestone fault wall, which seems to form the Northeast and high side of a fault measuring some 30 feet or more wide at Crosscuts 3A and 3B.

Project 3A Raise was extended upward 2' from 21' to 23' and short lateral drifts were driven 4' in each direction along the fault from the top of the raise which indicate a local southwest dip and improved mineralization.

Project 3B Crosscut was not extended during August, but at the place where the crosscut cut the Limestone fault wall previously described in connection with 3A Crosscut and Raise, 32' from the opening of 3B Crosscut, a drift was driven southeast a distance of 12' along the strike of the fault where mercury mineralization was found to occur irregularly in caliche or altered Limestone. A well defined wall does not exist at this point; but due to the irregularities of extensively fractured Limestone because of block movement, local structural changes are to be expected without materially effecting the general trend.

Project No.12 Shaft Previous Depth 49' Present Depth 49'
Drifting Advance 12' Crosscutting Advance 14'
Total Advance 26' Project Total 75'

This shaft was not deepened during August, but a crosscut was driven from the 49' level south a distance 14' to the Limestone fault wall or contact, which may be seen on the surface south of the shaft trending in an east-west direction. When the contact was reached, a drift was driven east a distance of 12' along the contact, keeping the solid limestone on the south and the shattered Del Rio clay containing large limestone boulders on the north. Slight mercury mineralization was found along the contact followed by the drift; however, the best showings occurred in the Shaft at the 30 to 35-foot Level.

Work in the shaft was carried on through the use of a hand windlass, which should be replaced by some adequate headframe and an air hoist when operations are resumed. It is presumed that amendment to the Contract would be necessary to provide for erection of the headframe and installation of hoist.

The Maps

The geologic contour and mine plan map with underground workings extended to show work completed as of August 31 will be submitted within the next few days after prints have been obtained in El Paso. There will also be included a small sketch map showing the plan and vertical cross sections of the Project No. 3 Area to show the approximate trend and theoretical extent of mineralization with respect to the fault in that area believed to control mineralization.

Respectfully,

R. N. Pulliam
General Superintendent

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

Joplin, Missouri
September 29, 1953

Operating Committee
Defense Minerals Exploration
Administration
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Amerimex Mining Co. (Mercury)
Presidio County, Texas

Dear Sirs:

Transmitted herewith are two copies of the monthly report for the subject Exploration Project for July, 1953, on Forms MF-104-104A with appropriate attachments, as required by the Washington Office of the Defense Minerals Exploration Administration.

The original was forwarded to U. S. Bureau of Mines, Amarillo, on September 15, 1953 and notice of its certification has been received today.

Very truly yours,

Clinton C. Knox
For L. T. McElwenny
Acting Executive Officer
DMEA Field Team, Region VI

:jd
Encs.

July '53
MF 104

Form MF-104A
(April 1952)

SEP 4 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED

Month of July 195 3 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas

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	Ft.	1285.14	22	31,817.99	554	57.43	1160	Not Stated
Crosscutting	"	3093.87	55	8,086.89	159	50.86		" "
Raising	"	1030.76	21	4,899.80	104	47.11		" "
Shafts 7½x10's	"	~~1661.55~~	27	~~2,935.28~~	49		288	" "
~~Winzes~~ 6x7'		775.94 C.C.K.		1,524.87 C.C.K.				
Drilling: Core		652.12	175	3,292.08	603	5.46	1500	" "
Churn								
Auger								
Stripping								
Trenching	Hrs			112.50	9	12.50	56	12.50
Test Pits								
Roads and Trails	"			225.00	10	12.50	10	12.50
Bulldozing Bldg. Site See Below					6	12.50	6	12.50
TOTAL DISTRIBUTED COSTS		7723.44		51,369.54				TOTAL COSTS AUTHORIZED BY CONTRACT
Tech. Serv.				344.70				62,670.00
Operating Equipment Purchased		222.28		6,759.82				10,700.00
Initial Rehabilitation and Repairs				2,203.54				1,095.00
New Buildings, Improvements, etc.				1,669.41				2,600.00
Workmen's Comp. Incl.		above		3,664.46				2,935.00
TOTAL COSTS		~~7945.72~~ 7060.11		~~66,011.47~~ 65,125.86 C.C.K.				80,000.00

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 8-30-53 Operator Amerimex Mining Co.

Per R. N. Pulliam Title President

R. N. Pulliam

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

(Instructions on reverse)

REMARKS: Notice of Disallowances on June Report reducing from $9,244.31 to $7,162.28 has not been received; therefore, no adjustment or Reclaim is possible with this Report. Lack of operating funds because of delay in receipt of reimbursement from DMEA hamper operations and increase all costs. Reimbursement for June arrived August 21, 1953. See Narrative Report.

(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.

U. S. GOVERNMENT PRINTING OFFICE 205676

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2202X Contract No. Idm-F468
Operator's Name Amerimex Mining Co. Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,337.50	20,465.84	24,803.34			
Supervision	1,116.02	8,595.26	9,711.28			
Technical Services		438.61	438.61			
(3) Operating Mat'ls. and Supplies:						
Hoses, B	29.75	1,102.09	1,131.84			
Timber	137.57	342.63	480.20			
Explosives	58.30	2,565.13	2,623.43			
Pipe Elec Fixts	2.15	355.41	357.56			
Track	4.60	1,213.61	1,218.21			
Kitchen Uten.	2.50	317.47	319.97			
Fuel, Etc.	165.46	1,725.78	1,891.24			
Small Tools	179.02	1,597.71	1,776.73			
(4) Operating Equipment:						
Diam D Rental		823.54	823.54			
Purchase	729.91	4,499.58	5,229.49			
Depreciation	222.28	6,537.39	6,759.67			
(5) Initial Rehabilitation and Repairs		28.79	28.79			
(6) New Bldgs., Improvements, etc.		784.15	784.15			
(7) Miscellaneous:						
Repairs to Equipment	35.52	17.38	52.90			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	321.36	1,211.80	1,533.16			
Yr Liability Insurance		500.25	500.25			
Yr Truck Ins		175.96	175.96			
Workmen's Comp.	477.04	2,988.25	3,465.29			
(8) Contingencies (specify):						
Freight		572.89	572.89			
Travel & Comm	42.50	569.09	611.59			
Accounting	84.24	593.77	678.01			
TOTALS	~~7,945.72~~	58,065.75	66,011.47	-885.61		

7,860.11 CCK

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

Date 8-30-53 *Payee Amerimex Mining Co.

Per R. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$1,624.41

Signature
(Authorized Certifying Officer)

Date 9-24-53 DMEA Vou. No. 6-68

(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. Adm-E468 in accordance with the terms of the contract.

Signature Clinton C. Knox Title Mining Engineer Date Sept. 15, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

STATEMENT OF COMPARATIVE EXPLORATION and PRODUCTION COSTS

July, 1953

	Exploration	Production & General	Totals
OVERHEAD			
Office		$ 19.73	$ 19.73
Interest & Carrying Charge		18.72	18.72
Rental - Surface		300.00	300.00
Houses		50.00	50.00
Mineral Lease		100.00	100.00
LABOR & SUPERVISION			
Labor	$4,337.50	2,339.59	6,677.09
Supervision	1,116.02	557.98	1,674.00
OPERATING MATERIALS & SUPPLIES			
Hoses, Bits	29.75		29.75
Timber	137.57		137.57
Explosives	58.30	123.44	181.74
Electrical Fixtures	2.15		2.15
Track	4.60		4.60
Kitchen	2.50		2.50
Fuel, Etc.	165.46	637.01	802.47
Small Tools	179.02	89.50	268.52
OPERATING EQUIPMENT			
Rental	729.91	338.41	1,068.32
Purchase	222.28	99.72	322.00
MISCELLANEOUS			
Repairs to Equipment	35.52		35.52
Payroll Taxes	321.36	137.46	458.82
Workmen's Comp. Ins.	477.04	253.50	730.54
CONTINGENCIES			
Freight		134.66	134.66
Travel & Communications	42.50	57.93	100.43
Accounting	84.24	44.76	129.00
TOTALS	$7,945.72	$5,302.41	$13,248.13

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 7-1-53 through 7-15-53

	Hours		Gross Payroll		Contract
	Prod.	Expl.	Production	Exploration	Account
Exploration Project No. 12 Shaft					
Manuel Terrazos		88.5		$ 92.50	2A-3
David Carrasco		64		54.40	2A-5
Angel Renteria		64		64.00	2A-3
Manuel Hinojos		64		54.40	2A-5
Javier Hernandez		72		60.80	2A-5
Lino Hernandez		72		60.80	2A-5
Manuel Galindo		64		54.40	2A-5
		488.5		$ 441.30	
Other Exploration & Production Labor					
Tomas Lujan		72		152.00	2A-1
Guillermo De La Rosa		72		83.60	2A-3
Andres Garcia		64		64.00	2A-3
Jesus Garcia		72		76.00	2A-3
Benjamin Macias	65		78.64		2A-3
Wesley Roberts		100		106.00	2A-3
Vicente Molinar		96		110.00	2A-4
Isabel Vega		88		101.20	2A-4
Manuel Carrasco		72		60.80	2A-5
Ausencio Carrasco		120		108.80	2A-5
Roman Chavez		97		90.90	2A-5
Alvaro Flores		84		70.40	2A-5
Lucio Galindo		72		60.80	2A-5
Domingo Hinojas		72		60.80	2A-5
Pablo Huerta		72		60.80	2A-5
Timoteo Lopez		96		100.00	2A-5
Pedro Lujan		72		60.80	2A-5
Cruz Ochoa		56		44.80	2A-5
Alberto Ramirez		24		19.20	2A-5
Domingo Salazar		88		73.60	2A-5
Manuel Suchil		96		80.00	2A-5
J. D. Matthews	40	80	50.00	100.00	2A-6
Manuel Granado	46	46	51.70	51.70	2A-7
	151	1,711	180.34	$1,736.20	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 7-1-53 through 7-15-53

	Hours		Gross Payroll		Contract
	Prod.	Expl.	Production	Exploration	Account
Other Production Labor					
Martin Estrada	64		$ 68.00		2A-3
Silberio Dominguez	64		54.40		2A-5
Juan Chavez	64		61.20		2A-5
Cecilio Garcia	56		44.80		2A-5
Manuel Garcia	88		73.00		2A-5
Timoteo Gonzales	24		19.20		2A-5
Benigno Granado	64		54.40		2A-5
Victor Suchil	64		54.40		2A-5
Simon Villa	88		73.60		2A-5
	576		$ 503.00		
Furnace Supervision & Labor					
Santiago Garcia	104		$ 135.00		
Santiago C. Garcia	112		96.00		
Jose Guitterez	102		99.45		
Florentino Muniz	97.5		91.35		
Jose Padillo	72		60.80		
Jose Suchil	72		60.80		
Toribio Suchil	72		60.80		
	631.5		$ 604.20		
Supervision					
R. N. Pulliam	40	80	$ 100.00	$ 200.00	2B-1
Arthur G. Blucher	40	80	66.66	133.34	2B-2
Carl E. Thain	40	80	75.00	150.00	2B-3
Bernard J. Socha	24	48	30.00	60.00	2B-4
	144	288	$ 271.66	$ 543.34	
Total Labor	1,358.5	2,199.5	$1,287.54	$2,177.50	
Total Supervision	144	288	271.66	543.34	
TOTALS	1,502.5	2,487.5	$1,559.20	$2,720.84	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 7-16-53 through 7-31-53

	Hours		Gross Payroll		Contract
	Prod.	Expl.	Production	Exploration	Account
Exploration Project No. 12 Shaft					
Angel Renteria		100		$ 98.60	2A-3
Manuel Terrazas		105		109.50	2A-3
Benigno Granado		40		32.00	2A-5
Javies Hernandez		32		25.60	2A-5
Lino Hernandez		72		57.60	2A-5
Pedro Garcia		72		57.60	2A-5
David Carrasco		88		73.60	2A-5
Manuel Garcia		88		70.40	2A-5
		597		$ 524.90	
Other Exploration & Production Labor					
Tomas Lujan		16		32.00	2A-1
Guillermo De La Rosa		104		118.80	2A-3
Andres Garcia		88		92.00	2A-3
Jesus Garcia		88		92.00	2A-3
Wesley Roberts		128		144.00	2A-3
Vicente Molinar		104		118.80	2A-4
Isabel Vega		104		118.80	2A-4
Magdalino Araiza		35		28.00	2A-5
Auscencio Carrasoo	42	86	$ 39.46	78.94	2A-5
Manuel Carrasco		27		21.60	2A-5
Martin Estrada		88		73.60	2A-5
Alvaro Flores		52		41.00	2A-5
Lucio Galindo		88		73.60	2A-5
Pablo Huerta		80		67.20	2A-5
Timoteo Lopez		104		108.00	2A-5
Pedro Lujan		88		73.60	2A-5
Jose Padilla	88		73.60		2A-5
Domingo Salazar	104		86.40		2A-5
Victor Suchil		88		73.60	2A-5
Simon Villa		104		86.40	2A-5
Ramon Galindo	24	48	30.00	60.00	2A-6
John D. Matthews	24	48	30.00	60.00	2A-6
Manuel Granado	52	52	59.40	59.40	2A-7
	334	1,600	$ 318.86	$1,621.34	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PAYROLL DISTRIBUTION Between Exploration and Production
Period 7-16-53 through 7-31-53

	Hours		Gross Payroll		Contract
	Prod.	Expl.	Production	Exploration	Account
Furnace Supervision & Labor					
Santiago Garcia	128		$ 185.00		
Roman Chavez	120		121.95		
Jose Guitterez	16		14.40		
Alberto Ramirez	96		83.20		
Santiago Garcia C.	88		70.40		
Florentino Muniz	96		86.40		
Toribio Suchil	39		31.20		
Jose Suchil	92		75.20		
Manuel Suchil	79	16	65.44	13.76	
	754	16	$ 733.19	$ 13.76	
Supervision					
R. N. Pulliam	40	80	$ 100.00	$ 200.00	2B-1
Arthur G. Blucher	40	80	66.66	133.34	2B-2
Carl E. Thain	40	80	75.00	150.00	2B-3
Bernard J. Socha	40	80	44.66	89.34	2B-4
	160	320	$ 286.32	$ 572.68	
Total Labor	1,088	2,213	$1,052.05	$2,160.00	
Total Supervision	160	320	286.32	572.68	
TOTALS	1,248	2,533	$1,338.37	$2,732.68	

Avg
Exp.
Pro

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PAYROLL SUMMARY

	Hours		Gross Payroll	
	Prod.	Expl.	Production	Exploration
7-15	1,502.5	2,487.5	$1,559.20	$2,720.84
7-31	1,248	2,533	1,338.37	2,732.68
Totals	2,750.5	5,020.5	$2,897.57	$5,453.52

Total Payroll $8,351.09

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

PETTY CASH DISBURSEMENTS

1953			Amount	Account
7- 1	Wagner Co. Inv. 53-2990	$	1.95	3D
7- 6	Circle Serv. Texaco Station Gasoline & Oil		4.41	3L
7- 7	Telegram to Jess Cornelison, Joplin		1.43	Genl.
7-20	Addington's Texaco Station		3.96	Genl.
	" "		4.25	Genl.
7-22	Big Bend Flying Service - To fly in to Mine the Master Mechanic & Cook		10.00	7G
	& to bring out mercury order during wet weather		10.00	Genl.
7-23	Addington's Texaco Service		3.96	Genl.
	" "		2.88	Genl.
7-25	T. A. Beard - Gasoline		7.43	3L
7-27	Telegram - Schmitz-Schoenwaldt-Turner Co.		2.30	Genl.
	" " " "		2.30	Genl.
7-30	" " " "		2.30	Genl.
	D. L. Crowley - Telegram		1.78	Genl.
7-30	Postage		4.50	Genl.
7-28	Big Bend Wool & Mohair Co. 2 Ortho Fly Killer		2.50	3K
	Total Petty Cash Disbursements	$	65.95	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

CHECK DISBURSEMENTS and CURRENT COMMITMENTS

1953			Amount	Contract Account
7- 4	Ogarita B. Wilson - Surface Property Rental		$ 150.00	Genl.
7	E. G. & Elizabeth Bledsoe - Mineral Lease		100.15	Genl.
14	R. N. Pulliam - Rental of Equipment			
	Jeep *(65.3% of $30.00)		19.59	4B-8
			10.41	Genl.
	Air Compressor (576 hrs. mining, or approx. 10% of total hrs of Mine Labor - 5,473) (10% of $470.00)		423.00	4B-2
			47.00	Genl.
	Gasoline Hoist (10% of $125.00)		12.50	Genl.
			112.50	4B-5
	Air Tugger (10% of $35.00)		3.50	Genl.
			31.50	4B-6
	2 Jackhammers	($740.00)	80.00	4B-10
	1 Jackhammer		40.00	Genl.
	Buda JH-4 Engine (24 hrs. per day)	($265.00)	225.00	Genl.
7-14	Univ. C. I. T. Corp. - Truck payment		99.72	Genl.
7-20	Border Machinery Co. - Drill Steel		29.75	3B
	E. G. & Elizabeth Bledsoe - Surface Property			
	Rental		150.00	Genl.
	Rental-Purchase - Frame Houses		50.00	Genl.
7-23	First National Bank, Alpine			
	G. M. C. Truck - Prin. Note # 5		117.56	4C-8
	Interest		10.57	Genl.
	Ford PU Prin. Note # 5		72.60	4C-9
	Interest	($207.27)	6.54	Genl.
7-24	Big Three Welding Equipment Co. Note # 6		32.12	4C-15
	Carrying Charge		1.61	Genl.
7-31	Mine & Smelter Supply Co.		116.22	3D
	Inv. 315085		4.60	3C
		($122.97)	2.15	3J
	Inv. 316902		5.35	3D

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

CHECK DISBURSEMENTS and CURRENT COMMITMENTS

1953			Amount	Account
7-31	Car Parts Depot		$ 1.45	3D
	Brewster County Motors		65.16	3L
			34.00	3D
			35.52	7A
		($192.98)	58.30	3A
	Magnolia Petroleum Co.			
	(65.3% of $135.47)		88.46	3L
			47.01	Genl.
	Container Deposit		5.00	Genl.
	Alpine Lumber Co.		137.57	3F
		($157.62)	20.05	3D
	Alpine Butane Co.			
	Furnace Butane		585.00	Genl.
	Texas Employers Insurance Ass'n.			
	(65.3% of $730.54)		477.04	7D
			253.50	Genl.
	Texas Employment Commission			
	Due for July 2.7% Payroll		146.13	7F
	(65.3% of $225.48)			
			79.35	Genl.
	Director of Internal Revenue			
	Employment Tax due for July .3%			
	(65.3% of $25.05)		14.61	7F
			7.93	Genl.
	Due January through June .3%			
	Exploration Payroll			
	(65.3% of $85.35)		78.49	7F
	Other		6.86	Genl.
	L. M. Pulliam - Accounting Service			
	(65.3% of $129.00)		84.24	7H
			44.76	Genl.
	R. N. Pulliam - Rental of Diamond Core			
	Drill & Accessories 19 days			
	@ $100.00 per mo.		63.32	4B-7

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

CHECK DISBURSEMENTS and CURRENT COMMITMENTS

1953			Amount	Account
7-31	R. N. Pulliam - Reimbursement for Company Travel & Communications		$ 32.50	7G
		($ 75.38)	42.88	Genl.
7-31	Director of Internal Revenue			
	1½% Social Security Tax		43.32	Genl.
	(65.3% of $125.45)		82.13	7E
7-31	D. L. Brown, Agent, Freight Mercury		124.66	Genl.
7-31	E. G. & Elizabeth Bledsoe			
	5,800 ft. Charter Oak Fuse @ 11.80 per thousand		68.44	Genl.
	250 lbs. Dynamite, Gelodyne # 40 @ 20.00 per hundred		55.00	Genl.
	50 ft. 1" square braided asbestos rope packing @ .50 per ft.		25.00	Genl.
	√43 Flasks @ $1.50	($212.94)	64.50	Genl.
7-31	Bank Service Charges 2.51 2.46		4.97	Genl.

Total Check Disbursements and Current Commitments		$ 4,831.09
Total Petty Cash Disbursements (Other Than Labor)		65.95
Payroll - Labor	$6,677.09	
Supervision	1,674.00	8,351.09
TOTAL DISBURSEMENTS		$13,248.13
LESS GENERAL EXPENSES		
Production Payroll	$2,897.57	
Other General Expenses	2,404.84	5,302.41
TOTAL EXPLORATION EXPENSES		$ 7,945.72

Docket [illegible]
Contract [illegible]

[illegible]
Alpino, [illegible]

[illegible] as of August 1, 1953

Purchasing:

1	Double Deck Joint 5 HP, [illegible]/440 Volt. 3-Phase 60-Cycle, Type #25015 Jor S-211. Electric Motor Frame-Type #[illegible]47. Ingco Scrapper, Model Type #[illegible]15	$[illegible]
	Shipping Loading Dock	[illegible]
2	[illegible] Floor lamps equipped with attachments for L-37 Pellets (X-1/18-DG) Shop #30[illegible] & #30[illegible]3	[illegible]
1	Metal Duplex Lamp (FEL Shop No. 7[illegible])	[illegible]
3	Gasoline tanks, each 1,000 gal. cap.	[illegible]
1	Used Army complete water tank	[illegible]
1	New Petrus 4-burner kitchen stove with oven	[illegible]
1	New GM Diesel 1/2-ton cap. pickup Motor #[illegible] & accessories complete with tire. $1[illegible]	[illegible]
1	New [illegible] 1-ton cap. truck Motor #[illegible] complete with tire. $[illegible]	[illegible]
1	New Gould Centrifugal Pump Mfg. 3170 & gasoline engine complete with 15' suction hose	[illegible]
1	Used Welder #107	[illegible]
1	New Black & Decker 1/2 Valve Reseater complete with attachments	[illegible]
1	Lincoln S-7000, 150 Amp. Arc-Welder #[illegible] Complete with gasoline motor & accessories	[illegible]
1	Jeep Station Wagon 11-cu. ft., 2-door	[illegible]

Docket DMA-2202[illegible]
Contract IdM-[illegible]

American Mining Company
Alaska, Nome
Month of July, 1953

EQUIPMENT INVENTORY as of August 1, 1953

Rentals:

1 1 [illegible] rentable Joy Air Compressor [illegible]K-[illegible]0 315 c.f.m. ser. Caterpillar D-[illegible] engine #50[illegible] rented from R. H. Pullian @ $[illegible].00 per mo. new.

1 Allis Jeep, Motor #J[illegible] used, rented from R. H. Pullian @ $[illegible].00 mo.

1 International [illegible] HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. H. Pullian @ $125.00 mo. Eng. #[illegible]

1 Air tugger, Sullivan F113, Ser. #[illegible], rented used from R. H. Pullian @ $25.00 mo.

1 S. I. Jackhammer, 42-H #[illegible], rented used from R. H. Pullian @ $[illegible].00 per mo.

1 Sullivan J-[illegible]7 Jackhammer #[illegible], rented used from R. H. Pullian @ $[illegible].00 per mo.

1 Disc and dome Drill, Ingersoll Ser. #5[illegible] with rod puller and [illegible] @ $[illegible].00 per month, rented used from R. H. Pullian

1 Sullivan [illegible] Jackham[illegible] #[illegible] rented used from R. H. Pullian @ $[illegible].00 per mo.

1 Engine, Ford JI-4 Ser. No. [illegible] 4-cyl. 6" x 7 1/2". Stationary engine is used to drive entire exhaust-furnace assembly 3 shifts totalling 24 hours per day. Rented used from R. H. Pullian @ $[illegible] per mo.

Form MF-104
Contract No. Idm-2466
Docket No. DMA-2202X

Amerimex Mining Company
Alpine, Texas

OPERATOR'S MONTHLY REPORT AND VOUCHER

CODE

Items of Costs

(1) Independent contracts

(2) Labor, supervision and technical services:
- A. Labor
- B. Supervision
- C. Technical services

(3) Operating materials and supplies:
- A. Power and other blasting supplies
- B. Air and water hoses, steel, bits and other drilling supplies
- C. Mine rail, air and water pipe and fittings
- D. Shovels, small tools and misc. items
- E. Ventilation tubing and accessories
- F. Timber
- G. Diamond drilling acc. & core boxes
- H. 5 Diamond-set drill bits
- I. " reaming shells
- J. Electrical wire, fixtures, etc.
- K. Kitchen and camp utensils, etc.
- L. Fuel, lubricants, etc.

(4) Operating equipment

B. Equipment to be rented:
1. Bulldozer
2. Air Compressor 315 c.f.m.
3. Power Plant, 125 KVA
4. " " 30 KVA
5. Hoist, cage and accessories
6. Air tugger
7. Diamond Drill & accessories
8. Jeep
9. Drifter
10. Jackhammer, heavy

C. Equipment to be purchased:
1. Jackhammer
2. Drifter
3. Double-drum slusher, scraper, cable & accessories
4. Ventilation fan and motor
5. Diamond drill 10' core barrel
6. " " 5' " "
7. Duplex Hi-pressure water pump
8. Truck, 2-ton - down payment
9. Pickup, ½-ton - down payment
10. 3 steel water supply tanks
11. Cent. water pump & engine

Form MF-104
Contract No. Idm-5463
Docket No. DMA-2202X

Amerimex Mining Company
Alpine, Texas

Operator's Monthly Report and Voucher (Cont'd)

CODE | Items of Costs

(4) Operating equipment (Cont'd)

C. Equipment to be purchased (Cont'd)

12. Butane cook stove
13. " refrigerator
14. Refrig. food storage cabinet
15. Misc.

(5) Rehabilitation and repairs:
Repair buildings

(6) New buildings, improvements & installations

A. Buildings, etc.
C. Rehabilitation of mine headframe, shaft & underground workings

(7) Miscellaneous

A. Repairs & Maint. of trucks & other newly purchased equipment
B. Public Liab., Property Damage, Fire & Theft Insurance on trucks, etc.
C. Freight on equipment, Materials and supplies
D. Workmen's Compensation Insurance
E. Social Security Taxes
F. Taxes Unemployment Insurance
G. Sustenance, communications, travel & transportation
H. Accounting & preparation of cost reports
I. Analyses of 150 mercury ore samples

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of July, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

The Form MF-104

The attached Form MF-104 and supplemental data represents the Operator's best effort to comply with the suggestions of various DMEA Officials in its preparation.

The items of cost shown on the Form MF-104 include items chargeable directly to Exploration only and certain items prorated on the basis of their application to both Exploration and Production, which are more completely explained as follows:

Labor has been distributed on the basis of total man-hours, as divided between Exploration and mining, ore-hauling and furnacing, which are all regarded as Production.

Exploration	-	2/3 of total hours
Production	-	1/3 " " "

Supervision has been distributed on basis of percentage proration of labor for Exploration and Production as defined in explanation of labor distribution.

Exploration	-	2/3 of total hours
Production	-	1/3 " " "

Operating Materials and Supplies have been distributed on the basis of actual cost. Limited test mining in the old stope northeast of the beginning of Project No. 1, which resulted in the saving of 107 buckets of ore estimated to total 38 tons, occasioned a total of 576 man-hours of work and the use of materials and supplies itemized as a part of this Report in addition to drill steel and bits contributed for this purpose by R. N. Pulliam.

Equipment Rental expenses for equipment used in common for both Exploration and Production have been prorated on the basis of actual man-hours devoted to Production labor, as distinguished from Exploration labor and labor exclusively for furnace operation, which results in 10% of such expenses being allocated to Production costs, in addition to those expenses which are exclusively for Production.

Payroll Taxes and Workmen's Compensation Insurance expenses have been prorated between Exploration, 65.3%, and Production, 34.7%, on the basis each bears to the monetary total arrived at by allocation of man-hours devoted to each.

Travel & Communications expenses are divided between Exploration and Production, based on the actual purpose for which such expenses were incurred.

Accounting expense, totalling $129.00, has been prorated between Exploration, 65.3%, and Production, 34.7%, of the total in keeping with the percentage of the monetary totals for labor cost.

Despite the fact that the total costs for furnace supervision and furnace labor are included as a part of the total production labor hours used as a basis for proration of supervisory and other costs between Exploration and Production, this is believed to be unfair and unjust.

A mercury furnace operates around the clock. There is usually one man, as in the case of this Operator, charged with supervision of the furnace. Santiago Garcia was in charge of the furnace and was solely responsible for its continued operation. The furnace and production did not require anything like 1/3 of all supervisory time.

Acutal mining done by the Operator consists of a total of 576 man-hours, which included underground tramming and handling of some 38 tons of ore mined and saved and the sorting and handling of a part of some 254 tons of rock furnaced from the accumulation at Project No. 3 which had been saved throughout the Exploration at Project No. 3. //

The Statement of Comparative Exploration and Production Costs show that according to the prescribed formula, Exploration costs were $7,945.72; and Production costs and other costs paid out of our General Fund were $5,302.41, or a combined total of $13,248.13 for July.

The Statement of Check Disbursements and Current Commitments itemizes each expense and designates the Contract Account Number by code, according to the code sheet attached, or identifies the expense as a General Fund Expense, as distinguished from Exploration Account.

Please note that although the Operator was notified by the Regional DMEA Office in Joplin, Missouri, that the total of the June Report had been tentatively approved for $5,371.71 instead of for $7,162.28, expected on the basis of $9,244.31, which was the total of expenses for Exploration reported by Operator, no notice of disallowances has been received to date.

If the reimbursement for June was to have been reduced and withheld from the Operator until August 21, as it was, the Operator should have been notified at the earliest possible time.

The funds of the Operator had been depleted by payment of 25%, or $12,205.36, of all previous Exploration expenses, totaling $48,821.44, plus the Operator's payment of various overhead and other expenses in which DMEA would not participate plus the total Exploration costs for June in the amount of $9,244.31, for July Exploration and other costs, $13,248.12, and for approximately half of the monthly total for August, as yet not calculated in detail.

It can be seen very readily that the Operator's required 25%, or $20,000.00, of the Contract total of $80,000.00 would have been insufficient to meet all monthly operating expenses for even the month of June. Since no reimbursement for June was received until August 21, the Operator had capital tied up to the extent of $34,697.80 and in addition thereto all General Fund or Production expenditures (except for July, which are included in the July total) and all expenses for both Exploration and Production for the first half of August.

Under such circumstances, an unbearable hardship is unnecessarily imposed upon the small Operator, to whom the meeting of each payroll and each current obligation is absolutely necessary to continued operation.

General Operating Conditions

During July, Exploration work was continued in Project No. 3, where 3A Crosscut was extended 55 lineal feet toward the objective designated by Mr. Fletcher; and 3A Crosscut Raise was driven 21 lineal feet on an irregular incline from a point about 32 lineal feet from the beginning of 3A Crosscut in an effort to follow the strongest mercury mineralization to determine its upward trend along what appears to be an east-west fault controlling the mineralization. Work was also carried on in Project No. 3, 3B Left sub-level trending N 37° W from its previous extension from 3B Raise for an additional distance of 20 lineal feet.

This shows that a total of 96 lineal feet of underground work was completed in Project No. 3 during July. To accomplish even this meager success, it was necessary to work two faces during two shifts per day. Recurrent misfires caused much trouble and delay in blasting the faces in Project No. 3 and ventilation became a problem

in both the raises and in the long Crosscut 3A, where tramming required greater time as the work progressed.

Project No. 12 Shaft, which was sunk to a depth of 49 feet required two shifts per day. It was sunk in Del Rio Clay containing a jumble of limestone boulders of various sizes, which caused very irregular breaking and subsequent sloughing. Timber was bought and end and wallplates and spreaders of 6x6's were hitched in at 11-foot intervals to provide platforms for ladders and supports for guides to be subsequently installed. It was also planned to put in 2x12 lagging to prevent further caving of the shaft walls. Lack of experienced timbermen caused delay and increased cost of timbering. Also, the lack of a headframe and the use of a windlass for hoisting all muck increased cost.

On July 1, Arthur G. Blucher, a young Mining Engineer, was employed as Underground Foreman. His energy and enthusiasm offset to some extent his lack of practical experience; however, when left to his own devices, he showed inability to adhere strictly to instructions or to substitute thoroughly good judgment in lieu thereof.

Since the inception of this operation, three different men with varying qualifications have been employed as Mine Foreman, and each has failed to meet the job requirements in many highly important respects.

During this period, there were no serious equipment failures; and there was no installation, rehabilitation or new construction.

<u>Project No. 3</u> Previous Total 307' 6" Present 403' 6" Advance 96'

The Main Drift, Project No. 3, was not extended during July.

Crosscut 3A was extended 55 feet to a total of 119' toward the objective designated by Mr. Fletcher. The crosscut continued through Georgetown limestone showing increased alteration and in places has almost the characteristics of "caliche" or calcareous ash. Occasional small fractures showed iron mineralization; but as the work approached the objective, the absence of major fractures and more extensive mineralization was disappointing.

Project 3A Raise was driven on an upward, irregular incline at a point to the west of Crosscut 3A about 32 lineal feet from the beginning of 3A. This raise, followed a strong mercury occurence on the contact between the Del Rio clay "jaboncillo" and a wall of limestone, which trends east-west and seems to be the high side of a

fault which cuts off the mineralization and may account for the mineralization occurring along it to the south which extends at least in some places all the way to the Main Drift of Project No. 3. Strong mercury mineralization seems to persist both upward beyond the present height of 3A Raise and laterally to the west toward the unexplored area east of Shaft No. 1, where a projection of the fault and mineralization discovered in Project No. 3 would intersect the strong clay-filled fracture exposed on the 100-ft Level at Shaft No. 1 and near Churn Drill Hole No. 11 in Drift No. 25, where strong mercury mineralization occurs.

Project 3B Left Sub-level was extended 20 lineal feet, but the final 8 or 10 feet of this work erroneously followed a fracture into the limestone fault wall until the fracture pinched. Although there was local enrichment in the fracture, it appears that the true contact continues in a more westerly direction from a point 8 or 10 feet from the present face.

This face was carried on toward the west at a height of 24 feet above Project No. 3 Main Drift following mercury mineralization in an effort to see if some break occurred in the limestone fault wall where the mineralization could be followed through or over the fault. No such opening has been indicated, but the mineralization seems to persist vertically above the Main Drift level in 3A Raise and both vertically above and below the level at 3B Raise.

The mineralization seems to persist in reduced area but of improved grade to the northwest from 3A Raise with the implication of a possible juncture of the Project 3 structure if projected to intersect the strong, wide, clay-filled fracture which parallels on the north the stoped area of the mine.

A similar juncture of two strong structures may be inferred by projecting the mineralized fault discovered in Project No. 3 toward the Southeast to a juncture with the strong clay-filled fault or collapsed area trending east-west along the south side of the main stope of the mine, the presence of which is amply indicated by surface geology and confirmed by the diamond drilling from Project No. 8 on the 100-ft. Level where a vertical fan of diamond drill holes proves the presence of a wide and obviously deep clay-filled fault, fracture or depression. The juncture of the mineralized structure of Project No. 3 could conceivably produce an excellent orebody.

The mercury mineralization in Project No. 3 should be explored to both the east and west, and a winze should be sunk in the vicinity of 3B Raise to ascertain if the mineralization goes down; and, if so, whether there is improvement in the grade.

Project No. 12 Shaft Previous Total 22' Present 49' Advance 27'

This shaft was sunk in Del Rio clay near a limestone contact on the site of Churn Drill Hole No. 7, the log of which showed mercury ore estimated to average 10 pounds per ton occurring at 30 feet and becoming leaner as greater depth was reached.

Mercury mineralization was encountered in the shaft at 20 feet and persisted irregularly to the present depth of 49 feet. The best mercury mineralization was found at from 30 to 35 feet where the limestone fault wall which exists a short distance from the shaft on the surface appears to dip into the south side of the shaft and then dip away again. It was adjacent to this contact that the best mineralization occurred.

It is believed that by drifting from the present bottom of the shaft to the limestone-clay contact and by following that contact eastward to the sink, which occurs near the contact, ore may be found of commercial importance.

Project No. 8

Diamond drilling was continued; and Holes No. 6, 7 and 8 were completed by July 19, when the driller had to quit to look after his business in Alpine.

A detailed log is included as a part of this Report showing the direction, angle of incline and core recovery of each.

A small vertical cross-section sketch is included to show the indicated contour of the limestone-clay contact in the fault defined by the diamond drill holes from Project No. 8. While the imposed weight of the clay on the underlying limestone contact may have made the structure too tight to give vent to the mercury mineralizer, the opposite side of the structure may dip in such manner as to produce an overhang or canopy effect where the angle of repose of the clay filling would be more favorable to mineralization.

No further diamond drilling is contemplated from Project No. 8.

NOTE: The log of Project No. 8 diamond drill holes No. 1, 2, 3, 4 and 5, included with the June Report were erroneously reported as to bearing. Each hole of the vertical fan was reported bearing N 35° W, which is exactly opposite to the true bearing of each,

which should be changed to S 35° E. This error was obviously occasioned by the young engineer's having misread his Brunton and changed the log record before it was copied by the stenographer. The error went unnoticed by the writer until now.

Furnace Operation

On June 10, the 3' x 30' rotary Cottrell Quicksilver Furnace was put into operation primarily to test both the furnace operation and to provide a large tonnage test of the low grade mercury ore which had been saved from the muck produced incidental to the exploration of Project No. 3.

When furnacing was started, the furnace bin contained about 90 tons of low grade ore, and it was estimated that the bin at Main Shaft No. 2 contained about 25 tons with about 25 additional tons in bins underground, all of which had been put there by the previous Operator. In addition to this ore, there were about 40 tons of high grade fines which were swept from the floor of the old mine stope. This ore was furnaced during 14 days of intermittent furnace operation in June and produced 23 flasks of 76 pounds each of mercury.

In July, the furnace was operated 26 days and treated 291.9 tons of low grade ore saved from exploration in Project No. 3. This ore had not been mined but had been saved from exploration muck without tedious hand sorting, although some care was exerted to throw out large pieces of waste or to discard some rounds blasted which were predominately waste. The 291.9 dry tons treated produced 14 flasks of 76 pounds each.

It was found that the clay ore from Project No. 3 created a dense dust in the rotary furnace. Due to the great surface area of the small particles, furnace heat was quickly absorbed, and the dust had a smothering effect on the butane flame. Furnace temperature would frequently drop as much as 100 degrees in a few minutes. Another factor which contributed to furnace difficulties was the moisture content of the clay, which due to the temperature drop condensed in the entire condenser system where the first four sets of tubes are usually too hot to permit condensation of water but are the condensers where most mercury is precipitated. This caused the condenser soot to become a sticky mess, and little mercury was recovered from it. Serious loss may have occurred.

Through continued experimentation, some improvement was achieved in furnace operation by the end of the month, but ores which cause excessive furnace dust will inevitably reduce furnace capacity unless serious furnace losses are to be sustained. Great care and

controlled experimentation over a period of time are needed to achieve correct furnace adjustment.

Due to the poor recovery achieved during July from the ore saved from Project No. 3 and based upon the method of allocating Production cost required by DMEA, it is apparent that a substantial loss was sustained on furnace operation during July.

It may be possible by selective mining and reasonably careful sorting to produce a much better grade of furnace head ore. If so, there is no doubt that furnace operation can be adjusted to bring about satisfactory recovery.

The Map

The geologic contour and mine plan map with underground workings extended to show work completed during both July and August will accompany the August Report to be submitted within the next week, if possible.

Respectfully submitted,

R. N. Pulliam
General Superintendent

Docket DMA-2202X
Contract Idm-E-468

Amerimex Mining Company
Month of July, 1953

PROJECT No. 8

Hole No.	Bearing	Dip	From	To	Core Recovery	Core Description
6 AX Bit	S35°E	- 18°	0'	10'	7'	Brecciated Fine-grained white Kgt. caliche cement slight Fe mineralization
			10	37	32	Brecciated white porous Kgt Fe & caliche cement. Purple siltstone fragments at 32'
			37	42	3	Red & purple clay with white limestone fragments. Extensively fractured.
			42	66	9	Black Kdr clay
7 AX Bit	S29°E	- 15°	0	8	7.5	Brecciated fine-grained white Kgt Fe & calcite cement
			8	34	24	Brecciated grey white porous Kgt calcite cement, slight Fe mineralization.
			34	39	4.5	Brecciated grey fine-grained Kgt
			39	43	0.3	Black Kdr clay
8 AX Bit	S35°E	- 22°	0	6	5.5	Brecciated fine-grained white Kgt Fe & calcite cement
			6	11	4	Brecciated Med-grained grey Kgt Fe & calcite cement
			11	32	20	Brecciated porous white Kgt Fe & calcite cement
			32	38	8	Brecciated grey-white med-grained Kgt Fe & calc cement
			38	40	2	Brecciated white limestone & purple siltstone. Fe cement
			40	46	5.5	Slightly fractured grey-wht fossiliferous porous Kgt Fe & calcite cement
			46	51	5	Hard grey fine-grained Kgt Fe mineralization.
			51	60	7	Black & grey clay & silt-stone breccia. Porous in some places.
EX			60	78	7	Black clay & white limestone breccia
			78	83	3.5	Limestone & red clay (jaboncilla) breccia

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXX~~
Joplin, Missouri
September 21, 1953

SEP 23 1953

Operating Committee
Defense Minerals Exploration
Administration
Interior Building
Washington 25, D. C.

Re: DMEA-2202X Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Sirs:

Transmitted herewith are two copies of the monthly report for the subject Exploration Project for June, 1953 on Forms 104-104A with appropriate attachments, as required by Washington office of the Defense Minerals Exploration Administration.

The original was forwarded to U. S. Bureau of Mines, Amarillo on August 14, 1953 and notice of its certification has been received today.

Very truly yours,

W. P. Williams
Executive Officer
DMEA Field Team, Region VI

:jd
Encs.

June '53
mf-104

Form MF-104A
(April 1952)

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

JUL 22 19

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
Orig. Copy
SEP 23 1953

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

Month of June 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626 Alpine, Texas

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	Ft	4,049.31	60	30,532.85	532	57.39	(1160	Not Stated
Crosscutting		1,983.27	29	4,993.02	104	48.00	("	" "
Raising		-	-	3,869.04	83	46.61	(-	" "
Shafts		1,273.73	22	1,273.73	22	57.90	288	" "
~~Winz~~		1,237.47	222	2,639.96	428	6.16	1500	" "
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Hrs	-	-	112.50	9	12.50	56	12.50
Test Pits								
Roads and Trails		-	-	225.00	10	12.50	10	12.50
Bulldozer for new Bldg. incl. below		-	-		6	12.50	6	12.50
TOTAL DISTRIBUTED COSTS		8,543.78		43,646.10				TOTAL COSTS AUTHORIZED BY CONTRACT
Tech. Service		-		344.70				62,670.00
Operating Equipment Purchased		222.28		6,537.54				10,700.00
Initial Rehabilitation and Repairs				2,203.54				1,095.00
New Buildings, Improvements, etc.				1,669.41				2,600.00
Workmen's Comp.		478.25		3,664.46				2,835.00
TOTAL COSTS		9,244.31		58,065.75				80,000.00

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 7-14-53 Operator Amerimex Mining Co.

Per R. N. Sullivan Title President

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

(Instructions on reverse)

REMARKS: See Form 104, No. 7, showing Unemployment Compen Tax for 1st & 2nd Qtrs which became payable after 20 wks, totaling $774.34. Also note No. 3, showing dynamite & diesel fuel purchases inventory for all or part of subsequent month. Adjustments by Finance Officer for April as per letter 6-16 are reflected as deduction from "Drifting" in amt. of $80.75.

(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.

U. S. GOVERNMENT PRINTING OFFICE 205676

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 23 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June; 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626 Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,300.09	16,165.75	20,465.84			
Supervision	1,255.94	7,339.32	8,595.26			
Technical Services		438.61	438.61			
(3) Operating Mat'ls. and Supplies:						
Timber Hoses, bits	7.35	1,094.74	1,102.09			
Explosives		342.63	342.63			
~~Pipe~~ Elec Fixt -	512.30	2,052.83	2,565.13			
Track	45.20	310.21	355.41			
Kitchen Uten.		1,213.61	1,213.61			
Fuel, Etc.	42.54	274.93	317.47			
Small Tools	306.35	1,419.43	1,725.78			
(4) Operating Equipment:	185.61	1,412.10	1,597.71			
Rental Diam. D.		823.54	823.54			
Purchase	815.00	3,684.58	4,499.58			
Depreciation	222.28	6,315.11	6,537.39			
(5) Initial Rehabilitation and Repairs		28.79	28.79			
(6) New Bldgs., Improvements, etc.		784.15	784.15			
(7) Miscellaneous:						
Repairs to Equipment		17.38	17.38			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	857.72	354.08	1,211.80			
1 Yr. Liability Insurance		500.25	500.25			
1 Yr. Truck Ins.		175.96	175.96			
Workmen's Comp.	478.25	2,510.00	2,988.25			
(8) Contingencies (specify):						
Freight		572.89	572.89			
Travel & Comm	122.68	446.41	569.09			
Acctg & Sup	93.00	500.77	593.77			
TOTALS	9,244.31	48,821.44	58,065.75			

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

Date 7-14-53 *Payee Amerimex Mining Company

Per J. N. Sullis Title President

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

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

(Instructions on reverse)

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

$ 5,371.71

Signature
(Authorized Certifying Officer)

Date 8/17/53 Vou. No. DMEA 6-66

(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. Tam E-468 in accordance with the terms of the contract.

Signature Edwin T. Perkins Title Mining Engineer Date Aug 14-1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Clinton C. Knox for L. T. McElwaney Title Acting Executive Officer DMEA Field Team Region VI Date Aug. 14, 1953

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
6-15	Diamond Driller			
	Tomas Lujan		$ 104.42	2A-1
	Miners			
	Guillermo De La Rosa	$ 121.35		
	Andres Garcia	31.52		
	Jesus Garcia	31.52		
	Reynaldo Garcia	108.35		
	Amando Granado	85.98		
	Benjamin Macias, Sr.	110.83		
	Andres Reyes	98.63		
	Wesley Roberts	96.37	684.55	2A-3
	Hoistmen			
	Vicente Molinar	107.36		
	Isabel Vega	89.40	196.76	2A-4
	Muckers, Helpers & Trammers			
	Alfonso O. Almodova	73.70		
	Ausencio Carrasco	36.63		
	Manuel Carrasco	47.28		
	Lucio Galindo	31.52		
	Manuel Garcia	6.30		
	Santiago Garcia	6.10		
	Benigno Granado	37.82		
	Domingo Hinojas	31.52		
	Pilar Llanez	81.56		
	Salamon Longorio	109.92		
	Timoteo Lopez	104.42		
	Pedro Lujan	47.28		
	Cruz Ochoa	31.52		
	Simon Villa	36.62	682.19	2A-5
	Cook			
	J. D. Matthews		154.85	2A-6
	Truck Driver			
	Manuel Granado		125.69	2A-7
	Total Labor		$1,948.46	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	157.60		2B-2
	Timekeeper-Stock Clerk			
	Bernard J. Socha	125.34		2B-4
	Total Superv.		578.44	
	Total Payroll		$2,526.90	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
6-30	Diamond Driller			
	Tomas Lujan		$ 145.90	2A-1
	Miners			
	Guillermo De La Rosa	$ 23.97		
	Martin C. Estrada	90.62		
	Andres Garcia	98.50		
	Benjamin Macias	104.18		
	Angel Renteria	66.98		
	Wesley Roberts	94.80		
	Manuel C. Terrazas	66.98	546.03	2A-3
	Hoistmen			
	Vicente Molinar	108.35		
	Isabel Vega	92.35	200.70	2A-4
	Muckers, Helpers & Trammers			
	Ausencio G. Carrasco	96.96		
	David G. Carrasco	50.43		
	Roman Villa Chavez	60.28		
	Alvaro R. Flores	53.58		
	Lucio Galindo	78.80		
	Manuel G. Galindo	37.83		
	Benigno P. Granado	72.50		
	Javier G. Hernandez	37.82		
	Lino C. Hernandez	37.82		
	Domingo Hinojos	78.80		
	Manuel M. Hinojos	37.82		
	Pablo Huerta	78.80		
	Timoteo Lopez	95.40		
	Pedro Lujan	78.80		
	Victor Suchil	74.07	969.71	2A-5
	Cook			
	J. D. Matthews		123.35	2A-6
	Truck Driver			
	Manuel Granado		92.47	2A-7
	Total Labor		$2,078.16	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	157.60		2B-2
	Timekeeper-Stock Clerk			
	Bernard J. Socha	129.17		2B-4
	Total Superv.		582.27	
	Total Payroll		$2,660.43	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

PAYROLL - Recapitulation

6-15-53	$2,526.90	
6-30-53	2,660.43	
Total of Net Amounts after Taxes	$5,187.33	
6-30 Director of Internal Revenue Social Security and Withholding Taxes	452.08	
Social Security Tax paid by Company $83.38		7E
TOTAL PAYROLL & TAXES - Month of June	$5,639.41	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract
6-17	R. N. Pulliam - Rental of Equipment - Jeep		$ 30.00	4B-8
	Air Compressor		470.00	4B-2
	Gasoline Hoist		125.00	4B-5
	Air Tugger		35.00	4B-6
	2 Jackhammers @ $40.00 ea.	($740.00)	80.00	4B-10
6-19	First National Bank, Alpine			
	GMC Truck Int. 10.57 Prin. Note 5		117.56	4C-8
	Ford PU " 6.54 " "	($207.27)	72.60	4C-9
6-20	Big Three Welding Equipment Co.			
	Note 5 Carrying Chg. $1.61	($ 33.73)	32.12	4C-15
6-30	Mine & Smelter Supply Co. #313472		89.70	3D
	(General Fund $1.20)	($136.10)	45.20	3J
	Alpine Butane Co.		31.50	3K
	Car Parts Depot. Inv. 200352		6.68	3D
	Joy Mfg. Co. Inv. EP-9875		6.65	3B
	Magnolia Petroleum Co. Inv. 200605J		18.60	3L
	200661J		202.19	3L
	200671J	($268.97)	48.18	3L
	Brewster County Motors		512.30	3A
			43.75	3D
		($585.23)	29.18	3L
	Alpine Lumber Co.		.70	3B
	(General Fund $8.35)		39.94	3D
		($ 60.03)	11.04	3K
	R. N. Pulliam - Rental of Diamond Core Drill & acc. 6/7-30 3 weeks		75.00	4B-7
	L. M. Pulliam - Accounting Service		93.00	7H
	Texas Employers Insurance Assn.		478.25	7D

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
6-30	R. N. Pulliam - Reimbursement for Company travel & communications Month of June		$ 90.06	7G
6-30	Texas Employment Commission 2.7% Payroll Tax			
	Quarter Ended 3-31-53		357.16	7F
	" " 6-30-53		417.18	7F
	Total Check Disbursements		$3,558.54	

DISBURSEMENTS - Petty Cash - Receipts Attached

6-4	Newell Oil Co. - Oil	$ 3.45		3L
6-5	Crowder & Wise - Gasoline	4.75		3L
	Total Petty Cash Disbursements		8.20	

TOTAL PAYROLL and TAXES 5,639.41

TOTAL DISBURSEMENTS - Month of June $9,206.15

RECLAIM Deductions April Statement *

2.	E. A. Donaldson			
	Bus Ticket	$ 20.36		
	Meals to Alpine	12.26	32.62	7G
4.	Motor Inn Machine Shop Inv. 3577 4-18		5.54	3D

TOTAL DISBURSEMENTS $9,244.31

* See File attached with Receipts.

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

EQUIPMENT INVENTORY as of July 1, 1953

Purchased:

1	Double Drum Hoist 5-HP, 220/440 Volt. 3-Phase, 60-Cycle, Shop # 25015 Joy S-211. Electric Motor Fairbanks- Morse #H89947. Amsco Scraper, Model V26A #89301F	$1,325.90
	Slusher Loading Ramp	113.65
2	JAL-48 Jack Legs equipped with attachments for L-57 Drills (X-1419-DG) Shop #30892 & #30893	390.00
1	3x2x4 Duplex Pump (FBM Shop No. 768602)	190.00
3	Aluminum Tanks, each 1,222 gal. cap.	312.51
1	Used Army Surplus wing tank	12.50
1	Used Butane 4-burner kitchen stove with oven	80.00
1	New 52 Ford 1/2-ton cap. pickup Motor #FIR2DL21327 & accessories complete with lic. $16.80	1,960.37
1	New 53 GMC 2-ton cap. truck Motor #A248176097 complete with lic. $91.00	3,116.00
1	New Gould Centrifugal Pump Fig. 3670 & gasoline engine complete with 15' suction hose	170.95
1	Used Skilsaw #107	138.75
1	New Black & Decker HD Valve Reseater complete with attachments	120.00
1	Lincoln S-7072, 180 Amp. Arc-Welder #A-277866 complete with gasoline motor & accessories	481.95
1	Servel Refrigerator 11-cu. ft., 2-door	225.00

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

EQUIPMENT INVENTORY as of July 1, 1953

Rented:

1 large portable Joy Air Compressor WK-80 315 c.f.m. cap. Caterpillar D-318 engine #50019 rented from R. N. Pulliam @ $470.00 per mo. new.

1 Willys Jeep, Motor #J83920 used, rented from R. N. Pulliam @ $30.00 mo.

1 International 30 HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. N. Pulliam @ $125.00 per mo. Eng. #274183.

1 Air Tugger, Sullivan F113, Ser. #1469, rented used from R. N. Pulliam @ $35.00 mo.

1 C. P. Jackhammer, 42-W #3039, rented used from R. N. Pulliam @ $40.00 per mo.

1 Sullivan L-57 Jackhammer #101471, rented used from R. N. Pulliam @ $40.00 per mo.

1 Diamond Core Drill, Longyear Ser. #578 with rod puller & drill rod @ $100.00 per month, rented used from R. N. Pulliam

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of June, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

General Operating Conditions

During June, the operation was plagued by employee turnover, the continued unavoidable absence of our diamond driller during the first week of the month and by uncertainty as to continuation of work at the various projects, ultimately decided by formal amendment to the Contract.

Need for purchases of diesel fuel and dynamite for inventory will also reflect some increase in operating cost for the period.

The payment of tax to the Texas Employment Commission in the amount of 2.7% of the payroll since the inception of the work represents a lump sum cost increase occasioned by the fact that Amerimex has completed more than 20 weeks of employing 8 or more persons.

By the end of the month, a promising mine crew had been developed by necessary replacement of a number of former employees.

No unusual construction, repairs or renovation was undertaken during the period.

Project No. 1 Previous Total 201' Present 217'

A vertical fracture about 1 foot wide, at its widest exposed part, containing breccia and calcite filling showing considerable iron and manganese mineralization as well as scattered showings of cinnabar was drifted on for a distance of 16' 6" from a point 22' from the center of the No. 1 Raise on the sub-level approximately 15' vertical distance above Project No. 1 Drift.

The mineralization failed to improve, and the fracture showed a tendency to pinch, while there was little evidence of alteration or replacement of the Georgetown limestone; therefore, after only 16 lineal feet of drifting, work was stopped on this particular project.

Project No. 3 Previous Total 234' 6" Present 307' 6"

The Main Drift of Project No. 3 was not extended during June.

Crosscut 3A, which had attained 35' previously, was directed N 40° E and was driven an additional distance of 29' through Georgetown Limestone showing occasional small fractures without significant mineralization; however, as the working nears the objective fractures

and contact designated by Mr. Fletcher, there will be opportunity to encounter parallel fractures or possibly mantos caused by joint plane movement evident on the surface and in nearby mine workings.

Crosscut 3B Raise was stopped at a height of 23' vertical distance above the floor of Crosscut 3B and a drift was driven both east and west following a limestone wall, which forms a contact with the altered Del Rio clay showing cinnabar mineralization. This limestone wall is vertical and seems to have a general strike of about N 60° W where encountered by Crosscut 3A and 3B.

The sub-level workings from the top of 3B Raise are identified as 3B Left (west), which has been driven 32', and 3B Right (east), which has been driven 12'. Both drifts show more or less cinnabar mineralization in the altered Del Rio clay, which appears to continue upward above the backs of the raise and drifts and downward from the floor of the drift. The mineralization seems to persist in the Del Rio clay lying between the Main Drift of Project 3 and the limestone wall encountered at about 32 lineal feet in Crosscuts 3A and 3B.

The mineralized clay from this area, from which the larger pieces of limestone and clearly barren rock had been hand-sorted, was tested on a tonnage basis and showed 4.6 pounds of recoverable mercury per ton. It is not known what percentage of rock was sorted out; and it remains unknown if selective mining and greater care in hand sorting could be economically employed to produce commercial grade ore.

Project No. 12

The shaft, size 5' x 7', authorized by Amendment No. 2 of the Contract to be sunk on the site of Churn Drill Hole No. 7, was sunk 22 feet during the month; and at the bottom, some mercury mineralization was encountered, although the horizon of mineralization had not been attained.

Project No. 8

In addition to Diamond Drill Hole No. 1 previously described, Hole Nos. 2, 3, 4 and 5 were completed during the month of June in Project No. 8. All of the holes, including No. 1 are logged on the detailed log record attached hereto, showing the direction, angle and core recovery of each.

It will be noted that not one hole has penetrated the black shale which appears to fill a large fissure, or fault, running east and west and lying just south of the mine stopes and at the base of the scarp which forms the periphery of the down-drop block encompassing most of the Fresno Mine Claims.

Tomas Lujan, our Diamond Driller who has had extensive experience in the Terlingua District and elsewhere, states that it is some of the most difficult drilling he has ever encountered.

The structural conditions seem ideal for a mercury orebody of importance. It appears that we have a large fracture or fault adjacent to a large area where extensive mineralization has been present in commercial quantities, and the fault or fracture seems to be plugged with massive impervious Del Rio clay to considerable depth.

The Map

A geologic contour and mine plan map with progress of underground workings extended as of June 30 is inclosed in order better to illustrate the previously-described workings. Cross-section maps of new work will be included with the July Report.

Respectfully submitted,

R. N. Pulliam

R. N. Pulliam
General Superintendent

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Month of June, 1953

PROJECT NO. 8

Hole No.	Bearing	Dip	From	To	Core Recovery	Core Description
1 AX Bit	N35°W	+ 14°	0'	3'	3'	White Kgt
			3	8	1.5	Kgt Breccia Slt min-Fe
			8	13		White Kgt Slt fracture at 10' & 12.5'
			13	14	1	Hard recemented white Kgt gouge
			14	17	3	Hard Kgt
			17	18	1	Recemented Kgt Gouge
			18	23	35	Kgt breccia, altered & min'zd
			23	28	2	White Kgt
EX Bit			28	29	1	Min'zd & altered Kdr contact
			29	56	2	Black Kdr shale
2 AX Bit	N35°W	+ 2°	0	14	9	Broken white Kgt Slt min'zn in small cross fractures
			14	19	5	White Kgt slt min'zn in small cross fractures
			19	20	1	Recemented limestone gouge
			20	22	2	Kgt breccia slt min'zn small specks Hgs
			22	24	2	White Kgt
EX Bit			24	30	5	Black Kdr clay
			40	45	4	Porous grey to white fossilifrous limestone
			45	68	0	Black Kdr cuttings. No min'zn. Fishtail bit.
3 AX Bit	N35°W	- 6°	0	3	3	White Kgt
			3	15	0	Cave in limestone. Set casing EX Bit
EX Bit			15	19	4	Broken white Kgt
			19	20	1	Recemented Kgt breccia slt min'zn
			20	21	1	Grey altered Kgt
			21	25	4	Altered min'zd contact Kgt-Kdr
			25	41	4	Blk Kdr badly broken
4 AX Bit	N35°W	- 11°	0	6	2	White Kgt
			6	11	3	White Kgt breccia min'zd
			11	16	2	White Kgt
			16	24	4.5	White Kgt with breccia filled fractures at 21.5, 21.7 & 22-24'
			24	27.5	3.5	White Kgt slt alteration
			27.5	37	7	Fractured, extensively min'zd breccia, mostly Fe & Mn oxides. Slight Hgs
			37	38	1	White Kgt
			38	40	1.5	X-fractured, altered grey Ls showing Hgs in small cross fractures at 39'
			40	60	2	Black, broken Kdr clay Fishtail Bit

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Month of June, 1953

PROJECT NO. 8

Hole No.	Bearing	Dip	From	To	Core Recovery	Core Description
5 AX Bit	N35°W	- 15°	0'	3'	3'	White Kgt.
			11	17	3.5	" "
			17	20	2	" " Occasional small Fe cross-fractures
			20	20.5	.5	Recemented gouge. Fe & Mn stain
			20.5	23	2.5	White Kgt.
			23	30	7	White Kgt. showing slight open fractures, very little mineral
			30	30.3	.3	Recemented gouge
			30.3	33	2.7	White Kgt.
			33	41	6	Cross-fractured, altered white-grey Kgt.
EX Bit			41	53	2	Badly shattered black Kdr.

Kgt. - Georgetown Limestone

Kdr. - Del Rio Clay

+ Plus (Dip)

- Minus "

Form MF-104A
(April 1952)

JUN 16 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2202X Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address P. O. Box 626 Alpine, Texas

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	Ft.	645.88	10	26,564.28	472	56.28	(1,160	Not Stated
Crosscutting	Ft.	1,289.56	19	3,009.75	75	40.13	(	" "
Raising	Ft.	3,869.04	83	3,869.04	83	46.61		" "
Shafts	Ft.		None				288	" "
Winzes								
Drilling: Core	Ft.	38.25	None	1,402.49	206		1,500	" "
Churn								
Auger								
Stripping								
Trenching	Hrs	50.00	4	112.50	9	12.50	56	12.50
Test Pits								
Roads and Trails	Hrs	100.00	18	225.00	10	12.50	10	12.50
Bulldozer for new Bldg. Incl. below			None		6	12.50	6	12.50
TOTAL DISTRIBUTED COSTS		6,992.83		36,183.07				TOTAL COSTS AUTHORIZED BY CONTRACT
Tech. Service		344.70		344.70				62,670.00
Operating Equipment Purchased		222.28	*	6,315.26				10,700.00
Initial Rehabilitation and Repairs				2,203.54				1,095.00
New Buildings, Improvements, etc.				1,669.41				2,600.00
Workmen's Comp.		374.40		3,186.21				2,935.00
TOTAL COSTS		6,934.21		48,902.19				80,000.00

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 6-12-53 Operator Amerimex Mining Company

Per P. N. Pulli Title President

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

(Instructions on reverse)

REMARKS: * Established monthly installments.

Technical Services have not been distributed since such cost should be apportioned over entire project.

Note: Total hours of bulldozer work allocated to Roads & Trails has been exceeded out of necessity. See Narrative Report.

(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.

U. S. GOVERNMENT PRINTING OFFICE 205676

16,165.81
7,339.32
438.61
1,094.74
342.63
2,052.83
310.21
1,213.61
274.93
1,419.43
1,412.10
823.54
3,684.58
6,315.11
28.78
784.15
17.38
43.37
354.21
500.25
175.96
2,510.00
572.89
446.41
500.77

40,821.62
40,821.62

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA 2202X Contract No. Idm-P468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626 Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2,565.92	13,599.83	16,165.75			
Supervision	1,645.00	5,694.32	7,339.32			
Technical Services	344.70	93.91	438.61			
(3) Operating Mat'ls. and Supplies:						
Timber Hoses, Bits	67.48	1,027.26	1,094.74			
Explosives	169.70	172.93	342.63			
~~Pipe~~ Elec. Fixts.		2,052.83	2,052.83			
Track	81.01	231.79	312.80			
Kitchen Utensils		1,213.61	1,213.61			
Fuel, Etc.		274.93	274.93			
Small Tools, Etc	300.71	1,118.72	1,419.43			
(4) Operating Equipment:	21.82	1,395.82	1,417.64			
Rental Diam. D.	38.25	785.29	823.54			
Purchase	800.00	2,834.58	3,724.58			
Depreciation	222.28	6,092.83	6,315.11			
(5) Initial Rehabilitation and Repairs		28.79	28.79			
(6) New Bldgs., Improvements, etc.		784.15	784.15			
(7) Miscellaneous:						
Repairs to Equipment	4.45	12.93	17.38			
Sampling and Analysis		43.37	43.37			
Payroll Taxes	63.04	281.04	354.08			
1 Yr Liability Insurance		500.25	500.25			
1 Yr Truck Ins.		175.96	175.96			
Workmen's Comp.	374.40	2,135.60	2,510.00			
(8) Contingencies (specify):						
Freight	4.39	568.50	572.89			
Travel & Comm.	50.56	428.47	479.03			
Acctg & Sup.	90.50	410.27	500.77			
TOTALS	6,934.21	41,967.98	48,902.19			

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

Date 6-12-53 *Payee Amerimex Mining Company

Per [signature] Title President

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

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

(Instructions on reverse)

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

$ 5,200.66

Signature
(Authorized Certifying Officer)

Date 6-29-53 Vou. No. DMEA 6-65

(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. DMF-468 in accordance with the terms of the contract.

Signature Edwin T. Perkins Title Mining Engineer Date June 23, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. P. Williams Title Exec. Off. Date June 23, 1953

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
5-15	Diamond Driller			
	Tomas Lujan		$ 15.76	2A-1
	Miners			
	Wesley Roberts	$ 83.90		
	Guillermo De La Rosa	85.08		
	Amando Granado	96.08		
	Benjamin Macias, Sr.	110.83		
	Andres Reyes	103.25	479.14	2A-3
	Hoistmen			
	Vicente Molinar	98.50		
	Isabel Vega	89.40	187.90	2A-4
	Muckers, Helpers & Trammers			
	Juan Chavez	81.56		
	Manuel Garcia	88.65		
	Reynaldo Garcia	81.56		
	Jose Guiterrez	88.65		
	Pilar Llanez	88.65		
	Salamon Longoria	87.55		
	Salamon Macias	76.05		
	Timoteo Lopez	81.56	674.23	2A-5
	Cook			
	Luis Valadez		107.65	2A-6
	Truck Driver			
	Manuel Granado		83.90	2A-7
	Total Labor		$1,548.58	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	157.60		2B-2
	Master Mechanic			
	Carl E. Thain	182.23		2B-3
	Timekeeper-Stock Clerk			
	Bernard J. Socha	110.50	745.83	2B-4
	Total Payroll		$2,294.41	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
5-31	Miners			
	Benjamin Macias, Sr.	$ 44.33		
	Andres Reyes	96.13		
	Guillermo Del La Rosa	34.67		
	Wesley Roberts	71.74	$ 246.87	2A-3
	Hoistmen			
	Vicente Molinar	78.80		
	Isabel Vega	83.52	162.32	2A-4
	Muckers, Helpers & Trammers			
	Reynaldo Garcia	35.40		
	Jose Guiterrez	28.37		
	Pilar Llanez	35.46		
	Salamon Longoria	90.30		
	Timoteo Lopez	35.46		
	Salamon Macias	28.37	253.42	2A-5
	Cook			
	Luis Valadez		100.00	2A-6
	Truck Driver			
	Manuel Granado		78.80	2A-7
	Total Labor		$ 841.41	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	J. R. Cornelison	157.60		2B-2
	Master Mechanic			
	Carl E. Thain	182.23		2B-3
	Timekeeper & Stock Clerk			
	Bernard J. Socha	101.38		2B-4
	Total Supervision		736.71	
	Total Payroll		$1,578.12	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

PAYROLL - Recapitulation

5-15-53		$2,294.41 ✓
5-31-53		1,578.12 ✓
Total of Net Amounts after Taxes		$3,872.53 ✓
5-31 Director of Internal Revenue Social Security & Withholding Taxes	338.24	401.43
Social Security Tax paid by Company	$63.04	_____
TOTAL PAYROLL & TAXES - Month of May		$4,273.96

7E

Note: Check No. 1261 has been issued to Eulalio Rodriguez $1.00 to cover accidental underpayment of wages period 3-30-53 to 4-15-53.

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May

DISBURSEMENTS - Petty Cash - Receipts Attached

1953		Amount	Contract Account
4-27	Crowder & Wise - Gasoline for GMC Truck	$ 2.01	3L
5- 4	R. M. Metcalfe - Map Supplies	5.00	2C
5-15	Gulf Service Station - Gasoline for Pickup	3.24	3L
	" " " " " "	3.78	3L
5-21	Forbes Publishing Co. - Envelopes	.50	7H
5-28	Addington's Texaco Service - Gasoline "	4.45	3L
5-28	The Oil Well - Gasoline for Pickup	2.00	3L
5-28	Reynolds Battery & Magneto Co.		
	Inv. 8462	9.45	3J
	"	1.17	3D
	8464	1.85	3D
5-28	Francis Wagner Co. Inv. 7637	5.55	3B
5-30	Newsom Electric - 5 Rolls Wire	1.25	3J
	Total Petty Cash Disbursements	$ 40.25	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract
5- 1	R. N. Pulliam - Rental of Equipment			
	Jeep		$ 30.00	4B-8
	Air Compressor		470.00	4B-2
	Gasoline Hoist		125.00	4B-5
	Air Tugger		35.00	4B-6
	2 Jackhammers @ $40.00 ea.	($740.00)	80.00	4B-10
5-15	A. R. Fletcher - Geological			
	Consultation 3 days @ $100.00		300.00	2C
	Reimbursement Room Rent			
	May 6, 9, 10 & 14	($314.50)	14.50	2C
5-15	R. M. Metcalfe - Map Work		12.95	2C
5-20	First National Bank, Alpine			
	GMC Truck Int. 10.57 Prin. Note 4		117.56	4C-8
	Ford PU " 6.54 " "	($207.27)	72.60	4C-9
5-22	Big Three Welding Equipment Co.			
	Note 4 Carrying Chg. $1.61	($ 33.73)	32.12	4C-15
5-29	Big Bend Motor Freight C.O.D. from		4.39	7C
	El Paso Machine Works, Inc.			
	Reconditioning of drill rods &			
	rock bits	($ 57.62)	53.23	3B
5-31	Magnolia Petroleum Co.		159.99	3L
5-31	Joy Mfg. Co. Inv. # 89579		38.25	3H
	"		3.75	7A
	63575	($ 50.70)	8.70	3B
5-31	Alpine Butane Co.		4.50	3L
5-31	Brewster County Motors		52.54	3L
			34.00	3D
		($102.16)	.70	7A
5-31	Mine & Smelter Supply Co. # 312315		68.28	3J
5-31	Car Parts Depot Inv. 137149		9.15	3D
			33.30	3L
		($ 44.55)	1.20	3J
			.90	3L

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7 10 a 6

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
			1762.61	
5-31	Texas Employers' Insurance Association		$ 374.40	7D
5-31	L. M. Pulliam - Accounting Service		90.00	7H
5-31	R. N. Pulliam - Reimbursement for Company travel & communications Month of May &		50.56	7G
	Meals for A. R. Fletcher	($ 62.81)	12.25	2C
5-31	Alpine Lumber Co.		.83	3J
		($ 10.48)	9.65	3D
5-31	R. N. Pulliam - Bulldozer Rental		150.00	4B-1
5-31	R. N. Pulliam - Inv. 5-31-53 Mine Timber		169.70	3F
	Total Check Disbursements		$2,620.00	
TOTAL PETTY CASH DISBURSEMENTS			40.25	
TOTAL PAYROLL and TAXES			4,273.96	
	TOTAL DISBURSEMENTS		$6,934.21	

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

EQUIPMENT INVENTORY as of June 1, 1953

Purchased:

1	Double Drum Hoist 5 HP, 220/440 Volt. 3-Phase, 60-Cycle, Shop #25015 Joy S-211. Electric Motor Fairbanks-Morse #H89947. Amsco Scraper, Model V26A #89301F	$1,325.90
	Slusher Loading Ramp	113.65
2	JAL-48 Jack Legs equipped with attachments for L-57 Drills (X-1419-DG) Shop #30892 & #30893	390.00
1	3x2x4 Duplex Pump (FBM Shop No. 768602)	190.00
3	Aluminum Tanks, each 1,222 gal. cap.	312.51
1	Used Army Surplus wing tank	12.50
1	Used Butane 4-burner kitchen stove with oven	80.00
1	New 52 Ford 1/2-ton cap. pickup Motor #FIR2DL21327 & accessories complete with lic. $16.80	1,960.37
1	New 53 GMC 2-ton cap. truck Motor #A248176097 complete with lic. $91.00	3,116.00
1	New Gould Centrifugal Pump Fig. 3670 & gasoline engine complete with 15' suction hose	170.95
1	Used Skilsaw #107	138.75
1	New Black & Decker HD Valve Reseater complete with attachments	120.00
1	Lincoln S-7072, 180 Amp. Arc-Welder #A-277866 complete with gasoline motor & accessories	481.95
1	Servel Refrigerator 11-cu. ft., 2-door	225.00

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

EQUIPMENT INVENTORY as of June 1, 1953

Rented:

1 large portable Joy Air Compressor WK-80 315 c.f.m. cap. Caterpillar D-318 engine #50019 rented from R. N. Pulliam @ $470.00 per mo. new.

1 Willys Jeep, Motor #J83920 used, rented from R. N. Pulliam @ $30.00 mo.

1 International 30 HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. N. Pulliam @ $125.00 mo. Eng. #274183.

1 Air Tugger, Sullivan F113, Ser. #1469, rented used from R. N. Pulliam @ $35.00 mo.

1 C. P. Jackhammer, 42-W #3039, rented used from R. N. Pulliam @ $40.00 per mo.

1 Sullivan L-57 Jackhammer #101471, rented used from R. N. Pulliam @ $40.00 per mo.

1 International TD-9 Crawler Tractor equipped with Bucyrus-Erie Dozershovel with Dozer Blade interchangeable with Bucket; Tractor Serial No. TDCB-22992, Motor No. TDCBM-15236, Dozershovel No. 47891. Rented used from R. N. Pulliam @ $12.50 per hour.

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of May, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

General Operating Condition

During the Month of May, underground work was limited to Projects Nos. 1 and 3 due to the fact that diamond drilling had not been completed at Projects Nos. 8 and 6 because our diamond driller was temporarily called away to attend to urgent personal affairs.

Work during May was also hampered to some extent by failure of some of the miners to return to work after going to Alpine at the end of April. These men elected to straggle in from one to three days late and were laid off for one week and told not to return to work unless they were willing to maintain a satisfactory work schedule.

It is doubtlessly well known to all who will read this report, but it seems justifiable to call attention to the fact that where the total working places are limited to only one or two faces underground, the work cycle is frequently disrupted by small incidents such as failure of a round to pull properly or something happening to prevent the mucker's finishing during a shift. Such disruptions result in reduced footage and increased footage cost.

Rehabilitation of the mine was continued by utilizing any spare time of underground labor improving the underground workings and installations.

In addition to other work, a crew of three men devoted one week of time to cleaning up a part of the old stoped area. This work was paid for exclusively by the Company and entailed no use of materils or apportionable overhead in which the Government participated.

The mineral accumulated was piled underground to be removed when furnacing can be undertaken.

Project No. 1 Previous Total 131' Present 201' Advance 70'

The main drift of Project No. 1 was continued on 10 lineal feet into the Del Rio Clay, which was encountered at 109' and had persisted to 131' at the time of previous report. The clay showed no appreciable change; and in accordance with the suggestion of Mr. Fletcher, Consulting Geologist, it was decided to devote further work to the raise which was started 60 feet from the portal.

Project No. 1 Raise

This raise started at a point 60 feet from the portal of

Drift No. 1 was driven on an incline upward at 34° and was directed N 48° W to follow intermittent mercury mineralization which occurred as replacement in limestone and as lining of caves and small voids in the limestone. This mineralization was followed upward irregularly for 60 feet, as illustrated on the sketch maps inclosed.

When the mineralization failed to persist on the upper level of the raise indicated in the cross-section sketch, it appeared that subsequent work should be done on the mineralized vertical fracture striking N 60° W.

Project No. 3 Previous Total 192' 6" Present 234' 6" Advance 42'

The Main Drift of Project No. 3 was not advanced during May.

All work in this project was concentrated in driving Crosscut 3A an additional 19' to a total of 35' and in raising 23' in Crosscut 3B at a point 31' from its beginning.

The previously mentioned Crosscuts 3A and 3B were shown but not identified on the maps submitted with the Report for April; however, each was particularly described in the Narrative.

Crosscut 3A, which had reached 16' at the end of April, was continued an additional 19' during May. This entire drift, except the last 3 or 4', is through altered Del Rio clay and altered Georgetown limestone, both showing more or less mercury mineralization.

Crosscut 3B, which had been driven 40' at the end of April, was not extended laterally during May; but since the first 32' of this crosscut showed mercury mineralization which seemed to terminate against a vertical limestone wall, a vertical raise was driven to see if the mineralization persisted upward.

Crosscut 3B Raise: This raise, driven vertically 23' from a point 32' from the beginning of Crosscut 3B follows a limestone wall which forms the North Wall of the Raise. The other three walls are composed of broken and altered Del Rio Clay and pieces of altered limestone. This material shows considerable mercury mineralization the entire height of the raise, as illustrated by the sketch map included.

In both Crosscuts 3A and 3B and in a considerable part of Drift 3, there are indications that the mercury mineralization will go down as well as up.

During this period, no sampling has been undertaken. It is believed preferable to run tonnage tests on this mineralization as soon as the Company is able to undertake a furnace test operation, which will be sometime early in June. Such tests will be conducted with great care to ascertain as closely as possible the percentage of recoverable mercury per ton of ore.

Project No. 12

The bulldozer was employed 4 hours east of Churn Drill Hole No. 7 to cut a trench Northwest-Southeast, a distance of 30' to a depth of 6'. The Del Rio clay became so hard at a depth of 6' that the bulldozer could not cut deeper.

No mineralization was detected; however, in a small hand-dug trench along the limestone-clay contact, a very short distance west from Churn Drill Hole No. 8, the fines pan a strong tail of cinnabar showing the area to be definitely mineralized.

Rehabilitation and Repair

The air compressor was moved into the Engine House and installed on a permanent base to protect it from the elements and to prevent excessive vibration. Air lines were tied in from the mine workings and a large air receiver was installed outside the Engine House.

Posts and power lines were installed from service outlets to the diesel-electric power plant preparatory to providing current for the electric slusher-scraper, for the electric hoist ultimately to be installed at Shaft No. 2, for the ventilation blowers which will be needed underground at Projects 3 and 6, for lights, tools and accessories used in the shop and for standby service to power the furnace and accessories in event of failure of the butane engine used as power supply.

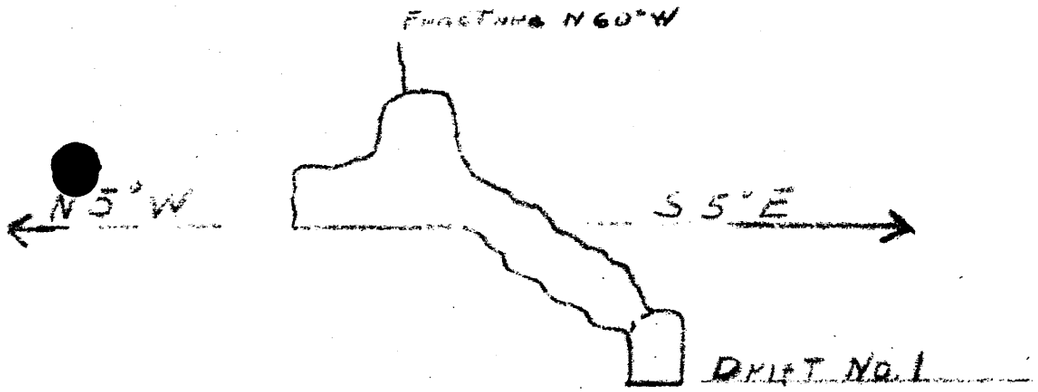
The bulldozer was employed for 8 hours to clean and deepen the sump at the spring which supplies water for camp and mine use.

Respectfully submitted,

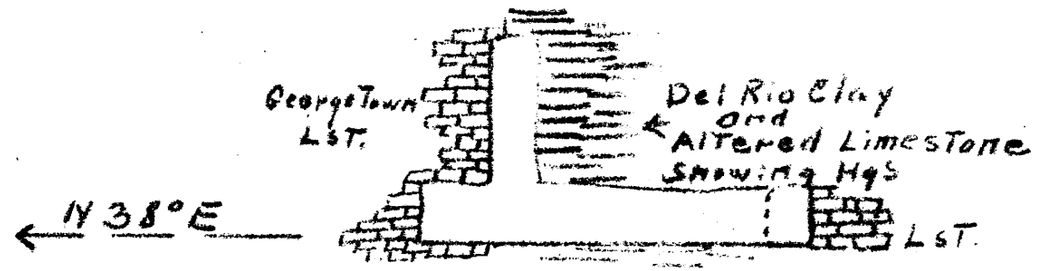
R. N. Pulliam
General Superintendent

Fresno Mine

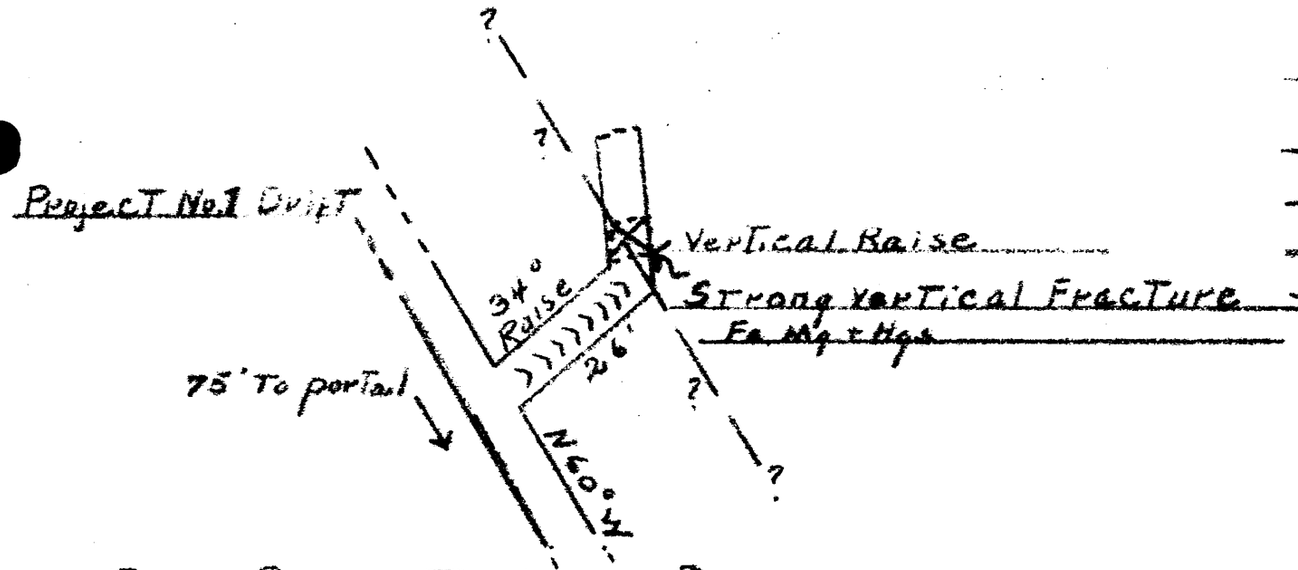
Work Extensions During May, 1953



Cross Section Project No. 1 Raise



Cross Section Project No. 3 B Raise



Plan Project No 1 Raise

Americanex Mining Co.
Presidio County, Texas
Docket DMA-2202X
Contract Idm-E468
Alpine, Texas

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Joplin, Missouri
May 28, 1953

Mr. R. N. Pulliam, President
Amerimex Mining Co.
P. O. Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X(Mercury)
Amerimex Mining Co.
Presidio County, Texas
Contract No. Idm-E468

Dear Bob:

I note that in both the Narrative Report accompanying your April, 1953 MF-104 and Mr. Fletcher's report that you request Field Team approval for the allowable maximum exploratory work in Project #8 as outlined in Exhibit "A" of your DMEA Contract Idm-E468.

This letter constitutes Field Team approval and specifically authorizes you as Operator to drill an additional allowable balance of 400 feet of diamond drill hole at the place designated in Project #8 of your original contract. In addition, 150 feet of exploratory mine openings may be driven from the designated existing crosscut whenever justified by discovery of significant mineralization or mercury ore in the above specified diamond drilling.

Very truly yours,

W. P. Williams
Executive Officer
DMEA Field Team, Region VI

WPW:jd

cc - Operating Committee

Op. Co...

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.
~~xxxxxxxxxxxxxx~~
Joplin, Missouri
May 28, 1953

Mr. R. N. Pulliam, President
Amerimax Mining Company
P. O. Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X(Mercury)
Amerimax Mining Co.
Presidio County, Texas
Contract No. Idm-E168

Dear Bob:

I assume you have received my wire authorizing you to do additional work on Project #6. My accompanying letter also gives you Field Team approval for additional work in Project #8.

I have prepared a draft of an amendment to your contract and have rushed it to Washington for their consideration. The proposed amendment covers additional work in Project #3 and Project #12. The additional work at Project #12 provides for sinking the vertical shaft at the site of churn drill hole #7.

I am sorry, but in the opinion of Mining Engineers in this office, we cannot at this time recommend rehabilitation and deepening of your #1 shaft. Much of this decision is based on the excessive costs which would result from rehabilitation of the shaft which is in rather poor condition.

My draft of the proposed amendment also provides for a 6 month increase in time. In other words, if approved your contract will run for 12 months instead of the previous 6 months.

I have forwarded the proposed amendment to Washington for their consideration because of the fact that I do not know what policy concerning mercury exploration projects is now in force in Washington. As you know mercury has been removed from the list of metals that are eligible for DMEA assistance.

I have asked Mr. Mittendorf, Administrator, to advise me on this problem as soon as possible, preferably by wire, and I shall communicate with you as soon as I am informed by Washington.

Please rest assured I shall do all I can to assist you in your DMEA contract.

With best personal regards, I am,

Sincerely yours,

W. P. Williams
Executive Officer
DMEA Field Team, Region VI

WPW:jd
Enc.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

Joplin, Missouri
May 28, 1953

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X(Mercury)
Amerimex Mining Co.
Presidio County, Texas
Contract No. Idm-E168

Dear Bob:

Your monthly report for April, 1953 was checked by Clinton C. Knox and E. T. Perkins of this office and some adjustments were made in the columns entitled "Totals Previously Reported" and "Totals To Date". These changes stem from (1) adjustments made on your March report which you do not carry through on the April report, and (2) poor addition on your part. The approved monthly total for April as submitted by you was approved by this office. We are sending you a copy of your adjusted April, 1953 MF-104. This copy shows the approved totals which should be carried forward to your May, 1953 report. In the event that Ray Jonas, Finance Officer has further adjustments to make I shall appraise you of them after I hear from Ray.

Sincerely yours,

W. P. Williams
Executive Officer
DMEA Field Team, Region VI

WPW:jd
Enc.

cc - Operating Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
~~XXXXXXXXXXXXXXX~~
Joplin, Missouri
May 26, 1953

Mr. Ray C. Jones
U. S. Bureau of Mines
814 Barfield Building
Amarillo, Texas

Re: Docket No. DMEA-2202I(Mercury)
Amerimex Mining Co.
Presidio County, Tex.
Contract No. Idm-E468

Dear Ray:

Transmitted herewith is the original of the monthly report for April, 1953 of the above subject project. Please advise us when you have certified this report for payment and give us the voucher number, date and amount approved.

Very truly yours,

W. P. Williams
Executive Officer
DMEA Field Team, Region VI

WPW:jd
Encs.

cc - Operating Committee

Form MF-104A
(April 1952)

MAY 20 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals Mercury
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	[illegible]	[illegible]	[illegible]	25,918.31	[illegible]	56.10	[illegible]	[illegible]
Crosscutting	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Raising								
Shafts							[illegible]	[illegible]
Winzes								
Drilling: Core	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Churn								
Auger								
Stripping								
Trenching	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Test Pits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Roads and Trails	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]			[illegible]				[illegible]
TOTAL DISTRIBUTED COSTS		[illegible]		29,190.24 [illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT [illegible]
Operating Equipment Purchased		[illegible]		[illegible]				[illegible]
Initial Rehabilitation and Repairs		[illegible]		[illegible]				[illegible]
New Buildings, Improvements, etc.		[illegible]		[illegible]				[illegible]
[illegible]		[illegible]		[illegible]				[illegible]
TOTAL COSTS		[illegible]		41,967.98 [illegible]				[illegible]

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

Date 6-26-53 Operator [illegible] Co.

Per R. N. Fuller Title President

REMARKS: Payment on installation [illegible] not [illegible] [illegible] 25 [illegible] of footage. [illegible] of col. 7 [illegible] of [illegible] 3 [illegible] col. 6 [illegible] sufficient [illegible] for [illegible] footage [illegible] cost. [illegible] [illegible] report.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: [illegible] % Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	[illegible]	[illegible]	[illegible]	4,572.48	9,027.35	13,599.83*
Supervision	[illegible]	[illegible]	[illegible]	1,543.75	4,150.57	5,694.32
Technical Services	[illegible]	[illegible]	[illegible]	9.40	84.51	93.91
(3) Operating Mat'ls. and Supplies:	[illegible]	[illegible]	[illegible]	173.93	853.33	1,027.26
Timber	[illegible]	[illegible]	[illegible]	-	172.93	172.93
Explosives	[illegible]	[illegible]	[illegible]	543.20	1,509.63	2,052.83
Pipe	[illegible]	[illegible]	[illegible]	231.57	.22	231.79
Track	[illegible]	[illegible]	[illegible]	68.98	1,144.63*	1,213.61*
[illegible]	[illegible]	[illegible]	[illegible]	14.89	260.04	274.93
Fuel, etc.	[illegible]	[illegible]	[illegible]	160.39	958.33	1,118.72
[illegible]	[illegible]	[illegible]	[illegible]	110.01	1,285.81*	1,395.82*
(4) Operating Equipment	[illegible]	[illegible]	[illegible]	215.17	570.12	785.29
Rental	[illegible]	[illegible]	[illegible]	830.00	2,004.58	2,834.58
Purchase	[illegible]	[illegible]	[illegible]	222.28	5,870.55	6,092.83
Depreciation	[illegible]	[illegible]	[illegible]			
(5) Initial Rehabilitation and Repairs	[illegible]	[illegible]	[illegible]	1.85	26.94	28.79
(6) New Bldgs., Improvements, etc.	[illegible]	[illegible]	[illegible]	-	784.15	784.15
(7) Miscellaneous:						
Repairs to Equipment	[illegible]	[illegible]	[illegible]	10.38	2.55	12.93
Sampling and Analysis	[illegible]	[illegible]	[illegible]	43.37	-	43.37
Payroll Taxes	[illegible]	[illegible]	[illegible]	91.27	199.77	291.04
Liability Insurance	[illegible]	[illegible]	[illegible]	-	500.25	500.25
[illegible]	[illegible]	[illegible]	[illegible]	-	175.96	175.96
[illegible]	[illegible]	[illegible]	[illegible]	534.05	1,601.55	2,135.60
(8) Contingencies (specify):						
[illegible]	[illegible]	[illegible]	[illegible]	90.05	478.45	568.50
[illegible]	[illegible]	[illegible]	[illegible]	98.04	330.43	428.47*
[illegible]	[illegible]	[illegible]	[illegible]	98.67	311.60	410.27
TOTALS	[illegible]	32,304.25	41,967.98	9,663.73	32,304.25*	41,967.98*

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

Date [illegible] *Payee [illegible]

Per [illegible] Title President

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idaho E-468 in accordance with the terms of the contract.

Signature Emmin P. Perkins Title Mining Engineer Date May 27, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. P. Williams Title Exec. Off. Date May 27, 1953

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104
Docket DMA-2202X
Contract Idm-5468

Amerimex Mining Company
Alpine, Texas
Month of April

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
4-15	Miners:			
	Guillermo De La Rosa	$ 115.89		
	Amado Granado	126.99		
	Benjamin Macias, Sr.	141.80		
	Andres Reyes	126.99		
	Eulalio Rodriguez	138.69	$ 650.36	2A-3
	Hoistmen			
	Vicente Molinar	98.50		
	Isabel Vega	111.18	209.68	2A-4
	Muckers, Helpers & Trammers			
	Juan Chavez	109.93		
	Manuel Chavez	84.40		
	Manuel Garcia	131.20		
	Reynaldo Garcia	117.02		
	Paz Gonzales	113.47		
	Jose Guiterrez	100.87		
	Pilar Llanez	117.02		
	Salamon Longoria	107.17		
	Salamon Macias	96.07		
	Edward Molinar, Sr.	7.10		
	Edward Molinar, Jr.	64.37		
	Vicente J. Molinar	88.26		
	Wesley Roberts	53.59		
	Tomas Rodriguez	100.87	1,291.64	2A-5
	Cook			
	Luis Valadez		123.35	2A-6
	Truck Driver			
	Manuel Granado		111.96	2A-7
	Total Labor		$2,386.99	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	146.50		2B-2
	Master Mechanic			
	Carl E. Thain	182.23		2B-3
	Timekeeper-Stock Clerk			
	Bernard J. Socha	109.03		2B-4
	Total Supervision		$ 733.26	
	Total Payroll		$3,120.25	

Form WF-104
Docket DMA-2202X
Contract IDM-E468

Amerimex Mining Company
Alpine, Texas
Month of April

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
4-30	Diamond Driller			
	Tomas Lujan		$ 194.84	2A-1
	Diamond Driller-Helper			
	Wesley Roberts		104.02	2A-2
	Miners			
	Guillermo De La Rosa	$ 92.15		
	Amado Granado	99.72		
	Benjamin Macias, Sr.	110.83		
	Andres Reyes	102.46		
	Eulalio Rodriguez	13.00	418.16	2A-3
	Hoistmen			
	Vicente Molinar	98.50		
	Vicente J. Molinar	12.61		
	Isabel Vega	90.88	201.99	2A-4
	Muckers, Helpers & Trammers			
	Juan Chavez	88.65		
	Reynaldo Garcia	88.65		
	Paz Gonzales	88.65		
	Jose Guiterrez	88.65		
	Pilar Llanez	74.47		
	Salamon Longoria	87.55		
	Salamon Macias	75.05		
	Edwardo Molinar, Jr.	11.71		
	Tomas Rodriguez	88.65		
	Joe White	54.17	747.20	2A-5
	Cook			
	Luis Valadez		107.65	2A-6
	Truck Driver			
	Manuel Granado		51.92	2A-7
	Total Labor		$1,625.78	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	J. R. Cornelison	146.50		2B-2
	Master Mechanic			
	Carl E. Thain	137.82		2B-3
	Timekeeper & Stock Clerk			
	Bernard J. Socha	56.97		2B-4
	Total Supervision		$ 636.79	
	Total Payroll		$2,462.57	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of April, 1953

PAYROLL - Recapitulation

LABOR	4-15-53	$2,386.99		
	4-30-53	1,825.78	$4,212.77	
SUPERVISION	4-15-53	733.26		
	4-30-53	636.79	1,370.05	
Total of Net Amounts after Taxes			$5,582.82	
4-30	Director of Internal Revenue Social Security & Withholding Taxes		592.68	
	Social Security Tax paid by Company	91.27		75
TOTAL PAYROLL & TAXES - Month of April			$6,175.50	
RECLAIM -	Salary paid Manuel Moreno for period 2-10 through 2-13. Certified Payroll Slip attached showing in detail period during which labor was performed.		32.00	
	Payroll Slip dated 3-21-53 bearing signature of employee showing that he received this $32.00 payment (added in with the final time that he worked) was submitted with March Report			
	TOTAL		$6,207.50	

Form MF-104
Docket DMA-2202X
Contract Idm-5468

Amerimex Mining Company
Alpine, Texas
Month of April

DISBURSEMENTS - Petty Cash - Receipts Attached

1953		Amount	Contract Account
2-19	Morrison Co. - Kitchen Utensils	$ 13.89	3K
3- 6	Rex Ivy Store - " Nail	1.00	3K
	2 Spark Plugs	1.70	3D
	1 Sack Cement	1.85	6
	5 Gal. Oil ($ 5.55)	1.00	3L
4- 1	Webb Publishing Co. - 1 Col. Pad	.95	7H
4- 9	Reynolds Battery & Magneto Co. Magneto Points	3.09	3D
4-10	Alpine Drug - Map Supplies	2.55	2C
4-11	Gulf Servicenter - Gas for Pickup	4.74	3L
4-14	Blanca Motors " " "	3.45	3L
4-14	" " " " "	3.60	3L
4-14	Chancey Sales & Service 1 Can Rust Master	1.00	7A
4-14	Dickinson Laboratories - Assays	24.00	7
4-14	R. M. Metcalfe Co. - Map Work	8.85	2C
4-15	Big Bend Motor Freight - Freight on wire, etc., El Paso (tax .18) ($ 6.12)	6.12	7C
4-19	Gulf Servicenter - Gas for Pickup	5.00	3L
4-20	Forbes Publishing Co. Journal Paper 1/2 for Exploration ($ 4.25)	2.12	7H
4-20	Alamo Motor Lines - Freight on Core Boxes	3.93	7C
4-24	Blanca Motors - Gas for Pickup	3.80	3L
4-24	" " " " "	3.93	3L
4-30	Shoppers Guide 2-12 Black stamp pad	.40	7H
	Typewriter Ribbon 3-1	.95	7H
	Box Sea Foam Bond Onion Skin 3-8 ($ 2.60)	1.25	7H

Form MF-104
Docket DMA-2202X
Contract Idm-F468

Amerimex Mining Company
Alpine, Texas
Month of April

DISBURSEMENTS - Petty Cash - Receipts Attached

1953		Amount	Contract Account
4-28	Newell Distributing Co. Inv. A09076	$ 3.78	3D
	TOTAL PETTY CASH DISBURSEMENTS	$ 100.95	

Form MF-104
Docket DMA-2202X
Contract Idm-1468

Amerimex Mining Company
Alpine, Texas
Month of April

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
4-10	R. H. Fulliam - Rental of Equipment			
	Jeep		$ 30.00	4B-8
	Air Compressor		470.00	4B-2
	Gasoline Hoist		125.00	4B-5
	Air Tugger		35.00	4B-6
	3 Jackhammers @ $40.00 ea.	($780.00)	120.00	4B-10
4-14	Charlie Ross - Hauling			
	Alpine to Mine		80.00	7[illegible]
4-16	Love Box Co. Inv. 23970 & 23971			
	75 EX Core Boxes @ 75¢		56.25	[illegible]
	25 AX " "	($ 75.00)	18.75	[illegible]
4-24	Ingersoll-Rand Co. Inv. B.I.03-8784			
	Jackrods & Jackbits		106.60	5[illegible]
4-24	Big Three Welding Equipment Co.			
	Note No. 3 Carrying Chg. 21.61	($ 33.73)	32.12	4[illegible]-15
4-24	First National Bank, Alpine			
	GMC Truck Int. 10.57 Prin. Note 3		177.56	4[illegible]-8
	Ford PU " 8.54 " "		72.80	4[illegible]-9
		($207.27)		
4-30	El Paso Welding Supply			
	Inv. 40353 Carbide		6.75	[illegible]
4-30	El Paso Testing Laboratories			
	Assaying & Postage		16.37	7[illegible]
4-30	Joy Mfg. Co. Inv. 88595			
	Truco Core Bit Ser. #RD7814		81.30	[illegible]
4-30	Dickinson Laboratories			
	Assaying		2.0[illegible]	7[illegible]
4-30	Motor Inn Machine Shop			
	Gasket material		4.50	[illegible]
	30' 5/16 rd. iron	($ 12.54)	1.04	[illegible]
4-30	Mine & Smelter Supply Co.			
	Inv. 308216 Supplies		231.37	[illegible]
4-30	L. H. Fulliam - Accounting Service		95.00	7[illegible]

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of April

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
4-30	Car Parts Depot			
	Inv 136718		$ 25.23	3D
	136888		11.44	3D
	136915		1.47	3D
	137075	($ 45.64)	7.50	3D
4-30	Alpine Lumber Co.			
	Pipe & Fittings		68.98	3C
	Small Tools, Materials, etc.		21.01	3D
	Diamond Drill Accessories		36.28	3G
	Items not charged to Expl 20.95	($147.22)		
4-30	Brewster County Motors			
	Powder & Blasting Supplies		543.20	3A
	Fuel, Lubricants, Etc.		40.63	3L
	Repairs, Maintenance, Etc.		9.38	7A
	Small Tools, Supplies, Etc.		19.50	3D
	Not charged to Exploration 5.16	($617.87)		
4- 4	E. A. Donaldson, Diamond Driller			
	Greyhound Bus ticket		20.36	7G
	Meals Joplin to Alpine, Advance		12.26	7G
	Western Union Money Order		3.51	7G
	(Cash Returned $30.00)	($ 66.13)		
4-20	Alpine Woodworking Company			
	Labor making 5 Core Boxes		22.50	3G
4-30	Rental to R. N. Pulliam			
	Diamond Core Drill w/accessories			
	4-15 to 4-30		50.00	4B-7
4-30	R. N. Pulliam - Reimbursement for			
	Company travel & communications			
	Month of April		61.91	7G
4-30	Magnolia Petroleum Co.		48.14	3L
4-30	Joy Mfg. Co. Inv. 78590			
	Drill parts & supplies		86.83	3B
4-30	Alpine Butane Co.		46.10	3L
	Nipples	(- 46.60)	.50	3B

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of April

DISBURSEMENTS BY CHECK - Receipts Attached

1953		Amount	Contract Account
4-30	Texas Employers' Insurance Association	$ 534.05	7D
	Total Check Disbursements	$3,355.28	
TOTAL PETTY CASH DISBURSEMENTS		100.95	
TOTAL PAYROLL and TAXES		6,207.50	
	TOTAL DISBURSEMENTS	$9,663.73	

Docket DMA-2302X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

EQUIPMENT INVENTORY as of May 1, 1953

Purchased:

1	Double Drum Hoist 5 HP, 220/440 Volt, 3-phase, 60 cycle, Shop #25015 Joy S-211. Electric Motor Fairbanks-Morse #H89947. Amsco Scraper, Model V26A #89301F	$1,325.90
	Slusher Loading Ramp	113.65
2	JAL-48 Jack Legs equipped with attachments for L-57 Drills (X-1410-DG) Shop #30892 & # 30893	390.00
1	3x2x4 Duplex Pump (FBM Shop No. 768602)	190.00
3	Aluminum Tanks, each 1,222 gal. cap.	312.51
1	Used Army surplus wing tank	12.50
1	Used Butane 4-burner kitchen stove with oven	80.00
1	New 52 Ford 1/2-ton cap. pickup Motor #FIR2DL21327 & accessories complete with lic. $16.80	1,960.37
1	New 53 GMC 2-ton cap. truck Motor #A248176097 complete with lic. $91.00	3,116.00
1	New Gould Centrifugal Pump Fig. 3670 & gasoline engine complete with 15' suction hose	170.95
1	Used Skilsaw #107	138.75
1	New Black & Decker HD Valve Reseater complete with attachments	120.00
1	Servel Refrigerator & frozen food storage BR1118	425.00
1	Lincoln S-7072, 180 Amp Arc-Welder #A-277866 complete with gasoline motor & accessories	481.95
1	Servel Refrigerator 11-cu. ft., 2-door	225.00

Docket DMA-2202X
Contract Idm-5468

Amerimex Mining Company
Alpine, Texas
Month of April, 1953

EQUIPMENT INVENTORY as of May 1, 1953

Rented:

1 large portable Joy Air Compressor WX-80 315 c.f.m. cap. Caterpillar D-318 engine #50019 rented from R. N. Pulliam @ $470.00 mo. new.

1 Willys Jeep, Motor #J83920 used, rented from R. N. Pulliam @ $30.00 mo.

1 International 30 HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. N. Pulliam @ $125.00 mo. Eng. #274183

1 Air Tugger, Sullivan F113, Ser. #1469, rented used from R. N. Pulliam @ $35.00 mo.

1 C. P. Jackhammer, 42-W #3039, rented used from R. N. Pulliam @ $40.00 per mo.

1 Sullivan L-57 Jackhammer #101471, rented used from R. N. Pulliam @ $40.00 per mo.

1 Sullivan L-57 Jackhammer # 101460 " " " " @ $40.00 per mo.

Form
Docket DMA-2202X
Contract Idm-b463

Amerimex Mining Company
Alpine, Texas
Month of April, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

General Operating Conditions

Underground work was limited to drifting in Projects 1, 6L and 6R and to crosscutting in Project 3. A diamond drill hole was completed to 150 feet in Project 7 and another was drilling at 58 feet in Project 8 as the month ended.

Throughout the month of March and until April 18, it had been possible to carry on drilling in three faces simultaneously, thus making for reduced apportionable overhead. On April 18, Eulalio Rodriguez, a driller, resigned to return to his former employment at Big Bend National Park. A driller of comparable skill has not been found to replace him. His loss has doubtlessly resulted in some reduction in footage of progress.

Since the beginning of work under the Contract, it has been a policy to utilize the time of each employee so that in event his designated task does not require his full time, his efforts may be applied to rehabilitation of mine, camp and equipment and to installation of new or rented equipment. This has made possible gradual progress without spectacular results or excessive cost. Due to the necessary versatility of each employee in a small isolated operation such as ours, it is exceedingly difficult to maintain even an approximate record of time distribution; however, for items of expense not provided for under the Contract, careful differentiation is made and the cost is borne exclusively by the Company.

Until March 20, 1953, the operation was not permitted the use of existing mine buildings - the furnace, ore bins and other appurtenances - which, with the surface of the land, are owned as a separate undivided estate apart from the mine and minerals. On March 20, the Company acquired the right to use the previously mentioned buildings and appurtenances by the terms of a lease paid solely by the Company. These buildings and appurtenances have undergone only minor repairs without cost for materials or outside services.

Cleaning up and repairs to the furnace, furnace house and ore bins have not required a great deal of effort and have been done exclusively at Company expense. All needed materials and supplies for this purpose were acquired by the Company from the furnace owners.

Rehabilitation of the mine has also progressed slowly, but constant surveillance on the part of all personnel with respect to maintenance of high safety standards has resulted in gradual improvement of all working places underground. Routine barring-down of potentially dangerous ground and replacement of bad or weakened timbers,

ties, rail and pipe; and replacement of broken or leaky valves occupies any time not immediately demanded of personnel for routine job assignment. Loose muck is removed to the surface, and any caved exploratory heading is mucked clear to provide access and to prevent accumulation of powder fumes.

Telephones have been installed at the stations at No. 1 and No. 2 Shafts respectively on the 65 and 100-foot Levels. These provide prompt and efficient communication to the engine house and shop. The telephones are required by Texas Employers' Insurance Association as a safety measure and greatly improve operating efficiency.

Rehabilitation of equipment has included the installation of the diesel-electric power plant and standby unit at the engine house, to which an air line has been laid to the mine preparatory to installation of the compressor in the engine house-work shop. A large air receiver is to be tied into the air line at Shaft No. 1 collar.

Electric lines are being strung to the underground workings where the slusher-scraper is to be used, to Shaft No. 2 where the electric hoist is to be installed and to other needed service points.

The small Kohler Electric Plant at the mine camp has been cleaned and repaired, and lines have been checked. This unit now provides electric lights for the camp community.

Construction of the new building, provided for by the Contract, has not been undertaken beyond the preliminary leveling of the proposed building site and the purchase of the needed cement and steel pipe to be used in its construction. The cement is carefully stored at the mine, and the pipe to be used for wall studs and roof trusses is maintained in inventory.

Bulldozer work done during the month of February includes 10 hours bulldozing the road from mine camp to the spring from which water is obtained. This distance of about 2 miles was impassable until it was bulldozed, and a distance of about 30 feet was bulldozed to bedrock in the stream bed to provide a sump to accumulate the spring flow.

The bulldozer was employed for 5 hours to cut a trench southwest of a sink east of Shaft No. 1. This trench, 80 feet long running N 62° W, is 8 feet wide and will average about 4 feet in depth. It was cut on the contact zone between the Boquillos remnant of the sink fill and the Del Rio forming the periphery. No indications of mercury were found. It is obvious that the horizon is too high and that the seal of the Boquillos and Del Rio has been effective.

Project No. 1 Previous total 96' Present 131' Advance 35'

This drift, started N 60° W at the western extremity of the orebody which has been mined, began a few feet below a mineable ore occurence which seemed to follow a slumped area similar to those along which ore has occurred throughout the mine.

After about 65 feet of drifting had been done in Georgetown limestone showing occasional colors of mineralization in small seams or caverns, a comparatively large area of caves was encountered. The cave lining showed good mercury mineralization but would not persist in any degree of concentration; so the drift was carried on in the belief that the caves indicated a nearness to the top of the Georgetown, the horizon where ore is most likely to be.

At 109 feet, the drift entered Del Rio Clay, which began on a contact striking N 89° E with a dip of 65° NW. This clay showed slight Hgs on panning but became less mineralized and showed no alteration as the work progressed beyond the contact.

It is obvious that the favorable horizon, the Del Rio-Georgetown contact lies above that part of the drift which is in limestone, and it seems that the comparatively steep dip of the Del Rio-Georgetown contact may mark the edge of a down-drop block where the Del Rio-Georgetown may be considerably deeper.

Unless raising along the most favorable mineralized cavern will produce mercury indications, it may be advisable to defer further work in this area.

Project No. 3 Previous total 136' 6" Present 192' 6" Advance 56'

This drift, which had reached a distance of 136' 6", was not extended during April.

A crosscut designated as 3A was begun 53' from the starting point of the drift and was driven N 14° E a distance of 16' in altered Georgetown showing strong mercury indications.

A crosscut designated as 3B was started 110' from the starting point of the drift and was driven N 38° E a distance of 40 feet. This crosscut began in fractured limestone, which became more fractured with breccia and clay showing Hgs filling the fractures until the clay predominates at 32 feet where crosscut terminates at 40 feet in solid limestone marked by a vertical east-west wall of limestone at 32 feet.

It appears that the area north of the work so far completed in Project No. 3 may contain an orebody of importance.

Project No. 6 Previous Total 124' 6" Present 196' 6" Advance 72'

No. 6R was driven along the sink fill-Georgetown perimeter an additional distance of 36 feet with slight erratic occurences of mercury indications in the compact contact zone.

No. 6L was continued along the sink contact for an additional distance of 36 feet where there were also erratic occurences of mercury mineralization.

In both of these drifts, there is considerable mineralization and alteration at several places along the exceedingly irregular sink wall where it might be possible to follow downward a strong mineralized lead, but the area is poorly ventilated by Churn Drill Hole No. 6 and is exceedingly hot. This could be overcome to great extent by forced ventilation, but there is also the question of depth at which the loose porous zone of Georgetown fragments should exist beneath the Del Rio clay seal.

Therefore, it has been determined to request DMEA approval of the drilling of several down holes to ascertain structure and, if possible, to find ore.

Mr. A. R. Fletcher, Consulting Geologist and Mining Engineer, who has just completed a study of the property and whose report will be submitted subsequently along with our formal request for various amendments to our Contract, expresses the belief that a minimum of three holes totalling approximately 500 feet should be drilled approximately - 30°, - 45° and - 60° from a station cut adjacent to the sink contact. We respectfully request authority to begin immediately this phase of Project No. 6.

Project No. 7 DD Hole No. 1 N 25° W plus 3° 150'

From	To	Core Recovery	Description
1	12	11 ft.	White marbelized vuggy lime
12	16	4	White lime showing Fe stain
16	18	2	Fe stained fracture
18	21	3	White Georgetown lime
21	28	7	" " "
28	48	18	Recemented iron stained Georgetown breccia
48	78	24	Vuggy porous white to yellow Georgetown
78	150	52	Hard dense light gray limestone showing slight vuggy quality.

This diamond drill hole failed to cut the fault toward which it was directed. From the appearance of the core, the horizon cut is far below the favorable zone at the Del Rio-Georgetown contact.

It is believed that the best approach to the mineralized fault may be from the surface on the east side and at the base of the Buda capped hill on which the fault produces commercial grade ore in the Buda.

Project No. 8 DD Hole No. 1, S 33° E plus 15°, 58'

This hole, started to cut a project fault forming a part of the south perimeter structure of the small valley where the Fresno Mine is located, was directed upward to cut the Del Rio-Georgetown contact in the vicinity of the fault.

At the time of this report, the hole had cut 48 feet of vuggy altered limestone before entering black shale, in which it continued for 8 feet.

It is believed that no further drilling should be done on the present diamond drill hole No. 1 because it has passed the horizon and entered nonproductive black shale. It is believed that a new hole should be started at about plus 3° to cut the horizon at the fault zone.

The Map

To aid in better understanding, the previously described work has been extended on the map, copies of which are attached herewith.

Respectfully submitted,

R. N. Pulliam

R. N. Pulliam
General Superintendent

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

Joplin, Missouri
April 28, 1953

Mr. Ray C. Jonas
U. S. Bureau of Mines
814 Barfield Building
Amarillo, Texas

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Mercury
Amerimax Mining Co.
Presidio County, Texas

Dear Ray:

Transmitted herewith is the original of the monthly report for March, 1953 for the subject project and the necessary documentation supporting the Operator's Cost Voucher.

I have approved the Cost Voucher in the amount of $9,654.13 only of the total $9,718.24 reported by the Operator. My disallowance of $64.11 includes the following items as I have indicated on the report:

March 31,	Moreno, labor time record not submitted	32.00
March 15,	B. Macias, Sr. labor overpaid	$9.00
" 31,	" " " "	9.02
" 28,	Alamo Motor Lines, tax on freight	.10
" 31,	R. N. Pulliam, gasoline for use in personal car	11.14
" 31,	R. N. Pulliam, tax on reported telephone calls	2.85
	Total disallowances	$64.11

If I am wrong in making those disallowances or if I have overlooked others that should have been made, I will appreciate being corrected by you.

The Operator is being notified of my disallowances and we will hold the two Washington copies until you advise us concerning certification of the report for payment.

Very respectfully submitted,

Clinton C. Knox
Mining Engineer

:jd
Encs.
cc - Operating Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

Joplin, Missouri
April 28, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 30 1953

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Mercury
Amerimex Mining Co.
Presidio County, Texas

Dear Bob:

Upon receiving your long letter of April 23, enclosing the certified documents in support of all your March project costs, the report for that month has been approved and transmitted to the Field Finance Officer at Amarillo.

Bill Williams got back here from inspecting your project last Friday but his necessarily hasty departure for Washington left no opportunity to discuss the project or the above-mentioned March report in detail so the following disallowances were made by me in approving the cost voucher for $9,654.13 of the total amount you reported:

March 15,	B. Macias, Sr. labor overpaid.....	$ 9.00
" 31,	" " " " "	$ 9.02
" 31,	Moreno, labor time record not submitted..	$32.00
" 28,	Alamo Motor Lines, tax on freight.....	$ .10
" 31,	R. N. Pulliam, gasoline for personal car.	$11.14
" 31,	" " " , tax on telephone calls....	$ 2.85
	Total disallowed	$64.11

As you will note, we still failed to find a time slip for the "previous 32 hours" work by Moreno, which I believed to be necessary. It is unfortunate that the contract provision for a $200 per month timekeeper-stock clerk, has not relieved you of most of the headaches you mentioned in preparing the payroll and the monthly DMEA cost reports. I think he should continue to make the time slips in pencil but so that you, or your bookkeeper, can audit and certify them as correct in a matter of minutes. We heartily agree that when an Operator signs the Forms MF-104 and 104A, certifying under oath as to their correctness, we expect them to be correct and place great reliance upon that signature but when my cursory examination of the accounts reveals obvious errors (and by no stretch of the imagination would anyone mistake me for an accountant,) we cannot hope, even by our prompt approval, to obtain

the necessary immediate certification of the cost vouchers for your Government payments. Therefore, such errors cause a great deal of unnecessary delays before your checks can be sent. As you know, despite my most careful check and disallowances of some items presented in your reports to date, I have been caught by the Finance Officer red-handed on numerous other glaring errors that I should have found. I admit that the flexibility written into your contract permits much more intricate purchases and cost items seem to fall very close to the ragged edge of permissibility under the terms of your contract. Likewise by no stretch of the imagination would anyone accuse me of knowing anything about contract law -- by training, you and Mr. Jonas are both very much more competent to determine the legality of those expenditures under the terms of the contract. I will continue to try to help both of you, however, as much as possible in order to expedite successful completion of your exploration project.

Paragraph 3 of the second page of my April 20 letter which you questioned, stated June 18, 1953 as the termination date of your contract. Your understanding of Article 3 of the contract is correct, that "the project shall be brought to completion within ... 6 months from the date of the contract." I expected that the minimum allowable work specified in Exhibit "A" of the contract would be completed well before that time. If any of the specified additional work can be justified by results of the work now being done, I believe your contract can be amended to permit time to complete that work. The geologic report, recommendations, maps, assays, and all other pertinent supporting data that I have suggested submitting in yours and Mr. Fletcher's forthcoming report, should justify the additional work you wish to do and the rquired time extension.

Regarding the final question in your letter, four copies of Mr. Fletcher's forthcoming report should be submitted along with your regular monthly narrative report giving the operating details and difficulties, progress made, results accomplished, assay map, drill hole logs, etc. While on that subject, I might add that although I have overlooked it so far, I suggest that you describe in your narrative the progress on the rehabilitation of camp, mine, and equipment, installations of new or rented equipment, construction of new buildings, repair of roads and the spring, and the results of the 5 hours of prospect bulldozer trenching work that has been accomplished. And just for my own personal amazement, where did you pour all that concrete last month?

With best personal regards and hopes that your project work will go more smoothly from now on, and that we can get your reports through more promptly in the future, I remain,

Very sincerely yours,

Clinton C. Knox
Mining Engineer

tjd
cc - Operating Committee
Ray C. Jonas

April 23, 1953

Mr. Clinton C. Knox
Defense Minerals Administration
U. S. Department of the Interior
221 W. 3rd Street
Joplin, Missouri

Re: Docket DMEA-2202X (Mercury)
Contract Idm-E468
Presidio County, Texas

Dear Mr. Knox:

This is to acknowledge receipt of your letter dated April 20 and the file of receipts which you returned.

With reference to the payroll slips, I plead guilty to having been unable to follow a consistent method in making payroll calculations, but I believe that you will find that I have adhered to either one of two methods, which give substantially the same end result.

For the purpose of paying our monthly Workmen's Compensation, it is necessary that each payroll disbursement be calculated on the basis of the established rate per hour for each and every hour the employee works but not including any amount paid for overtime. Consequently, when I am mentally alert, I am able to show the total hours first at the established rate per hour and then below, I show the total hours of overtime at the rate paid only for overtime. Of course, the total of these two amounts is the same as if I employ the method of calculation which I habitually used for many years by which I show first only the regular time the employee works at the regular rate per hour and then below show the extra time or overtime above 40 hours that the employee has worked at the total overtime plus regular rate per hour. This accounts for the difference which you mention, but I do not consider it in any way an error.

In the case of De La Rosa, who worked a total of 88 hours, of which 8 hours was spent as driller, which should have been at the rate of $1.00 per hour (my starting wage for drillers) therefore making his time for that date $1.50 per hour, or a total of $12.00, which when added to 80 hours of regular time at 90¢ per hour, or $72.00, would make a total of $84.00, as shown on the payroll slip.

In the case of Benjamin Macias, Sr., in regard to the payroll periods ending March 15 and 28, I must admit that I miscalculated his overtime pay and instead of paying only the overtime earned, I also paid the regular time which had already been calculated; therefore, his payroll slips are in error respectively $9.00 and $9.02, representing overpayments which the employee did receive and acknowledge by his signature and which will be deducted the payroll period ending April 30. We do not know just how this correction could best be made for your purposes and those of your Auditor. We believe that it would greatly simplify matters if the payroll could be approved as it is with the understanding that the adjustments would be made during this month of April, automatically adjusting our withholding and social security tax records as well as our premium payment on Workmen's Compensation. This will also give us opportunity to correct a possible discrepancy in the withholding tax for the second period.

The payment for 32 hours at $1.00 per hour for previous labor paid to Manuel Moreno upon termination of his employment, due to the fact that he showed up for work in a drunken condition and was dismissed, was occasioned by the fact that this man was not entered on the daily payroll record during the first 4 days of his employment in February due to an error on the part of the timekeeper, who brought the matter to my attention after payment had already been made for the pay period in question. The man actually did the work and was, of course, actually paid the money. I saw no other way to accomplish the desired end.

Due to the fact that our men normally work 6 days one week and 5 days the following, leaving camp for a long week end upon completion of the shift on Friday night; and since all of them are exceedingly anxious to have their pay, I have been in the habit of completing the daily time record on one day and paying the men in town the following day as soon as I could possibly calculate each respective payroll slip - taxes, deductions etc.

Immediately prior to March 28, the men had told me that they wanted to work through the week end and the week of March 30 so as to be at home on Easter, a festive occasion among the Mexicans. Consequently, I arrived at the mine with groceries and other supplies on the Friday evening of March 27 and found all of them either already on the road to town or working the last shift preparatory to coming in. I hurried back to town and met their payroll the following day but laid down a new policy

that thereafter payrolls would be met 3 days after the end of the pay period. This may assure greater accuracy, since I will not be making the calculations with a Mexican army outside making various noises.

Please find out if it will not be permissible for me to continue to make the payroll slips with a pencil, since I must have several copies.

I wonder if it is generally the policy not to accept pencil receipts or original duplicates of documentary authorities for Government accounting purposes. In my experience with both the State and Federal Governments, I have never before known of such a policy.

It also seems that when the Operator signs the Form MF-104 and 104A whereby he certifies that the information contained in the entire report is correct and that payment has not been received, it would hardly be necessary to certify each individual item.

Please understand that it is not our intention to complain, but it seems that it would serve both the purpose of the Government and the Operator to simplify procedure as much as possible within practicable limitations.

In order to facilitate prompt disposition of our Report, I am certifying the transcript of our payroll, each of the payroll slips and each of the invoices listed.

Regarding your suggestions with reference to the several items which may possibly be disallowed under Article 6 (c) of the Contract, all we can say is that they were bonafide actual expenses which could hardly be avoided in carrying on the exploration project.

We maintain a General Account and an Exploration Account and every effort is made to submit for Government participation only that part of the expense which would be direct cost of the Exploration. Of course, if there is any item which cannot be legally allowed, we expect it to be deleted. Frankly, we find it difficult to understand how such items as stationery, and for that matter postage (which we have never included) could be considered as not essential to carrying on the Exploration Project.

My expense for gasoline for unspecified local use of personal car in the amount of $11.14 for the month of March is

certainly a mimimum amount and includes both driving here in Alpine and driving within the City limits when making a trip to El Paso or other supply points. Sometimes such use of my personal car is essential when the company Pickup is being used for other purposes or is in the garage for repair or service.

The taxes included as a part of the cost for freight, telephone and similar items are, of course, direct taxes and, consequently, may not be allowable; but when one considers the imponderable amount of taxes included in the cost of every item, it hardly seems justified to exclude only those where the tax is readily discernible. Again, we must be bound by whatever the regulations may be.

It occurs to me that you may want a better description and serial number on the valve re-seating tool which is listed on the inventory of equipment purchased:

1 Black and Decker vibro centric valve seat grinder Type B, Serial No. 1678013 with heavy duty stone dressing tool, Type A

Also listed without serial number:

1 Servel Butane Refrigerator, 11 cu. ft. 2-door Model UN-1100, Ser. No. 101623

Paragraph 3 of the last page of your letter is interpreted to mean that the term of our project is to end January 18. Since the signed Contract dated December 18, 1952, was returned to us, we have been at a complete loss to understand Article 3 wherein it is provided that the Operator shall commence work within 30 days from the date of this contract and that the project shall be brought to completion within a period of 6 months from the date of this contract.

Of course, it was utterly impossible to begin work on the date the Contract was signed in Washington; and only after the Contract had been finally approved were we able to make definite arrangements to begin work, which through almost miraculous good luck and extreme personal hardship we were able to start on January 12. Whereas the Contract is apportioned over a period of 6 months' operating time, the wording of Paragraph 3 is such as to imply that only 5 months is allowed in

which to do 6 months' work. It is our belief that the Contract should have provided for completion of the project within 7 months from date, thus allowing the stipulated 30 days from the date of the Contract within which to begin the 6 months' operating program.

However, it is our intention to request an extension of time in order reasonably to complete the exploration provided for within the total cost stipulated. Unless it is advisable to do so more promptly, it will be our intention to make this formal request during the first half of May, possibly in conjunction with the formal report of our consulting Geologist and, of course, in keeping with his recommendations.

Mr. Williams spent several days at the mine and carefully studied the mine workings and surface geology, as well as the installation and operating conditions. We had some unseasonably cool weather during his visit, but it was probably more pleasant than some of the unseasonably hot weather which we have had recently.

Mr. Fletcher will be disappointed in having been unable to meet with Mr. Williams here, but of course his report will be submitted as soon as he has been able to make the examination and complete it. By the way, how many signed copies should be submitted of such a report?

We hope that Mr. Williams made his return trip without difficulty and that you too will get back down this way one of these days.

With all good wishes, I remain

Sincerely,

R. N. Pulliam

RNP:L
Incl.

-104A
(1952)

APR 17 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas

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	Ft	~~7687.36~~ 7626.20 CCK	191	~~20,010.11~~ 19,886.34 CCK	355	~~56.37~~ 56.01 CCK	1160	Not Stated
Crosscutting			None					
Raising			"					
Shafts			"				288	" "
Winzes			"					
Drilling: Core	Ft	606.12	" ☆	606.12	None	606.12	1500	" "
Churn								
Auger								
Stripping								
Trenching Bulldozer	Hrs.	None	"	62.50	5	12.50	56	12.50
Test Pits	"	"	"					
Roads and Trails "	"	"	"	125.00	10	12.50	10	12.50
Bulldozer for new bldg. incl below								
TOTAL DISTRIBUTED COSTS		~~8293.48~~ 8,232.32 CCK	191	~~20,803.73~~ 20,679.96 CCK				TOTAL COSTS AUTHORIZED BY CONTRACT 62,670.00
Operating Equipment Purchased		555.08	1	5,870.70				10,700.00
Initial Rehabilitation and Repairs		91.90		1,806.42				1,095.00
New Buildings, Improvements, etc.		318.78		1,669.41				2,600.00
Workmens Comp. Trk. Ins & Liab.		459.00		2,277.76				2,935.00
TOTAL COSTS		~~9718.24~~ 9657.08 CCK	191	~~32,428.02~~ 32,304.25 CCK				80,000.00

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 4-14-53 Operator Amerimex Mining Co.

Per R. N. Pulliam Title President
R. N. Pulliam

REMARKS: ☆ Preparatory work has been done to begin actual drilling as soon as a competent driller can be employed. Cost shown includes initial inventory of diamond bits, reaming shells & accessories Pipe lines have been laid to drill site at Proj. #7, & sump has been blasted out at station.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

DF-104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.
Defense Minerals Administration
RECEIVED
MAY 13 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	~~3620.97~~	5,456.40	~~9,077.37~~			9,077.35
Supervision	1667.50	2,483.07	4,150.57			
Technical Services	75.81	8.70	84.51			
(3) Operating Mat'ls. and Supplies:						
Timber Hoses, bits	388.53	464.80	853.33			
Explosives	-	172.93	172.93			
~~Pipe~~ Elec Fixts	538.55	971.08	1,509.63			
Track & Pipe	-	.22	.22			
Kitchen Utensils	74.24	~~1,121.89~~	~~1,196.13~~		1,070.39	1,144.63
Fuel, etc.	37.67	222.37	260.04			
Small Tools, Etc.	194.74	763.59	958.33			
(4) Operating Equipment: Diam D	135.62	~~1,161.15~~	1,296.77		1,150.19	1,285.81
Rental	570.12	-	570.12			
Purchase	740.00	1,264.58	2,004.58			
Depreciation	555.08	~~5,315.62~~	~~5,870.74~~		5,315.47	5,870.55
(5) Initial Rehabilitation and Repairs	2.56	24.38	26.94			
(6) New Bldgs., Improvements, etc.	252.95	531.20	784.15			
(7) Miscellaneous:						
Repairs to Equipment	1.50	1.05	2.55			
Sampling and Analysis						
Payroll Taxes	79.47	120.30	199.77			
1 Yr Liability Insurance (Pub		500.25	500.25			
1 Trucks		175.96	175.96			
Workmens Comp.	459.00	1,142.55	1,601.55			
(8) Contingencies (specify):						
Freight	~~88.45~~	390.00	~~478.45~~			
Travel & Comm	~~127.03~~	214.54	~~341.57~~			
Acctg.	108.45	203.15	311.60			
TOTALS	~~9718.24~~	~~22,709.78~~	~~32,428.02~~	~~9,654.18~~ 9,657.08	22,647.17	~~32,301.35~~ 32,304.25

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

Date 4-14-53 *Payee Amerimex Mining Company

Per J. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$ 7,242.81

Signature
(Authorized Certifying Officer)

Date 5-6-53 Vou. No. DMEA 6-61.
(See other side)

Per Jonas' letter 5-6-53

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E-468 in accordance with the terms of the contract.

Signature Edwin T. Perkins Title Mining Engineer Date April 28, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Clinton C. Knox Title Mining Engineer Date April 28, 1953

Acting for L. T. McElvenny, Acting Executive Officer, Field Team, Region II

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
3-15	Miners:			
	Guillermo De La Rosa	$ 71.34		
	Amado Granado	96.18		
	Benjamin Macias, Sr.	99.32		
	Eulalio Rodriguez	99.68		
	Tomas M. White	91.02	$ 457.54	2A-3
	Hoistman			
	Vicente Molinar		90.62	2A-4
	Muckers, Helpers & Trammers			
	Manuel C. Garcia	92.20		
	Reynaldo Garcia	81.56		
	Paz Gonzales	81.56		
	Pilar Llanez	81.56		
	Salamon Longorio	88.21		
	Timoteo Lopez	76.24		
	Salamon Macias	70.56		
	Edward Molinar	81.56		
	Juan Rios	81.56	735.01	2A-5
	Cook			
	Carlos Loya		118.20	2A-6
	Truck Drivers			
	Manuel Granado	87.04		
	Manuel Moreno	99.69	186.73	2A-7
	Total Labor		$1,588.10	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	146.50		2B-2
	Master Mechanic			
	Carl E. Thain	201.73		2B-3
	Timekeeper-Stock Clerk			
	Bernard J. Socha	124.54		2B-4
	Total Supervision		$ 768.27	
	Total Payroll		$2,356.37	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
3-28	Miners			
	Guillermo De La Rosa	$ 98.85		
	Amado Granado	96.18		
	Benjamin Macias, Sr.	110.83		
	Eulalio Rodriguez	112.68		
	Tomas M. White	34.77	$ 453.31	2A-3
	Hoistman			
	Vicente Molinar	114.26		
	Isabel Vega	39.40	153.66	2A-4
	Muckers, Helpers & Trammers			
	Juan Chavez	81.95		
	Manuel Garcia	92.20		
	Reynaldo Garcia	92.20		
	Paz Gonzales	102.83		
	Jose Guitierrez	72.50		
	Pilar Llanez	67.37		
	Salamon Longorio	92.19		
	Timoteo Lopez	83.10		
	Salamon Macias	70.06		
	Edward Molinar, Sr.	81.55		
	Edward Molinar, Jr.	63.00		
	Tomas N. Rodriguez	81.95	980.90	2A-5
	Cook			
	Carlos Loya		91.20	2A-6
	Truck Drivers			
	Manuel Granado	88.11		
	Manuel Moreno	66.20	154.31	2A-7
	Total Labor		$1,833.38	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	$ 295.50		2B-1
	General Foreman			
	Jess R. Cornelison	148.68		2B-2
	Master Mechanic			
	Carl E. Thain	201.73		2B-3
	Timekeeper & Stock Clerk			
	Bernard J. Socha	109.03		2B-4
	Total Supervision		$ 754.94	
	Total Payroll		$2,588.32	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March, 1953

PAYROLL - Recapitulation

LABOR	3-15-53	$1,588.10		
	3-28-53	1,833.38	$3,421.48	
SUPERVISION	3-15-53	768.27		
	3-28-53	754.94	1,523.21	
Total of Net Amounts after Taxes			$4,944.69	
3-31	Director of Internal Revenue Social Security & Withholding Taxes		423.25	
	Social Security Tax paid by Company	79.47		7E
TOTAL PAYROLL and TAXES			$5,367.94	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March

DISBURSEMENTS - Petty Cash - Receipts Attached

1953		Amount	Contract Account
3- 1	T. A. Beard - white gasoline (lamps)	$ 1.10	3L
4	Shoppers' Guide - Envelopes	.80	7G
	Dater Stamp	.68	7G
	1000 Legal Size Forms (mimeographed)	14.25	7H
4	R. M. Metcalfe - 1 Magnifier	3.75	2C
	1 Brunton Compass with case	47.70	2C
	1 Compass Bracket	8.40	2C
4	R. M. Metcalfe - Drawing pens and accessories	4.15	2C
4	R. M. Metcalfe - 2 Scotch Tape	.78	2C
5	Joe N. Clements - 1 3-line stamp	1.20	7H
5	Car Parts Depot - 1 Bonney 7/8 6-side socket	1.20	3D
6	Chicago Pneumatic Tool Co. Inv. 283-2235 Hose Ends	10.80	3B
10	Webb Publishing Co. - Envelopes	.20	7G
18	T. A. Beard - White gasoline	1.40	3L
24	Alling Blue Pring Co. 4 Ozalids (map copies)	7.28	2C
24	Alling Blue Print Co. 1 Contour Pen	3.75	2C
24	Electric Equipment & Engine Co. Repair parts Kohler Light Plant	9.84	3D
28	Alamo Motor Lines - Freight on crate Steel Signs	3.45	7C
30	Border Machinery Co. Anchor Shackles	4.66	3D
	Total Petty Cash Disbursements	$ 125.39	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March

DISBURSEMENTS BY CHECK - Receipts Attached

1953

			Amount	Contract Account
3- 4	Joy Mfg. Co. Inv. EP-9451			
	Diamond Drilling Supplies			
	EX Bevel Wall Truco Bit)		$ 89.28	
	Blank & Setting Charge)		7.50	
	EX Double Tube Reaming Shell)		35.46	
	Blank & Setting Charge)		17.45	3I
	AX Double Tube Reaming Shell)		46.80	3I
	Blank & Setting Charge)		19.30	3I
	AX Core Bit)		99.00	3H
	Blank & Setting Charge)		9.00	3H
	EX Casing Shoe)		66.33	3H
	Blank & Setting Charge)	($400.62)	10.50	3H
3- 5	Francis Wagner Co. Inv. 53-1000			
	Timkin "H" Bits, Rubber Gaskets, Air Hose, Water Hose & Ends		264.17	3B
3-15	Motor Inn Machine Shop Inv. 3481			
	Stove for Heating Hoist House		32.50	3K
3-10	R. N. Pulliam - Rental of Equipment Invoice Attached			
	Air Compressor		470.00	4B-2
	Air Tugger		35.00	4B-6
	Jeep		30.00	4B-8
	2 Jackhammers @ $40.00 ea.		80.00	4B-10
	Gasoline Hoist	($740.00)	125.00	4B-5
3-19	Harris S. Smith - Servel Refrigerator 11-cu. ft., 2-door		225.00	4C-14
3-19	Harris S. Smith			
	18 Sacks Lime)			
	13 " Cement) 31 @ 1.25		38.75	6
3-20	Chas. R. Ross - Hauling Power Plant to Mine (including accessories)		85.00	7C
3-21	Big Three Welding Equipment Co. Note No. 2 Carrying Chg. 1.61	($ 33.73)	32.12	4C-15
3-21	First National Bank, Alpine			
	GMC Truck Int. 10.57 Prin. Note 2		117.56	4C-8
	Ford PU Int. 6.54 Prin. " 2		72.60	4C-9
		($207.27)		

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
3-30	Francis Wagner Co. Inv. 53-1455 Hose Ends, Nipples, etc.		$ 24.00	3B
3-30	Border Machinery Co. Inv. 00125 Drill Steel		57.00	3B
3-30	Jess R. Cornelison - Travel Expense from Joplin, Mo.		30.00	7G
3-31	Magnolia Petroleum Co. Container Deposit $5.00	($148.87)	143.87	3L
3-31	El Paso Welding Supply Oxygen & Carbide & Rental of Cylinders		25.66	3D
3-31	Mine & Smelter Supply Co. Inv 303611 Safety Signs for mine & property		31.80	3D
	Inv. 304006 #2 Respirators	($ 57.52)	25.72	3D
3-31	Brewster County Motors Fuel		48.37	3L
	Powder & other blasting supplies		538.55	3A
	Repairs etc.	($588.42)	1.50	7A
3-31	Alpine Lumber Co. Turpentine		2.56	5
	Pipe & Fittings		74.24	3C
	Cement		214.20	6A
	Tools & Supplies		22.77	3D
	Kitchen Equipment	($318.94)	5.17	3K
3-13	Chicago Pneumatic Tool Co. Inv. 283-2234 Drilling Supplies		18.70	3B
3-31	Joy Mfg. Co. Inv. 72205 Drilling Supplies		13.86	3B
3-31	Joy Mfg. Co. Inv. 83354-N Diamond Drilling Accessories		169.50	3G
3-31	R. N. Pulliam - Reimbursement for Company travel & communications Month of March		95.35	7G

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
3-31	Jim Skinner, Brewster County Tax Collector			
	License - Ford Pickup		$ 16.80	4C-9
	" GMC Truck	($107.80)	91.00	4C-8
3-31	Car Parts Depot			
	Small Tools & Supplies		13.97	3D
3-31	L. M. Pulliam - Accounting Service		93.00	7H
3-31	Texas Employers' Insurance Association		459.00	7D
	Total Check Disbursements		$ 4,224.91	

TOTAL PETTY CASH DISBURSEMENTS	125.39
TOTAL PAYROLL and TAXES	5,367.94
TOTAL DISBURSEMENTS	$ 9,718.24

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas

EQUIPMENT INVENTORY as of April 1, 1953

Purchased:

1	Double Drum Hoist 5 HP, 220/440 Volt, 3-phase, 60 cycle, Shop #25015 Joy S-211. Electric Motor Fairbanks-Morse # H89947. Amsco Scraper, Model V26A #89301F	$1,325.90
	Slusher Loading Ramp	113.65
2	JAL-48 Jack Legs equipped with attachments for L57 Drills (X-1419-DG) Shop #30892 & #30893	390.00
1	3x2x4 Duplex Pump (FBM Shop No. 768602)	190.00
3	Aluminum Tanks, each 1,222 gal. cap.	312.51
1	Used Army surplus wing tank	12.50
1	Used Butane 4-burner kitchen stove with oven	80.00
1	New 52 Ford 1/2-ton cap. pickup Motor #FIR2DL21327 & accessories complete with ~~$XXXX~~ lic. $16.80	16.80) 1,960.37)
1	New 53 GMC 2-ton cap. truck Motor #A248176097 complete	3,116.00)
	Lic	91.00)
1	New Gould Centrifugal Pump Fig. 3670 & gasoline engine complete with 15' suction hose	170.95
1	Used Skilsaw # 107	138.75
1	New Black & Decker HD Valve Reseater complete with attachments	120.00
1	Servel Refrigerator & frozen food storage BR1118	425.00
1	Lincoln S-7072, 180 Amp Arc-Welder #A-277866 complete with gasoline motor & accessories	481.95
1	Servel Refrigerator 11-cu. ft., 2-door	225.00

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March, 1953

EQUIPMENT INVENTORY as of April 1, 1953

Rented:

1 large portable Joy Air Compressor WK-80 315 c.f.m. cap. Caterpillar D-318 engine #50019 rented from R. N. Pulliam @ $470.00 mo. new.

1 Willys Jeep, Motor #J83920 used, rented from R. N. Pulliam @ $30.00 mo.

1 International 30 HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. N. Pulliam @ $125.00 mo. Eng. #274183

1 Air Tugger, Sullivan F113, Ser. #1469, rented used from R. N. Pulliam @ $35.00 mo.

1 C. P. Jackhammer, 42-W #3039, rented used from R. N. Pulliam @ $40.00 per mo.

1 Sullivan L-57 Jackhammer #101471, rented used from R. N. Pulliam @ $40.00 per mo.

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of March, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

General Operating Conditions

Mr. A. R. Fletcher of El Paso, who has been retained to make a geological examination of the Fresno Mine property, has been unavoidably delayed in Mexico but expects to begin his examination about May 1, 1953. It is believed that Mr. Fletcher's lengthy successful experience in Mexico and the Terlingua District will enable him to be of material assistance.

Serious delay has been encountered in locating and employing a competent diamond driller. A driller has now been employed and will report for work about April 15.

Otherwise, operating conditions have been satisfactory. Mine personnel and equipment have functioned efficiently.

Project No. 1 - Advance 4 feet

This drift had been driven a total distance of 92 lineal feet at the time of the previous monthly report, and only 4 feet of additional work was done during March.

Slight mercury mineralization occurs in small clay-filled fractures and in calcite cave filling in the face and intermittently for a distance of about 30 feet from the face along the North wall of the drift.

Sample No. 1, Project No. 1, on the attached Assay Report dated April 10, 1953, was taken 65 feet from the beginning of the drift by channel cut from floor to back in North wall of drift as previously described in the February Narrative Report.

Project No. 3 - Advance 64 ft. 6 in.

This drift measured 136 ft. 6 in. as of the end of March; and although the limestone in which the drift is driven had begun to show a good tail on panning with somewhat better occurence in the small clay-filled fractures, it seemed obvious that the drift had missed Churn Drill Hole No. 8, which was the objective. Therefore, a complete re-survey of both the surface and underground workings was made to establish definitely the relationship of underground workings and surface landmarks. This re-survey shows Churn Drill Hole No. 8 to be approximately 20 feet farther to the north than existing maps indicate. This is further borne out by the appearance of the underground

workings which appear to be trending south of some kind of major structure from which small veinlets and joint planes filled with mineralized clay seem to emanate toward the south.

Samples Nos A, 1, 2 and 3, Project No. 3, were described in detail in our February Report and are identified on the attached Assay Report. Sample No. 3B was cut by channel about 4 inches wide, 5 feet horizontally, across the face about 3½ feet from floor at a point 134 feet from the place where present work was started. All samples are indicated on the copy of map of mine working inclosed.

Project No. 6 - Advance: Total 124 ft. 6 in.

No. 6 Right - Advance 54 ft. 6 in.
No. 6 Left - Advance 68 ft.

Work was begun on this project as of March 1 and drifting has progressed both to the right and to the left from the place where previous mine workings had cut into the fill of a sink, or collapsed area, obviously caused by a solutions cavern.

Some disseminated cinnabar was noted in the face originally, and frequent erratic occurences of strong to weak mercury mineralization have persisted in the altered material around the periphery of the sink thus far explored.

At a point 40 feet from the start of project 6R, strong mercury mineralization was encountered in altered clay and granular recemented calcite. The occurence was erratic and seemed confined to a limited area caused by a vent in the limestone wall of the collapsed area or sink.

At the level of the present workings, the sink filling is a hard, dense, slabby black shale believed to be bitumen-impregnated Boquillos, and the wallrock of the sink is doubtlessly either Georgetown or Edwards Limestone. Neither of these formations seem to be amenable to mercury mineralization comparable to the Georgetown-Del Rio Clay contact. The periphery of the sink may be productive where the dip of the limestone wall may be sufficient to create an overhang or canopy effect. It is also probable that where there is mineralization so consistently around the perimeter, the fill of the sink at the horizons of the Georgetown-Del Rio and the Buda-Boquillos may be productive. Such a sink was very productive at the Chisos Mine of Terlingua.

Sample No. 6R1 was cut 45 feet from the place of beginning Drift 6R, 3½ feet above the floor, 5 feet across the face, by channel 4 inches wide, in altered limestone showing good mercury mineralization on visual examination.

Sample No. 6L1 was cut 58 feet from the place of beginning Drift 6L, 3½ feet above floor, 5 feet across face, by channel 4 inches wide in altered clay and shale showing no visual evidence of mercury.

Both of these samples are reported on the Assay Report dated April 13 attached hereto, and both are indicated on the maps inclosed herewith.

Respectfully submitted,

R. N. Pulliam

R. N. Pulliam
General Superintendent

GEO. L. DICKINSON
GEO. G. DICKINSON
ROBERT L. DICKINSON

DICKINSON LABORATORIES

ASSAYERS — CHEMISTS — METALLURGISTS
UMPIRES
WATER ANALYSIS

April 13, 1953

1300 WEST MAIN ST. EL PASO, TEXAS

Lab. No. 1352

CERTIFICATE OF ANALYSIS

TO Amerimex Mining Company

P. O. Box 626 Alpine, Texas

Sample of Ore Received April 10, 1953

Marked Assay for Hg

Sample No.	Project No.	Percent Hg
1	1	0.125
1	3	0.230
2	3	0.190
3	3	0.285
3 B	3	0.035
A	3	0.960
6R1		0.225
6L1		0.085

Charges: $24.00
Postage on Samples 1.00
$25.00

Respectfully submitted,
DICKINSON LABORATORIES

G. L. Dickinson Chemist

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Joplin, Missouri
April 17, 1953

APR 29 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 20 1953

Operating Committee
Defense Minerals Exploration
Administration
U. S. Department of Interior
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Sirs:

Transmitted herewith are two copies of the monthly report for the subject exploration project for February, 1953 on Forms MF-104 and MF-104A with the appropriate attachments as required by the Washington office of DMEA.

The original was forwarded to the Field Finance Officer, U. S. Bureau of Mines, Amarillo, Texas on April 6, 1953 and notice of its certification only for the amount of 75% of $12,167.40 or $9,125.55, was received today. The Field Team has indicated on these two copies the various items which the Field Finance Officer disallowed in certifying the operator's voucher for the Government participation payment. The operator has also been advised concerning the details of those disallowances.

Very truly yours,

Clinton C. Knox

Clinton C. Knox
Mining Engineer

CCK:jd
Encs.

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

Joplin, Missouri
April 17, 1953

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X
Mercury
Contract No. Idm-E468
Amerimex Mining Co.
Presidio County, Texas

Dear Bob:

Attached is a copy of self-explanatory letter received today from Ray C. Jonas, Field Finance Officer, Amarillo, Texas, notifying us that he has certified your February project cost voucher for the 75 percent of the amount of only $12,167.40 or $9,125.55. The disallowances he made are set forth in his audit statement, also attached.

I will make the necessary changes in the previous totals submitted on your March report which was received in this office today. Possible Field Team approval of that March report, however, will be held in abeyance until the return of Bill Williams, who is now inspecting your project.

With best personal regards, I remain,

Yours very truly,

Clinton C. Knox
Mining Engineer

CCK:jd
Encs.

cc - Operating Committee
Ray C. Jonas

UNITED STATES
DEPARTMENT OF THE INTERIOR

DOCKET COPY

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Joplin, Missouri
April 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1953

Mr. R. N. Pulliam, President
Amerimex Mining Co.
P. O. Box 626
Alpine, Texas

Re: Docket No. DMEA-2202X
Mercury
Amerimex Mining Co.
Contract Idm-E468

Dear Bob:

Your monthly report of exploration on Forms MF-104 and MF-104A for February, 1953 has been approved by this office. On this date the original has been forwarded to the Regional Finance office, U. S. Bureau of Mines, Amarillo, Texas.

Enclosed are five copies of Forms MF-104 and MF-104A to be used for next monthly report.

Very truly yours,

W. P. Williams
Executive Officer
Field Team, Region VI

/jd
Encs.

cc - Operating Committee

Form MF-104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
APR 20 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 195 3 Docket No. DMEA 2202X Contract No. Idm-L468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:				Audited & approved for payment by Field Auditor		Officer
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	3534.40	1,922.00	5,456.40	✓	✓	✓
Labor	1491.15	991.92	2,483.07	✓	✓	✓
Supervision	2.45	6.25	8.70	✓	✓	✓
Technical Services						
(3) Operating Mat'ls and Supplies: Hoses, Bits	48.16	416.64	464.80	✓	✓	✓
Timber	172.93		172.93	✓	—	✓
Explosives	318.18	652.90	971.08	✓	✓	✓
~~Pipe~~ Elec. Fixt		.22	.22	—	✓	✓
Track & Pipe	1121.63	.26	1,121.89	1,070.13	.26	1,070.39
Kitchen Utensils	1.13	221.24	222.37	✓	✓	✓
Fuel, etc.	331.07	432.52	763.59	✓	✓	✓
Small Tools etc.	843.87	317.28	1,161.15	832.91	317.28	1,150.19
(4) Operating Equipment:						
Rental	1012.50	252.08	1,264.58	✓	✓	✓
Purchase	1891.45	3,424.17	5,315.62	1,891.30	3,424.17	5,315.47
Depreciation						
(5) Initial Rehabilitation and Repairs		24.38	24.38	—	✓	✓
(6) New Bldgs., Improvements, etc.	475.20	56.00	531.20	✓	✓	✓
(7) Miscellaneous:						
Repairs to Equipment	1.05		1.05	✓	—	✓
Sampling and Analysis				—	—	—
Payroll Taxes	75.56	44.74	120.30	✓	✓	✓
1 yr Liability Insurance (Pub		500.25	500.25	—	✓	✓
1 " Trucks	47.00	128.96	175.96	✓	✓	✓
Workmen's Comp.	439.91	702.64	1,142.55	✓	✓	✓
~~(8) Contingencies (specify)~~:						
Freight	200.00	190.00	390.00	✓	✓	✓
Travel & Comm.	126.37	88.17	214.54	✓	✓	✓
Accounting	96.00	107.15	203.15	✓	✓	✓
TOTALS	12230.01	10,479.77	22,709.78	12,167.40	10,479.77	22,647.17

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 3-22-53 *Payee Amerimex Mining Company
Per R. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$ 9,125.55

Signature
(Authorized Certifying Officer)

Date 4-15-53 Vou. No. DMEA-6-60

(See other side)

MAR 24 1953
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

(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. Adm-E468 in accordance with the terms of the contract.

Signature Clinton C. Knox Title Mining Engineer Date April 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. P. Williams Title Exec. Off. Date April 6, 1953

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 2202X Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address P. O. Box 626, Alpine, Texas

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	Ft	~~7949.74~~	144	~~12,322.75~~	~~168~~ 164	~~73.38~~ 76.28 C.C.K.	1160	Not Stated
Crosscutting			None					
Raising			"					
Shafts			"				288	" "
Winzes			"					
Drilling: Core			"				1500	" "
Churn								
Auger								
Stripping								
Trenching bulldozer	Hrs	62.50	5	62.50	5	12.50	56	12.50
Test Pits								
Roads and Trails bulldozer	"	125.00	10	125.00	10	12.50	10	12.50
Bulldozer excavation for new building (incl. below) C.C.K.							6 C.C.K.	
TOTAL DISTRIBUTED COSTS		~~8137.24~~		~~12,510.25~~				TOTAL COSTS AUTHORIZED BY CONTRACT
								62,670.00
Operating Equipment Purchased		~~1891.45~~	2	~~5,315.62~~				10,700.00
Initial Rehabilitation and Repairs		1019.76		1,714.52				1,095.00
New Buildings, Improvements, etc.		694.65		1,350.63				2,600.00
Workm.Comp,Trk Ins & Liab		486.91		1,818.76				2,935.00
TOTAL COSTS		~~12,230.01~~		~~22,709.78~~				80,000.00

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 3-22-53 Operator Amerimex Mining Co.

Per R. N. Pulliam Title President
R. N. Pulliam

REMARKS: Continued accumulation of inventory of tools, equipment & operating supplies makes unit cost high. Weeding out of unsuitable employees & reassignment of duties of others will slow work somewhat until a good crew is developed.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
2-15	Miners:			
	Amado Granado	$ 87.42		
	Benjamin Macias, Sr.	44.28		
	Alfredo Molinar	82.74		
	Andres Reyes	81.14		
	Avelino Sanchez	82.22		
	Liborio Urquidez, Jr.	36.24		
	Tomas Moreno White	82.74	$ 496.78	2A-3
	Hoistman			
	Vicente Molinar	82.74		
	Isabel Vega	102.04	184.78	2A-4
	Muckers, Helpers & Trammers			
	Guillermo de la Rosa	63.10		
	Manuel C. Garcia	67.77		
	Reynaldo Garcia	66.20		
	Paz Gonzales	66.20		
	Salamon P. Longorio	31.62		
	Jesus Llanez	36.24		
	Pilar Llanez	72.50		
	Timoteo Lopez	72.50		
	Benjamin Macias, Jr.	66.20		
	Salamon Macias	31.62		
	Edwardo Molinar	66.20		
	Jesus Najera	58.00		
	Juan Rios	66.20	764.35	2A-5
	Cook			
	Manuel Espinosa		118.20	2A-6
	Truck Driver		77.22	2A-7
	Manuel Granado			
	Total Labor		1,641.33	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	289.50 CCK. ~~295.50~~		2B-1
	General Foreman			
	Herbert H. Wright	31.52		2B-2
	Clifton L. Moss (Substitute)	65.65		2B-2
	Master Mechanic			
	Carl E. Thain	201.73		2B-3
	Timekeeper-Stock Clerk			
	Bernard J. Socha	117.45	705.85 ~~711.85~~	2B-4
	Total Supervision			
	Total Payroll		~~$2,353.18~~ 2,347.18 CCK.	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

PAYROLL - Net Amounts after Taxes

1953	LABOR	Net Amounts Paid		Contract Account
2-28	Miners			
	Amado Granado	$ 81.14		
	Benjamin Macias, Sr.	84.18		
	Alfredo Molinar	90.62		
	Andres Reyes	87.82		
	Avelino Sanchez	75.94		
	Tomas Moreno White	72.89	$ 492.59	2A-3
	Hoistmen			
	Vicente Molinar	90.62		
	Isabel Vega	66.98	157.60	2A-4
	Muckers, Helpers & Trammers			
	Guillermo de la Rosa	58.00		
	Manuel C. Garcia	81.95		
	Reynaldo Garcia	72.50		
	Paz Gonzales	72.50		
	Pilar Llanez	66.20		
	Salamon Longorio	66.20		
	Timoteo Lopez	66.20		
	Benjamin Macias, Jr.	72.50		
	Salamon Macias	58.00		
	Edwardo Molinar	72.50		
	Adolfo Najera	28.37		
	Juan Rios	72.50	787.42	2A-5
	Cook			
	Carlos Loya		118.20	2A-6
	Truck Drivers			
	Manuel Granado	77.22		
	Manuel Moreno	112.78	190.00	2A-7
	Total Labor		$1,745.81	
	SUPERVISION			
	Superintendent			
	R. N. Pulliam	295.50		2B-1
	General Foreman			
	Jess Cornelison	81.75 ~~78.55~~	C.C.K.	2B-2
	Master Mechanic			
	Carl E. Thain	201.73		2B-3
	Timekeeper-Stock Clerk			
	Bernard J. Socha	111.66	690.64 ~~607.44~~	2B-4
	Total Supervision			
	Total Payroll		$~~2,433.25~~ 2,436.45	C.C.K.

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

PAYROLL - Recapitulation

LABOR	2-15-53	$1,641.33		
	2-28-53	1,745.81	$3,387.14	
SUPERVISION	2-15-53	~~711.85~~ 705.85	1,396.49	C.C.K.
	2-28-53	~~687.44~~ 690.64	~~1,399.29~~	
Total of Net Amounts after Taxes			$~~4,786.43~~ 4,783.63	
2-28 Director of Internal Revenue - SS & WH Social Security Tax paid by Company		75.56	~~314.68~~ 317.48	C.C.K. 7E
TOTAL PAYROLL and TAXES			$5,101.11	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
2- 2	Darbyshire Steel Co. Inv. V-24007 Construction Steel for Bldg.		$ 40.51	6A
2	El Paso Pipe & Supply Co. Inv. C 25206			
	Material for Slusher Loading Ramp		113.65	4C-3
	~~Sheet~~ Steel for Bldg.		192.00	6A
	3 Aluminum Tanks	($705.65)	300.00	4C-10
7	E. M. Reynolds - Hauling 3 Tanks, pipe & steel from El Paso and pipe from Alpine to Mine		200.00	7C
7	Echlin-Irvin & Crowell & Co. Cable charges to London to obtain Pol. JL 3975 Liab. & Prop. Damage	($ 20.22)	19.47	7G
14	R. N. Pulliam - Equipment Rental Feb.			
	Air Compressor Joy WK-80 315-D w/ caterpillar D-318 engine #50019		470.00	4B-2
	Willys Jeep Ser. 82292 Motor J8920		30.00	4B-8
	Jackhammer CP 42W Ser #3039 mounted on Jackleg IR JL-3		50.00	4B-10
	Drifter Sullivan L-57 #101471 on Cradle & Shell U-176 5630. Column & Arm Sullivan Type U30-6069		75.00	4B-9
	Gasoline Hoist (temporary installation) Single Drum Internatl. 30-HP Engine	750.00 CCK. ($~~795.00~~)	125.00	4B-5
16	Border Machinery Co. Inv 22569 Drill Steel		28.50	3B
23	Big Three Welding Equipment Co. Note # 1 paid at maturity date; consequently, no interest had accrued	($ 33.79)	32.18	4C-15
23	First Natl. Bank, Alpine, Note # 1 GMC 2½-Ton Truck - Interest 10.57 Balance applied on principal	($128.13)	117.56	4C-8
23	First Natl. Bank, Alpine, Note # 1 Ford Pickup - Interest 6.54 Balance applied on principal	($ 79.14)	72.60	4C-9
28	Joy Mfg. Co. Inv. EPX1066-A Final payment Double Drum Hoist #25015 with accessories		662.95	4C-3

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
2-28	Car Parts Depot - Small Tools etc.			
	Inv. 135274		$ 18.59	3D
	135350		10.25	3D
	135104	($ 48.68)	19.84	3D
28	Alpine Lumber Co. - Pipe		242.69	6A
	For Water Tanks		12.51	4C-10
	Small Tools, etc.		44.59	3D
	Pipe fittings		1.54	3C
	Kitchen Equipment	($302.46)	1.13	3K
28	W. G. Fielder Inv. 6169			
	Diesel Fuel		174.25	3L
28	Magnolia Petroleum Co.			
	Gasoline, Oil, Etc.		92.70	3L
28	Mine & Smelter Supply Co.			
	Inv. 302265 First Aid Kit		14.44	3D
	303595 Tools & Supplies	($ 75.19)	60.75	3D
28	El Paso Welding Supply - Carbide		49.00	3D
28	Brewster County Motors			
	Powder & Blasting Supplies		318.18	3A
	Repairs		1.05	7A
	Gasoline, Oil, etc.	($383.35)	64.12	3L
28	Joy Mfg. Co. Inv. 70210			
	JAL-48 Jacklegs #30892, 30893		390.00	4C-2
28	R. N. Pulliam - Bulldozer Rental			
	21 hours @ $12.50		262.50	4B-1
28	Texas Employers' Insurance Ass'n.		426.58	7D
	Supplementary Report		13.33	7D
28	L. M. Pulliam - Accounting Service			
	for February 32 hours @ $3.00		96.00	7H
28	R. N. Pulliam - Reimbursement for			
	Company travel & communications			
	month of February		88.90	7G

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February

DISBURSEMENTS BY CHECK - Receipts Attached

1953			Amount	Contract Account
2-28	Joy Mfg. Co. Inv 67286 (Paid in same check with Inv. 70210 - $390.00)	($409.60)	$ 19.66	3B
28	R. N. Pulliam - Inv. 2-1-53 Mine Rail, Air & Water Pipe & Fittings		1,120.09	3C
28	R. N. Pulliam - Inv. 2-15-53 Mine Timber		172.93	3F
28	R. N. Pulliam - Inv. 2-28-53 Small Tools & Misc. Items		624.70	3D
	Total Check Disbursements		$6,869.74	

DISBURSEMENTS - Petty Cash - Receipts Attached

2-17	Car Parts Depot - File	$ .51		3D
	Alpine Drug Store - Map Supplies	2.45		2C
	Storey-Whiteside - Blacksmith Drill	1.20		3D
18	White's Highland Village - Lodging for Jess Cornelison upon arrival to accept position as General Foreman	18.00		7G
	Total Petty Cash		22.16	

TOTAL PAYROLL and TAXES

	See Detail Attached	5,101.11	
	TOTAL DISBURSEMENTS - February	$11,993.01	
ADD	Amounts Disallowed January Report Ref. Letter 3-12-53 Joplin		
	Joy Mfg. Co. Inv. EP 9204 Pump	190.00	4C-7
	Jim Francois Agency - Fire, Theft & Comb. Ins. Pol. A140682, A140681 GMC $33.00 Ford PU $14.00	47.00	7 B
	TOTAL DISBURSEMENTS	$12,230.01	

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

General Operating Conditions:

Bad weather, personnel turn-over and progressive systematizing of work probably occasioned some lack of sufficient progress. Delay was also occasioned by continued mine rehabilitation.

Rehabilitation:

The caved intersection of the drifts to Projects 6 and 7 was successfully caught up and timbered. Due to the nature of this cave, which finally arched 40 or 50 feet above the level, exceedingly heavy posts, caps and lagging were used.

It has been discovered that a number of the track ties in the old parts of the mine have rotted, and so many have been replaced.

Project No. 1

This project, which had attained 12 lineal feet of drift as of January 31, had attained 92 lineal feet from the starting point of the project as of February 28.

This drift was continued in a North 60° Westerly direction following a slight mineralization in limestone which shows alteration and fracturing associated with a cave system along the strike of a projected intersecting fault. The cave system was encountered at a distance of 65 lineal feet from the place of beginning work under this project. Mercury mineralization occurs disseminated in the cave lining and in fractured and altered places in the limestone.

Sample 1, Project 1, was cut by channel approximately 4 inches wide from floor to back about 7 feet high at a point 65 feet from the beginning of the drift under the project. The assay report on this sample will be sent as a supplement to this Report.

Further sampling was not undertaken due to the apparent erratic occurence of the mineralization and because it appears that the drift is probably below the favorable horizon, which may make ore a few feet above the present level, as it has in the stoped area at the beginning of the drift.

Work here has been temporarily stopped pending the visit of Mr. A. R. Fletcher, Consulting Geologist, and action upon his recommendations by the DMEA Field Team.

Project No. 3

This project, which had attained 8 lineal feet as of January 31, had attained 72 lineal feet as of February 28.

This drift has been driven in a South 80° Easterly direction.

At 14 feet from the place of beginning the new work under this project, a series of roughly parallel fractures were encountered in the limestone into which had slumped the altered mineralized clay to form a small local syncline. The clay shows more or less mercury mineralization wherever alteration has occurred, and such mineralization occurs intermittently along the drift from 14 feet to 65 feet from the place of beginning work under this project.

Sample A, Project 3, was cut across the upper 2½ feet of the face at a distance of 46 feet from place of beginning present work. Only this area was sampled because the lower part of the face was in limestone, which showed no mercury mineralization.

Sample 1, Project 3, was cut at a point 41 feet from beginning of this work across the back about 5 feet wide by 4 inches channeling out of mineralized clay which may form an orebody lying on the limestone which forms the walls of the drift.

Sample 2, Project 3, was cut by 4-inch channel across back of drift 4 feet wide out of mineralized altered clay at a distance of 63 feet from the beginning of this work.

Sample 3, Project 3, was cut by channeling about 4 inches wide from floor to back about 6 feet high vertically up North wall of drift at a point 50 feet from the beginning of this work. The sample consists of mineralized clay and limestone where both occur associated with a strong fracture system which trends into the North wall of the drift.

The assay reports on these samples will be sent as soon as received as supplements to this report.

Attention is expressly called to the fact that the samples taken were cut from places where mineralization is evident, and there is no intention to convey the impression that such samples are representative of a large area, but the assays should give some idea as to the possibility of selectively mining the area.

It was not possible until about the middle of February to

obtain the services of an experienced Mine Foreman to assist the Superintendent in carrying on the work on a two-shift basis.

The Master Mechanic completed the repairs to the headframe at Shaft No. 1 and installed new timbers to support the sheave wheel. An air hoist was installed at this shaft as the only convenient access to Project No. 3 for raising and lowering equipment and supplies.

Inspection of the mine premises was made on March 11 and 12 by the Safety Engineer of Texas Employers' Insurance Association.

As soon as prints can be obtained, maps will be submitted showing the work completed and the locations from which samples were cut.

Respectfully submitted,

R. N. Pulliam
General Superintendent

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

EQUIPMENT INVENTORY as of March 1, 1953

Rented:

1 large portable Joy Air Compressor WK-80 315 c.fm. cap. Caterpillar D-318 engine #50019 rented new from R. N. Pulliam @ $470.00 mo.

JL-3

1 C. P. Jackhammer, 42-W #3039 on IR jackleg rented used from R. N. Pulliam @ $50.00 mo.
#101471 #U-176 -5630

1 Sullivan L-57 Leyner-shell mounted with column and arm rented used from R. N. Pulliam @ $75.00 mo.

1 International 30 HP gasoline-powered engine, single-drum hoist welded on skids and bolted down temporarily on old concrete foundation, rented used from R. N. Pulliam @ $125.00 mo. Eng. # 274183

1 Willys Jeep motor # J83920 rented used from R. N. Pulliam @ $30.00 mo.

Purchased		Cost
1	Final payment new Joy S-211 double drum Slusher Hoist with 220/440 volt electric motor, scraper, and all accessories. Machine # 25015, Electric Motor Fairbanks-Morse # H89947. Amsco Scraper, Model V26A # 89301F Total	$1,325.90
	Material for Slusher Loading Ramp	113.65
2	JAL-48 Jack Legs equipped with attachments for L57 Drills (X-1419-DG) Shop #30892 Shop #30893	390.00
1	3x2x4 Duplex Pump (FBM Shop No. 768602) Resubmitted	190.00
3	Aluminum Tanks each 1222 gal. cap.	312.51
1	Used Army surplus wing tank	12.50
1	Used Butane 4-burner kitchen stove with oven	80.00
1	New 52 Ford 1/2-ton cap. pickup motor #FIR2DL21327 & accessories complete with $25.08 lic.	1,960.37
1	New 53 GMC 2-ton cap. truck motor #A248176097 complete	3,116.00

Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of February, 1953

Equipment Inventory as of March 1, 1953 Page 2

Purchased

1	New Gould Centrifugal Pump Fig. 3670 & gasoline engine complete with 15' suction hose	$ 170.95
1	Used Skilsaw # 107	138.75
1	New Black & Decker HD Valve Reseater complete with attachments	120.00
1	Servel Refrigerator and frozen food storage BR1118	425.00
1	Lincoln S-7072, 180 Amp Arc-Welder #A-277866 complete with gasoline motor & accessories	481.95

Fresno Mine
Amerimax Mining Co.
Alpine, Texas

N

W

Place of beginning

Project No. 3
Longitudinal Section North

N

E

Place of beginning

Project No. 1
Longitudinal Section North

Extra Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Joplin, Missouri
March 11, 1953

Bev

Operating Committee
Defense Minerals Exploration
Administration
U. S. Department of Interior
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2202X
Contract No. Idm-E468
Amerimex Mining Co.
Presidio County, Texas
Mercury

Dear Sirs:

Transmitted herewith are two copies of the monthly report for the subject exploration project for January, 1953 on Forms MF-104 and MF-104A with the appropriate attachments as required by the Washington office of DMEA.

The original was forwarded to the Field Finance Officer, U. S. Bureau of Mines, Amarillo, Texas on February 27, 1953 and notice of its certification only for the amount of 75% of $10,479.77 or $7,859.83, was received today.

Also attached to each of the copies of that monthly report is a copy of the letter from Ray C. Jonas, Field Finance Officer, to the Field Team office explaining the various items which he has disallowed in certifying the operator's voucher for the Government's participation payment. The operator is also being advised concerning those disallowances.

Very truly yours,

Clinton C. Knox
For W. P. Williams
Executive Officer
DMEA Field Team, Region VI

CCK:jd
Encs.

AMERINEX MINING COMPANY
Buena Suerte, Texas
Fresno Mine and Camp
Contract Idm-E468 - Docket DMEA-2202X

Equipment Inventory as of Feb. 1, 1953 by Clinton C. Knox 2/9/53

Rented:

1 large portable Joy Air Compressor WK-80
315 c.f.m. cap., Caterpillar D-318 engine #50019
rented new from R. N. Pulliam @ $470.00/mo.

1 C.P. Jackhammer, 42-W #3039 on IR jackleg
rented used from R. N. Pulliam @ $50.00/mo.

1 Sullivan L-57 Layner-shell mounted with column and arm
rented used from R. N. Pulliam @ $75.00/mo.

1 International 30 HP gasoline-powered engine, single-drum hoist
welded on skids and bolted down temporarily on old concrete
foundation, rented used from R. N. Pulliam @ $125.00/mo.

1 Willys Jeep motor #J83920
rented used from R. N. Pulliam @ $30.00/mo.

Purchased:

		Cost
1	used Butane 4-burner kitchen stove with oven	$ 80.00
1	new '52 Ford 1½-ton cap. pickup motor #F1R2DL21327, and accessories complete with $25.08 lic.	1,960.37
1	new 53 G.M.C. 2-ton cap. truck motor #A248176097 compete	3,116.00
1	new Duplex Pump 3x2x4, shop #768602	190.00
1	new Gould Centrifugal Pump Fig. 3670 and gasoline engine complete with 15' suction hose	170.95
1	used Skilsaw	138.75
1	new Black & Decker HD Valve reseater complete with attachments	120.00
1	Servel Refrigerator and frozen food storage FR1118	425.00
1	Lincoln S-7072, 180 Amp Arc-Welder #A-277866 complete with gasoline motor and accessories	481.95
1	used Army surplus wing tank	12.50
1	new Joy S-211 double drum Slusher Hoist with 220/440 volt electric motor, scraper, and all accessories	1,325.90

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

2nd Copy

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address P. O. Box 626, Alpine, Texas
Contract Amount, $ 80,000.00 Government Participation: 75 % Amount, $ 60,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1119.70		1,119.70			
Supervision	523.96		523.96			
Technical Services	6.25		6.25			
(3) Operating Mat'ls. and Supplies:						
Timber 0						
Explosives 0						
Pipe 0						
Track See attached Supplement for details	2046.06		2,046.06			
(4) Operating Equipment:						
Rental	252.08 ~~523.32~~	C.C.K.	252.08 ~~523.32~~			
Purchase	4277.12		4,277.12			
Depreciation						
(5) Initial Rehabilitation and Repairs	675.01		675.01			
(6) New Bldgs., Improvements, etc.	675.73		675.73			
(7) Miscellaneous:						
Repairs to Equipment 0						
Sampling and Analysis 0						
Payroll Taxes 0						
Liability Insurance See attached supplement for details	1924.91		1,924.91			
(8) Contingencies (specify):						
TOTALS	~~11,772.06~~ 11,500.82	none C.C.K.	11,500.82 ~~11,772.06~~			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2-14-53 *Payee Amerimex Mining Company
Per P. N. Sullivan Title President

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

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

(Instructions on reverse)

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

$ 7,859.83

Signature
(Authorized Certifying Officer)
Date 3-6-53 Vou. No. DMEA 6-56
(See other side)

See other side attached & Cellar

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 46P in accordance with the terms of the contract.

Signature Clinton C. Kirov Title Mining Engineer Date Feb. 27, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. P. Williams Title Exec. Off. Date Feb. 27, 1953

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104 (Supplementary)
Contract No. Idm-E468
Docket No. DMA-2202X

Amerimex Mining Company
Alpine, Texas
Month of January, 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Items of Costs		Monthly Total
(1) Independent contracts - none		
(2) Labor, supervision and technical services:		
A. Labor	$ 1,119.70	
B. Supervision	523.96	
C. Technical services	6.25	$ 1,649.91
(3) Operating materials and supplies:		
A. Powder and other blasting supplies	652.90	
B. Air and water hoses, steel, bits and other drilling supplies	428.54	
C. Mine rail, air and water pipe and fittings	.26	
D. Shovels, small tools and misc. items	305.38	
E. Ventilation tubing & accessories	-	
F. Timber	-	
G. Diamond drilling acc. & core boxes	-	
H. 5 Diamond-set drill bits	-	
I. " reaming shells	-	
J. Electrical wire, fixtures, etc.	.22	
K. Kitchen and camp utensils, etc.	221.24	
L. Fuel, lubricants, etc.	437.52	2,046.06
(4) Operating equipment		
B. Equipment to be rented:		
1. Bulldozer	-	
2. Air Compressor 315 c.f.m.	~~313.33~~ 117.50	
3. Power Plant, 125 KVA	-	
4. " " 30 KVA	-	
5. Hoist, cage and accessories	83.33	
6. Air tugger	~~23.33~~ none	
7. Diamond Drill & accessories	-	
8. Jeep	20.00	
9. Drifter	~~50.00~~ 18.75	
10. Jackhammer, heavy	~~33.33~~ 12.50	~~525.52~~ 252.08 ACK.
C. Equipment to be purchased		
1. Jackhammer	-	
2. Drifter	-	
3. Double-drum slusher, scraper, cable & accessories	1,325.90	
4. Ventilation fan & motor	-	
5. Diamond drill 10' core barrel	-	
6. " " 5' " "	-	
Forward	$ 1,325.90	$ ~~4,219.29~~ 3,948.05 ACK

Form MF-104 (Supplementary)
Contract No. Idm-E468
Docket No. DMA-2202X

Amerimex Mining Company
Alpine, Texas
Month of January, 1953

Operator's Monthly Report and Voucher (Cont'd) $ ~~4,219.29~~

Items of Costs

(4)	Operating equipment (Cont'd)		
	C. Equipment to be purchased (Cont'd)	$ 1,325.90	
	7. Duplex Hi-pressure water pump	190.00	
	8. Truck, 2-ton - down payment	1,000.00	
	9. Pickup, 1/2-ton - down payment	653.37	
	10. 3 steel water supply tanks	12.50	
	11. Cent. water pump & engine	170.95	
	12. Butane cook stove	80.00	
	13. " refrigerator	425.00	
	14. Refrig. food storage cabinet	-	
	15. Misc.	419.40	4,277.12
(5)	Rehabilitation and repairs: Repair buildings (incl. labor + super.) C.C.K.		675.01
(6)	New buildings, improvements & installations		
	A. Buildings, etc. (incl. labor + super.) C.C.K.	655.98	
	C. Rehabilitation of mine headframe, shaft & underground workings	19.75	675.73
(7)	Miscellaneous		
	A. Repairs & maint. of trucks & other newly purchased equipment	-	
	B. Public Liab., Property Damage, Fire & Theft Insurance on trucks, etc.	792.21	
	C. Freight on equipment, Materials and supplies	190.00	
	D. Workmen's Compensation Insurance	702.64	
	E. Social Security Taxes	44.74	
	F. Taxes Unemployment Insurance	-	
	H. Accounting & preparation of cost reports	107.15	
	I. Analyses of 150 mercury ore samples	-	
	G. Sustenance, communications, travel & transportation	88.17	1,924.91
	TOTAL		~~$11,772.06~~ 11,500.82 C.C.K.

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
P. O. Box 626
Alpine, Texas

PAYROLL - Net Amounts after Taxes

1953		Net Amounts	Contract Account
	LABOR		
1-31	Miners:		
	Amado Granado	$ 126.42	2A-3
	Liborio Urquidez	130.12	
	Alfredo Molinar	130.02	
		386.56	
	Compressor Tender:		
	Andres Reyes	126.42	2A-3
	Muckers, Helpers & Trammers		
	Avelino Sanchez	99.02	2A-5
	Guillermo de la Rosa	90.52	
	Manuel C. Garcia	113.47	
	Reynaldo Garcia	104.02	
	Paz M. Gonzales	63.04	
	Benjamin Macias Jr.	104.02	
	Jesus Majera	90.52	
	Pilar Llanez	73.00	
	Jesus Llanez	73.00	
	Timoteo Lopez	104.02	
		914.63	
	Cook		
	Manuel Espinosa	167.45	2A-6
	Hoistman		
	Isabel Vega	130.02	2A-4
	Truck Driver		
	Manuel Granado	111.12	2A-7
	SUPERVISION		
	Timekeeper-Stock Clerk		
	Bernard J. Socha	164.62	2B-4
	Master Mechanic		
	Carl E. Thain	232.80	2B-3
	General Foreman		
	Herbert Wright	98.32	2B-2
	Superintendent		
	R. N. Pulliam	394.00	2B-1
	TOTAL	$2,725.94	*
	Director of Internal Revenue - SS & WH Taxes	232.82	*
	SS Tax paid by Company $ 44.74		7E
	TOTAL PAYROLL and TAXES	$2,958.76	

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
P. O. Box 626
Alpine, Texas

DISBURSEMENTS BY CHECK - Receipts Attached

1953		Amount	Contract Account
1-10	Joy Mfg. Co. 1/2 Cash Payment S211 Double Drum Hoist, Scraper & Acc.	$ 662.95	4C-3
	Balance - Account Payable 30 days (It is requested that this balance be counted as current disbursement since it is to be paid in February)	662.95	4C-3
	Texas Employers Insurance Association Pol. # A-38908 Advance Deposit Prem. Workmen's Compensation Insurance	445.00	7D
1-12	Brewster County Motors 1/3 Down Ford 1/2-Ton Pickup '52 Motor # F1$2D1 21327 List $1,960.37	653.37	4C-9
1-14	C. F. Ross - Hauling mining machinery & equipment, Alpine to Mine	70.00	7C
1-14	Morrison's - Kitchen ware	38.09	3K
1-15	Harold E. Moyer - Down payment G.M.C. 2-T Truck '53, Model 353-24, Ser. # S6555, Motor # A248176097 List $3,116.00	1,000.00	4C-8
1-15	Jim Francois Agency - Prem. Pol. # A 140682 Fire, Theft, comb. coverage G.M.C. $101.00 PU $62.00 1 yr.	163.00	7B
1-15	R. N. Pulliam 1/4 CCK. Equipment Rental ~~2/3~~ mo. to 1-31		
	Air Compressor Joy WK-80 315-D with caterpillar D-318 engine #50019	117.50 ~~313.33~~	4B-2
	Air Tugger, Sullivan F113, Ser. #1469 (not used) CCK.	~~23.33~~	4B-6
	Willys Jeep Ser. 82292 Meter J83920	20.00	4B-8
	Jackhammer C.P. 42W Ser. #3039 mounted on Jackleg IR JL-3	12.50 ~~33.33~~	4B-10
	Drifter Sullivan L-57 #101471 on Cradle & Shell U-176 5630. Column & Arm Sullivan Type U30-6069	18.75 ~~50.00~~	4B-9
	Gasoline Hoist (temporary installation) Single Drum Internatl. 30 HP eng.	83.33	4B-5
	Sale of Equipment:		
	Butane Kitchen Range, Norge 4-burner with oven NC 2-T #240 (used)	80.00	4C-12
	Air Hose with fittings, HD 1" 2 50-ft. lengths @ $50.00 ($703.32)	100.00	3B

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
P. O. Box 626
Alpine, Texas

Disbursements by Check (Cont'd) - Receipts Attached

1953			Amount	Contract Account
1-15	Echlin-Irvin-Crowell & Co.- Public Liability & Property Damage Ins.			
	Pol. JL 3975 Lloyd's, London		$ 500.00	7B
	Policy Fee (State Tax $25.00)		.25	7B
	LD Telephone Calls	($533.44)	8.19	7G
1-16	Norton Bros. - Accounting Supplies		23.15	7H
1-16	Joy Mfg. Co. - Duplex Pump 3x2x4 Shop # 768602		190.00	4C-7
1-16	Mine & Smelter Sup. Co. Inv. 301171			
	Small Tools & Misc. Sup.		217.37	3D
	Centrifugal Water Pump & Engine Gould Fig. 3670		120.44	4C-11
	Hose for Pump 15'2"		50.51	4C-11
	Skilsaw # 107, elec. (used)	($527.07)	138.75	4C-15
1-16	Francis Wagner Co. Inv. 53-217 Drilling Supplies		202.96	3B
1-17	Zork Hdw. Co. Inv. 4417		15.15	3D
			4.63	5
			33.16	3K
		($ 79.32)	26.38	3B
1-19	Fulcher Bros. Store		5.40	3L
1-23	T. B. Larremore - Hauling 2 loads machinery Alpine to Mine @ $60.00		120.00	7C
1-26	Car Parts Depot Inv. A 8600 Valve Reseater & acc. Black & Decker HD		120.00	4C-15
1-26	Echlin-Irvin-Crowell & Co. Prem. Pol. X5214468 Liab. Ins. PU 39.36 GMC 89.60		128.96	7B
1-26	Meyer Surplus Sales -			
	8 pieces water & air hoses		87.30	3B
	2 Army dining tables with seats	($147.30)	60.00	3K
1-29	Alpine Butane Co. - Servel Refrig. BR 1118		425.00	4C-13

Form MF-104
Docket DMA-2202X
Contract Idm-E468

Amerimex Mining Company
P. O. Box 626
Alpine, Texas

Disbursements by Check (Cont'd) - Receipts Attached

1953			Amount	Contract Account
1-29	Alpine Butane Co. - Butane		$ 55.57	3L
	Installation Appliances	($ 80.94)	25.37	3K
1-29	Car Parts Depot			
	Inv. 57454		24.92	3D
1-29	Big Three Welding Eqp. Co. Inv 72852 Down payment Lincoln Arc Welder S-7072 Ser. A-277866 & acc. $481.95 + carrying chg.$16.06. $337.36 in 10 mos.		160.65	4C-15
1-31	Brewster County Motors - Fuel etc.		38.60	3L
	Powder & other blasting supplies	($691.50)	652.90	3A
1-31	L. M. Pulliam - Accounting Service for January 28 hrs. @ $3.00		84.00	7H
1-31	Alpine Lumber Co.		33.69	3D
			.26	3C
			62.44	3K
		($ 96.61)	.22	3J
1-31	Motor Inn Machine Shop Inv. 3469		6.35	3D
	Welding Rod	($ 62.35)	56.00	6A
1-31	W. G. Fielder, Distributor 6136		32.90	3L
	6155		12.50	4C-10
	6156	($238.35)	192.95	3L
1-31	Magnolia Petroleum Co.- Jan.		107.72	3L
1-31	El Paso Welding Supply B48364		11.90	3D
	39469	($ 31.65)	19.75	6B
1-31	R. M. Pulliam - Reimbursement Expense Account 1-10 to 1-31		79.98	7G
1-31	Texas Employers' Insurance Association		257.64	7D
	TOTAL DISBURSEMENTS BY CHECK		$8,792.59	

Form MF-104
Docket DMA-2202X
Contract No. Idm-E468

Amerimex Mining Company
P. O. Box 626
Alpine, Texas

DISBURSEMENTS - Petty Cash (Receipts Attached)

1953		Amount	Contract Account
1-12	Car Parts Depot Inv. A 8456	$ 7.30	3D
1-17	Morrison's - Utensils	1.18	3K
1-18	Stephenson Oil Company	4.38	3L
1-23	R. M. Metcalfe - Map supplies	6.25	2C
1-25	City Drug Store - Welding Flux	.60	3D
1-27	Hudson Bakery - 2 Storage Cans	1.00	3K
	TOTAL DISBURSEMENTS - Petty Cash	$ 20.71	
	TOTAL DISBURSEMENTS BY CHECK	8,792.59	
	TOTAL PAYROLL and TAXES	2,958.76	*
	TOTAL DISBURSEMENTS	$11,772.06	

*NOTE: As shown on the Recapitulation, printed Form MF-104, Labor and Supervision have been distributed under Items 2, 5 and 6, as employed, despite the particular classifications indicated on the distribution sheet of this supplement, which is made to conform with the specific classifications under Item 2 of the Contract.

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA 2202X Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address P. O. Box 626, Alpine, Texas

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
		4,378.11	C.C.K.	4,378.11		218.90		
Drifting	ft.	~~6144.20~~	20	~~6,144.20~~	20	~~307.21~~	1160	not stated
Crosscutting			none					
Raising			none					
Shafts	ft		none				288	✓ ✓
Winzes								
Drilling: Core	ft		none				1500	✓ ✓
Churn								
Auger								
Stripping								
Trenching	hrs		none				56	12.50
Test Pits								
Roads and Trails	hrs.		none				16	12.50
								~~65,605.00~~
		4,378.11	C.C.K.	4,378.11				62,670.00 C.C.K.
TOTAL DISTRIBUTED COSTS		~~6144.20~~	20	~~6,144.20~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		4277.12	11	4,277.12				10,700.00
Initial Rehabilitation and Repairs		~~675.01~~	694.76 C.C.K.	~~675.01~~	694.76	1,095.00		~~550.00~~ C.C.K.
New Buildings, Improvements, etc.		~~675.73~~	655.98 C.C.K.	~~675.73~~	655.98	2,600.00		~~3,145.00~~ C.C.K.
Lab. Ins. Workmen's Comp., etc.		1,494.85	C.C.K.	1,494.85				2,935.00
TOTAL COSTS		~~11,772.06~~ 11,500.82 C.C.K.		~~11,772.06~~ 11,500.82 C.C.K.				80,000.00

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 2-14-53 Operator Amerimex Mining Co.

Per R. N. Pullian Title President

R. N. Pullian

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

(Instructions on reverse)

REMARKS: High percentage of costs is represented by initial stock of operating supplies & miscellaneous items such as insurance paid a year in advance instead of monthly. There is some unavoidable lost motion when beginning a new operation.

(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.

U. S. GOVERNMENT PRINTING OFFICE 205676

Docket No. DMA-2202X
Contract No. Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of January, 1953

OPERATOR'S MONTHLY NARRATIVE REPORT

Rehabilitation:

On January 10, supervisory and labor personnel were employed to report for work Monday, January 12. Hauling of equipment, supplies and personnel was arranged.

On January 12, installation of equipment and rehabilitation of mine workings was begun and continued through January 21. This work included checking the ladders in shafts Nos. 1 and 2 and in tightening hitches holding timbers in place, barring down loose rocks in shafts and mine workings, laying mine rail, air and water lines, resupporting and tightening headframe and swing chute, lubricating sheave bearings and car wheel bearings and installing and regulating temporary hoist installation at Shaft No. 2.

General Operation:

The working faces at Projects 1 and 3 obviously had been back-filled with muck, and the bins from which all broken rock is handled by chutes opening into the haulage level were also full or partially full of muck.

In order not to delay the operation, drilling was started at Project No. 1; and the muck from this work was dumped into the nearby chute, which was soon filled.

Project No. 3 has much greater bin capacity and contained comparatively little muck at the beginning; consequently, work here was continued without undue interruption.

As soon as the hoist installation was completed on January 24, mucking was begun by using two trammers with three 1,100-lb. ore bucket mounted on dolleys tramming from the nearest draw point where the waste was pulled from a chute gate at Project No. 1. Three mucker-trammers were used to shovel and tram the muck from an open chute, which provides the only practical means for disposing of muck from Project No. 3.

Project No. 1: This project provides for initially drifting N 60° W for a distance of approximately 50 feet to intersect a projected westerly-striking fault zone. As of January 31, this drift had progressed a total of 12 lineal feet. This drift is in altered, vuggy limestone which is difficult to drill and blast.

Project No. 3: This project authorizes initially drifting S 80° E a distance of 130 lineal feet to intersect an old churn

Docket No. DMA-2202X
Contract No. Idm-E468

Amerimex Mining Company
Alpine, Texas
Month of January, 1953

Operator's Monthly Narrative Report (Cont'd)

drill hole which reprtedly had cut a mineralized bed.

As of January 31, this drift had progressed a total of 8 lineal feet. This drift is in flat-bedded black shale, which drills and breaks easily but causes some trouble by plugging bits and drill steel.

Special Problems:

Work under this Contract has been started with supervisory personnel and mine labor which have not worked together previously. The operation is 100 miles from the nearest supply center.

Supervisory personnel and mine laborers are generally well experienced and show every evidence of becoming a capable working force able and willing to do a thorough job.

An adequate inventory of supplies and materials and proper equipment with which to make prompt repairs to operating equipment will hereafter greatly facilitate the operation.

Conclusion:

Upon the date of completion of this report and the accompanying financial report and supporting documentation on February 13, the following progress had been achieved:

Project No. 1: Total footage progressed as of February 13 57½ lineal feet with working apparently entering an extensively altered area with caverns lined with gypsum, calcite, aragonite and fluorite crystals and cinnabar showings. Some of the crystals may be Terlinguite and calomel.

Project No. 3: Total footage progressed as of February 13 46 lineal feet with the upper 2½ to 3 feet of the face in brown "jabonCillo" containing many small seams of cinnabar mineralization.

As promptly as the installation can be completed of the power plant, the electric hoist and other equipment, speed and operating efficiency will be greatly increased. This work is in progress and will be completed as soon as possible.

Respectfully submitted,

R. N. Pulliam

R. N. Pulliam
General Superintendent

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

Extra Cy

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

REVISION AND COST REDISTRIBUTION BY CLINTON G. KNOX ATTACHED TO

OPERATOR'S MONTHLY REPORT AND VOUCHER

C.C.K.

Month of January, 1953 Docket No. DMEA 2202X Contract No. Idr-E168

Operator's Name Amerimex Mining Company Minerals Mercury

Address Alpine, Texas

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:	None					
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1922.10			[illegible]	[illegible]	
Supervision	991.92			[illegible]		
Technical Services	6.25			[illegible]		
(3) Operating Mat'ls. and Supplies:						
Blacksmithing, bits, etc.	416.64			[illegible]		
Explosives	652.90			[illegible]		
Pipe & electrical fixtures	.48			[illegible]		
Trac & kitchen utensils	221.24			[illegible]		
fuels, etc.	437.52			[illegible]	[illegible]	
small tools	317.28			[illegible]		
(4) Operating Equipment:						
Rental	252.08			[illegible]		
Purchase	4277.12			[illegible]	[illegible]	
Depreciation	None					
(5) Initial Rehabilitation and Repairs	24.38			[illegible]		
(6) New Bldgs., Improvements, etc.	56.00			[illegible]		
(7) Miscellaneous:						
Repairs to Equipment	None					
Sampling and Analysis	None					
Payroll Taxes	44.74			[illegible]		
1 Yr. Liability Insurance (public)	500.25			[illegible]		
1 " trucks insurance	291.96			[illegible]	[illegible]	
Workmen's Comp. Insurance	702.64			[illegible]		
(8) Contingencies (specify):						
freighting	190.00			[illegible]		
travel & communication	88.17			[illegible]		
Accounting	107.15			[illegible]		
TOTALS	11,500.62	None	11,500.62	[illegible]	[illegible]	

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

Date *Payee

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:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REVISION AND COST REDISTRIBUTION BY CLIFTON C. KNOX ATTACHED TO

OPERATOR'S UNIT COST AND PROGRESS REPORT

C.C.K.

Month of January 195[illegible] Docket No. DMEA 2202X Contract No. Idm-E468

Operator's Name Amerimex Mining Company Minerals Mercury

Address Alpine, Texas

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	Ft.	4378.11	20	4378.11	20	218.90	1160	not stated
Crosscutting	Ft.		None					
Raising	Ft.		None					
Shafts	Ft.		None				288	not stated
Winzes								
Drilling: Core	Ft.		None				1500	" "
Churn								
Auger								
Stripping								
Trenching	Hrs.		None				56	12.50
Test Pits								
Roads and Trails	Hrs.		None				16	12.50
TOTAL DISTRIBUTED COSTS		4378.11	20	4378.11				TOTAL COSTS AUTHORIZED BY CONTRACT
								62,670.00
Operating Equipment Purchased		4277.12	11	4277.12				10,700.00
Initial Rehabilitation and Repairs		694.76		694.76				1,095.00
New Buildings, Improvements, etc.		655.98		655.98				2,600.00
Liab.Ins.,Workmen'sComp.etc.		1494.85		1494.85				2,935.00
TOTAL COSTS		11500.82		11500.82				80,000.00

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 ..... Operator .....

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

REMARKS:

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

(Instructions on reverse)

(For Government use only)

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.

U. S. GOVERNMENT PRINTING OFFICE 205676

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

REVISION AND COST REDISTRIBUTION BY CLINTON C. KNOX ATTACHED TO C.C.K.

Month of January, 1953 Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address Alpine, Texas
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:	None					
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1922.10					
Supervision	991.92					
Technical Services	6.25					
(3) Operating Mat'ls. and Supplies:						
~~xxxxxx~~hoses, bits, etc.	416.64					
Explosives	652.90					
Pip & electrical fixtures	.48					
~~xxx~~kitchen utensils	221.24					
fuels, etc.	437.52					
small tools	317.28					
(4) Operating Equipment:						
Rental	252.08					
Purchase	4277.12					
Depreciation	None					
(5) Initial Rehabilitation and Repairs	24.38					
(6) New Bldgs., Improvements, etc.	56.00					
(7) Miscellaneous:						
Repairs to Equipment	None					
Sampling and Analysis	None					
Payroll Taxes	44.74					
1 Yr. Liability Insurance (public)	500.25					
1 " trucks insurance	291.96					
Workmen's Comp. Insurance	702.64					
(8) Contingencies (specify):						
freighting	190.00					
travel & communication	88.17					
Accounting	107.15					
TOTALS	~~11500.82~~	None	~~11,500.82~~			

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

Date *Payee

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:

$ 7,859.83

Signature
(Authorized Certifying Officer)

Date 3-6-53 Vou. No. DMEA 6-56

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REVISION AND COST REDISTRIBUTION BY CLINTON C. KNOX ATTACHED TO

OPERATOR'S UNIT COST AND PROGRESS REPORT

C.C.K.

Month of January 195B Docket No. DMEA 2202X Contract No. Idm-E468
Operator's Name Amerimex Mining Company Minerals Mercury
Address Alpine, Texas

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	Ft.	4378.11	20	4378.11	20	218.90	1160	not stated
Crosscutting	Ft.		None					
Raising	Ft.		None					
Shafts	Ft.		None				288	not stated
Winzes								
Drilling: Core	Ft.		None				1500	" "
Churn								
Auger								
Stripping								
Trenching	Hrs.		None				56	12.50
Test Pits								
Roads and Trails	Hrs.		None				16	12.50
TOTAL DISTRIBUTED COSTS		4378.11	20	4378.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		4277.12	11	4277.12				62,670.00
Initial Rehabilitation and Repairs		694.76		694.76				10,700.00
New Buildings, Improvements, etc.		655.98		655.98				1,095.00
Liab.Ins.,Workmen's Comp.etc.		1494.85		1494.85				2,600.00
TOTAL COSTS		11500.82		11500.82				2,935.00
								80,000.00

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 ..... Operator .....

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

REMARKS:

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

(Instructions on reverse)

(For Government use only)

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.

U. S. GOVERNMENT PRINTING OFFICE 205676

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
XXXXXXXXXXXXXX
Joplin, Missouri
February 2, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1953

Mr. R. N. Pulliam, President
Amerimex Mining Company
Box 626
Alpine, Texas

Re: Docket DMA-2202X(Mercury)
Project Contract Idm-E468
Amerimex Mining Co.
Presidio County, Texas

Dear Bob:

On the assumption that you may be preparing the first DMEA Monthly Report, covering the incurred expenditures and progress of the work which you reported starting on your project on January 10, 1953, tentative arrangements are being made for me to drive down there to inspect the project and offer suggestions in preparing that report.

Unless you advise to the contrary, I expect to depart from here about February 5 and visit your project on Monday, February 9. Please let us know if a delay in my visit or in preparing your report would be of mutual advantage.

Very sincerely yours,

Clinton C. Knox
Mining Engineer

/jd

cc - Operating Committee

ENGINEERS
INSPECTIONS and TESTS

MAY 11 1953

The Bruce Williams Laboratories

CHEMISTS

Via.

Main Office 618-622 Joplin Street Telephone 556
JOPLIN, MISSOURI

Picher, Oklahoma
Connell Hotel Bldg.
Telephone 710

St. Louis, Missouri
306 Valley Drive
Telephone Imperial 3226

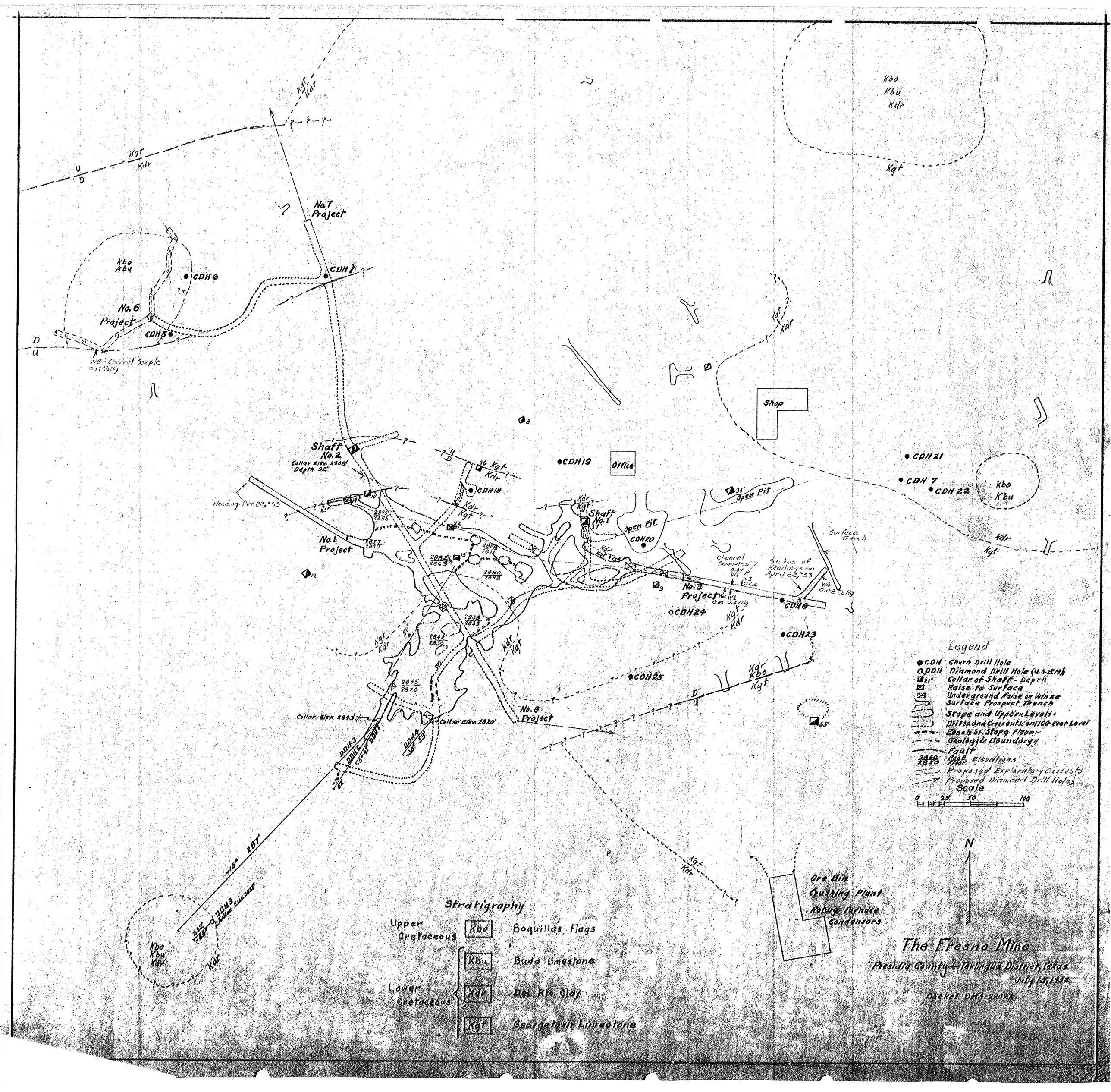
U.S. Department of Interior
Defence Minerals Administration
221 W. 3rd St., Joplin, Missouri

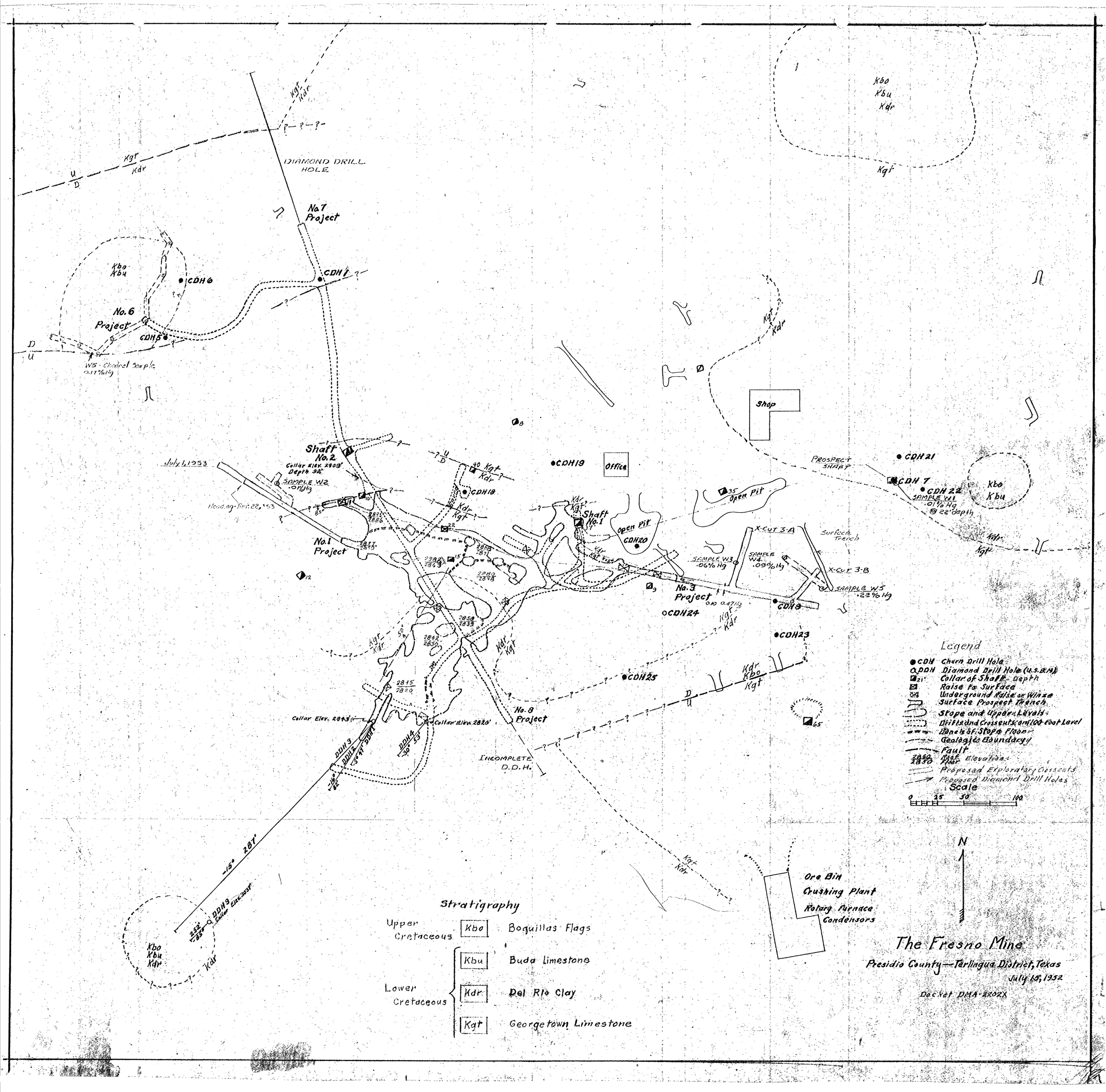
5-8-53

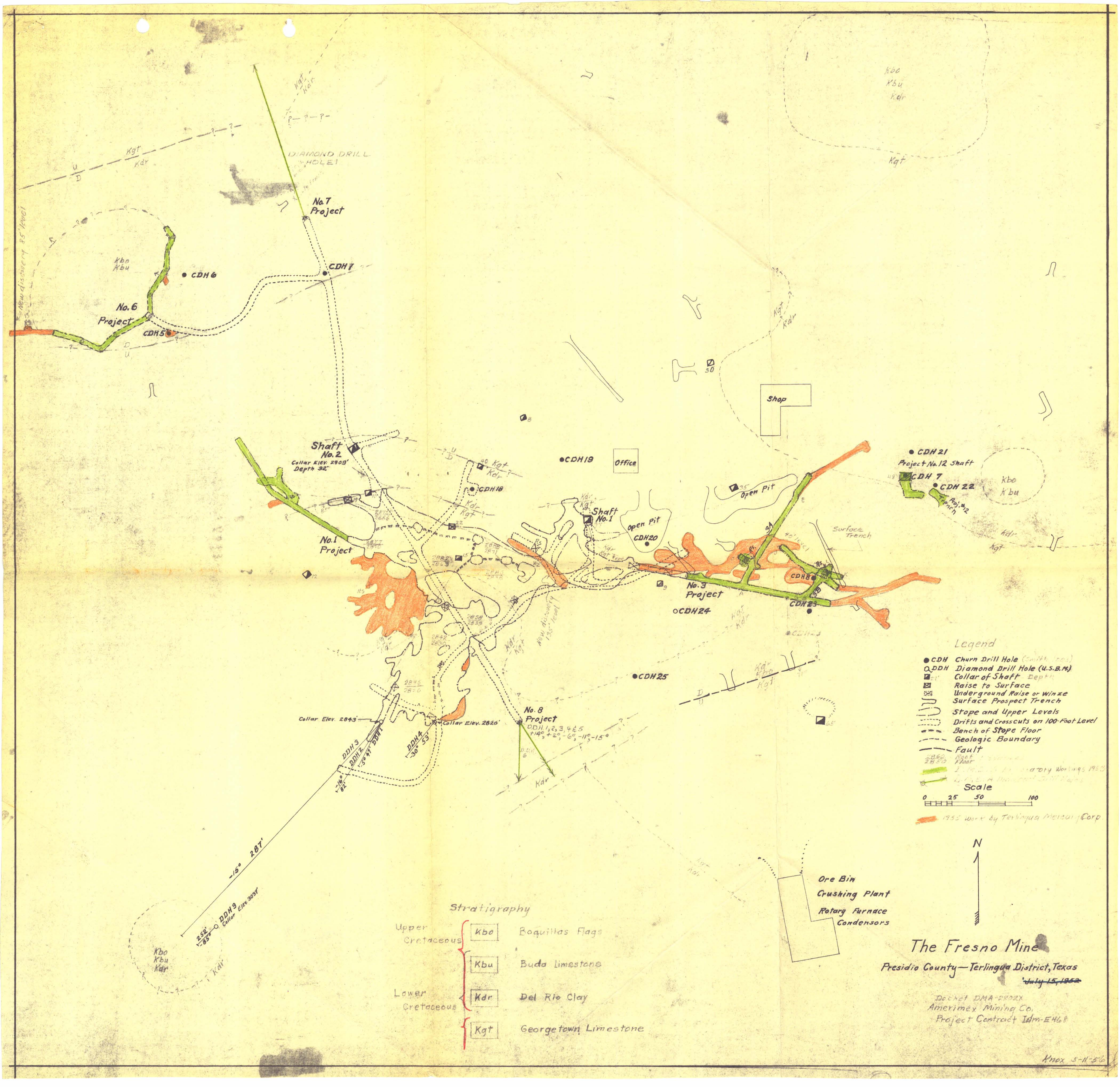
OUR NO.	MARK	DESCRIPTION	ZINC	IRON	LEAD	LIME	MOISTURE
			MERCURY				
645171	Sample #	3A-W1	0.47				
172		3-1-W2	0.10				
173		3-3-W3	0.64				
174		3-4-W4	0.08				
175		6-LI-W5	0.17				

Bruce Williams

UARCO INC. - CHICAGO


Kgr
Kdr
U
D
No.7 Project
Kbo
Kbu
CDH 6
CDH 1
No.6 Project
CDH 5
WS - Channel Sample
0.17% Hg
Shaft No.2
Collar Elev. 2903'
Depth 92'
Heading Apr. 22, '53
No.1 Project
CDH 19
Office
CDH 18
Shop
CDH 21
CDH 7
CDH 22
Open Pit
Shaft No.1
CDH 20
Surface Trench
Channel Samples
Status of Headings on April 22, '53
No.3 Project
CDH 24
CDH 8
CDH 23
CDH 25
No.8 Project
Collar Elev. 2843'
Collar Elev. 2820'
DDH 3
DDH 4
Kgt
Ore Bin
Crushing Plant
Rotary Furnace
Condensors
N
Legend
CDH Churn Drill Hole
DDH Diamond Drill Hole (U.S.B.M.)
Collar of Shaft - Depth
Raise to Surface
Underground Raise or Winze
Surface Prospect Trench
Stope and Upper Levels
Drifts and Crosscuts on 100 Foot Level
Back of Stope Floor
Geologic Boundary
Fault
Floor Elevations
Proposed Exploratory Crosscuts
Proposed Diamond Drill Holes
Scale
0 25 50 100
Stratigraphy
Upper Cretaceous
Kbo Boquillas Flags
Kbu Buda Limestone
Lower Cretaceous
Kdr Del Rio Clay
Kgt Georgetown Limestone
The Fresno Mine
Presidio County—Terlingua District, Texas
July 15, 1952
Docket DMA-2202X


DIAMOND DRILL HOLE
No. 7 Project
No. 6 Project
CDH 6
CDH 5
CDH 1
WS - Channel Sample 0.11% Hg
Shaft No. 2
Collar Elev. 2909'
Depth 92'
July 1, 1953
SAMPLE W2 .0% Hg
Heading - Apr. 22, '53
No. 1 Project
Shaft No. 1
Open Pit
CDH 20
CDH 19
Office
Shop
CDH 18
CDH 24
No. 3 Project
0.10 0.47% Hg
X-CUT 3-A
X-CUT 3-B
Surface Trench
SAMPLE W3 .06% Hg
SAMPLE W4 .09% Hg
SAMPLE W5 .22% Hg
PROSPECT SHAFT
CDH 21
CDH 7
CDH 22
SAMPLE W1 .01% Hg @ 22' depth
CDH 23
CDH 25
No. 8 Project
INCOMPLETE D.D.H.
Collar Elev. 2843'
Collar Elev. 2820'
DDH 3
DDH 2
DDH 1
DDH 4
DDH 9
Collar Elev. 3031'
Ore Bin
Crushing Plant
Rotary Furnace
Condensors
Legend
CDH Churn Drill Hole
DDH Diamond Drill Hole (U.S.B.M.)
Collar of Shaft - Depth
Raise to Surface
Underground Raise or Winze
Surface Prospect Trench
Stope and Upper Levels
Drifts and Crosscuts on 100 Foot Level
Danger of Stope Floor
Geologic Boundary
Fault
Floor Elevations
Proposed Exploratory Crosscuts
Proposed Diamond Drill Holes
Scale
0 25 50 100
N
Stratigraphy
Upper Cretaceous
Kbo Boquillas Flags
Lower Cretaceous
Kbu Buda Limestone
Kdr Del Rio Clay
Kgt Georgetown Limestone
The Fresno Mine
Presidio County—Terlingua District, Texas
July 15, 1952
Doc. Ref. DMA-2202X


DIAMOND DRILL HOLE 1
No. 7 Project
CDH 7
CDH 6
No. 6 Project
CDH 5
New discovery 25' level
Shaft No. 2
Collar Elev. 2909'
Depth 92'
No. 1 Project
CDH 19
Office
CDH 18
Shaft No. 1
Open Pit
CDH 20
Open Pit
Shop
CDH 21
Project No. 12 Shaft
CDH 7
CDH 22
Raise #12
Trench
Surface Trench
No. 3 Project
CDH 24
CDH 8
CDH 23
CDH 25
No. 8 Project
DDH 1, 2, 3, 4 & 5
+14°, +2°, -6°, -11°, -15°
Collar Elev. 2843'
Collar Elev. 2820'
DDH 3
DDH 2
DDH 1
DDH 4
DDH 9
Collar Elev. 3031'
Ore Bin
Crushing Plant
Rotary Furnace
Condensors
Legend
CDH Churn Drill Hole
DDH Diamond Drill Hole (U.S.B.M.)
Collar of Shaft
Raise to Surface
Underground Raise or Winze
Surface Prospect Trench
Stope and Upper Levels
Drifts and Crosscuts on 100-Foot Level
Bench of Stope Floor
Geologic Boundary
Fault
Scale
0 25 50 100
1955 Work by Terlingua Mercury Corp
N
Stratigraphy
Upper Cretaceous
Kbo Boquillas Flags
Kbu Buda Limestone
Lower Cretaceous
Kdr Del Rio Clay
Kgt Georgetown Limestone
The Fresno Mine
Presidio County—Terlingua District, Texas
~~July 15, 1952~~
Docket DMA-2802X
Amerimex Mining Co.
Project Contract Idm-E468
Knox 5-11-56