Aug 31

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

August 31, 1973

Cy RH

AIRMAIL

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Rec'd Sept 12

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since September 18, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☐

Has any interest been acquired in any land situated within 1500 feet of the Kawilite claim since August 31, 1970? (See "Special Agreement" on page 2 of Annex I of the contract). Yes ☐ No ☐

2. Since September 18, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Address	*Date* 9/10/73

✓ HK

Aug. 31

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

SEP 13 1972

AIRMAIL

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Rect. 9/27/72 with letter 9/18/72 + Agreement dated 8/23/72 exp. Sept. 1974 cys rec'd to R-II + Robert Bellisworth + George Hunter ("B and H")

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since August 31, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

Has any interest been acquired in any land situated within 1500 feet of the Kavilite claim since August 31, 1970? (See "Special Agreement" on page 2 of Annex I of the contract. Yes ☐ No ☑

2. Since August 31, 1970, has there been any production from the land subject to the contract? Yes ☐ No ☐

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Address	*Date* 9/18/72

August 31

AUG 26 1971

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska 99701

Re: OMM-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

This is with reference to the settlement sheet and royalty payment of $156.55 received and acknowledged by us on August 19, 1971. With respect to the total royalty due the Government on this shipment, the following data were derived from the settlement sheet:

Total value of shipment	$8,606.25
Total charges	4,369.18
Gross proceeds	$4,236.07
Government royalty at 5%	$ 211.30
Royalty received August 19, 1971	156.55
Balance royalty due	$ 54.75

rec'd. 9/13/71

We would appreciate receiving the balance of royalty due on this shipment.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OMM docket
OMM Reading File
OMM Region II
Mr. Kirkemo
130

HKirkemo/gla 8-26-71

Aug 31

AUG 31 1971

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 420
Fairbanks, Alaska 99701

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

This is to acknowledge receipt of your letter dated August 13, 1971, enclosing check No. 82, dated August 16, 1971, in the amount of $156.55 from Keystone Mines, Inc., and a copy of an ore sale settlement sheet dated December 15, 1970, Invoice 1066, from Centu Mineral Association.

Thank you for this material.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region II w/enclosures letr. 8/13/71 and settlement sheet 12/15/70
Mr. Kirkemo
130

HKirkemo/gla 8-19-71

Aug 31
JV 9/15/71

P.O. Box 630
Fairbanks, Alaska
August 13, 1971

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 18 1971
INITIALS CODE
120
~~HK 120~~

Mr. Harold Kirkemo
Chief, Office of Mineral Exploration
Geological Survey
U.S. Department of the Interior
Washington, D.C. 20242

OME 6304
Keystone Mines, Inc.
Fairbanks, Alaska
Contract 2173

Dear Mr. Kirkemo:

Further to my letter of July 15, 1971, enclosed is a copy of a statement sent to Edwin W. Ebert by Cantu Mineral Association in regard to the sale of antimony ore which he had mined on Keystone property which is subject to OME royalty.

Ebert received payment of $2504.82 but failed to repost it or make payment of royalty to Keystone. He claims he has not received the remaining 20% but it is presumed he has or will the enclosed check is for 5% of $3131.03 or $156.55.

Ebert has refused to vacate the house he was allowed to live in under his lease and in many ways has proved to be an unreliable and dishonest person. Keystone is preparing to take eviction action.

Copy with settlement sheet to OME Region II

Sincerely
Arnold M. Nordale

Continental Association
1[illegible] [illegible] S.W.
Seattle, Washington 98106
(206) 248-1330

December 15, 1970

INVOICE: 1000

VESSEL: BUSHU MARU
DESTINATION: NAGOYA, JAPAN
BUYER: OHGITANI KOGYO COI, LTD.
RE: ANTIMONY ORE (CRUSHED & BAGGED) 42% Sb

60,000# ANTIMONY ORE, 10% MOISTURE LOSS----------54,000# NET

54,000 @42%Sb----------	1012.5 LTU
$8.50 PER LTU----------	$8606.25
80% PROVISIONAL PAYMENT ---------- AS PER L/C	6885.00

LESS THE FOLLOWING CHARGES:

ARCTIC CONTAINER @$1.22 FOR 60,000#----------	732.00
ARCTIC CONTAINER @$.14 FOR 54,000#----------	75.60
SEAPORT SHIPPING @$39.00 PER TON----------	1053.00
ASSAY CHARGES----------	102.00
MILLING & CRUSHING @$48.565 PER TON----------	1456.95
DOCUMENTATION AND INSURANCE----------	100.00
10% HANDLING CHARGE----------	860.63
TOTAL CHARGES----------	$4380.18
80% PROVISIONAL AS PER L/C----------	$6885.00
LESS TOTAL CHARGES----------	4380.18
BALANCE DUE ----------	$2,504.82

THE REMAINING 20% PAYMENT TO BE PAID UPON FINAL OUTTURNS FROM OHGITANI KOGYO CO., LTD. NO LATER THAN MARCH 31, 1971.

WE ARE ENCLOSING OUR CHECK IN THE AMOUNT OF $2,504.82.

Request 31

6720 E. Greenlake Way N.
Seattle, Wash. 98103

July 15, 1971

Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D. C. 20242

OME 6304
Keystone Mines, Inc.
Fairbanks, Alaska
Contract 2173

Dear Mr. Kirkemo:

This is in reply to your letter of July 1, 1971, concerning the disposition of the antimony ore stockpiled by E. W. Ebbert.

To my knowledge he has not sold or removed the antimony from Keystone property. He is also still living there which is contrary to his lease agreement.

Through its attorney, Mr. Charles J. Clasby, Keystone has given him notice to vacate the premises but he has not done so. I will be going to Fairbanks July 26th to start eviction proceedings and to take possession of whatever antimony is there.

When this is accomplished I will advise you as to the disposal of the antimony.

Sincerely,

/s/ Arnold M. Nordale

c
o
p
y

Copy to Region II

August 31

JUL 1 1971

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

Reference is made to our letter to you of February 16, 1971, inquiring about the sale of 40 tons of antimony ore stockpiled at the mine by Mr. E. V. Ebert, and to your reply dated February 20, 1971, enclosing a letter from Mr. Ebert.

Will you kindly advise us whether or not negotiations for the sale of the represented ore Mr. Ebert mentioned have been completed and settlement therefor determined. Any OME royalty which possibly may be due should be forwarded with two copies of the settlement sheets to Mr. Harold K. Stager, Field Officer, Region II, Office of Minerals Exploration, U. S. Geological Survey, 345 Middlefield Road, Menlo Park, California 94025.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME Docket
OME ReadingFile
OME Region II
Mr. Kirkemo
130

GLAmlt/m 7-1-71

Aug 31
7.0 in June

6720 E. Green Lake Way N.
Seattle, Wash. 98103

February 20, 1971

Mr. Harold Kirkemo
Chief, Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D. C. 20242

OME-6304
Keystone Mines, Inc.
Fairbanks, Alaska
Contract 2173

Dear Mr. Kirkemo:

In reply to your letter of February 16, 1971, I am enclosing a copy of a letter recently received from Mr. E. W. Ebbert which will provide the information you desire.

While in San Francisco this week I had the pleasure of visiting your office in Menlo Park and to meet Mr. Stager.

We had an interesting discussion concerning the status of Keystone and its efforts to interest mining companies in it. He, no doubt, will convey to you the details of our conversation and the objective of my seeing him.

Sincerely,

/s/ Arnold M. Nordale

c o p y

Copy to Field Officer, Region II, and enclosure

February 5, 1971

Dear Sir:

In regard to my expired lease on certain claims and buildings on Keystone property I am [illegible] that I [illegible] have things put away and stored in their proper places by about June [illegible] if weather permits. We have some rolling stock that is frozen to the ground and buried in six to eight feet of packed snow. I will secure these buildings still standing and capable of being used for the storing of Keystone equipment as soon as possible. The snow is deep and it is almost impossible to travel to or from any of the properties.

It would perhaps be advisable to have me act as watchman here at Cleary Hill. I will be living here working on the Bekeudlemer claim which adjoins the Cleary Hill workings.

The last ore we mined had to be reprocessed to upgrade its quality to make it acceptable to any market. It will be some time before the final results and settlements are received as this is being done in Japan. We had to agree on a settlement basis of from $8 to $10 per LTU depending on its grade. There will be very little settlement after deducting the cost of freight and the reprocessing previously mentioned. I will let you know as soon as I hear from Japan.

We will probably have our final [illegible] out in [illegible] sometime before tax time and we can come to some settlement agreement at that time in regard to past businesses with Keystone.

I hope this letter finds all of you in good health and I am looking forward to many years of successful association.

Yours truly,

EMK:ad
CC: H. I. Risvold
E. F. Schreiber

August 31

Feb. 16, 1971

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

Reference is made to your letter of August 31, 1970, accompanying two copies of our request for information (MME Form 63), advising that there had been no production from the subject property since October 24, 1969. However, under item 2.B. of the form letter, you reported that Mr. E. W. Ebbert had stockpiled about 40 tons of antimony ore from spoil piles produced by surface trenching, that Mr. Ebbert's lease was to expire on January 1, 1971, and that he would probably sell the ore before that time.

Please advise us whether the lease with Mr. Ebbert expired or was extended. If the lease was extended, we should be furnished two true copies of the lease as provided in Article 2(c) of the subject contract. Also, please advise the disposition of the ore stockpiled by Mr. Ebbert. If sold, two copies of the settlement sheets should be furnished.

Your prompt reply will be appreciated.

Sincerely yours,

Harold Kirkemo (bol)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources File
OME Docket
OME Reading File
OME Region II
Mr. Kirkemo
130

August 31

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

August 28, 1970

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2179

copy R-11

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Referring to your letter of October 24, 1969, to our Spokane, Washington, office, enclosing a check in the amount of $397.00 and settlement sheets covering antimony ore bought by Fred H. Lenway from the BRCS Corporation, and advising that the agreement with the International Minerals and Chemical Corporation had not been completed, please advise the present status of negotiations on the agreement.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

see Nordale's letter 8/24/70 re filing a new application or amending this one.

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

1. Since September 22, 1969, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

Has any interest been acquired in any land situated within 1500 feet of the Newlife claim since September 22, 1969? (See "Special Agreement" on page 2 of Annex I of the contract. Yes ☐ No ☑

2. Since September 22, 1969, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser (*name and address*)	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity (*tons*)	Estimated Grade	Location
Ore	See accompanying letter		
Concentrates			
Other			

3. Since workings (*see* , has any production been transported through *of contract*)? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	*Title*
Nordale	
Address	*Date*
	Aug. 31, 1970

August, 31

BME FORM 6 REFERENCE SLIP
REV. 2-50 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Chief, OME	10/28/69	
2. Re: OME 6304 (Gold-Silver) ~~Keystone Mines, Inc~~ Keystone Mine		
3. ~~Fairbanks District, Alaska~~ Contract 2173		
4.		
5. Willard P. Puffett ~~Field Officer, Region I~~		
FROM:		

FOR: Check items for action desired

___ Action	___ Reply for signature of ___	
___ Approval	___ Investigate	___ Surname
___ Comment	___ Recommendations	___ Signature
___ Conference	___ Rewrite	___ File
___ Instructions	X Your information	

CABLES MAIL

REMARKS: Letter from Mr. Nordale advising us of sale of 73 drums of antimony ore. Copy of this letter attached to settlement sheets. Sending this copy foremphasis as regards recent activity of International Minerals and chemical Corp.

INT.-DEP. SEC., WASH., D.C. MOSCO-62

#397 no head. 11/3/69

RECEIVED
OCT 28 1969
O.M.
SPOKANE, WASH.

6720 E. Green Lake Way N.
Seattle Wash 98103.
Oct. 24, 1969

Mr. D.R. McLaren
Field Officer, OMC
Geological Survey
U.S. Court House, Room 656
W. 920 Riverside Drive
Spokane, Wash 99201

Contract 2173
Keystone Mines, Inc.
Fairbanks, Alaska

Dear Mr. McLaren:

I recently received a letter from Mr. E.J. Schreiber, Ex-Pres. of Keystone in which he advised that Ed Ebert made a shipment of approximately 30 tons of antimony ore. Mr Schreiber enclosed the two accolement statements and a check in the amount of $397.00 for payment to OMC. He did not state what Mr Ebert was doing toward further ore shipments.

International Minerals and Chemical Corporation has carried on an extensive exploration program since last May and will continue diamond drilling until winter weather forces a shut down.

A few minor details remain to be adjusted and agreements with OMC will be concluded.

Sincerely

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

AIRMAIL

AUG 4 1969

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Re: OMZ-6306 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Referring to your letter of March 20, 1969, to the Field Officer, OME Region I, Spokane, Washington, has an agreement been consummated with the International Minerals and Chemical Corporation to form a joint corporation to explore, develop and mine the subject property? If so, please furnish two copies of the agreement for our records.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Following letter attached from Mr. Nordale, dated September 22, 1969:
Pursuant to your letter I am returning 2 copiesof your letter of Aug. 4, 1969 with the requested information.

The agreement with the International Minerals and Chemical Corporation has not been completed but assoon as it is a copy will be sent you. IMC has had a crew of men on the property doing geochemical and geophysical exploration since June 1st and were scheduled to begin diamond drilling on Sept. 1st. /s/ Arnold M. Nordale

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since October 1968, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

   Has any interest been acquired in any land situated within 1500 feet of the Kewilita claim since August 29, 1963? (See "Special Agreement" on page 2 of Annex I of the contract.) Yes ☐ No ☑

2. Since October 1968, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name _____ Title _____

Address _____ Date Sept. 22, 1969

6720 E. Green Lake Way N.
Seattle, Wash. 98103
March 20, 1969

rec'd 3/24/69

Mr. W. P. MacLaren
Field Officer O.M.E.
Geological Survey
U.S. Court House Rm 656
W. 920 Riverside Avenue
Spokane, Wash. 99201

Contract 2173
Keystone Mines, Inc.
Fairbanks, Alaska

Dear Mr. MacLaren:

This will acknowledge the receipt of your letter of March 11, 1969 with the Royalty Review of Contract 2173.

At the present time Keystone Mines, Inc. is negotiating an agreement with International Minerals and Chemical Corporation to form a joint venture corporation to explore, develop and mine the Keystone property. If and when an agreement is accomplished, you will be advised accordingly and proper steps will be taken to conform with Article 2(c) of the Contract.

RECEIVED
MAR 21 1969
O.M.E.
SPOKANE, WASH.

Mr. Johnson's letter of Oct. 31, 1969 came at the time of my letter to you, Nov. 4, 1969 which included the smelter returns and a check for $299.67. I thought that a sufficient and obvious answer to his inquiry and did not answer directly.

Sincerely,
Arnold M. Nordale

XERO COPY XERO COPY XERO COPY XERO COPY

August

U.S. Court House, Rm. 656
West 920 Riverside Avenue
Spokane, Washington 99201
March 11, 1969

Copy to
B+T Cudahy
Copy report Jan 1969.

AIR MAIL

Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska 99701

Re: [illegible]-630b (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Gentlemen:

Enclosed is the Operator's copy of a Report of Royalty Review issued in January 1969 on the subject contract.

You will note that the Report of Royalty Review includes the production accounted for by the settlement sheets from AMAX Bully Smelter, Selby, California, Lot Nos. [illegible] and [illegible], dated October 10, 1968, for the account of B.R.C.S. Corporation. This raises two questions which require clarification.

1. Has the "deal" referred to in your letter of October 19, 1968, been consummated? If so, kindly furnish us with two copies of the appropriate documents as required by Article 2(c) of the contract.

2. We have received no reply to Mr. Johnson's letter dated October 31, 1968, addressed to Mr. Serdahl. Please advise us whether or not the settlement sheets mentioned above represent only production from the property since December 1966.

Sincerely,

D. R. McCaren
Field Officer, OGC
Region I

Enclosure

Mikelsonpgrls
cc: OGC(R)
OP
Minerals Reading File

August
No 63's sent

MAR 6 1969

Memorandum

To: Field Officer, Region I

From: Acting Chief, Office of Minerals Exploration

Subject: OMX-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Enclosed are two copies of a Report of Royalty Review issued in January 1969 on the subject contract.

If you concur in the facts as stated in this report and you consider it appropriate to forward the report to the Operator, a copy may be transmitted with any comments you may care to make, and the other copy retained for your files. As evidence of your concurrence, two copies of your letter to the Operator should be furnished this office. If for any reason you do not concur, both copies of the report should be returned to this office with appropriate comments.

It appears that a follow-up letter to the Operator regarding any production from the property since December 1966 should be made, as requested in Mr. Frank E. Johnson's October 31, 1968, letter to Mr. Arnold M. Hordale, President, Keystone Mines, Inc., to which no reply has been received. Your recommendations in this regard will be appreciated.

see new file letter to Mac Larson 11/1 ??

William L. Emerick

W. L. Emerick
For: Harold Kirkemo

Enclosures

cc: Director's Reading File
Economic Geology File
OMX docket
OMX Reading File
Mr. Kirkemo
130 (2)

GLAult/a 3-6-69

August

AIRMAIL

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska 99701

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

Please advise if there has been any production from the property under the subject contract since December 1966, the date of the last reported production on which the Government royalty has been paid.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
130
OME Region I
FEJohnson/gla 10-31-68

$299.27 royalty recd. 10/31/68
w/cy Nordale Letr. 11/4 to
Mac Larsen re his Oct. 21 letr.
as to RC. Settlement sheets.
2622 10/10/68
2623 10/10/68

Request

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

P. O. Box 550
Juneau, Alaska 99801

copy to file

October 24, 1968

Mr. D. R. MacLaren, Field Officer
OME, Region I
Geological Survey
U.S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Don:

Bob Warfield, Mining Research Engineer, who supervised our drill exploration on the Keystone and adjacent properties during the 1967 field season and has been supervising research work in an area nearby during the 1968 season, says that a stockpile of ore from the Jamesonite vein was milled and a carload of concentrate was shipped this spring. You will note from the copy of our record enclosed that we do not have a record of this shipment. When he provided this record, Kevin Malone suggested that the shipment probably was sent to the Bunker Hill smelter and that you can probably obtain the information from them.

Bruce Thomas, Mining Research Engineer, informed us that only assessment work has been done this summer and the leasor, Edwin W. Ebbert, is now employed by the government on the Heavy Metal Mining Research work at CRREL.

Sincerely yours,

Bob

Robert L. Thorne
Chief
Alaska Office of Mineral Resources

Enclosure

copy to docket

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CONFIDENTIAL

KEYSTONE MINES, INC.

	GOLD Fine ounces	Value	SILVER Fine ounces	Value	LEAD Pounds	Value	Consent to Publish
1963	1,008	$ 35,280	234	$ 299	---	---	---
1964	2,035	71,225	451	583	---	---	---
1965	2,975	104,125	1,704	2,203	---	---	No
1966	390	13,650	2,169	2,805	28,700	$ 4,338	---
1967 1/	---	---	---	---	---	---	---
1968 2/							---

1/ Reported assessment work only.
2/ B.E.C.S. Corp. (reported as a lessee in 1966) had shipments to AS&R (Selby Plant) during the month of July, 32 ounces of gold valued at $1,120; 2 ounces of silver valued at $3; and 21 pounds of lead valued at $3.

Source: U.S. Bureau of Mines
P. O. Box 550
Juneau, Alaska 99801

CONFIDENTIAL

August

GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
October 21, 1968

AIR MAIL

Mr. Robert L. Thorne, Acting Chief
Alaska Office of Mineral Resources
U. S. Bureau of Mines
P. O. Box 550
Juneau, Alaska 99801

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Bob:

The last royalty on production from the cited mine was received April 13, 1967. In a letter accompanying that payment Mr. Arnold M. Nordale stated that the Cleary Hill Mill was changed from stamps to ball mill and flotation and the capacity was increased from 20 to 50 tons per day. He also stated that 400 tons of silver-lead ore from the Jamesonite vein was stockpiled at the mill which he expected to have in operation "in about 2 weeks."

Have you any data as to the production from this property since August 1963. This is the start of the royalty period and I am asking for a check from that date because Nordale has been somewhat slow in his royalty payments and could have unintentionally overlooked a shipment.

Sincerely,

D. R. MacLaren
Field Officer, OME
Region I

DRMacLaren/mls

cc: OME(2)
CPF

Director's Reading File

see royalty recd.

GEOLOGICAL SURVEY
U. S. Court House, Rm. 656
W. 920 Riverside Avenue
Spokane, Washington 99201
October 21, 1968

AIR MAIL

Mr. Arnold M. Nordale, President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska 99701

Re: OMR-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Dear Mr. Nordale:

In a letter dated April 11, 1967, you enclosed a check in the sum of $150.83 for royalty due on A&R Co. (Selby, California) Settlement Sheets Nos. 1620 and 1621 both dated December 29, 1966. The net proceeds shown on settlement sheet 1620 is $4,037.51; those on sheet 1621 are $1,481.74; the total on which royalty at 5 percent is due is $5,519.25. Thus, it appears that the royalty on these two settlements should have been $275.96, leaving a balance due of $151.13. There may be a valid reason for this apparent discrepancy of which I am not aware. In any case, your letter of October 19, 1968, will have to be forwarded for reply to our office in Washington, D.C., where our official records are kept.

In your letter of April 11, 1967, you state there were stockpiled at the mill 400 tons of silver-lead ore and that the mill should be in operation "in about 2 weeks." Before our Washington office can answer your letter of October 19, 1968, they will need to know:

1. Has the above-mentioned 400 tons been concentrated and sold? If so, when may we expect to receive the royalty due thereon? If not, what is the gradeof the stockpiled ore? (Refer to contract Article 6(d)).

2. Has there been any production from the property since that accounted for by Bullion Deposit Memo Report 193 dated July 28, 1966, or that accounted for by A&R Co. Settlement Sheet 1621 dated December 29, 1966. If so, what were any settlements and when may we expect to receive the royalty due?

As soon as these points have been clarified, we will be able to determine the balance of royalty due on this contract.

Sincerely,

D. R. MacLaren
Field Officer, OME
Region I

cc: Mr. Earl H. Beistline
P. O. Box 148
College, Alaska 99735

OME(2) w/cpys incoming
CPF

Director's Reading File

DRMacLaren/mls

Nordale Hotel
Fairbanks, Alaska

P.O. Box 630
Fairbanks, Alaska 99701
Oct. 19, 1968

Mr. R. R. MacKaren
Field Officer
Office of Minerals Exploration
South 157 Howard Street
Spokane Wash - 99204

Contract 2173
Keystone Mines Inc.
Fairbanks, Alaska

Dear Mr. McKaren:

Keystone Mines, Inc. is presently negotiating a deal for its property on which exploration was conducted under OME Contract No. 2178. As the unpaid balance owing OME will be a consideration would you please advise me of the amount still owing the OME by Keystone as of Nov 1. 1968.

Would you please also send a copy of the statement to:

Mr. Earl H. Beistline
P.O. Box 148
College, Alaska 99735

RECEIVED
OCT 21 1968
O.M.E.
SPOKANE, WASH.

Yours sincerely
Arnold M. Nordale

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

August 31, 1973

AIRMAIL

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy to Region II

OFFICIAL COPY
SEP 11 1973
Cac
HK 120 m
~~130~~

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since September 18, 1972, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

Has any interest been acquired in any land situated within 1500 feet of the Kawilite claim since August 31, 1970? (See "Special Agreement" on page 2 of Annex I of the contract). Yes ☐ No ☑

2. Since September 18, 1972, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name	Title
Arnold M. Nordsee	President
Address	Date
6720 E. Greenlake Way N. Seattle Wash 98103	September 10, 1973

OFFICIAL
COPY
O. M. E.
RECEIVED
SEP 27 1972
INITIALS | CODE
HK | 120
gla | 130
| 220

6720 E. Greenlake Way N.
Seattle, Wash 98103
September 18, 1972

Mr. Harold Kirkemo
Chief, Office of Mineral Exploration
Geological Survey
U.S. Department of Interior
Washington, D.C. 20242

Re: OME 6304
Keystone Mines, Inc.
Fairbanks, Alaska
Contract 2173

Dear Mr. Kirkemo:

Enclosed are two copies of the information requested in your letter of September 13, 1972.

Attached to each copy is a copy of a contract made last August between Keystone and Bettisworth and Horner to do the assessment work for the years 1972 to 1975.

Meanwhile Keystone will try to interest a mining company in the property and if successful the contract may be modified or cancelled by mutual consent.

Sincerely
Arnold M. Nordlee

United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

IN REPLY REFER TO: Office of Minerals Exploration

SEP 1 3 1972

AIRMAIL

Re: **OME-6304 (Gold-Silver)**
Keystone Mines, Inc.
Keystone Mine
Fairbanks District, Alaska
Contract 2173

Mr. Arnold M. Nordale
President
Keystone Mines, Inc.
6720 East Green Lake Way N.
Seattle, Washington 98103

Dear Mr. Nordale:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo
Chief, Office of
Minerals Exploration

Copy of O. letr. & contract agmt. to R-II

Form MME 63
(May 1970)

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
OR PROJECT UNDER ROYALTY AGREEMENT

1. Since August 31, 1970, has there been a change in ownership, lease, or sublease? *If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before.* Yes ☐ No ☑

Has any interest been acquired in any land situated within 1500 feet of the Kawilite claim since August 31, 1970? (See "Special Agreement" on page 2 of Annex I of the contract. Yes ☐ No ☑

2. Since August 31, 1970, has there been any production from the land subject to the contract? Yes ☐ No ☑

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

Purchaser *(name and address)*	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity *(tons)*	Estimated Grade	Location
Ore			
Concentrates			
Other			

3. Since workings *(see* , has any production been transported through *of contract)*? Yes ☐ No ☐

If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Arnold M. Nordaas	*Title* President
Address 6720 E. Green Lake Way N. Seattle Wash 98103	*Date* September 18, 1972

- CONTRACT OF AGREEMENT -

It is herewith agreed between Robert Bettisworth and George Horner, party of the first part, hereinafter known as "B and H"

and

Keystone Mines, Inc. party of the second part, hereinafter called Keystone, that B and H shall, undertake and complete a contract to:

1. Rehabilitate the old road leading up Wolf Creek from its junction with the Steese Highway to its present end and to construct a new road from there to the portal of the old Nordale Tunnel;

2. Clean out, repair and retimber the old tunnel where necessary;

3. Extend the tunnel, with prospective size opening, to intersect the Kowilita-Pioneer vein and;

4. Drift on intersected veins distances sufficient to determine their quality and characteristics. Not to exceed fifty feet.

For the performance and completion of the above named work, Keystone shall issue to Bettisworth and Horner forty-nine thousand (49,000) shares of Keystone Mines, Inc. stock.

It is further agreed that:

1. B and H shall, during the life of this contract, keep Keystone free from any lien, debt or encumbrance and carry adequate liability insurance at all times;

2. Any claims staked or acquired by B and H within a radius of 4 miles of any boundary of Keystone claims shall be transferred to and become the property of Keystone;

3. B and H shall have the right to use any buildings, equipment, tools and materials that are on Keystone property or belong to it.

Terms of this agreement shall expire the month of September, the year nineteen hundred and seventy four.

OWNERS OF B & H:

George Horner — Date Aug 23, 1972
George Horner

Robert H Bettisworth — Date Aug 13 1972
Robert Bettisworth

KEYSTONE MINES, INC.

Arnold M Nordale — Date Aug. 23, 1972
Arnold Nordale

Gene F Schriber — Date Aug 23 - 1972
Gene Schriber

Ing. Riswold — Date Aug 23 - 1972
Ing. Riswold

OME Contract-2173

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

OFFICIAL COPY
O. M. E.
RECEIVED
JAN 7 1972

INITIALS	CODE
HK	120
	220

January 3, 1972

Mr. A. M. Nordale
6720 E. Green Lake Way N.
Seattle, Washington 98103

Dear Mr. Nordale:

Thank you for your letter of December 22, 1971, informing us of your plans to submit an application for financial assistance in January 1972, and inquiring as to the funds available. Budget constraints have greatly restricted the funds available to the Office of Minerals Exploration and we do not now have sufficient funds available in this fiscal year for a project of the size you outline. Total loan funds available for this fiscal year (July 1971-June 1972) were only about $135,000 for the entire program of which most have already been allocated. Funds budgeted for next fiscal year (July 1972-June 1973) are at about the same level and we would not be able to put it all into a single contract such as you propose.

With these limitations in mind, perhaps you could modify your plans to the extent of doing all of the rehabilitation and crosscutting at your entire expense and then requesting OME assistance next fiscal year in the 600 feet of drifting on the veins. Such a program, if it can be adequately justified, would reduce the OME participation to about $30,000 to $40,000, an amount more within our projected fund limitations.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

cc: OME, Wash., D.C.
DRF
ACG RF
MP RF
MP GC

HKStager:mkh

6720 E. Green Lake Way N
Seattle, Wash 98103
December 22, 1971

Mr. Harold K. Stager
Field Officer
Office of Minerals Exploration
315 Middlefield Road
Menlo Park, Calif. 94025

RECEIVED
DEC 27 1971
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Dear Mr. Stager

Keystone Mines, Inc. of Fairbanks, Alaska is planning to submit an application to the Office of Minerals Exploration in January 1972 for financial assistance to complete the exploration program started under OME Contract No. 2173.

The proposed exploration work for which financial assistance will be requested consists of the retimbering of the old Hardale tunnel where necessary; the construction of about 1000 feet of new tunnel to intersect at low level the Lucilita-Pioneer vein on which the work under Contract No. 2173 was done and the American Eagle vein where small scale mining was carried on by prior ownership and; the construction of drifts along the veins for a

total of 600 feet. The production and information obtained by the mining and exploration indicates the possible existance of ore adequate for a profitable underground mining operation at present or prevailing costs. Enclosed is a patch print taken from the large map made by International Minerals and Chemical Corp. in 1969. The proposed exploration is indicated in black.

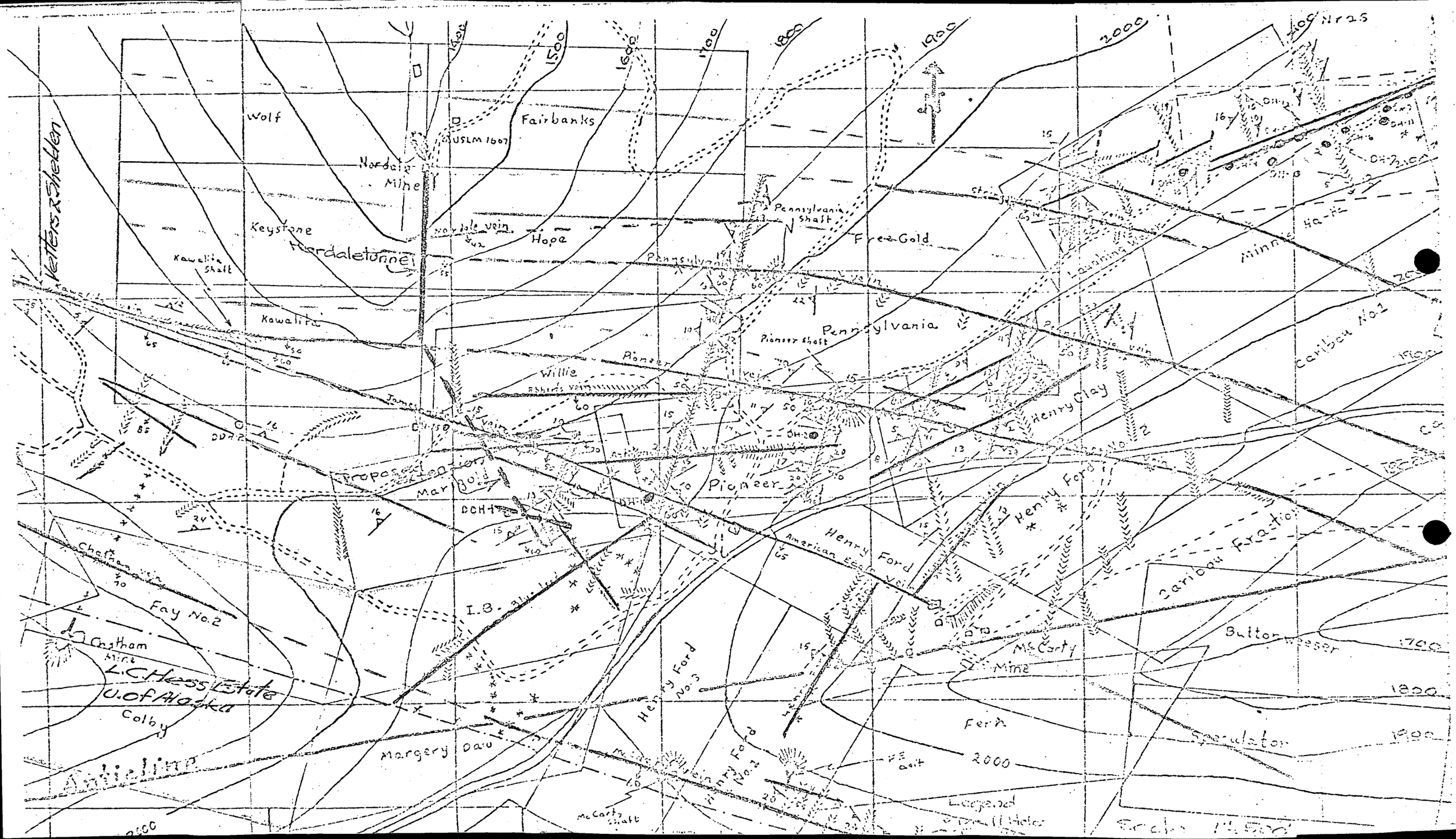
The tunnel and drifts shall be prospect size, 5 feet by 7 feet in the clear. The work will be done by and independent contractor on a price per foot basis and Keystone's application to OME will be for a contract on a unit or fixed unit cost of work.

The total cost of the project should approximate $140,000, depending on the price asked by the independent contractor. The OME share of the cost would be about $105,000. If that figure is in excess of what OME will allow the project could be reduced to concur.

I am writing you at this time that you may be aware of our intention and be able to budget funds for it. Should OME be unable to undertake this program please advise me soon as I am now compiling data and information required in the application.

Sincerely

Arnold M. Nordale


Wolf
Fairbanks
USLM 1607
Nordale Mine
Keystone
Nordaletunnel
Kawalita shaft
Kawalita
Hope
Pennsylvania shaft
Free Gold
Pennsylvania
Pioneer shaft
Pioneer
Willie
Ebbitts vein
Mar Gold
Pioneer
Henry Clay
Henry Ford
American Eagle vein
Henry Ford
Caribou Fraction
Caribou No. 1
Minn
Chatham vein
Fay No. 2
Chatham Mine
L.C. Hess Estate
U. of Alaska
Colby
I.B. blue lead
Henry Ford No. 3
Margery Dale
Anticline
McCarty Mine
Button
Speculator
Fern
2000
Legend
Drill Hole
Scale 1" = 500'
Vetters & Shelden

MME FORM 60
SEPT. 1959

RECEIVED
NOV 12 1965
OME

OFFICIAL COPY
O. M. E.
RECEIVED
APR 22 1966
INITIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No.
14-23-090 2173 as amended
Contract Amount $70,190.00
Gov't. Participation 50 $35,095.00
Mineral(s) Gold, silver

OPERATOR'S MONTHLY VOUCHER

For Month of October 1965

Operator's Name Keystone Mines, Incorporated
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Timbering, drifts and crosscuts	0	4,000.00	4,000.00			
Drifting	220	27,555.00	27,775.00			
Crosscutting	0	357.50	357.50			
17½ station	0	1,050.00	1,050.00			
station, 4 sets	0	200.00	200.00			
shaft sinking	0	14,145.00	14,145.00			
(2) Personal Services:						
loading pocket	0	350.00	350.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	220	47,657.50	47,877.50			

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

Date Oct. 31, 1965 *Payee Keystone Mines, Inc.

Per Arnold M. Nordale Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 110.00

Signature 14X0804
(Authorized Certifying Officer)

Date APR 22 1966 Vou. No. 8025

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature Donald R. MacBaren Title Field Officer, Reg. I Date Feb. 1, 1966

Approved by OME Executive Officer or Alternate:

Signature Donald R. MacBaren Title Field Officer, Reg. I Date Feb. 1, 1966

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
NOV 12 1965

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT — For Month of Oct. 1965 — Docket No. OME 6304

Operator's Name Keystone Mines, Inc. — Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	4	505	27,775.00	4	511.5	$28,132.50
Crosscutting	ft	0	6.5	357.50			
Raising							
Shafts	ft	0	123	14,145.00	0	123	14,145.00
Winzes							
Other Underground	ft	0	17½	1,050.00	0	17.5	1,050.00
Drilling, Core-Diamond							
loading pocket	ea	0	1	350.00	0	1	350.00
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous sta. sets timbering, drifts,	ea	0	4	200.00	0	4	200.00
Roads and Trails cr.-cuts	ft	0	400	4,000.00	0	400	4,000.00
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				47,877.50			$47,877.50 [1/50]

REMARKS

Four feet of drift was driven during October 1965

(Continue on back)

REMARKS

[1] Continue to withhold $200.00 pending receipt of acceptable Operator's final report

(Continue on back)

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

Date Oct. 31, 1965 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature Donald R. MacBeven

Title Field Officer, Reg. I
Government Representative

Date Feb. 1, 1966

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC. O.M.E. NARRATIVE REPORT FOR OCTOBER 1965

Docket No. OME 6304
Contract No. 14-23-090-2173

OME work continued during the first ten days of October 1965. During this period only four feet of drift was driven. Forepoling a considerable distance in advance was essential to drive the four feet of drift. Pumping was stopped on October 10, 1965 and by the evening of October 12, 1965 the 147' workings were completely filled with water. On October 29, 1965 the water level was 67 feet below the collar of the shaft.

The face was breasted and rails and airlines are in place.

The sample report is for samples shown on map #20 (September 1965). The samples are not channel samples but grab samples from a portion of the vein that could be reached through the timbering as indicated on map #20.

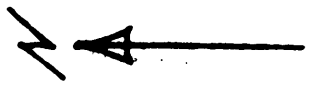
RECEIVED
NOV 12 1965
OME
SPOKANE WASHINGTON

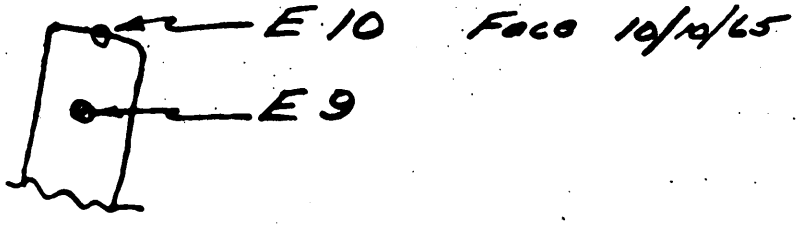
#21
10/31/6

Keystone Mines, Inc.
Sketch of

Opening completed in Oct. 1965
147' Level-East Drift

Plan
Brunton Survey
Scale: Approx. 1"=10'





E 9 to E 10 S 80°E Distance 4 ft.

State of Alaska
Department of Natural Resources
Division of Mines
and Minerals
M-1-2-62-2M

Assay Office Fairbanks
Date October 24, 1963

REPORT OF ASSAY

On samples received from Keystone Mines Earl Blastline

Address Fairbanks

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
30413	Keystone # 71	0.01	Nil	$ 0.35	Silver @ $1.29 per ounce
30414	" # 72	0.17	Nil	5.95	
30415	" # 73	2.43	0.19	85.23	
30416	" # 74	16.63	15.03	601.44	
30417	" # 75	8.54	11.16	303.29	

Donald Stern
Assayer

RECEIVED
Via
OCT 19 1965
Air Mail
OME
SPOKANE, WASHINGTON

MME FORM 60
SEPT. 1959

OFFICE COPY
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FEB 23 1966
INITIAL CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OME 6304

Docket No. 2173 as amended
Contract No. 70,190.00
14-23-090-50 35,095.00
Contract Amount $Gold, silver
Gov't. Participation % $
Mineral(s)

OPERATOR'S MONTHLY VOUCHER

September 1965

Operator's Name Keystone Mines, Incorporated
Address Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
~~Fixed Unit Costs~~ and						
(1) Independent Contracts:						
Timbering, drifts, ~~Building~~ crosscuts	0	4,000.00	4,000.00			
Drifting	3,712.50	23,842.50	27,555.00			
Crosscutting	0	357.50	357.50			
Drilling 17½ station	0	1,050.00	1,050.00			
Station, 4 sets	0	200.00	200.00			
Shaft sinking	0	14,145.00	14,145.00			
(2) ~~Personal Services~~:						
Loading pocket ~~Supervision & Technical~~	0	350.00	350.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	3,712.50	43,945.00	47,657.50			

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

Date Sept. 30, 1965 Payee Keystone Mines, Inc.
Arnold M. Nordale
Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1856.78 Col P.

Signature RB 14X0804
(Authorized Certifying Officer)

Date FEB 23 1966 Vou. No. 6356

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacKaren Title Field Officer, Reg. I Date OCT 21 1965

Approved by OME Executive Officer or Alternate:

Signature D.R. MacKaren Title Field Officer, Reg. I Date OCT 21 1965

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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Via
OCT 19 1965
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SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of Sept. 1965 Docket No. OME 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	67.5	501.0	27,555.00	67.5	507.5	27,912.50
Crosscutting	ft	0	6.5	357.50			
Raising							
Shafts	ft	0	123	14,145.00	—	123	14,145.00
Winzes							
Other Underground station	ft	0	17½	1,050.00	—	17.5	1,050.00
Loading pocket	ea	0	1	350.00	—	1	350.00
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous sta. sets	ea	0	4	200.00	—	4	200.00
Timbering, drifts,							
Roads and Trails x-cuts	ft	0	400	4,000.00	—	400	4,000.00
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				$47,657.50			47,657.50

REMARKS

67.5 feet of drift was driven in the east end of the 147' level during September 1965.

(Continue on back)

REMARKS

(Continue on back)

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

Date Sept. 30, 1965 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D.D. MacPherson

Title Field Officer, Reg. I
Government Representative

Date OCT 21 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INCORPORATED
OME NARRACTIVE REPORT FOR SEPTEMBER 1965

Docket No. OME 6304
Contract No. 14-23-090-2173

OME work at the Keystone Mines was on a one-shift basis during September 1965. All work was done in the east drift of the 147 foot level. Ground continues to "cave" and "run" thus necessitating timbering throughout. Tight lagging is essential.

The drift for the most part is in the footwall of the vein in an attempt to encounter stronger rock. The vein is exposed as indicated on the sketch map and is in the face at station E0. Some strike faulting is in the vein at this point. Pumping of water continues.

Samples taken are at points indicated on sketch 20. Assay results received during the month are enclosed.

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OCT 11 1965
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SPOKANE, WASHINGTON

State of Alaska
Department of Natural Resources
Division of Mines and Minerals

Form M-1-8-62-3M

Assay Office Fairbanks

Date [illegible] 16, 1965

REPORT OF ASSAY

On samples received from Keystone Mines

Address 523 5th Avenue, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
	Rec'd 8/26	GOLD	SILVER		
[illegible]	64	0.06	1.76	$4.39	
[illegible]	64 (65)	0.10	0.68	4.37	
[illegible]	66	0.08	0.44	3.36	
[illegible]	67	0.02	10.28	14.06	
[illegible]	68	0.52 ✓	1.78	[illegible]	

Assayer.

State of Alaska
Department of Natural Resources
Division of Mines and Minerals

Form M-1-8-62-5M

Assay Office .....

Date .....

REPORT OF ASSAY

On samples received from .....

Address .....

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
30225					

Assayer.

UNITED STATES
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: **Keystone Mines, Incorporated**
Box 630,
Fairbanks, Alaska

Amount Claimed:	Differences (Explained Below)	Amount Approved
$1,856.25	**$200.00**	**$1,656.25**
Bu. Voucher No.	Payee's Invoice No. **OME 6304 Contract #2173**	Period **September, 1965**

EXPLANATION

$200.00 withheld pending receipt of your final report.

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Branch of Budget and Finance
E. Gibson

OME

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 15 1965
INITIALS
120 m
120

August 31, 1965

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District,
Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME Contract, as amended, I am sending you herewith the original and three copies of:

Operator's monthly voucher (OME Form 60), August 1965
Operator's Progress Report (OME Form 61), August 1965
Narrative
Sketch maps 19A and 19B showing work accomplished during August 1965
Assay Reports

Reimbursement is requested for August 1965 for the completion of 144 feet of drift and 104 feet of drift timbering.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jr
Enclosures

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SEP 8 1965
O M E
SPOKANE, WASHINGTON

MME FORM 60
SEPT. 1959

RECEIVED
Sea
SEP 8 1965
Air Mail
OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 2173 ac
14-23-090- amended
Contract Amount $ 70,190.00
Gov't. Participation % 50 $ 35,095.00
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of August 1965

Operator's Name Keystone Mines, Incorporated
Address P.O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Timbering, Drifts & Crosscuts	1040	2960.00	4000.00			
Drifting	7920	15922.50	23842.50			
Crosscutting	0	357.50	357.50			
CUCC 174 station	0	1050.00	1050.00			
Station, 4 sets	0	200.00	200.00			
Shaft sinking	0	14145.00	14145.00			
(2) Expense: Loading pocket	0	350.00	350.00			
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	8960.00	34985.00	43945.00			

OFFICIAL COPY
O. M. E.
RECEIVED
SEP 28 1965

INITIALS	CODE
	110
	120 M
	120

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

Date Aug. 31, 1965 Payee Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

* 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 4,480.00

Signature REP 9/28/65
(Authorized Certifying Officer)

Date SEP 24 1965 Vou. No. 2276

(SEE OTHER SIDE)

14X0804

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D R MacKaven Title Acting Field Officer, Reg. 7 Date SEP 13 1965

Approved by OME Executive Officer or Alternate:

Signature D R MacKaven Title Acting Field Officer, Reg. 7 Date SEP 13 1965

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
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SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of August 1965

Docket No. OME 6304
2173 as amended

Operator's Name Keystone Mines, Inc.

Contract No. 14-23-090-

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft.	144	433.5	23842.50	144	440	24,200.00
Crosscutting	ft.	0	6.5	357.50			
Raising							
Shafts	ft.	0	123	14145.00	—	123	14,145.00
Winzes							
Other Underground Station	ft.	0	17½	1050.00	—	17.5	1,050.00
~~Drilling-Core-Diamond~~							
Leading Pocket ~~Rotary~~	ea.	0	1	350.00	—	1	350.00
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Sta. sets	ea.	0	4	200.00	—	4	200.00
Timbering, Drifts & X-cuts	ft.	104	400	4000.00	104	400	4,000.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				43945.00			43,945.00

REMARKS

79' driven in West Drift
65' driven in East Drift
144'

Although the full 144' of drift was timbered, reimbursement for only 104' is requested to give full contract allowance of 400'.

(Continue on back)

REMARKS

(Continue on back)

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

Date August 31, 1965 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. M. Lachaven

Title Acting Field Officer, Reg. I
Government Representative

Date SEP 13 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC.
OME Narrative Report for August 1965
Docket No. OME 6304
Contract No. 14-23-090-2173

OME work at the Keystone Mines continued on a two-shift basis during the majority of the month of August 1965. At present work is being conducted on a one-shift basis.

During the month, work was stopped on the west drift of the 147' level. Extremely runny ground was encountered and tight timbering was essential. The east drift is being advanced in the footwall of the vein with the vein being exposed sufficiently to observe.

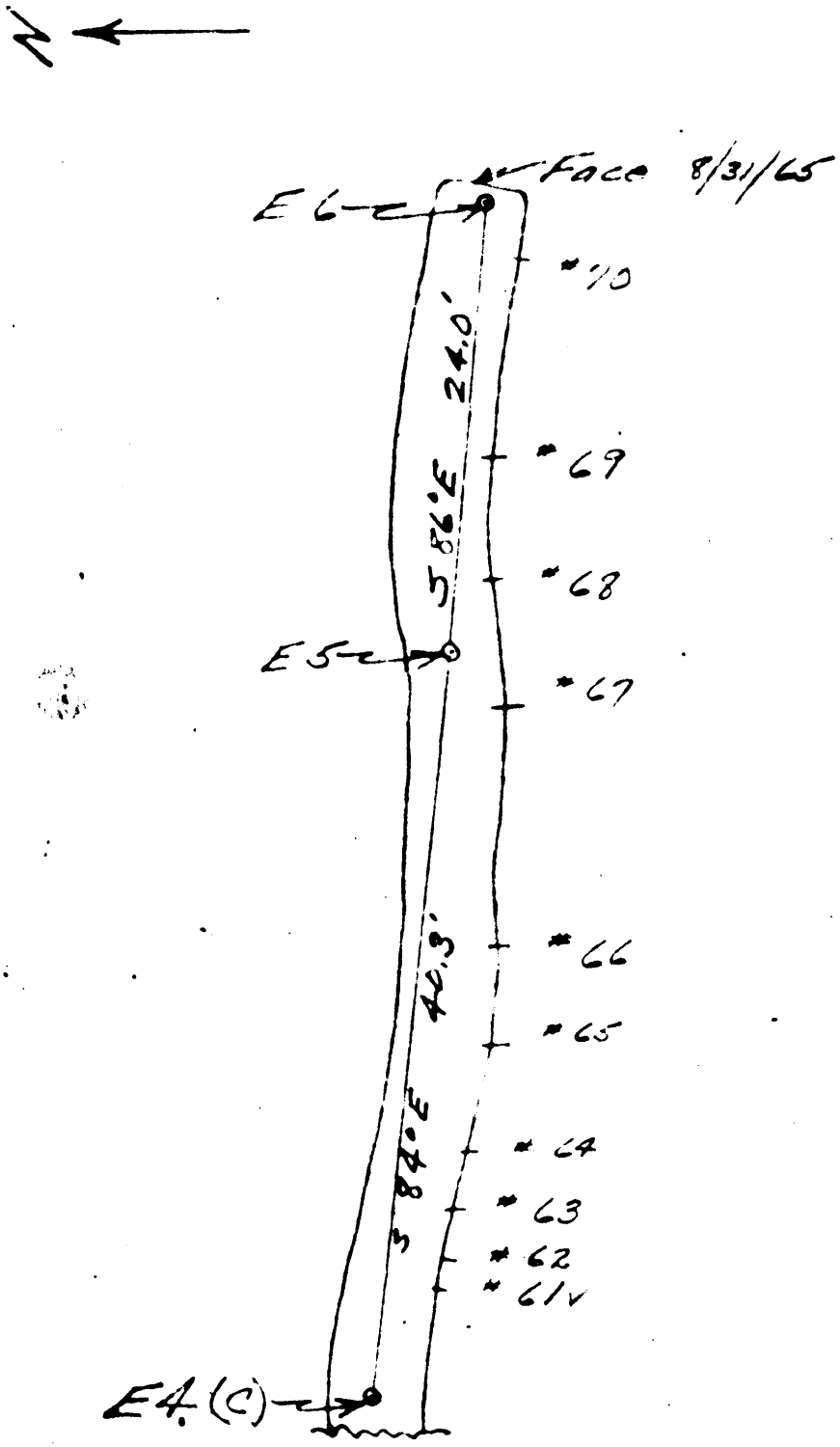
The sketch maps indicate sample locations and a sample data sheet gives information about specific samples. Bulk samples on the map are located generally in the center of the distance represented.

Assay results for samples submitted during August for which results are available at the present time from the Division of Mines and Minerals are included.

RECEIVED
Via
SEP 8 1965
OME
SPOKANE, WASHINGTON

#19F
8/31/65
EHB

Keystone Mines, Inc.
Sketch of
Openings Completed in August 1965
147' Level East Drift
Plan
Engineer Survey
Scale: Approx. 1" = 10'



State of Alaska
Department of Natural Resources

Division of Mines and Minerals

Form M-1-8-62-3M

Assay Office Fairbanks

Date Aug 11196 5

REPORT OF ASSAY

On samples received from Keystone Mines Inc

Address Box 630, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
29971	25	0.24	0.22	$8.68	
29972	26	0.26	0.34	9.54	
29973	27	0.04	0.36	1.86	
29974	28	0.12	0.48	4.81	
29975	29	0.02	0.22	0.98	
29976	30	0.08	1.32	4.56	
29977	31	0.08	0.72	3.52	
29978	32	0.06	0.50	2.74	
29979	33	0.06	0.44	2.66	
29980	34	0.08	0.52	3.47	

4 3
W drift

Assayer.

State of Alaska
Department of Natural Resources
Division of Mines and Minerals
Form M-1-8-62-20M

Assay Office Fairbanks
Date August 25, 1965

REPORT OF ASSAY

On samples received from Keystone Mines, Inc.

Address 523 5th Avenue, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
	Rec'd 8-5	GOLD	SILVER		
30025	35	0.34	1.26	$ 13.54	
30026	36	0.82	1.78	31.00	W dry
30027	37	0.58	1.74	21.55	
30028	38	0.04	1.72	3.64	

Assayer.

State of Alaska
Department of Natural Resources

Division of Mines and Minerals

Form M-1-8-62-3M

Assay Office Fairbanks

Date August 25, 1965

REPORT OF ASSAY

On samples received from Keystone Mines, Inc.

Address 523 5th Avenue, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
	Rec'd 8/12	GOLD	SILVER		
30075	39	0.04	1.56	$ 3.42	
30076	40	0.10	2.30	6.49	
30077	41	0.10	1.30	5.19	
30078	42	0.10	2.62	6.91	
30079	43	0.24	1.34	10.14	

Assayer.

State of Alaska
Department of Natural Resources

Division of Mines and Minerals

Form M-1-8-62-5M

Assay Office Fairbanks

Date August 25, 1965

REPORT OF ASSAY

On samples received from Keystone Mines, Inc.

Address 523 5th Avenue, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
	Rec'd 8/13	GOLD	SILVER		
30101	44	0.80-	1.62	$ 30.11	
30102	45	3.34	1.86	119.32	
30103	46	0.68	1.48	25.72	
30104	47	1.28	1.52	46.78	
30105	48	0.24	1.28	10.00	
30115	conc	2.06	3.14	76.18	

Assayer.

State of Alaska
Department of Natural Resources

Division of Mines and Minerals

Form M-1-8-63-3M

Assay Office Fairbanks

Date August 31, 1965

REPORT OF ASSAY

On samples received from Keystone Mines, Inc.

Address 523 Fifth Avenue, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
	Rec'd 8/23				
30164	59	0.04	0.26	$ 1.73	
30165	60	0.20	0.52	7.62	
30166	61	0.08	17.26	25.24	
30167	62	0.02	1.22	2.28	
30168	63	0.04	3.38	5.79	
	Recd 8/17				
30116	Penn #1	0.02	1.52	2.67	
30117	49	0.24	0.30	8.78	
30118	50	3.20	1.30	113.69	
30119	51	0.02	0.42	1.24	
30120	52	1.14	0.56	40.62	
30121	53	0.08	0.38	3.03	
30122	54	0.56	13.04	36.55	
	Recd 8/23				
30160	55	[redacted] 0.08	0.40	3.31	
30161	56	0.30	0.22	10.72	
30162	57	0.04	trace	1.40	
30163	58	0.04	0.20	1.66	

Donald P. Steen
Assayer

Sample Data from notes prepared by Frank Birch

#33 6" qtz with sulphides in badly sheared face. Ftwl & hanging both running at pt. W-3.

#34 Muck from round W-3 to + 3'. Qtz stringers in sheared face. Qtzite footwall.

#35 Muck from W-3 + 3' to+15'. Mineralized qtz, 12" vein lapped in face approximately 20% qtz.

#36 Face W-3 + 15' 12" min. qtz strike N65°W @ 40° dip.

#37 Face W-3 + 21' 18" qtz with sulphides and free gold on ftwl. Dip 30° S Strike N65W 12" Boney sugar quartz at left of face. Dip 70°S with parallel qtz stringers. Predominantly qtzite face.

#38 Muck from W-3 + 15 to + 21'. Qtz and qtzite, some free in face 40 tons.

#39 Muck W-3 + 21' to + 27'. Face 20% qtz with free gold visible 30 tons

#40 Muck W-3 + 27 to + 30' . " " " " " " "

#41 Muck W-3 + 30' to +35 35 tons

#42 Face W-3 + 35' 30" qtz, qtzite and gouge - 80% qtz. N65W dip 65°S

#43 Muck W - 3 + 35 to + 38. Free Au visible in face ftwl qtz coming to qtz in left of face. Au vusible in boney HW qtz anf flat lying ftwl qtz. 20 tons.

#44 Muck W-3 + 38 to + 41 Ftwl and left hand qtz come together in face vertical strike fault cuts thru flat lying footwall, ftwl qtz raised 4' on right side (North) of fault. South block shows in face, joins steep dipping white qtz on HW side. 20 tons.

#45 Face W-3 + 41' Average 4' mineralized qtz in face. Qtzite ftwl with ftwl qtz dips S50° HW qtz dips S80°.

#46 Last 6 tons of muckpile in #44 above. 6 tons 12 tons to Cleary Hill.

#47 W-4 +5' 24" qtz with free Au visible. Dip 35°S. More qtz to the south in heavy, running shear zone. Drift bottom in ftwl qtzite.

#48 Muck from W-4 to W-4 + 6'. 60 tons. Free Au visible in qtz. 60 tons of qtz and gouge running in from HW side of shear.

#49 Muck - 25 tons W-4 + 6' + W-4 + 2'. Mostly ftwl qtzite. Abundant free gold in qtz behind NW post.

#50 Face W-4 + 12' 24" qtz with free. More qtz behind in shear zone. 65°S dip. Strike N87°W

#51 Muck - Qtzite footwall W-4 + 9 to WA + 12.

#52 Muck - Stripped qtz from ftwl qtzite in #51 above. 6 tons visible.

#53 Muckpile from W4 + 12' to W-4 +19'.

#54 Face - W-4 + 19' N 80°W of W-4 Dip 35°S 2' min. qtz hanging from black gouge wall in upper left corner.

#55 Muck - from W-4 + 19' to W-4 + 26'.

#56 Face W-4 + 26' N80°W Dip S55° 24" qtz. No gold readily discernable.

#57 Muck - W-4 + 26' to W-4 + 30'.

#58 Muck W-4 + 30' to W-4 + 32' + 12 ton run in qtz and shear. Large stopa overdrift (stopped itself). Spilling thru. Qtz scattered throughout gouge in face and towards HW in shear.

#59 Muck W-4 + 32' to + 35 Running ground. Large stibnite boulders, qtz, and gouge. Spiling.

#60 Muck from W-4 + 35 to + 38 - as above. Drift caught and timbered to solid face. Footwall contact in middle of face. Narrow scattered qtz. Considerable water. Face breastboarded. No apparent displacement of vein in last bad section of ground.

Note: #61 Pt "C" is identical with E-4 in east drift.

#61 Pt C in East heading +6' Due East. 24" Qtz with heavy stibnite, Dip 45°S

#62 Muck Pt C + 4' to + 9' 30 tons

#63 Face Pt C + 10' 36" Mineralized qtz. with large amount of stibnite. No visible Au Dip 45°S

#64 Muck Pt C + 9 to + 16' 40 tons

#65 Muck C + 16' to + 24' 50 tons

#66 Face C + 24' 24" sugar qtz with heavy amt. of stibnite in disseminated xls. Dip 60°S

#67 Face. Qtz picked up after 3' left displacement at fault. 30" qtz with abundant massive and disseminated stibnite. Dip 50°S; 37' S 88°E of pt "C".

#68 Face 12" qtz in face 30" in back. Disseminated stibnite. 44' E of "C" @ 45°S dip.

#69 Face 24" qtz with sulphides. Boney white qtz. Dip S45° C+51' S85°E

#70 Face 24" glassy qtz with ftwl breccia and sulphides strike S80E Dip S50° Pt + 11'

RECEIVED AUG 6 1965 OME SPOKANE, WASHINGTON

OFFICE COPY O. M. E. RECEIVED 27 1965 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $70,190.00
Gov't. Participation %50 $ 35,095.00
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER For Month of July, 1965

Operator's Name Keystone Mines, Incorporated
Address P.O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Timbering~~ Timbering, Drifts & Crosscut	1420	1540.00	2960.00			
~~Drifting~~	7810	8112.50	15922.50			
Crosscutting	0	357.50	357.50			
~~Drilling~~ 17½ station	0	1050.00	1050.00			
Station, 4 sets	0	200.00	200.00			
Shaft sinking	0	14145.00	14145.00			
(2) ~~Personal Services:~~						
~~Supervision & Technical~~ Loading Pocket	0	350.00	350.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	9230.00	25755.00	34985.00			

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

Date July 31, 1965 Payee Keystone Mines, Inc.

Per Conrad M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 4,715.00 (4,615.00 + 100.00 = 4,715.00)

Signature (Authorized Certifying Officer)

Date AUG 20 1965 Vou. No. 1401

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacPherson Title Acting Field Officer Date AUG - 5 1965

Approved by OME Executive Officer or Alternate:

Signature D.R. MacPherson Title Acting Field Officer Date AUG - 5 1965

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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AUG 6 1965
OME
SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of July 1965 Docket No. OME 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	142	289.5	15922.50	142	296.0	16,280.00
Crosscutting	ft	0	6.5	357.50	0		
Raising							
Shafts	ft	0	123	14145.00	—	123	14,145.00
Winzes							
Other Underground Station	ft	0	17½	1050.00	—	17½	1,050.00
Drilling, Core-Diamond Loading pocket	ea	0	1	350.00	—	1	350.00
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous sta. sets	ea	0	4	200.00	—	4	200.00
Timbering, Drifts and X-cuts	ft	142	296	2960.00	142	296	2,960.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				34985.00			34,985.00

REMARKS

Drifting continued on a two-shift basis during the month. Ten days (20 shifts) were lost because of delay in securing parts for the mucking machine.

(Continue on back)

REMARKS

(Continue on back)

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

Date July 31, 1965 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [illegible]

Title Acting Field Officer
Government Representative

Date AUG - 5 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

UNITED STATES
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey
Branch of Budget and Finance
Washington, D. C. 20242

August 20, 1965

Allowance

ADMINISTRATIVE [redacted] STATEMENT

Name and Address of Payee: Keystone Mines Incorporated
P.O. Box 630
Fairbanks, Alaska

Amount Claimed:	Differences (Explained Below)	Amount Approved	
$9230.00		Government Share	4615.00
		Plus amt. withheld from Dec. '64 voucher	100.00
		This Payment	4715.00
Bu. Voucher No. 1401	Payee's Invoice No. OMR 6304	Period July 1965	

EXPLANATION

$100.00 withheld from December 1964 payment until work resumed is included in the above total of $4715.00

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Branch of Budget and Finance

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AUG 6 1965

OME
SPOKANE, WASHINGTON

KEYSTONE MINES, INC.
P.O. Box 630
Fairbanks, Alaska

July 31, 1965

Mr. D.R. MacLaren
Acting Field Officer, OME
Region I
U.S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District,
Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME Contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (OME Form 60), July 1965
Operator's Progress Report (OME Form 61), July 1965
Narrative
Sketch map #18 showing work accomplished during July 1965.
Assay Reports

Reimbursement is requested for July, 1965 for the completion of 142 ft. of drift and 142 ft. of drift timbering.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P.O. Box 630
Fairbanks, Alaska

AMN:cc
Enclosures

RECEIVED
AUG 6 1965
OME
SPOKANE, WASHINGTON

Keystone Mines, Inc.
OME Narrative Report for July, 1965
Docket No. OME 6304; Contract No. 14-23-090-2173

OME work at the Keystone Mines continued on a two-shift basis during the month of July 1965. A delay that involved an equivalent of about ten days was due to delay in receiving parts for the mucking machine.

The by-pass drift intersected the vein again at a point A-5 shown on the sketch map. A shear zone containing ground quartz was followed to a point W-1 from where the vein was again encountered. The 12"-24" vein is generally continuous from W-1 to the face of W-2. The ground continues to be heavy and requires immediate support. Intermediate sets have been installed where required as well as reducing the standard spacing of sets when necessary. The vein structure remains strong although considerable minor faulting accompanied by gouge and ground quartz and country rock are present.

A copy of last months sketch (#17) is included to show the location of sample 11-A. Samples for assay were taken as indicated and assay results received to date are included as a part of the report.

State of Alaska
Department of Natural Resources
Division of Mines and Minerals
Form M-1-8-62-3M

Assay Office Fairbanks
Date July 30 1965

REPORT OF ASSAY

On samples received from Keystone Mining Co.

Address Box 630 , Fairbanks , Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
	Rec'd 7/19				
~~29868~~	~~Mill heads~~ 7/12 - 7/19	0.30	4.56	$16.30	
~~29869~~	Mill Tails "	0.06	2.62	5.49	
	Rec'd 7/22				
29873	12	0.12	0.32	$4.61	
29874	13	0.72	0.60	25.97	
29875	14	0.20	0.44	7.56	
29876	15	0.22	0.56	8.42	
29877	16	0.04	0.26	1.73	
29878	17	0.08	0.72	3.72	
29879	18	0.34	0.66	12.75	

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O M B
SPOKANE, WASHINGTON

Assayer.

State of Alaska
Department of Natural Resources
Division of Mines and Minerals
Form M-1-8-63-20M

Assay Office Fairbanks
Date July 30 1965

REPORT OF ASSAY

On samples received from Keystone Mines Inc

Address Box 630, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
	Rec'd 7/26	GOLD	SILVER		
29932	Trench East	0.06	0.24	$2.48	
29933	Trench West	0.20	1.40	7.83	
29934	19	0.20	0.52	7.67	
29935	20	0.02	0.40	1.21	
29936	21	0.24	0.44	8.96	
29937	22	1.70	1.10	60.93	
29938	23	0.04	1.02	2.73	
29939	AM AE shaft	1.20	4.16	47.41	
29940	24	0.72	0.88	26.33	

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SPOKANE, WASHINGTON

Donald Stein
Assayer.

State of Alaska
Department of Natural Resources
Division of Mines and Minerals

Form M-1-8-62-3M

Assay Office Fairbanks

Date July 26 1965

REPORT OF ASSAY

On samples received from Keystone Mines Inc

Address Box 530, Fairbanks, Alaska

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
	Rec'd 7/8				
29602	#11	0.15	0.30	0.10	

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SPOKANE, WASHINGTON

Assayer.

MME FORM 60
SEPT. 1959

OFFICIAL COPY M. E. RECEIVED AUG 19 1965 INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended.
Contract Amount $ 70,190.00
Gov't. Participation % 50 $ 35095.00
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of June 1965

Operator's Name Keystone Mines, Incorporated
Address P.O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Timbering, Drifts and crosscut	800	740.00	1540.00			
Drifting	4400	3712.50	8112.50			
Crosscutting	0	357.50	357.50			
Drilling 17½' station	0	1050.00	1050.00			
station, 4 sets	0	200.00	200.00			
shaft sinking	0	14145.00	14145.00			
(2) ~~Personal Services:~~						
Loading pocket	0	350.00	350.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	5200.	20555.00	25755.00			

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

Date June 30, 1965 Payee Keystone Mines, Inc.

Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2,600.00

Signature R. F. Bair
(Authorized Certifying Officer)

Date 8/4/65 Vou. No. 1026

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D R Macharen Title Acting Field Officer Date JUL 13 1965

Approved by OME Executive Officer or Alternate:

Signature D R Macharen Title Acting Field Officer Date JUL 13 1965

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of June 1965 Docket No. OME 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft.	80	147.5	8112.50	80	147.5	$ 8,112.50
Crosscutting	ft.	0	6.5	357.50	—	6.5	357.50
Raising							
Shafts	ft.	0	123.	14145.00	—	123.0	14,145.00
Winzes							
Other Underground Station	ft.	0	17½	1050.00	—	17.5	1,050.00
~~Drilling, Core-Diamond~~ Leading Pocket	ea.	0	1	350.00	—	1	350.00
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Sta sets	ea.	0	4	200.00	—	4	200.00
Timbering, Drifts and X-cuts	ft.	80	154	1540.00	80	154.0	1,540.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				25755.00			$ 25,755.00

REMARKS

The "by-pass" drifting driven during June 1965 and authorized by amendment #3 has been listed in the category of drifting.

(Continue on back)

REMARKS

(Continue on back)

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

Date June 30, 1965 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. W. Zachariasen

Title Acting Field Officer
Government Representative

Date JUL 13 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC.

OME Narrative Report for June 1965
Docket No. OME 6304; Contract No. 14-23-090-2173

OME Contract work, which was temporarily suspended on December 31, 1964, was resumed about June 1, 1965. Water which had collected during the interim was pumped from 147' level and the by-pass was begun. A crew of seven, working two shifts, is now being used. Water pumping for about five hours each twenty-four hour day is necessary. Ventilation equipment is installed and underground workings are kept orderly and clean; the work is being done in a very good miner-like manner.

Eight by eight inch timber is being used. Posts are battered so that the average opening in the clear is 5' by 7'. The ground for the most part is somewhat heavy and tends to run requiring that openings be timbered as soon as possible and that tight lagging on the sides and back be used.

In June, 1965, eighty feet of drift was driven in the country rock which is flat lying and is the typical birch creek shist of the area.

Arnold M. Nordale

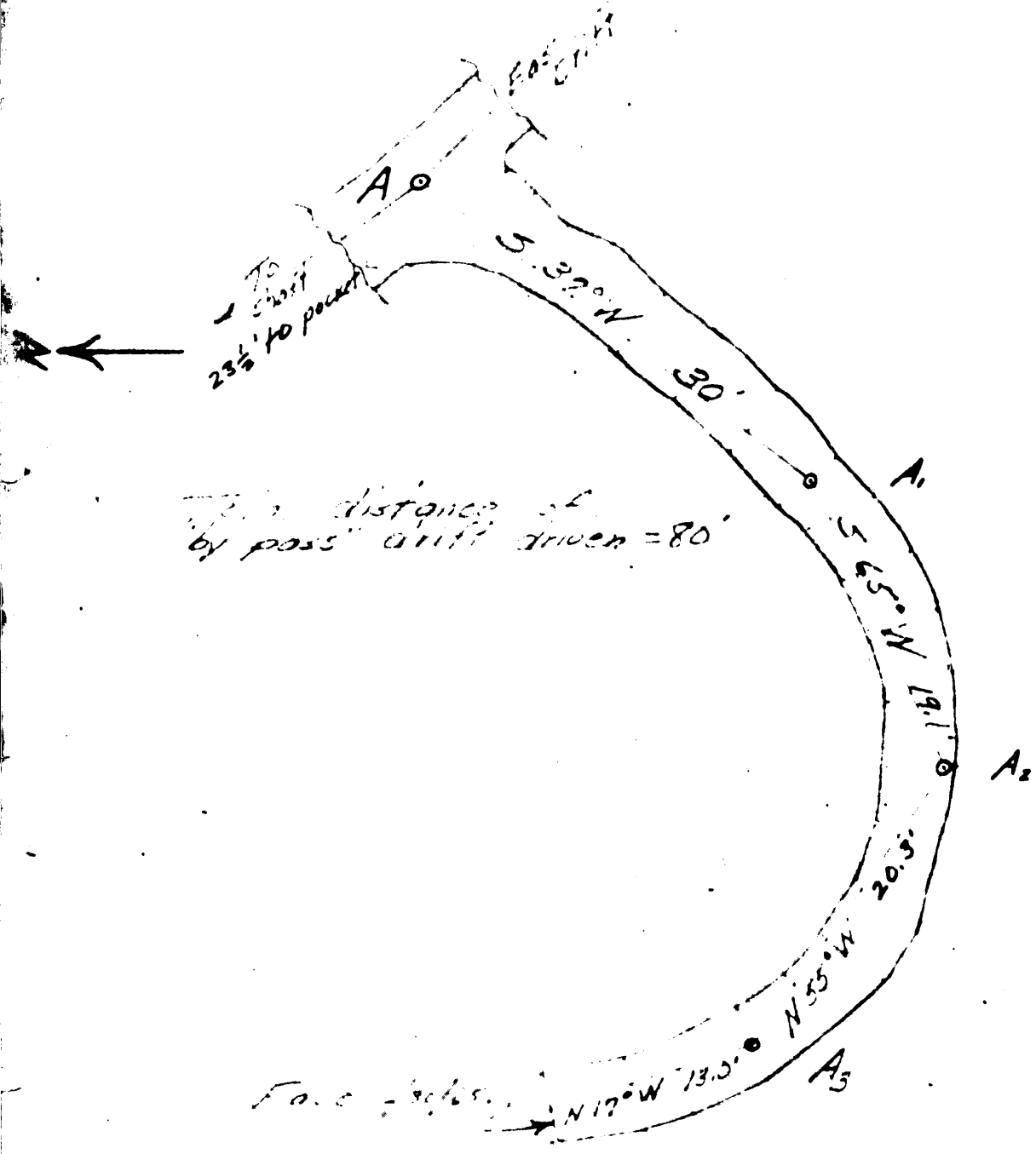
Arnold M. Nordale
President
KEYSTONE MINES, INC.
Box 630
Fairbanks, Alaska

AMN:cac

RECEIVED
JUL 12 1965
OME
SPOKANE, WASHINGTON

Keystone Mines, Inc.

Sketch of
Openings Completed in June, 1965,
(Brunton Survey)
Scale: Approx. 1" = 10'



Plan
1,500 level

RECEIVED

17
6/30/65
EHB

MME FORM 60
SEPT. 1959

RECEIVED
JAN 14 1965
OME

FEB 1 1965

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $70,190.00
Gov't. Participation % 50 $35,095
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of December 1964

Operator's Name KEYSTONE MINES, INCORPORATED
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Timbering, drifts, & ~~xxxxxxxx~~ crosscuts	505.00	235.00	740.00			
Drifting	2,777.50	935.00	3,712.50			
Crosscutting	0	357.50	357.50			
~~Drifting~~ 17½ station	0	1,050.00	1,050.00			
Station 4 sets	0	200.00	200.00			
Shaft sinking	0	14,145.00	14,145.00			
(2) ~~xxxxxxxxx~~ Loading pocket	0	350.00	350.00			
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	3,282.50	17,272.50	20,555.00	3,282.50	17,272.50	20,555.00

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

Date Dec. 31, 1964 *Payee KEYSTONE MINES, INC.

Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

1,641.25
100.00 to Surplus
$ 1,541.25 to Operator

Signature
(Authorized Certifying Officer)

Date 1/27/65 Vou. No. 1112-4

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacLaren Title Acting Field Officer, Reg. I Date JAN 22 1965

Approved by OME Executive Officer or Alternate:

Signature D.R. MacLaren Title Acting Field Officer, Reg. I Date JAN 22 1965

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
JAN 14 1965
OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of December 1964 Docket No. OME 6304

Operator's Name KEYSTONE MINES, INC. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	50.5	67.5	3,712.50	50.5	67.5	3,712.50
Crosscutting	ft	0	6.5	357.50	—	6.5	357.50
Raising							
Shafts	ft	0	123	14,145.00	—	123	14,145.00
Winzes							
Other Underground station	ft	0	17½	1,050.00	—	17½	1,050.00
~~Drilling, Core-Diamond~~ Loading pocket	ea	0	1	350.00	—	1	350.00
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous sta. sets	ea	0	4	200.00	—	4	200.00
Timbering, drifts & crosscuts	ft	50.5	74	740.00	50.5	74	740.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				20,555.00			20,555.00

REMARKS

(Continue on back)

REMARKS
Request for a recess period is being processed; ∴ withhold $100.00 from funds due, pending resumption of work

(Continue on back)

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

Date Dec. 31, 1964 Operator KEYSTONE MINES, INC.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. R. MacLaren

Title Acting Field Officer, Reg. I
Government Representative

Date JAN 22 1965

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 27162

State of Alaska
Department of Natural Resources
Division of Mines
and Minerals

Form M-1-8-62-3M

Assay Office Fairbanks

Date December 15, 1964

REPORT OF ASSAY

On samples received from Keystone Mines

Address Fairbanks

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage of
		GOLD	SILVER		
29291	# 1	0.07	0.46	$ 3.03	Silver at $1.28 per ounce
29292	# 2	0.91	1.16	33.23	

Assayer.

KEYSTONE MINES, INC.
OME NARRATIVE REPORT FOR DECEMBER 1964

During December 1964, 50¾ feet of drift was completed on the east drift of the 147 feet level. Eight inch by eight inch timber is being used. Posts are battened so that the average opening in the clear is 5' by 7'. The ground at times is somewhat heavy and tends to "run" thereby requiring that all openings be timbered immediately. The use of a mucking machine to remove the broken rock immediately allows timbering to be installed without delay and hence tends to prevent sloughing. Tight lagging is necessary to prevent sloughing of the back and walls. The country rock is flat lying and is the typical birch creek schist of the area. The vein was faulted as indicated on the sketch map and the drift is being turned to intersect the vein again- quartz having been found at the face as stated on the sketch map. Considerable water was encountered at the fault which shifted the vein.

Assay samples were taken as indicated on the sketch map. The grab samples are representative of each round in which some quartz is encountered. Other samples are taken on the face whenever the vein is exposed. Assay results are included herewith.

December was extremely cold this year, however, operations have continued.

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
Box 630
Fairbanks, Alaska

RECEIVED
JAN 14 1965
OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Section
Washington

JANUARY 28, 1965

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: KEYSTONE MINES, INC
P O BOX 630
FAIRBANKS, ALASKA

Amount Claimed:	Differences (Explaoned Below)	Amount Approved
$3,282.50		$3,282.50 1,641.25 Govt'Share - 100.00 $1,541.25 to Operator
Bu. Voucher No.	Payee's Invoice No.	
1112 - 4	ORE 6304 Cont. 2173	December, 1964

EXPLANATION

$100.00 withheld pending resumption of work.

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd) OPAL A. SHELTON
Signature

OPAL A. SHELTON
CHIEF, ACCOUNTING SECTION
Title

52847

OME

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

12/14	625	800
12/17	7-14-24	120 m
		128

Nov. 30, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME 6304 (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), Nov. 1964
Operator's Progress Report (MME form 61), Nov. 1964
Operator's Narrative Report, including
Narrative
Sketch map # 15 showing work accomplished during Nov. 1964

Reimbursement requested for Nov. 1964 is for eight feet of drift and eight feet of drift timbering. ?

In the October, 1964 report, form 60, the total opposite shaft sinking, previously reported column, should read $14,145.00. All totals submitted are correct.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
DEC 3 1964
OME

AMN:EHB:jp
Enclosures

MME FORM 60
SEPT. 1959

RECEIVED
Via
DEC 3 - 1964
Air Mail

DEC 1 1964

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $70,190.00
Gov't. Participation % 50 $35,095.00
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of Nov. 1964

Operator's Name KEYSTONE MINES, INCORPORATED
Address P. O. BOX 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~xxxxxx~~Timbering, drifts & crosscuts	80.00	155.00	235.00	80.00		
Drifting	440.00	495.00	935.00	440.00		
Crosscutting	0	357.50	357.50			
~~xxxx~~ 17½ station	0	1050.00	1050.00			
Station, 4 sets	0	200.00	200.00			
Shaft sinking	0	14145.00	14145.00			
(2) ~~xxxxxxxxx~~ Loading pocket	0	350.00	350.00			
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$520.00	16,752.50	17,272.50	520.00	16,752.50	17,272.50

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

Date Nov. 30, 1964 Payee KEYSTONE MINES, INC.

Arnold M. Nordale

Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 260.00

Signature _____
(Authorized Certifying Officer)

Date 12/17/64 Vou. No. 904-3

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D R Macharen Title Acting Field Officer, Reg. I Date DEC 11 1964

Approved by OME Executive Officer or Alternate:

Signature D R Macharen Title Acting Field Officer, Reg. I Date DEC 11 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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Air Mail
OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of Nov. 1964 Docket No. OME 6304

Operator's Name KEYSTONE MINES, INC. Contract No. 14-23-090- 2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	8	17	935.00			
Crosscutting	ft	0	6½	357.50	23.5	23.5	1,272.50
Raising	ft	0	123	14145.00	—	123	14,145.00
Shafts							
Winzes	ft	0	17½	1050.00	—	17.5	1,050.00
Other Underground: Station loading pocket	ea	1	1	350.00	—	1	350.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous: Sta. sets	ea	0	4	200.00	—	4	200.00
Timbering drifts & crosscuts	ft	8	23½	235.00	8	23.5	235.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				17,272.50			17,272.50

REMARKS

Eight feet in the west drift was completed, including timbering.

(Continue on back)

REMARKS

4" claimed and approved in Oct. voucher

(Continue on back)

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

Date Nov. 30, 1964 Operator KEYSTONE MINES, INC.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. R. Alexander

Title Acting Field Officer, Reg. I
Government Representative

Date DEC 11 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC.

OME NARRATIVE REPORT FOR NOVEMBER 1964

During November, 8 feet of drift was completed on the east drift of the 147' level. Reimbursement is being requested for the 8 feet of drift and 8 feet of timbering. Samples were not taken in this section other than the sample shown on Sketch #11, July 31, 1964. The country rock continues to be flat lying and is composed of quartzitic, micaceous graphitic schists. Some of the country rock contains sulfides (pyrite).

The broken rock in the bottom three feet of the shaft was removed and the space is being used as a sump. Conventional shaft timbering has not been placed in this lower 3 foot section.

Beginning about the first of November, new personnel were employed to do the drifting specified in the OME contract. Work accomplished during the month consisted of reinforcing the timbering in the 147 foot station, pocket and drifts. Some "working" ground in the vicinity of the station seems to have been stabilized. A larger pump has been installed on the 147 foot level and the drainage pipe on the service extended farther from the shaft collar. The head-frame has been reinforced and some additional equipment is available for the drifting program (compressor, larger mine car, mucking machine, etc.).

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Air
DEC 3 1964
Air Mail
OME
SPOKANE WASHINGTON

Copy to 500

KEYSTONE MINES, INC.
P. O. BOX 630
Fairbanks, Alaska

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 1 1964

DATE	INITIALS	CODE
12-2		100
12/1		410
12/3		120

October 31, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME 6304 (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), Oct. 1964
Operator's Progress Report (MME form 61), Oct. 1964
Operator's Narrative Report, including
Narrative
Sketch map #14 showing work accomplished during Oct. 1964

Reimbursement requested for Oct. 1964 is for the completed loading pocket.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jp
Enclosures

RECEIVED
Via
NOV 9 1964
Air Mail
OME

MME FORM 60
SEPT. 1959

RECEIVED
Via
NOV 9 1964
air mail

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. ~~OME 6304~~
Contract No.
14-23-090-~~2173 as amended~~
Contract Amount ~~$70,190.00~~
Gov't. Participation ~~%50 $35,095.00~~
Mineral(s) ~~Gold, Silver~~

OPERATOR'S MONTHLY VOUCHER

For Month of October

Operator's Name KEYSTONE MINES, INCORPORATED
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Timbering and drifts,						
(1) Independent Contracts:						
~~Building~~ & crosscut	0	155.00	155.00			
Drifting	0	495.00	495.00			
Crosscutting	0	357.50	357.50			
~~xxxxx~~ 17½ sta.	0	1,050.00	1,050.00			
Station sets (4)	0	200.00	200.00			
~~Shaft sinking~~	~~0~~	~~12,650.00~~	~~14,145.00~~			
(2) ~~Payroll~~ Supervision & Technical:						
Loading pkt(1)	350.00	0.00	350.00			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	~~350.00~~	~~16,402.50~~	~~16,752.50~~	350.00	16,402.50	16,752.50

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

Date ~~Oct. 31, 1964~~ Payee ~~KEYSTONE MINES, INC.~~
Arnold M. Nordale
Per ~~Arnold M. Nordale~~ 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 175.00

Signature BHB
(Authorized Certifying Officer)

Date 11/25/64 Vou. No. 751-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date NOV 19 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date NOV 19 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and ~~four~~ three copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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Via Air mail
NOV 9 1964
OMB

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of Oct. 1964 Docket No. OME 6304

Operator's Name KEYSTONE MINES, INC. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	0	9	495,00	—		LL
Crosscutting	ft	0	6½	357.00	—	15.5	852.50
Raising							
Shafts	ft	0	223	14,145.00	—	123	14,145.00
Winzes							
Other Underground station	ft	0	17½	1,050.00	—	17.5	1,050.00
Drilling, Core-Diamond							
Loading ~~xxxx~~ pkt.	ea	1	1	350.00	1	1	350.00
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous sta. sets	ea	0	4	200.00	—	4	200.00
Timbering, drifts							
Roads and Trail & crosscts	ft	0	15½	155.00	—	15.5	155.00
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				$16,752.50			16,752.50

REMARKS

The loading pocket at the 147' level was completed during Oct. 1964. The maximum capacity of the pocket is about 400 cubic feet.

(Continue on back)

REMARKS

LL See note LL July MME-61

(Continue on back)

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

Date Oct. 31, 1964 Operator KEYSTONE MINES, INC.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. D. MacPherson

Title Acting Field Officer, Reg. I
Government Representative

Date NOV 19 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and ~~four~~ three copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC.
OME Narrative Report for October 1964

The final round in the shaft sinking phase of Keystone's OME contract was drilled and blasted. Because of water conditions the broken material has not yet been removed nor the specific area timbered. As a result the remaining footage for the shaft is not being requested for the October work.

Pumping of water continued to be necessary for the shaft work.

The loading pocket at the 147 foot level was completed and accordingly reimbursement is being requested. The maximum capacity of the pocket is approximately 400 cubic feet, well over the required minimum capacity of 350 cubic feet.

Some initial drifting along the vein was done on the 147 foot level but reimbursement for this work is not being requested at the present time.

The drift on the 50 foot level was advanced about 16½ feet during the month.

Some ore was milled as has been done in the past. //

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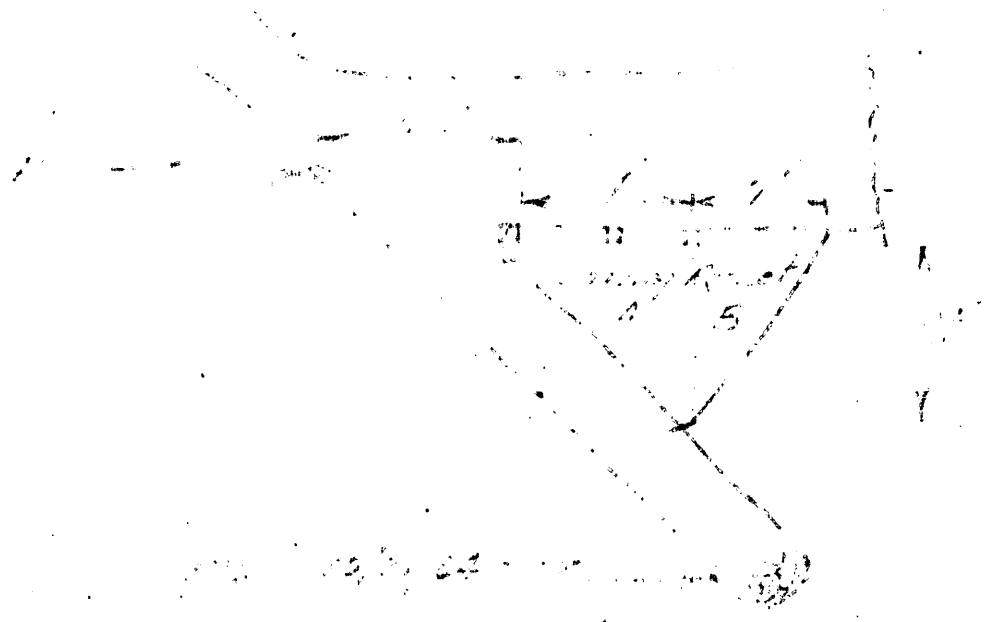
[illegible] Layered in Concrete
Scale: Approx. 1"=10'



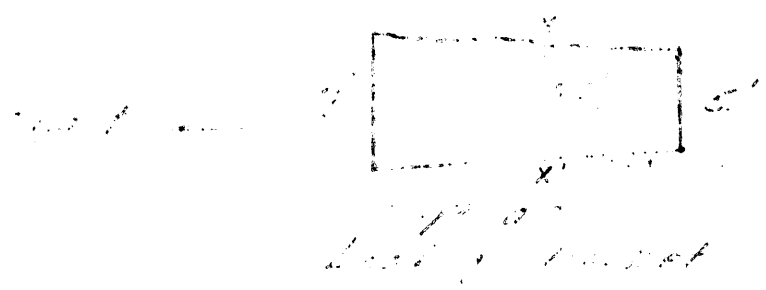
Area Calculations

$A = \frac{(5)(9)(6in)}{2} = 2.43 cu.ft$

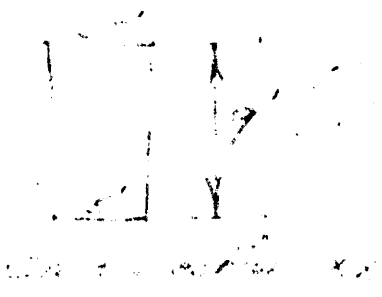
$B = \frac{(7.5)(9)(5in)}{2} = 1.875 cu.ft$

400 cu.ft

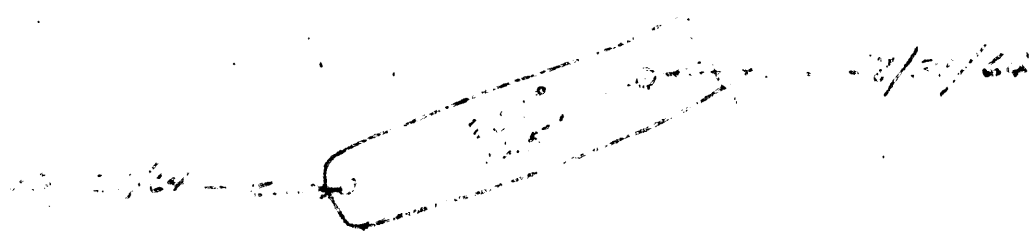
Plan
5' Level



Lower Level



Upper Level



Plan
5' Level

MME FORM 60
SEPT. 1959

RECEIVED
Via
OCT 5 1964
Air Mail
OME
WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. [illegible]
Contract No. 14-23-090-2173 as amended
Contract Amount 70,130.00
Gov't. Participation 50% $35,065.00
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of Sept. 1964

Operator's Name Keystone Mines, Inc.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Timbering, drift,	0	155.00	155.00			
Drifting & crosscut	0	935.00	935.00			
Crosscutting	0	357.50	357.50			
Drilling						
XXXXXX station	0	1,050.00	1,050.00			
Station work (w)	0	200.00	200.00			
Shaft sinking	1,495.00	12,610.00	14,105.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	1,495.00	14,907.50	16,402.50	1,495.00	14,907.50	16,402.50

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

Date Sept. 30, 1964 *Payee Keystone Mines, Inc.

Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 747.50

Signature BAB
(Authorized Certifying Officer)

Date 10/14/64 Vou. No. 494-3

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 4173

Signature D.R. MacKaren Title Acting Field Officer, Reg. I Date OCT 6 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. MacKaren Title Acting Field Officer, Reg. I Date OCT 6 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

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Via
OCT 5 1964
as mail
OME
SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of Sept. 1964 Docket No. OMS 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	0	0	455.00	0		✓ L
Crosscutting	ft	0	67	352.50		15.5	852.50
Raising							
Shafts	ft	13	123	14,143.00	13	123	14,145.00
Winzes							
Other Underground Station	ft	0	17½	1,050.00	0	17.5	1,050.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous Sec. Sect.	ea.	0	8	200.00	0	4	200.00
Timbering, Drifts & Crosscuts	ft	0	15½	155.00	0	15.5	155.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				16,402.50			✓ 16,402.50

REMARKS

13 feet of shaft was completed during the month of Sept. 1964. The loading pocket at the 147 foot level is about 75% completed.

(Continue on back)

REMARKS

L See July 1964 MME-61 note L

(Continue on back)

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

Date Sept. 30, 1964 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. K. MacLaren

Title Acting Field Officer, Reg. I
Government Representative

Date OCT 6 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INC.
OME Narrative Report for Sept. 1964
****

During September the shaft was extended 13 feet to give it a total length of 176 feet, 126 feet of which is under OME contract. Sinking of the shaft will continue in October to a depth to complete the shaft sinking portion of the OME contract. The loading pocket at the 147 foot level was completed to the extent of about 75%.

The country rock continued to be the typical schist encountered throughout the shaft. Pumping continued to be necessary for shaft work. The location of the loading pocket will be shown on the sketch map when the pocket is completed.

The drift on the 50 foot level was not advanced during the month although some ore was mined above the 50 foot level for milling as in past months.

Plans have been completed for a contractor to concentrate on driving a drift on the 147 foot level along the vein. Work should begin on this phase in the not too distant future.

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
Via
OCT 5 1964
Air Mail
OME
SPOKANE, WASHINGTON

Copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 14 1964

DATE	INITIALS	CODE

Ack.

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL FILE COPY
OME
RECEIVED SEP 4 1964

DATE	INITIALS	CODE
		120 M
9/4	Fmm	720

August 31, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME 6304 (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), August 1964
Operator's Progress Report (MME form 61), August 1964
Operator's Narrative Report, including
- Narrative
- Sketch map #12 showing work accomplished during August 1964
- Statement of wages paid for August 1964

Reimbursement for August 1964 is not being requested although six feet of shaft was driven but was not timbered at the end of the month.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jp
Enclosures

Rec'd Via
SEP 2 1964
Air Mail
OME
SPOKANE, WASHINGTON

KEYSTONE MINES, INCORPORATED

OME Narrative Report for August 1964

During August the following work was accomplished.

(a) Six feet of shaft was driven which is now being timbered. Shaft sinking will continue in September 1964. A new electric pump has been obtained and this will be installed in the future. This pump should allow for more efficient removal of water in the shaft and thereby facilitate shaft sinking.

(b) The drift on the 50 foot level was extended 51 feet in a westerly direction giving a total length of about 360.5 feet from the shaft. The ore remains generally continuous along the drift. A raise in the vein from the fifty foot level to the surface has been completed. On the surface the collar of the raise is 158 feet, azimuth of 280°, from the center of the shaft hoisting compartment. Ore was generally continuous in the vein. Ore encountered in drifting and raising was test milled as in previous months.

At Operator's own expense

Reimbursement is not being requested for work done on the 50 foot level.

Arnold M. Nordale

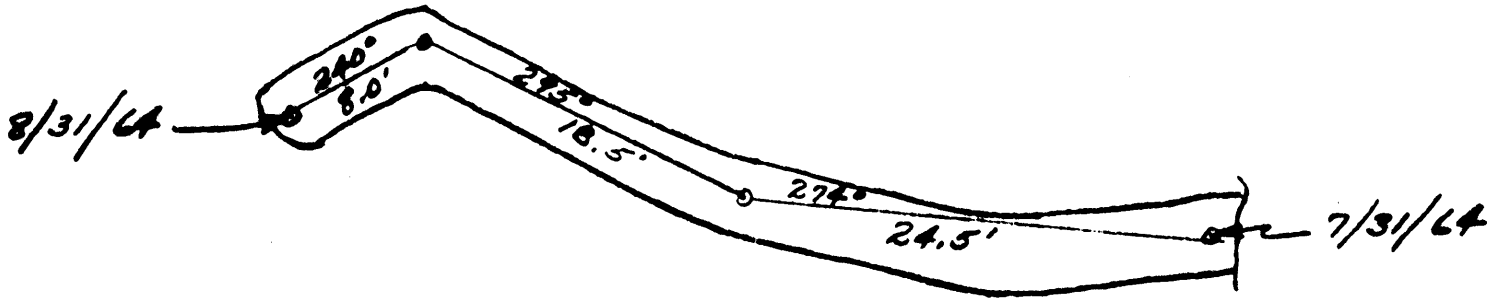
Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jp

RECEIVED
Via
SEP 2 1964
Air mail
OME
SPOKANE, WASHINGTON

Keystone Mines, Inc.
Sketch of
Openings Completed in August 1964

Scale: Approx. 1" = 10'



Plan
50' Level

A raise was driven to the surface as indicated in the narrative report.

#12
8/31/64
ENB

KEYSTONE MINES, INCORPORATED

OME Narrative Report for August 1964

During August the following work was accomplished.

(a) Six feet of shaft was driven which is now being timbered. Shaft sinking will continue in September 1964. A new electric pump has been obtained and this will be installed in the future. This pump should allow for more efficient removal of water in the shaft and thereby facilitate shaft sinking.

(b) The drift on the 50 foot level was extended 51 feet in a westerly direction giving a total length of about 360.5 feet from the shaft. The ore remains generally continuous along the drift. A raise in the vein from the fifty foot level to the surface has been completed. On the surface the collar of the raise is 158 feet, azimuth of 280°, from the center of the shaft hoisting compartment. Ore was generally continuous in the vein. Ore encountered in drifting and raising was test milled as in previous months.

Reimbursement is not being requested for work done on the 50 foot level.

Arnold M. Nordale

Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jp

RECEIVED
SEP 2 1964
OME
SPOKANE, WASHINGTON

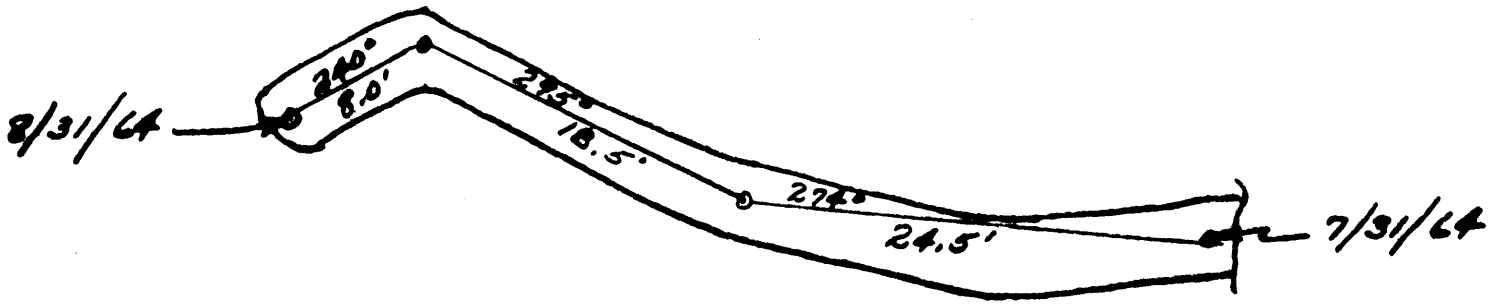
Keystone Mines, Inc.

sketch of

Openings Completed in August 1964

Scale: Approx. 1" = 10'

#12
8/31/64
EHB



Plan
50' Level

A raise was driven to the surface as indicated in the narrative report.

Moyatone Mines, Inc.
Sketch of
Openings Completed in August 1964

Scale: Approx. 1"=10'

Plan
50' Level

A raise was driven to the surface as indicated in the narrative report.

MME FORM 60
SEPT. 1959

RECEIVED
Via
AUG 10 1964
Air Mail
OME
SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Efrat Murphy

OMB 6304

Docket No.
Contract No. 2173 as amended
14-23-090 30,190.00
Contract Amount $ 35,095
Gov't. Participation
Mineral(s) Gold-Silver

OPERATOR'S MONTHLY VOUCHER

For Month of July 1964

Operator's Name KEYSTONE MINES, INCORPORATED
Address P. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and (1) Independent Contracts:						
Drift & crosscut timbering	155.00	0.00	155.00			
~~XXXXXXXXXXing~~	195.00	0.00	195.00			
Drifting	357.50	0.00	357.50			
Crosscutting	0.00	1,050.00	1,050.00			
~~XXXXXXXXXXing~~ 1st station	50.00	150.00	200.00			
station sets(1)	590.00	11,960.00	12,550.00			
shaft sinking						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	1,747.50	13,160.00	14,907.50	1,747.50	13,160.00	14,907.50

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

Date July 31, 1964 Payee Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

* 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 873.75

Signature BHB
(Authorized Certifying Officer)

Date 8/18/64 Vou. No. 265-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.B. MacKeen Title Acting Field Officer, Reg. I Date AUG 12 1964

Approved by OME Executive Officer or Alternate:

Signature D.B. MacKeen Title Acting Field Officer, Reg. I Date AUG 12 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
Via
AUG 10 1964
Air Mail
MME
SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of July 1964 Docket No. OMB 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-0902173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	ft	9	9	$495.00	15.5	15.5	852.50
Crosscutting	ft	6½	6½	357.00			
Raising							
Shafts	ft	6	110	12650.00	6	110	12,650.00
Winzes							
Other Underground station	ft	0	17½	1050.00	0	17.5	1,050.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous station sets	ea	1	4	200.00	1	4	200.00
Drift & crosscut							
Roads and Trails							
Stripping timber-ing	ft	15½	15½	155.00	15.5	15.5	155.00
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				$14,907.50			14,907.50

REMARKS

During July 1964 the fourth timber set for the station was installed and 6½ feet of crosscutting and 9 ft of drifting were completed and timbered to meet OMB specifications. Six feet of shaft was driven and timbered giving a total shaft depth of 163 feet from the collar of which 110 feet is included in the OMB contract.

(Continue on back)

REMARKS

[1] $357.00 claimed for x-cutting apparently a typographical error - note claimed Total to Date

(Continue on back)

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

Date July 31, 1964 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. P. Mackaven

Title Acting Field Officer, Reg. I
Government Representative

Date AUG 12 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

I, Edwin Ebbert, Contractor for the Keystone Mines Inc. hereby certify that I have been paid in full to date.

Date:	month	day	year
	July	31	1954

/s/ Edwin W. Ebbert
Signed Edwin Ebbert

We, the undersigned working for Edwin Ebbert, Contractor for Keystone Mines. hereby certify that we have been paid in full to date.

/s/ Ben Wilson
/s/ Ben Wilson
/s/ Dexter Honea
/s/ Don Hawkins
/s/ Earl Smith

State of Alaska
Department of Natural Resources
Division of Mines and Minerals

Form [illegible]

Assay Office Fairbanks

Date [illegible]

REPORT OF ASSAY

On samples received from [illegible]

Address [illegible]

Assay No.	Sample Marked	OUNCES PER TON		Value per Ton	Percentage
		GOLD	SILVER		
26738	150 ft level west side at station 4 ft of quartz	0.65	0.71	$23.[illegible]	
26739	150 ft level 15 ft east of station 2 ft of quartz	0.3[illegible]	0.70	$1[illegible].60	

Donald Stein
Assayer

KEYSTONE MINES, INCORPORATED

OME Narrative Report for July 1964

During July 1964 the following work was accomplished.

a) On the 147 foot level the last (fourth) timber set was installed for the station thereby completing the station timbering. The station rock work was completed in June 1964. From the station the remaining crosscut of 6½ feet was trimmed and timbered to meet OME specifications (8" x 8" timbers and 5' x 7' in the clear). The drift (9') to the east along the vein was also trimmed and timbered to meet OME specifications. Assay results from two samples taken on this level are included, the locations of the samples are shown on the accompanying sketch.

b) Six feet of shaft was driven and timbered. The country rock was typical of that previously encountered. Pumping of water from the shaft continues although the amount is decreasing compared to that pumped in the spring and early summer months.

c) The drift on the 50 foot level was extended 40½ feet in a northwesterly direction giving a total length of about 319½ feet from the shaft. The ore is continuous along the drift although some minor faulting has taken place. The width of the vein in places was as much as 3½ feet. The raise begun last month has not been completed. The ore from this level continues to be test milled. Reimbursement is not being requested for the work done on the 50 foot level.

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

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AUG 10 1964
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OME
SPOKANE, WASHINGTON

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O M E
RECEIVE 364
DATE

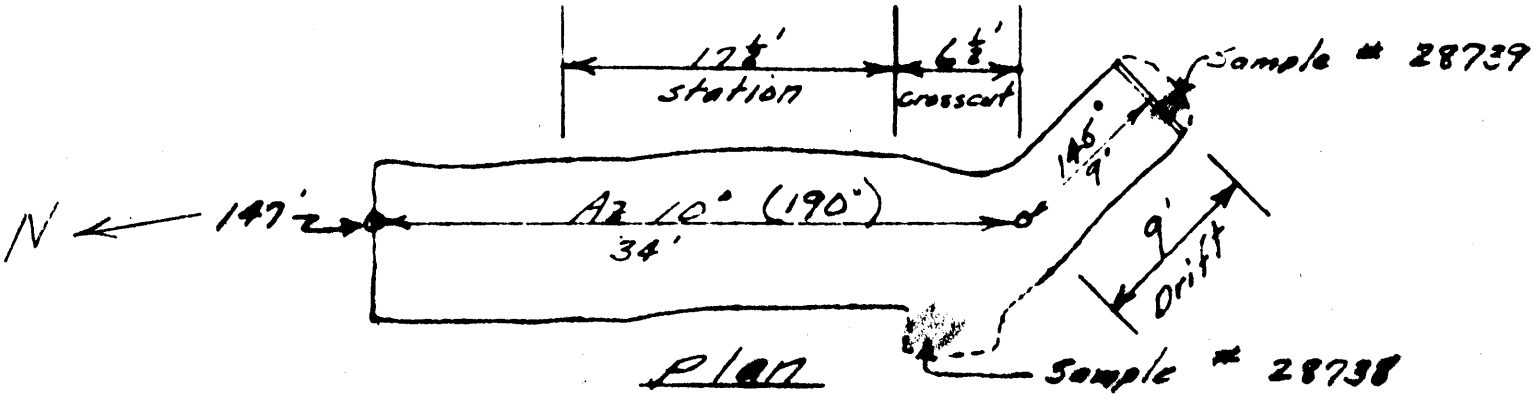
Keystone Mines, Inc

Sketch of

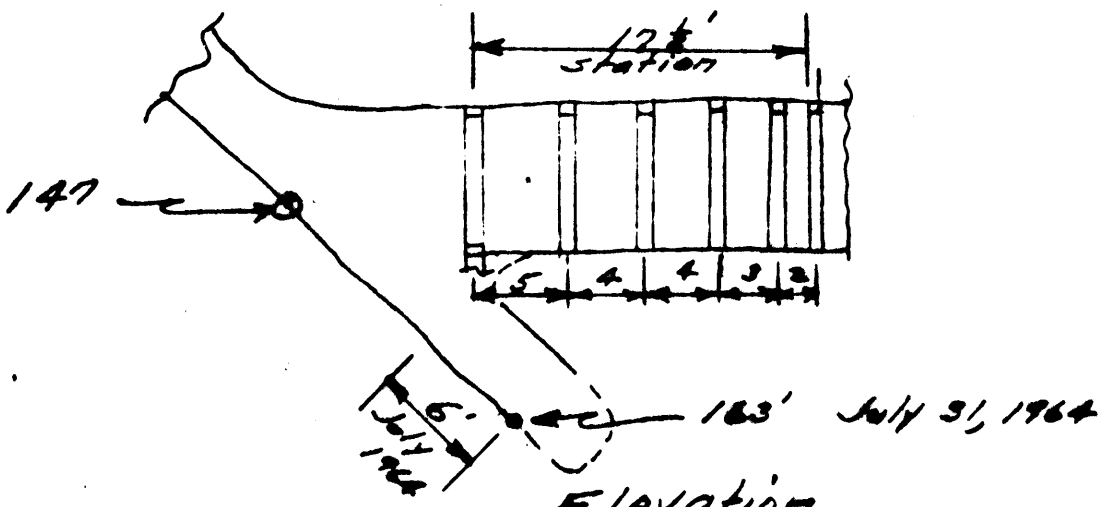
Openings Completed in July 1964

Scale: Approx. 1" = 10'

#11
7/31/64
EHB

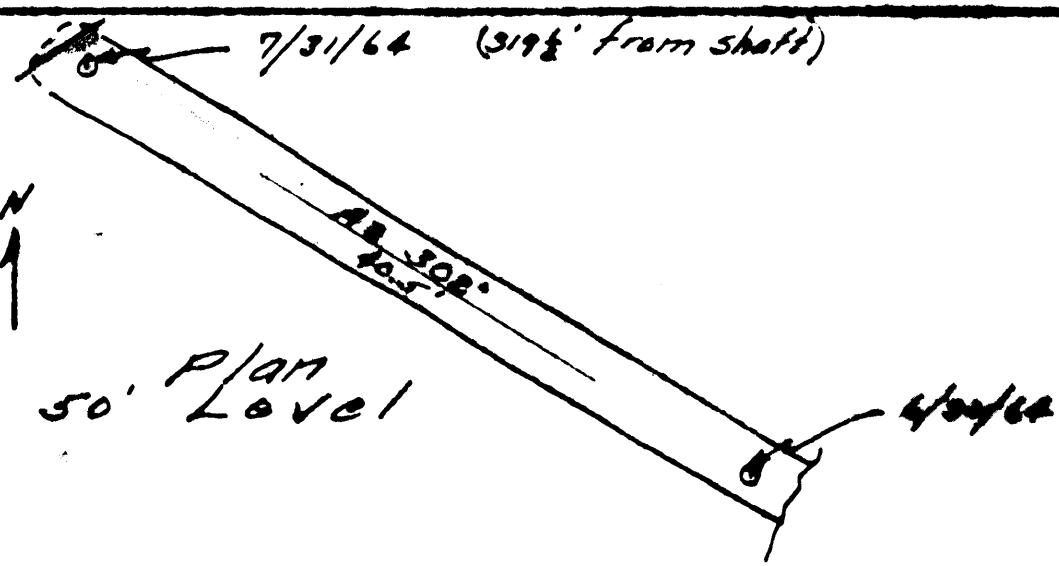


Plan



Elevation

147' Level



50' Plan Level

OMe

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL FILE COPY O. M. E. RECEIVED AUG 14 1964		
DATE	INITIALS	CODE
8/14	[illegible]	800
		120 m
		120

July 31, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. Dept. of the Interior
OFFICE OF MINERAL EXPLORATION
South 157 Howard Street
Spokane, Washington 99204

Re: OME 6304 (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), July 1964
Operator's Progress Report (MME form 61), July 1964
Operator's Narrative Report, including
- Narrative
- Sketch map #11 showing work accomplished during July 1964
- Statement of wages paid for July 1964
- Assay Report

Reimbursement for July 1964 being requested is for the following work: six feet of shaft, six and one-half feet of crosscut and nine feet of drift, 15½ feet of drift and crosscut timbering and one station set.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
AUG 10 1964
OME
SPOKANE, WASHINGTON

AMN:EHB:jp
Enclosures

FORM 60
SEPT. 1959

RECEIVED
Via
JUL 8 1964
Air Mail
OME
SPOKANE, WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $70,190
Gov't. Participation %50 $35,095
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of June 1964

Operator's Name KEYSTONE MINES, INCORPORATED
Address P. O. Box 630 Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
~~XXXX 17½' station~~	1050	0.0	1050.00			
~~3 station sets~~	150	0.0	150.00			
~~shaft sinking~~	0	11960.00	11960.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$1200.00	$11960.00	$13160.00	1,200.00	11,960.00	13,160.00

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

Date June 30, 1964 Payee KEYSTONE MINES, INC.

Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 600.00

Signature (Authorized Certifying Officer)

Date 7/17/64 Vou. No. 77-4

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacKaren Title Acting Field Officer, Reg. I Date JUL 13 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. MacKaren Title Acting Field Officer, Reg. I Date JUL 13 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
Via
JUL 8 1964
Air mail
OME
WASHINGTON

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of June 1964 Docket No. OME 6304

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts	ft	0	104	11,960.00	—	104	11,960.00
Winzes							
Other Underground station	ft	17½	17½	1,050.00	17½	17½	1,050.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
station sets	ea	3	3	150.00	3	3	150.00
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				$13,160.00			13,160.00

REMARKS

Seventeen and one-half feet of station allowed in the contract was completed on the 147' level. Three of the four station sets allowed were installed.

(Continue on back)

REMARKS

(Continue on back)

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

Date June 30, 1964 Operator KEYSTONE MINES, INC.

Per Arnold M. Nordale Title President

Arnold M. Nordale

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [illegible]

Title Acting Field Officer, Reg. I
Government Representative

Date JUL 13 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

[redacted]

[redacted] June [redacted] [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

KEYSTONE MINES, INCORPORATED

Narrative Report for month of June 1964

During June 1964 the following underground openings were driven:

(a) The crosscut at the 147 foot level was enlarged into a station. Reimbursement is being requested for 17½' of station as allowed in the contract. The width is slightly longer than 8 feet. 8" x 8" timbers were used and posts are 7½ feet. Three station sets were installed and reimbursement is being requested for these. An additional set was ready for installation and reimbursement for this probably will be requested in the July report.

(b) Approximately 38 feet of drift was driven on the 50 foot level in a westerly direction giving a total length of opening on this level of about 279 feet. (The sum of 38 feet plus the 244 reported in May 1964 was adjusted because of a change in direction of the drift.) The ore was continuous along the drift driven in June and some widths observed were as much as three feet. Ore from this level continues to be test milled. From the level a raise is being driven to the surface to provide better ventilation. This raise is not shown on the accompanying sketch.

Reimbursement for the work done on the 50 foot level is not being requested.

Arnold M. Nordale

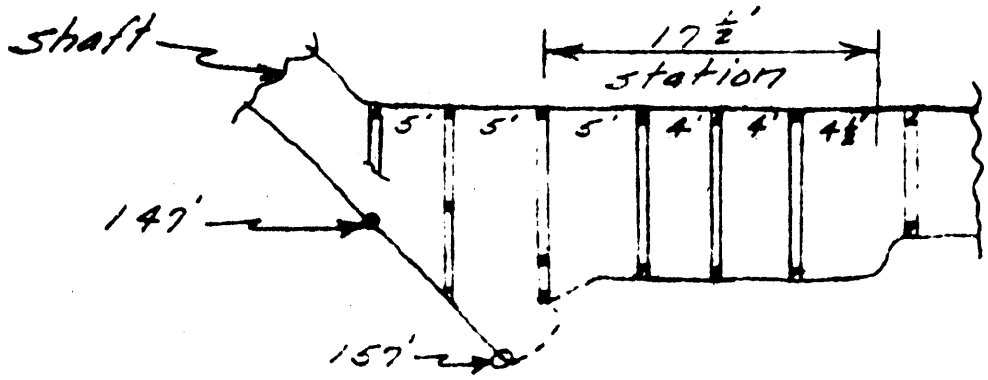
Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
Via
JUL 8 1964
Air Mail
OME
SPOKANE, WASHINGTON

RECEIVED
JUL 15 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

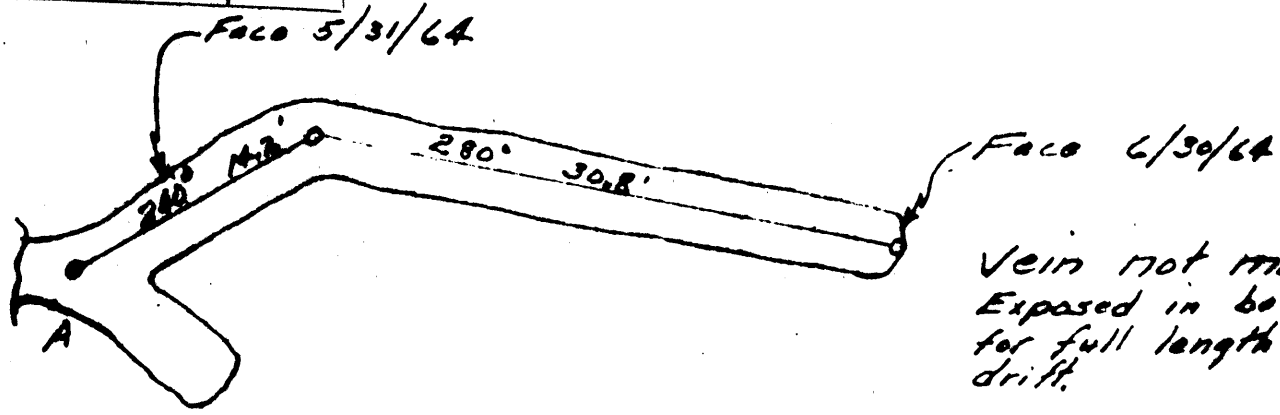
#10
6/30/64
EHB

Keystone Mines, Inc.
Sketch of Openings Completed in June 1964.
Scale: Approx. 1" = 10'



Elevation
Shaft & Station @ 147' Level

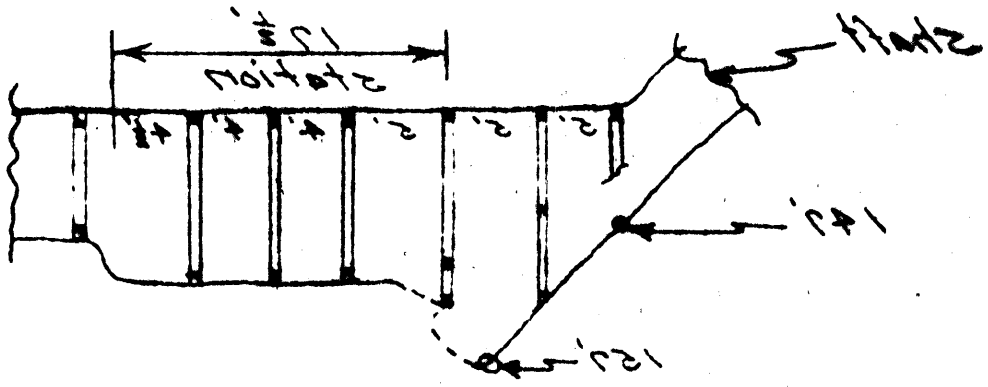
OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 21 1964
DATE



Vein not mapped. Exposed in back for full length of drift.

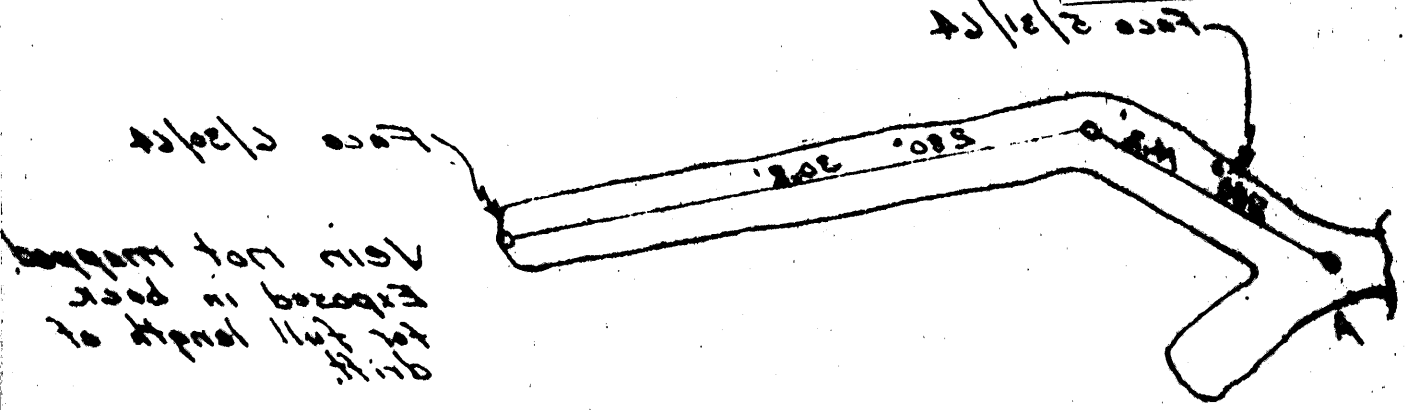
50' Level (Brunton) Plan

N



Shaft & Station @ 147' Level
Elevation

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 21 1964
DATE



50' Level (Brunton)
Plan

#10
6/30/64
EHB

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 16 1964

DATE	INITIALS	CODE
7/16	[illegible]	800
		~~120~~
		120M

June 30, 1964

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. DEPT. OF THE INTERIOR
Office of Mineral Exploration
South 157 Howard Street
Spokane, Washington 99204

Re: OME 6304 (Cold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), June 1964
Operator's Progress Report (MME form 61), June 1964
Operator's Narrative Report, including
- Narrative
- Sketch map #10 showing work accomplished during June 1964
- Statement of wages paid for June 1964

Reimbursement for June 1964 is being requested at the present time for 17½ feet of station and 3 station sets.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
JUL 8 - 1964
OME
SPOKANE, WASHINGTON

AMN:EHB:jp
Enclosure

OME (2)

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 8 1964

DATE	INITIALS	CODE
6/9	[illegible]	800
6/9	[illegible]	500

May 31, 1964

Mr. D. R. Maclaren
Acting Field Officer, OME
Region I
U. S. DEPT. OF THE INTERIOR
Office of Mineral Exploration
South 157 Howard Street
Spokane, Washington 99204

RE: OME 6304 (Gold-Silver)
Contract 2173 as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), May 1964
Operator's Progress Report (MME form 61), May 1964
Operator's Narrative Report, including
Narrative
Sketch map #9 showing work accomplished during May 1964
Statement of wages paid for May 1964

Reimbursement is being requested at the present time for ten feet of shaft driven during May 1964.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
Via
JUN 3 1964
Air Mail
OME
Spokane, Washington

AMN:EHB:sm
Enclosures

MME FORM 60
SEPT. 1959

RECEIVED
Via
JUN 3 1964
Air Mail
OME

Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $70,190
Gov't. Participation % 50 $ 35,095
Mineral(s) Gold, Silver

OPERATOR'S MONTHLY VOUCHER

For Month of May 1964

Operator's Name KEYSTONE MINES, INC.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
Shaft sinking	$1150	$10,810	$11,960			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$1150	$10,810	$11,960	1,150.00	10,810.00	11,960.00

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

Date May 31, 1964 Payee Keystone Mines, Inc.
Arnold M. Nordale
Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 575.00

Signature BLB
(Authorized Certifying Officer)

Date 6/9/64. Vou. No. 1637

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacBaren Title Acting Field Officer, Reg. I Date JUN 4 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. MacBaren Title Acting Field Officer, Reg. I Date JUN 4 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED
JUN 8 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

MME FORM 61
SEPT. 1959

RECEIVED
Via
JUN 3 1964
Air Mail
OME

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of May 1964 Docket No. OME 6304

Operator's Name KEYSTONE MINES, INC. Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts	ft	10	104	$11,960	10	104	$11,960.00
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$11,960			$11,960.00

REMARKS

Ten feet of shaft was driven during May 1964 for which reimbursement is being requested. Some work was done on the ore pocket at about the 147' level.

(Continue on back)

REMARKS

(Continue on back)

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

Date May 31, 1964 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. M. Macharen

Title Acting Field Officer, Reg. I
Government Representative

Date JUN 4 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

KEYSTONE MINES, INCORPORATED
Narrative Report for month of May 1964

During May 1964 the following underground openings were driven:

(a) The main shaft was driven an additional ten feet to reach a total depth of 157 feet from the collar. Some excavation was done for an ore pocket at about the 147' point in the shaft. No change in the birch creek schist country rock was observed.

(b) The crosscut at the 147 foot level was turned and extended into a drift which followed the vein to the east. About eight feet of drift was driven along the vein. At the face the vein varied in width from 12 to 18 inches, had a strike of about S 35° E. and a dip of about 67° S. Reimbursement for the 8 feet of drift is not being requested at present.

(c) Approximately 83 feet of drift was driven on the 50 foot level in a westerly direction giving a total length of opening of about 244 feet. The vein, somewhat broken and offset by minor faults, was followed. About 40 tons of ore from this level was test milled during the last week of May 1964.

During May 1964 the amount of water that had to be pumped from the mine increased considerably due to surface thawing. "Spring" road conditions are improving.

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
Box 630
Fairbanks, Alaska

RECEIVED
Via
JUN 3 1964
Air Mail
OME
SPOKANE, WASHINGTON

RECEIVED

JUN 8 1964

OFFICE OF THE SEC
FISCAL SECTION

I, Edwin Ebbert, Contractor for the Keystone Mines, Inc. hereby certify that I have been paid in full to date.

Date:	month	day	year 1964
	May	31	1964

Edwin W. Ebbert

Signed Edwin Ebbert

We, the undersigned working for Edwin Ebbert, Contractor for Keystone Mines, Inc. hereby certify that we have been paid in full to date.

Paul J. Ebbert

Ben Wilson

Henry C. Honea

Dexter Honea

COPY

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 11 1964

DATE	INITIALS	CODE
5/12	[illegible]	170
5/26	[illegible]	500

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

April 30, 1964

Mr. D. R. Maclaren
Acting Field Officer, OME
Region I
U. S. DEPARTMENT OF THE INTERIOR
Office of Mineral Exploration
South 157 Howard Street
Spokane, Washington 99204

RE: OME 6304 (Gold-Silver)
Contract 2173, as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60), Apr 1964
Operator's Progress Report (MME form 61), Apr 1964
Operator's Narrative Report, including
Narrative
Sketch map #8 showing work
accomplished during Apr 1964

Reimbursement is not being requested at the present time for work accomplished during April 1964.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

AMN:EHB:jp
Enclosures

RECEIVED
Via
MAY 7 1964
Air Mail
OME
SPOKANE, WASHINGTON

Keystone Mines, Incorporated

Narrative Report for Month of April 1964

During April 1964 about 26 feet of crosscut was driven at the 147 foot level. The vein was intersected in the back at a distance of about 30' from the 147' reference point in the footwall of the shaft as shown on the accompanying sketch. The vein at this point has a width of 24 inches, a strike of 125°, a dip of 37° S. and pans free gold as well as considerable sulfide. The quartz is white and iron staining is lacking. The vein has been faulted in several directions resulting in segments of ore. Generally, the structure appears strong. The country rock in the crosscut is flat, blocky layers of mica, quartzite birch creek schist.

About 31' of drift was driven during April 1964 on the fifty foot level. The drift followed the vein system and continued westerly. Considerable vein iron stained quartz and occasionally white quartz, containing sulfides, were in the system and from which free gold can be panned.

During the month a hoist was installed to replace the one that had been in prior use. An ore bin and chute were installed at the 50' level. Snow plowing was necessary to keep the roads open to the mine. At the present time the spring thaw has set in with day temperatures rising slightly above 40° and night temperatures being just below freezing.

The mine workings continue to make water but the quantity is being handled in a satisfactory manner.

Arnold M. Nordale

Arnold M. Nordale
President
Keystone Mines, Inc.
Box 630
Fairbanks, Alaska

AMN:EHB:jp

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Via
MAY 7 1964
Air mail
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SPOKANE, WASHINGTON

MME FORM 60
SEPT. 1959

RECEIVED
Via
APR 6 1964
Air Mail
OME
SPOKANE, WASHINGTON

APR 23 1964

Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No. 14-23-090-2173 as amended
Contract Amount $72,950.00
Gov't. Participation % 50 $ 36,475.00
Mineral(s) Gold-Silver

OPERATOR'S MONTHLY VOUCHER

For Month of March 1964

Operator's Name Keystone Mines, Inc.
Address Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
shaft sinking	$920	9890	$10,810			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$920	9890	$10,810	920.00	9,890.00	10,810.00

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

Date March 31, '64 Payee Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

* 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 460.00

Signature BrB
(Authorized Certifying Officer)

Date 4/22/64 Vou. No. 1413-2

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D R Mackeson Title Acting Field Officer, Reg. I Date APR 13 1964

Approved by OME Executive Officer or Alternate:

Signature D R Mackeson Title Acting Field Officer, Reg. I Date APR 13 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 64
SEPT. 1959

RECEIVED
Via
APR 6 1964
Air Mail
OMM
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of March 1964 Docket No. OME 6304

Operator's Name Keystone Mines Incorporated Contract No. 14-23-090-2173 as amended

OPERATION	UNITS	FOR OPERATOR'S USE			FOR GOVERNMENT USE		
		UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts	ft	8	94	10,810	8	94	10,810
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$10,810			10,810

REMARKS

Eight feet of shaft was driven and a crosscut was begun into the hanging wall at the 147 foot level, for the purpose of intersecting the vein. Fourteen feet of crosscut was driven; however, refund is not requested for this at the present time.

(Continue on back)

REMARKS

(Continue on back)

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

Date March 31, 1964 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D R Yeschaver

Title Acting Field Officer, Reg. I
Government Representative

Date APR 13 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

I, Edwin Ebbert, Contractor for the Keystone Mines Inc. hereby certify that I have been paid in full up to and including ,

Signed Edwin Ebbert

We, the undersigned working for Edwin Ebbert, Contractor for Keystone Mines Inc. hereby certify that we have been paid wages in full to date,

Signed Paul Ebbert

Signed Paul Smith

KEYSTONE MINES, INCORPORATED
Narrative Report for month of March 1964

RE: OME 6304 (Gold-Silver)
Contract 2173
Keystone Mines, Inc.
Fairbanks District, Alaska

Eight feet of shaft was driven and timbered during March, 1964. The hoisting compartment is 4' x 4' in the clear and the manway is 4' x 3' in the clear with standard 8" x 8" timber sets being used. Timber sets installed during the month were on 4' center because of the tendency of the hanging wall to slough. Four foot spacings between sets have been used from the inclined depth of 83' to the present inclined depth of 147'. Round logging, three inch minimum diameter is being used where necessary. The total depth of the inclined shaft (45° dip) is 147 feet of which 94 feet has been excavated under the OME contract.

At the 147' level a crosscut has been started in the hanging wall in an attempt to intersect the vein. This crosscut has been driven 14' from a point in the footwall of the shaft and the vein has not been intersected. At the 14' point a small quartz reinlet (½" width) with same gouge is in the face as shown on the accompanying sketch. Panning a sample showed a considerable amount of pyrite but no gold. The country rock continues to be Birch Creek schist, mostly flat layers of mica-quartzite schist containing pyrite. Faulting has taken place and resulting gouge streaks are present.

RECEIVED
APR 1 7 1964
OFFICE OF THE SECRETARY
INTERIOR

RECEIVED
APR 15 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

On March 15th, 1964, the bunk house occupied by the workers and located at the mine was destroyed by fire. One man was burned slightly and another moderatly. No loss of life resulted from the fire. Since then three trailers have been moved into the general vicinity of the shaft and hence all personnel are living relatively near the shaft sinking operation.

Just prior to the fire a schedule of two shifts per day was initiated but was changed immediately after the fire occuredd to one shift using four men per shift.

No earthquake damage occurred underground on March 27, 1964 although the "quake" was felt on the surface. The Fairbanks area was relatively damage-free as compared to south central Alaska where major damage was done in areas such as Anchorage, Seward and Valdez and also in other communities.

Water continues to be present but is being handled in a satisfactory manner.

Arnold M. Nordale

/s/ Arnold M. Nordale
President
Keystone Mines, Inc.
Box 630
Fairbanks, Alaska

AMN:EKB:jp

RECEIVED
APR 15 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

RECEIVED
Via
APR 6 1964
Air Mail
CMF

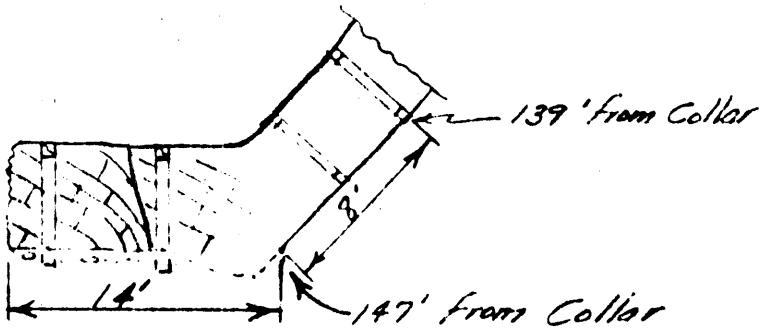
RECEIVED
APR 15 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

#7
3/31/64
EHB

Keystone Mines, Inc.
Sketch of Shaft and 147' Crosscut

Scale: Approx 1" = 10'

Face in Crosscut 14' from Shaft Wall



West Wall

OME (2)

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICE
RECEIVED
DATE 4/15

March 31, 1964

800
500

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. DEPT. OF THE INTERIOR
Office of Mineral Exploration
South 157 Howard Street
Spokane, Washington 99204

RE: OME 6304 (Gold-Silver)
Contract 2173, as amended
Keystone Mines, Inc.
Fairbanks District, Alaska

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, as amended, I am forwarding you herewith the original and three copies of:

Operator's Monthly Voucher (MME form 60) for March 1964
Operator's Progress Report (MME form 61) for March 1964
Operator's Narrative Report, including
Narrative
Sketch map #7showing work accomplished during March 1964
Statement of wages paid

This month a request is made for reimbursement for only the shaft sinking completed and not the crosscutting done.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

AMN:RHB:jp
Enclosures

RECEIVED
Via
APR 6 1964
Air Mail
OME
SPOKANE, WASHINGTON

MME FORM 60
SEPT. 1959

RECEIVED
Via
MAR 9 - 1964
Original
OME
WASHINGTON

3/64 Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6304
Contract No.
14-23-090- 2173 as amended
Contract Amount $ 72,950
Gov't. Participation % 50 $36,475
Mineral(s) Gold-Silver

OPERATOR'S MONTHLY VOUCHER

For Month of February 1964

Operator's Name Keystone Mines, Inc.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and		*The amount reported previously was $9100 and this has been adjusted to $8050 on the basis of Amendment #1, to the contract and dated 1-29-64				
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
Shaft sinking	$1,840	$8,050*	$9,890			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$1,840	$8,050*	$9,890	1,840.00	8,050.00	9,890.00

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

Date Feb. 29, 1964 *Payee Keystone Mines, Inc.

Per Arnold M. Nordale Title President
Arnold M. Nordale

* 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 920.00

Signature Bass
(Authorized Certifying Officer)

Date 3/12/64 Vou. No. 2204-1

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. MacKaven Title Acting Field Officer, Reg. I Date MAR 9 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. MacKaven Title Acting Field Officer, Reg. I Date MAR 9 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

RECEIVED MAR 11 1964 OFFICE OF THE SECRETARY FISCAL SECTION

MME FORM 61
SEPT. 1959

RECEIVED
Via
MAR 9 - 1964
K. Mau

Operator's copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
February 1964
OFFICE OF MINERALS EXPLORATION

OME 6304

Keystone Mines, Inc.
P. O. Box 630, Fairbanks, Alaska

OPERATOR'S PROGRESS REPORT

For Month of _____

2173 as amended
Docket No. _____

Operator's Name _____ Contract No. 14-23-090- _____

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting Shafts	ft	16	86	$9,890	16	86	$9,890
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases				$9,890			
Analytical Work							
TOTAL TO DATE (per MME Form 60)							$9,890

REMARKS

Sixteen feet of shaft was driven and timbered during February 1964. Contract 2173 was amended and the unit allowance for shafts was changed from $130.00 per foot to $115.00 per foot. Costs to date, shown above, is based on the unit rate of $115.00 per foot.

(Continue on back)

REMARKS

(Continue on back)

The undersigned company, and the Keystone Mines, Inc. 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.

Feb. 29, 1964
Arnold M. Nordale President
Arnold M. Nordale

Date _____ Operator _____

Per _____ Title _____

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D. Wackes

Title Acting Field Officer, Reg. I
Government Representative

Date MAR 9 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

RECEIVED
MAR 11 1964
OFFICE OF THE SECRETARY
FISCAL SECTION

I, Elwin Ebberth, Contractor for the Keystone Mines, hereby certify that I have been paid in full up to and including February 29, 1964.

Signed Elwin Ebberth

[illegible] for Keystone Mines Inc. hereby certify that I have been paid wages in full to date February [illegible]

Signed [illegible]

Signed [illegible]

KEYSTONE MINES, INCORPORATED
Narrative Report for February 1964

RE: OME 6304 (Gold-Silver)
Contract 2173
Keystone Mines, Inc.
Fairbanks District, Alaska

Sixteen feet of shaft was driven and timbered during February, 1964. The hoisting compartment is 4' X 4' in the clear and the manway is 4' X 3' in the clear with standard 8" X 8" timber sets being used. Timber sets installed during the month were on 4' center because of the tendency of the hanging wall to slough. Four foot spacings between sets have been used from the inclined depth of 83' to the present inclined depth of 139 feet. Round logging, three inch minimum diameter is being used where necessary. The total depth of the inclined shaft (45° dip) is 139 feet of which 86 feet has been excavated under the OME contract.

The vein has not been intersected by the shaft and hence no sampling was done. The country rock continues to be Birch Creek schist with flat layers of quartzite schist alternating with mica-graphitic chloritic schist. Faulting has taken place and resulting gange streaks are present.

Progress was slow during the month again due to difficulties with the two compressors. A 500 cmf unit was obtained to replace the two smaller machines. Water continues to be present, accumulating at a rate of 200-250 gallons per hour, but is being handled in a satisfactory manner.

Arnold M. Nordale

/s/ Arnold M. Nordale
President
Keystone Mines, Inc.
Box 630
Fairbanks, Alaska

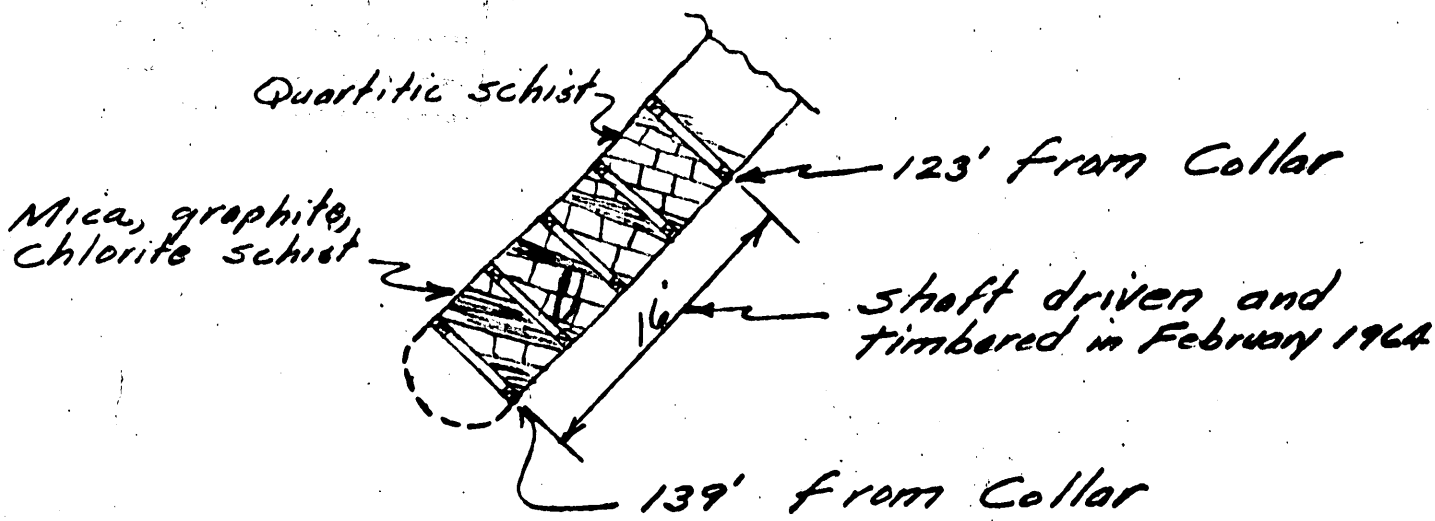
RECEIVED
Via
MAR 9 1964
Air Mail
OME
SPOKANE, WASHINGTON

EHB:AMN:jp

#6
2/29/64
EHB

Keystone Mines, Inc.
sketch of Shaft
West Wall

Scale: Approx. 1" = 10'



RECEIVED
Via
MAR 0 1964
Air Mail
U.M.E.
WASHINGTON, D.C.
W/ Feb. '64 Newsletter

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 23 1964

DATE	INITIALS	CODE

MME FORM 60
SEPT. 1959

RECEIVED
FEB 3 1964
U.S.G.S.
Spokane

2/28 Murphy
OMB-6300

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 2173
Contract No. ~~79,900~~ 50 39,950
14-23-090
Contract Amount $
Gov't. Participation % $
Mineral(s)

OPERATOR'S MONTHLY VOUCHER

For Month of January 1964

Operator's Name Keystone Mines, Inc.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Shaft Sinking	$3,120	$5,980	$9,100			
Drilling						
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
	$3,120	$5,980	$9,100			
TOTALS				2,760.00	5,290.00	8,050.00

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

Date Jan. 31, 1964 Keystone Mines, Inc.
Arnold M. Nordquist President

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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,380.00

Signature _____
(Authorized Certifying Officer)

Date 2/24/64 Vou. No. 1108

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date FEB 14 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date FEB 14 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
FEB 3 1964

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of ~~January 1964~~ Docket No. ~~OME-6304~~

Operator's Name ~~Keystone Mines, Inc.~~ Contract No. 14-23-090-~~2173~~

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							
Shafts	~~Ft~~	~~24~~	~~70~~	~~$9,100~~	24	70	8050.00
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				~~$9,100~~			8050.00

REMARKS

Only shaft sinking was done during January 1964. Unit contract prices used are those given in the original contract and not the anticipated prices in the amendment requested on Dec. 13, 1963. It is believed that the costs shown in the Nov., Dec. 1963 and Jan. 1964 reports will be adjusted when the amendment is approved.

(Continue on back)

REMARKS

See Amendment No. 1 - Unit cost for shafting $115/ft

(Continue on back)

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

Date ~~Jan. 31, 1964~~ Operator ~~Keystone Mines, Inc.~~

Per Arnold M. Nordale ~~Arnold M. Nordale~~ Title ~~President~~

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [illegible]

Title Acting Field Officer, Reg. I
Government Representative

Date FEB 14 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

I, Edwin Ebbert, Contractor for the Keystone Mines Inc.

hereby certify that I have been paid in full up to and including January 31, 1964.

Signed Edwin Ebbert

We the undersigned working for Edwin Ebbert, Contractor for Keystone Mines Inc. hereby certify that we have been paid wages in full to date, January 31, 1964.

Signed Paul Smith

Signed Paul Ebbert

KEYSTONE MINES, INC.
Narrative Report for January 1964

Re: ONR 6304 (Gold-Silver)
Contract 2173
Keystone Mines, Inc.
Fairbanks, District, Alaska

During the month of January 1964, twenty four (24) feet of shaft was driven and timbered with standard 8" x 8" timber giving a hoisting compartment of 4' x 4' in the clear and a manway of 4' x 3' in the clear. The shaft which has now reached an inclined depth of 133 feet has been continued on a dip of 45°. The hanging wall of the shaft continues to be somewhat heavy and so the timber sets are being continued on four foot (4') centers. Four foot sets have been used between 83 and 123 feet plus three inch diameter round logging where necessary. The total depth of the inclined shaft excavated under the ONR contract is 70 feet and the total depth of the shaft from the collar is 123 feet.

The vein has not been intersected by the shaft at the 123 foot point and hence no sampling was done. The country rock continues to be in relatively flat layers with a dip of about 15° to the north and an east-west strike. Layers of blocky quartzitic schist occur with mica-graphitic-chloritic schist. Some minor movements have taken place in the country rock.

Progress was somewhat slowed during the month by equipment problems, especially the compressors but these have been remedied. Water continues to make in the shaft at a rate that is about 200 gallons per hour. A new pump to better handle the water situation has been ordered.

Arnold M. Nordale

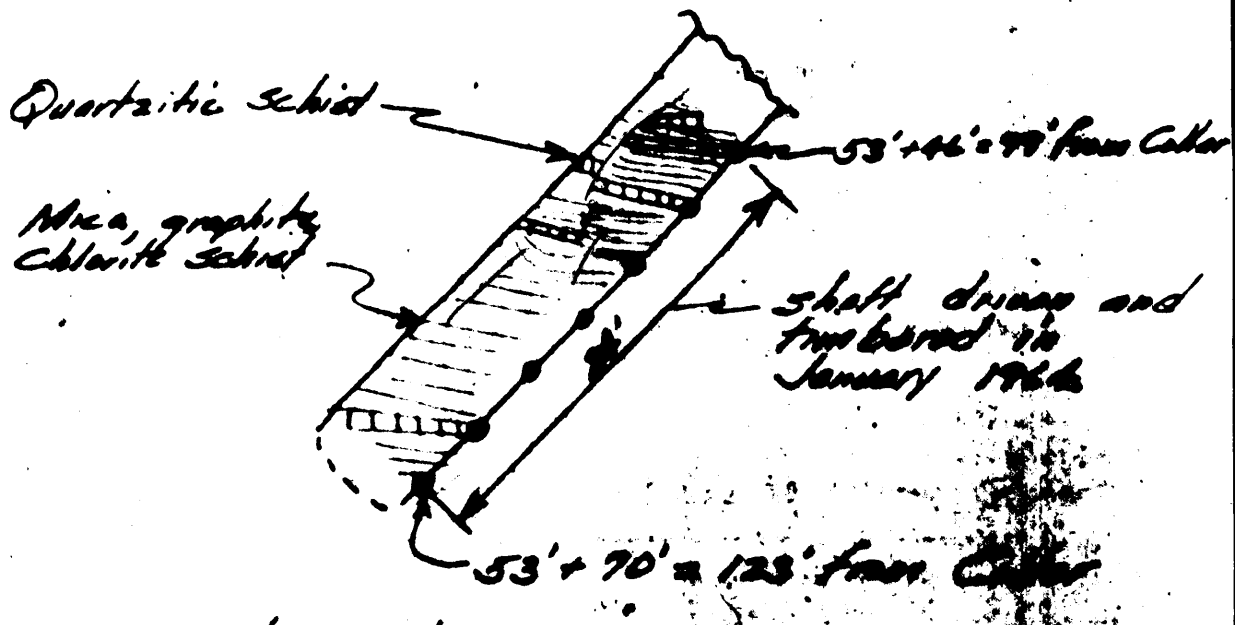
Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
FEB 3 1964

Keystone Mines, Inc.
Sketch of Shaft
West Wall

#5
1/31/64

Scale Approx 1" = 10'



Legend

• Location of Sets

— Fault

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

February 24, 1964

Name and Address of Payee: Keystone Mines, Inc.
P. O. Box 639
Fairbanks, Alaska

Amount Claimed:	Differences (Explained Below)	Amount Approved
$9,100.00	$1,050.00	$8,050.00 (Gov't. Share 4,025.00)
Bu. Voucher No.	**Payee's Invoice No.**	**Period**
1108	OMB Contract 2173	Nov. '63; Dec. '63; and Jan. 64

EXPLANATION

Shaft sinking unit price, per contract amendment #1, is $115/ft.

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd) OPAL A. SHELTON
Signature

OPAL A. SHELTON
Chief, Accounting Unit
Title

74165

Mre (2)

KEYSTONE MINES, INC.
P. O. Box 630
Fairbanks, Alaska

OFFICIAL FILE COPY
O. M.
RECEIVED JAN
DATE
1/9 Murphy

December 31, 1963

800
500

Mr. D. R. MacLaren
Acting Field Officer, OME
Region I
U. S. DEPT. OF THE INTERIOR
Office of Mineral Exploration
South 157 Howard Street
Spokane, Washington 99204

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Fairbanks District, Alaska
Contract 2173

Dear Mr. MacLaren:

In accordance with the specifications of our OME contract, I am forwarding you herewith the original and four copies of:

Operator's Monthly Voucher (MME form 60)
Operator's Progress Report (MME form 61)
Operator's Narrative Report, including
Narrative
Sketch map #4 showing work accomplished during Dec. 1963
Statement of wages paid

The forms have been completed using the original contract price because we have not learned if the amendment has been officially approved. I assume that your office will make the necessary corrections. Please let me know of anything that I can do to expedite matters.

Although sufficient copies of forms 61 and 62 are on hand for one more report, we would appreciate receiving an additional supply.

Very truly yours,

Arnold M. Nordale

Arnold M. Nordale
President
KEYSTONE MINES, INC.
Box 630
Fairbanks, Alaska

RECEIVED
JAN 7 1964

AMN:EHB:jp
Enclosures

MME FORM 60
SEPT. 1959

RECEIVED
JAN 7 1964

2/25 Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6304
Contract No.
14-23-090- 2173
Contract Amount $ $79,900
Gov't. Participation 50 $ 39,950
Mineral(s) Gold-Silver

OPERATOR'S MONTHLY VOUCHER

For Month of December 1963

Operator's Name Keystone Mines, Inc.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
shaft sinking	$2860	$3120	$5980.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	$2860	$3120	$5980.00	2,530.00	2,760.00	5,290.00

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

Date Dec. 31, 1963 Payee Keystone Mines, Inc.
Arnold M. Nordale
Per Arnold M. Nordale 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,265.00

Signature BAB
(Authorized Certifying Officer)

Date 2/24/64 Vou. No. 1108-4

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date FEB 14 1964

Approved by OME Executive Officer or Alternate:

Signature D.R. Macharen Title Acting Field Officer, Reg. I Date FEB 14 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

RECEIVED
JAN 7 1964
U.S.G.S.
MINERAL INFO.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OME-6304

OPERATOR'S PROGRESS REPORT For Month of December 1963 Docket No. 2173

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising	Ft	22	46	$5980.00			✓ L
Shafts					22	46	5270.00
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				~~$5980.00~~			✓
TOTAL TO DATE *(per MME Form 60)*							5270.00

REMARKS

~~Only shaft sinking was done during~~ December 1963. Contract prices used are those given in the original contract and not the anticipated prices in the amendment requested on Dec. 13, 1963. It is anticipated that the cost shown in the Nov. and Dec. 1963 reports will be adjusted when the amendment is approved. has been executed

OK. JMM.

(Continue on back)

REMARKS

L: See Amendment No 1 Unit cost for shaft $115/ft

(Continue on back)

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

Date Dec. 31, 1963 Operator Keystone Mines, Inc.

Per Arnold M. Nordale Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature D.D. Cochran

Title Acting Field Officer, Reg. I
Government Representative

Date FEB 14 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

I, Edwin Ebbert, Contractor for the Keystone Mines Inc. hereby certify that I have been paid in full up to and including December 31, 1963.

Edwin R Ebbert

We the undersigned, working for Edwin Ebbert, Contractor for the Keystone Mines Incorporated, hereby certify that we have been paid wages in full to December 31, 1963.

Paul Smith

Paul D. Ebbert

Keystone Mines, Incorporated
Narratice Report for December 1963

Re: OME 6304 (Gold-Silver)
Contract 2173
Keystone Mines, Inc.
Fairbanks District, Alaska

- -

During the month of December 1963, twenty two (22) feet of shaft was driven and timbered with standard 8" X 8" timber giving a hoisting compartment of 4' X 4' in the clear and a manway of 4' X 3' in the clear. The shaft is being continued on a dip of 45°. Because of some heavy ground encountered in the hanging wall between 83' and 99' the sets in this area are spaced on four (4) foot centers instead of the normal six (6) feet. Plus three (3) inch diameter lagging is being used where needed. The total depth of shaft excavated under the OME contract is 46 feet. The bottom of the completed shaft is 99 feet below the collar.

The vein has not been intersected by the shaft at the 99' point. Some faulting with ¼ to ½ inch wide gouge containing some quartz fragments is present on the wall. This material, also containing pyrite, did not pan free gold. The shaft penetrated the typical schist country rock as indicated on the accompanying sketch.

The water conditions continue to be present but is being handled to allow shaft sinking to continue.

No samples were taken during December 1963 because the vein was not intersected.

Arnold M. Nordale

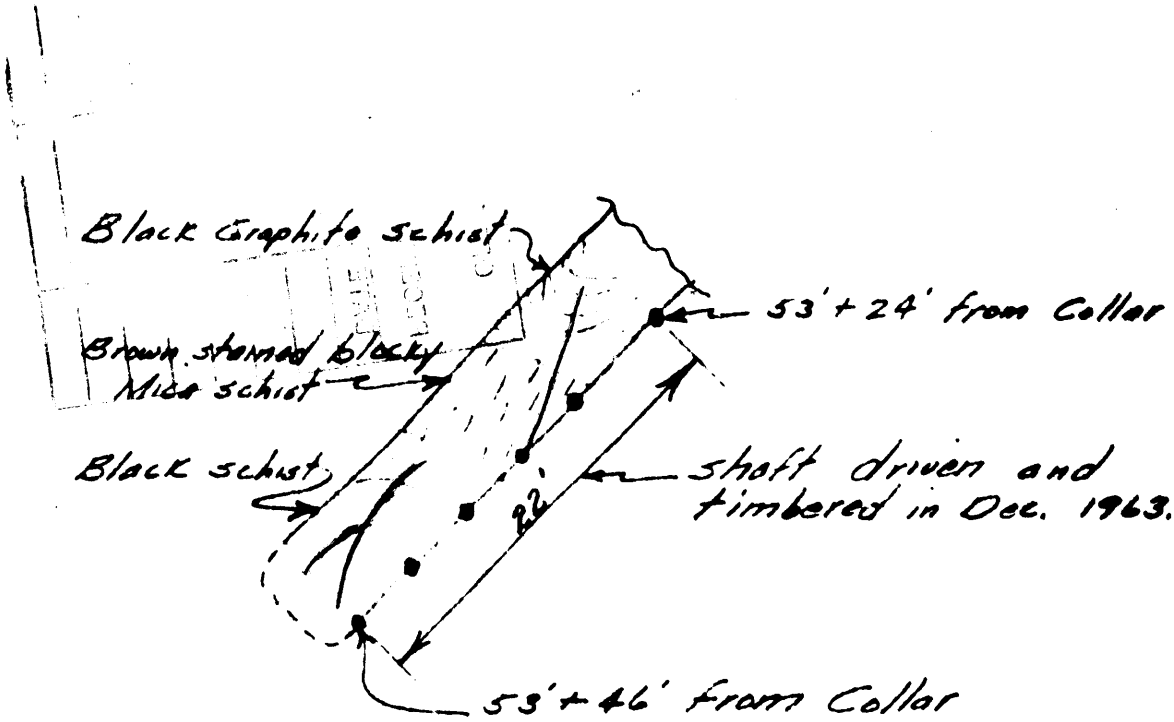
Arnold M. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

RECEIVED
JAN 7 1964

Keystone Mines Inc.
Sketch of shaft
West Wall

#4
12/31/63

Scale: Approx. 1" = 10'



Manway size in Clear 3'x4'
Hoist Comp. size in clear 4'x4'

Legend

• Location of Sets

— Fault

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 20 1964

DATE	INITIALS	

MME FORM 60
SEPT. 1959

RECEIVED
DEC 5 1963

2/25 Murphy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME-6304
Contract No. 14-23-090-2173
Contract Amount $ ~~$79,900~~
Gov't. Participation % $ 50 ~~$39,950~~
Mineral(s) ~~Gold-Silver~~

OPERATOR'S MONTHLY VOUCHER

For Month of November 1963

Operator's Name Keystone Mines, Inc.
Address P. O. Box 630, Fairbanks, Alaska

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
~~Fixed Unit Costs~~ and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
Shaft sinking	3120.00	0	3120.00			
	(Initial request)					
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	3120.00	0	3120.00	2,760.00		2,760.00

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

Date Nov. 30, '63 Payee Keystone Mines, Inc.

Per Arnold M. Nordale Title President

Arnold M. Nordale

* 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1,380.00

Signature BAB
(Authorized Certifying Officer)

Date 2/24/64 Vou. No. 8108-3

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2173

Signature D R MacKaren Title Acting Field Officer, Reg. I Date FEB 14 1964

Approved by OME Executive Officer or Alternate:

Signature D R MacKaren Title Acting Field Officer, Reg. I Date FEB 14 1964

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61-
SEPT. 1959

RECEIVED
DEC 5 1963

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT

For Month of November 1963 Docket No. [illegible]-6300

Operator's Name Keystone Mines, Inc. Contract No. 14-23-090-2173

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting							
Crosscutting							
Raising							$ [1]
Shafts	Ft	24	24	$3120.00	24	24	2760.00
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							$
TOTAL TO DATE *(per MME Form 60)*				$3120.00			2760.00

REMARKS

This report is the initial Operator's progress report under the provisions of the contract 2173. The shaft units indicated are those that have been fully completed under the terms of the contract. Only shaft sinking was done during November 1963.

(Continue on back)

REMARKS

[1] See Amendment No. - Unit price for shafting $115/ft

(Continue on back)

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

Date Nov. 30, 1963 Operator Keystone Mines, Inc.

Reinold E. Forbolo Title President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [illegible]

Title Acting Field Officer, Reg. I
Government Representative

Date FEB 14 1964

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

We, the undersigned working for E. Ebbert, Contractor for the Keystone Lines Inc. hereby certify that we have been paid wages in full to date November 30, 1963.

(signed: Paul J Ebbert)

(signed: Paul Smith)

I, E. Ebbert, contractor for the Keystone Mines Inc. hereby certify that I have been paid in full up to and including November 30, 1963.

Edwin M. Ebbert

WILLIAM A. EGAN, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINES & MINERALS

Room 105,
State Office Building
Fairbanks 99701

November 29, 1963

Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska 99701

Dear Sirs:

On this date I visited the site of shaft-sinking operations being carried on by Keystone Mines, Inc. on the Nordale group of claims in the Fairbanks District. I found that the work being done conforms to the requirements of the State Mine Safety Regulations now in force.

Very truly yours,

Robert E. Saunders
State Mining Engineer

Keystone Mines, Inc.
Narrative Report for November 1963

Re: OME-6304 (Gold-Silver)
Keystone Mines, Inc.
Fairbanks District, Alaska
Contract 2173

During the month of November 1963 shaft sinking was initiated under the OME contract. The exact point of beginning is 53 feet down the shaft (see October 1963 report) from a point located at the collar of the shaft established for the specific purpose of having a reference for the beginning of the OME contract work.

Shaft sinking was and is being done on a 45° dip. Timbering is being done in compliance with the contract using 8" x 8" timber sets on 6 foot centers. The interpretation of 8" x 8" sets as generally applied consists of 8" x 8" caps, posts and sills and 4" x 8" dividers. Round lagging, plus 3" in diameter is used where needed. The hoisting compartment is 4' x 4' in the clear and the manway is 4' x 3' in the clear. During November 24' of shaft has been sunk and timbered.

As was indicated in the October 1963 narrative report the vein has apparently faulted into the hanging wall and was not intersected in the section of shaft completed. Generally, the country rock is a mica schist that is lying nearly flat. Near the bottom of the shaft some faulting and folding of the schist has taken place. A layer of quartzite schist containing pyrite was intersected as well as some graphite schist with pyrite. The folding and faulting may be indicative of the nearness of the structure that contains the quartz vein. Because the vein

was not intersected, no samples were taken for assays.

Work during the month was slowed because of a water condition encountered in the shaft sinking. The difficulty for the most part has been resolved by obtaining and installing a sump pump that removes the water from the shaft to the surface.

A report of compliance with State mining regulations is included this month because of the change in timbering used with work beginning in November 1963. Normally the State engineers do not make such monthly reports.

Arnold H. Nordale

Arnold H. Nordale
President
Keystone Mines, Inc.
P. O. Box 630
Fairbanks, Alaska

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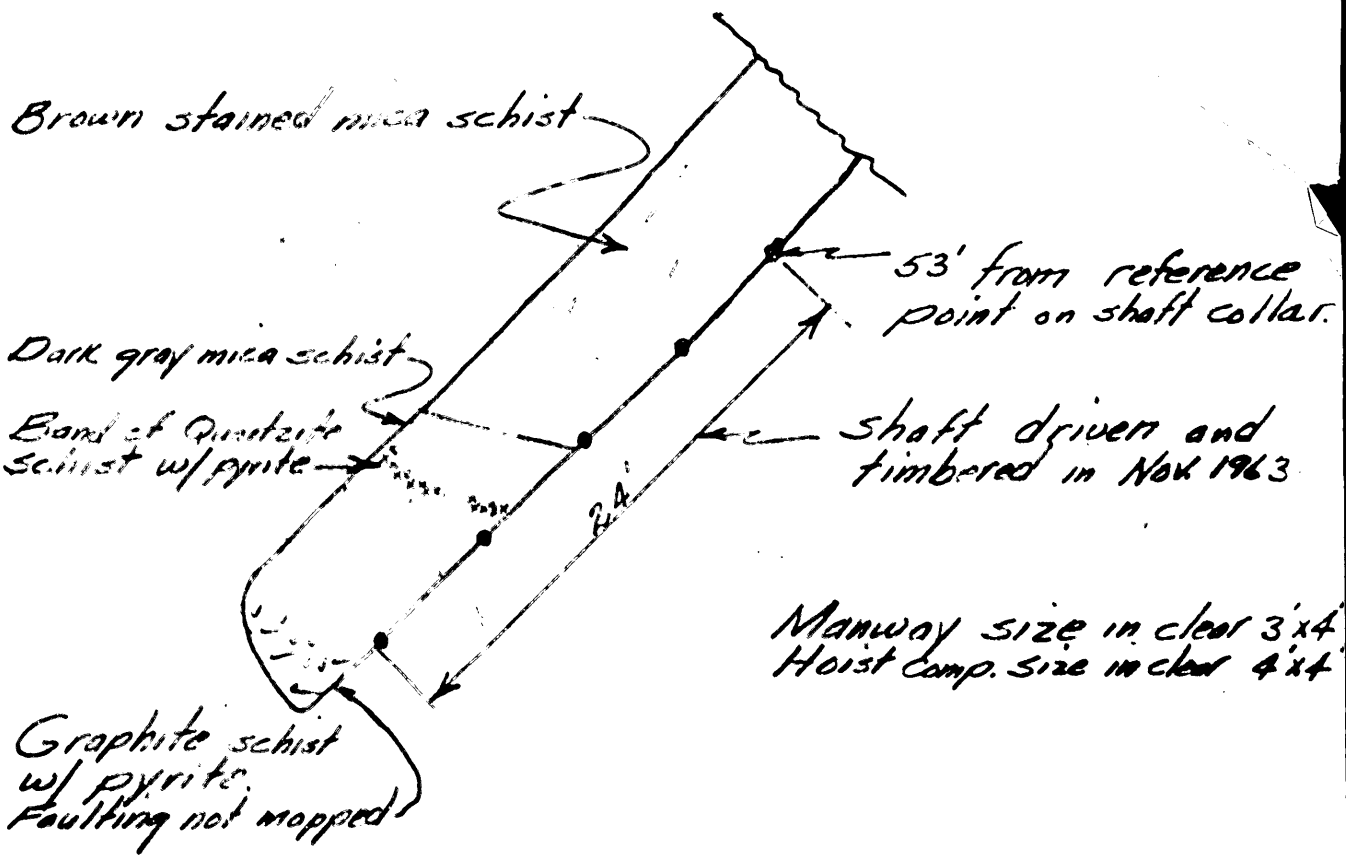
DEC 5 1963

Keystone Mines, Inc.
Sketch of Shaft
West Wall

#3
11/30/63

Scale: Approx. 1"=10'



Legend

• Location of sets

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 25 1964

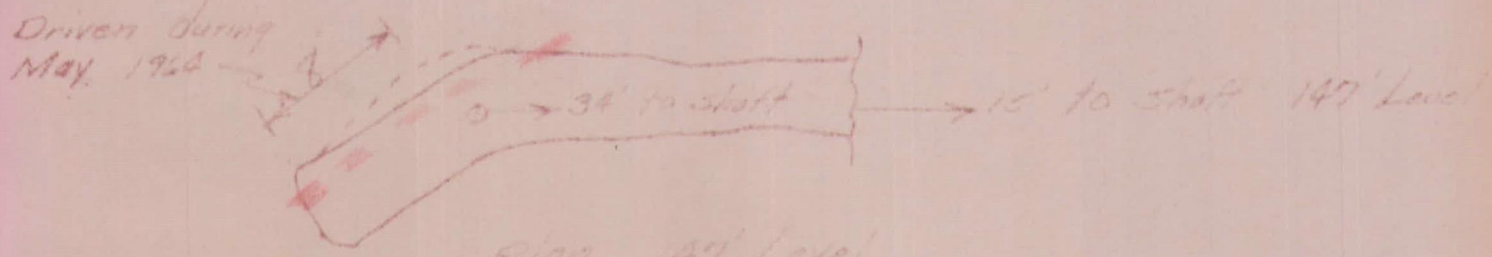
DATE	INITIALS	

#9
5/31/64
EHB

Keystone Mines, Inc.

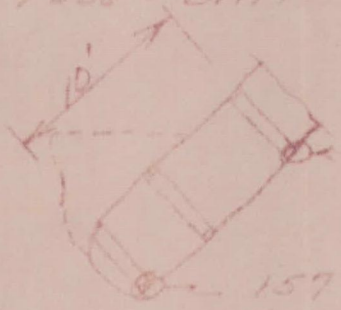
Sketch of
Openings Completed in May, 1964

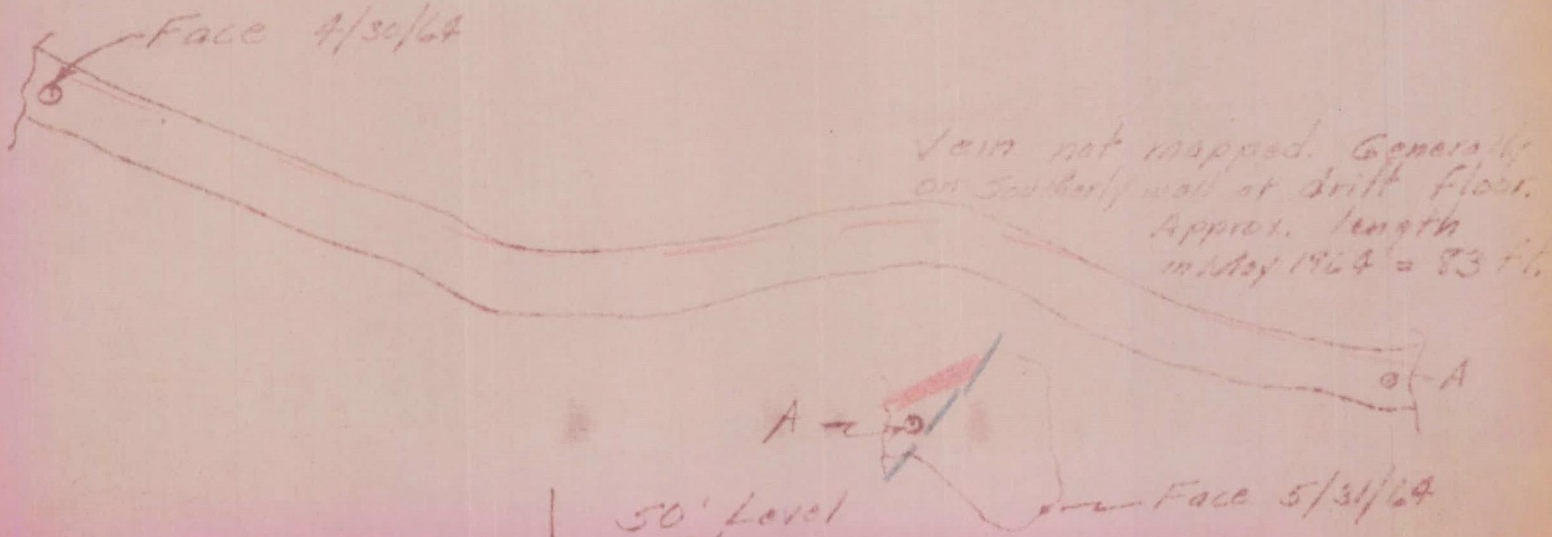
Scale: Approx 1" = 10'



Plan 147' Level

Face - Drift 147 Level 5/31/64





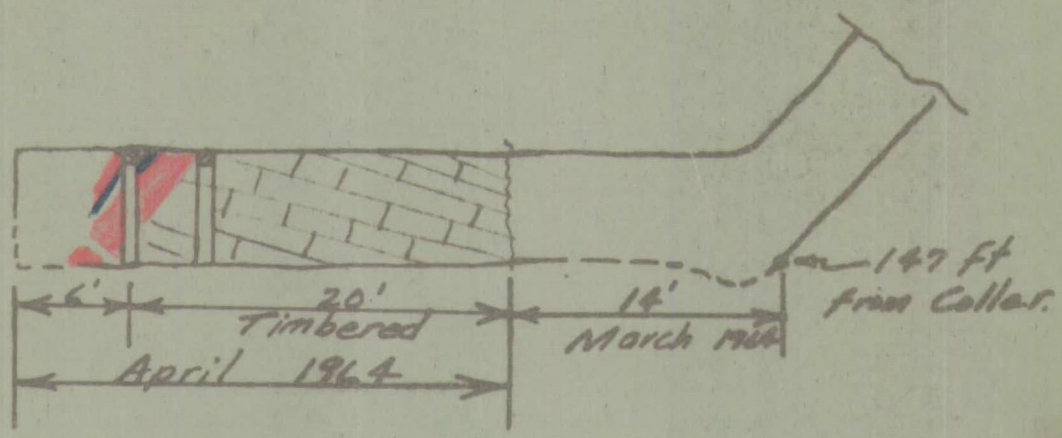
50' Level
Plan

#8
4/30/64
EHB

Keystone Mines, Inc.

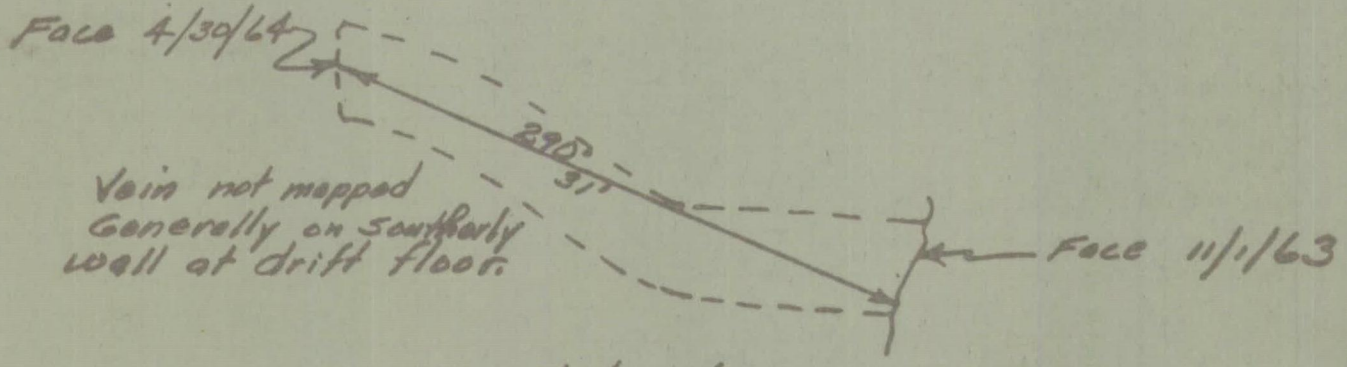
Sketch of openings completed in April, 1964

Scale: Approx. 1" = 10'



147' Level
West Wall

Direction of Crosscut: About 10° (Azimuth)



50' Level
Plan

Keystone Mines Inc.

11/30/64

EHB

Sketch of

Openings Completed in November 1964

Scale: Approx 1" = 10'

Plan
East Drift 140' Level

Face East Drift
11/30/64

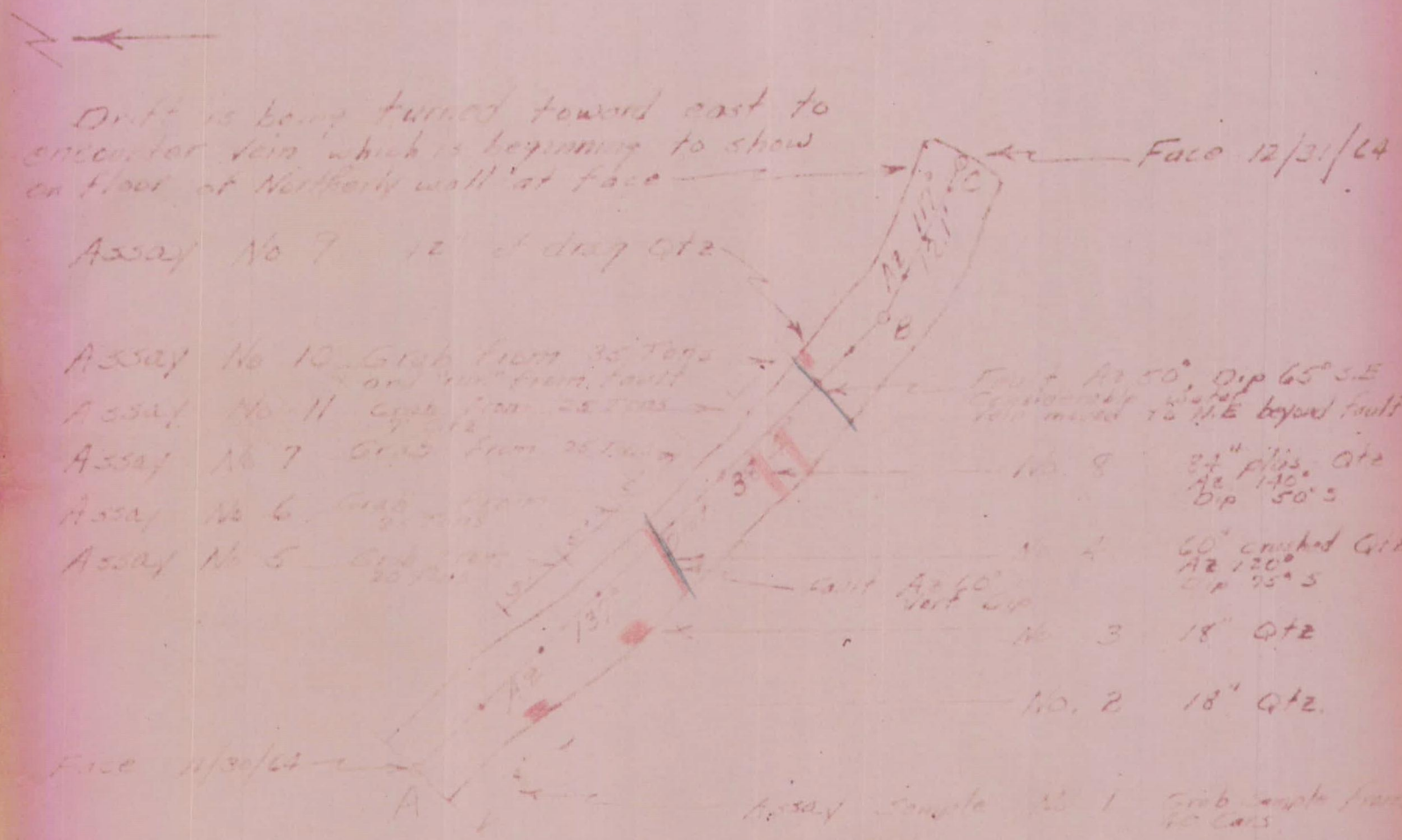
#16
12/31/64
EHE

Keystone Mines, Inc.

Sketch of

Opening Completed in December 1964

Scale: Approx. 1" = 10'



Samples 1, 5, 6, 7, 10 & 11 are grab samples taken from material broken in respective rounds. Each sample is made up of a grab taken from each car trammed from a particular round.

Samples 2, 3, 4, 8 and 9 are samples of the vein taken at respective faces

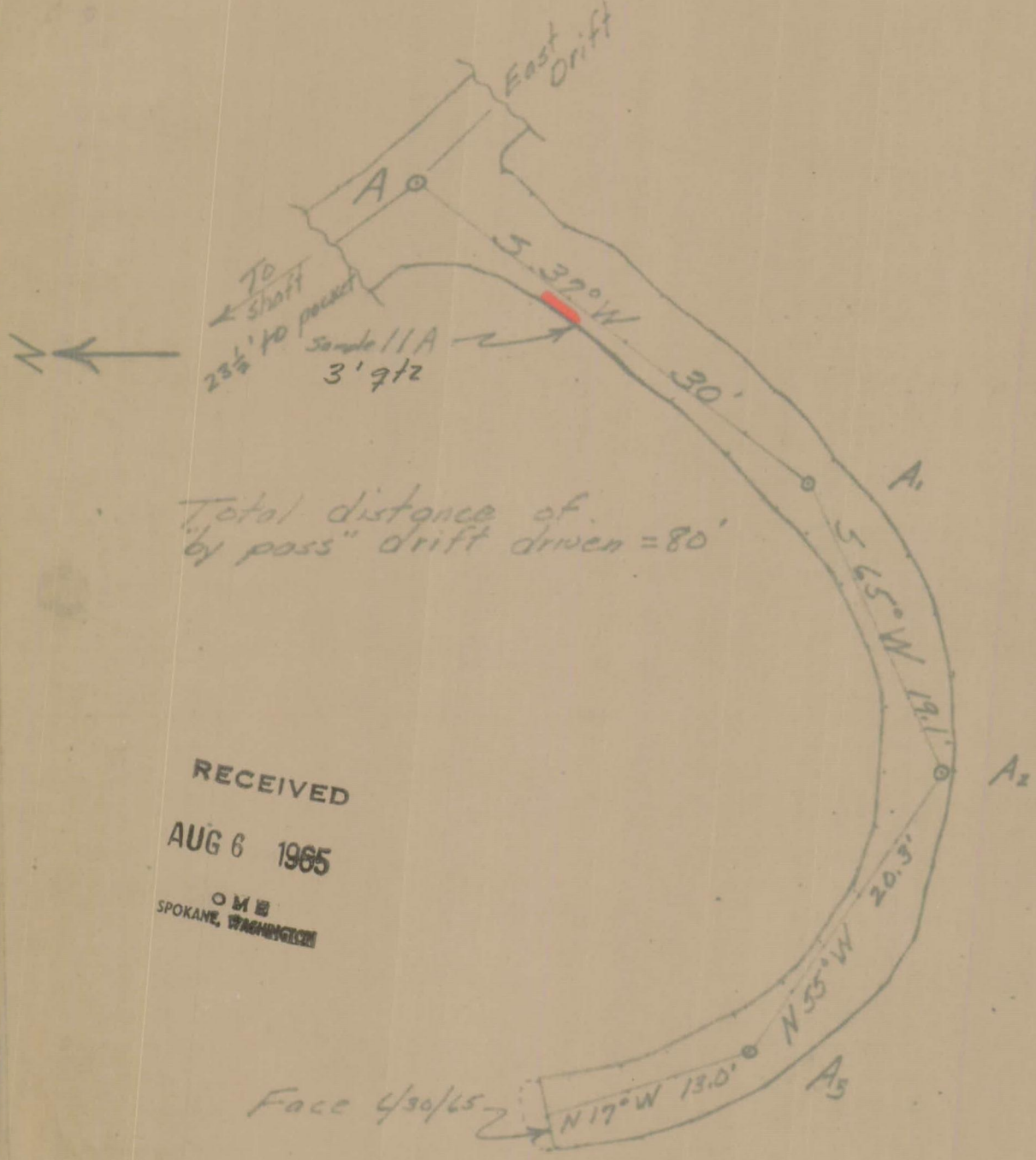
Plan

East Drift 147 Level

Keystone Mines, Inc.

#17
6/30/65
EHB

Sketch of
Openings Completed in June, 1965,
(Brunton Survey)
Scale: Approx. 1" = 10'



Total distance of
"by pass" drift driven = 80'

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AUG 6 1965
OMB
SPOKANE, WASHINGTON

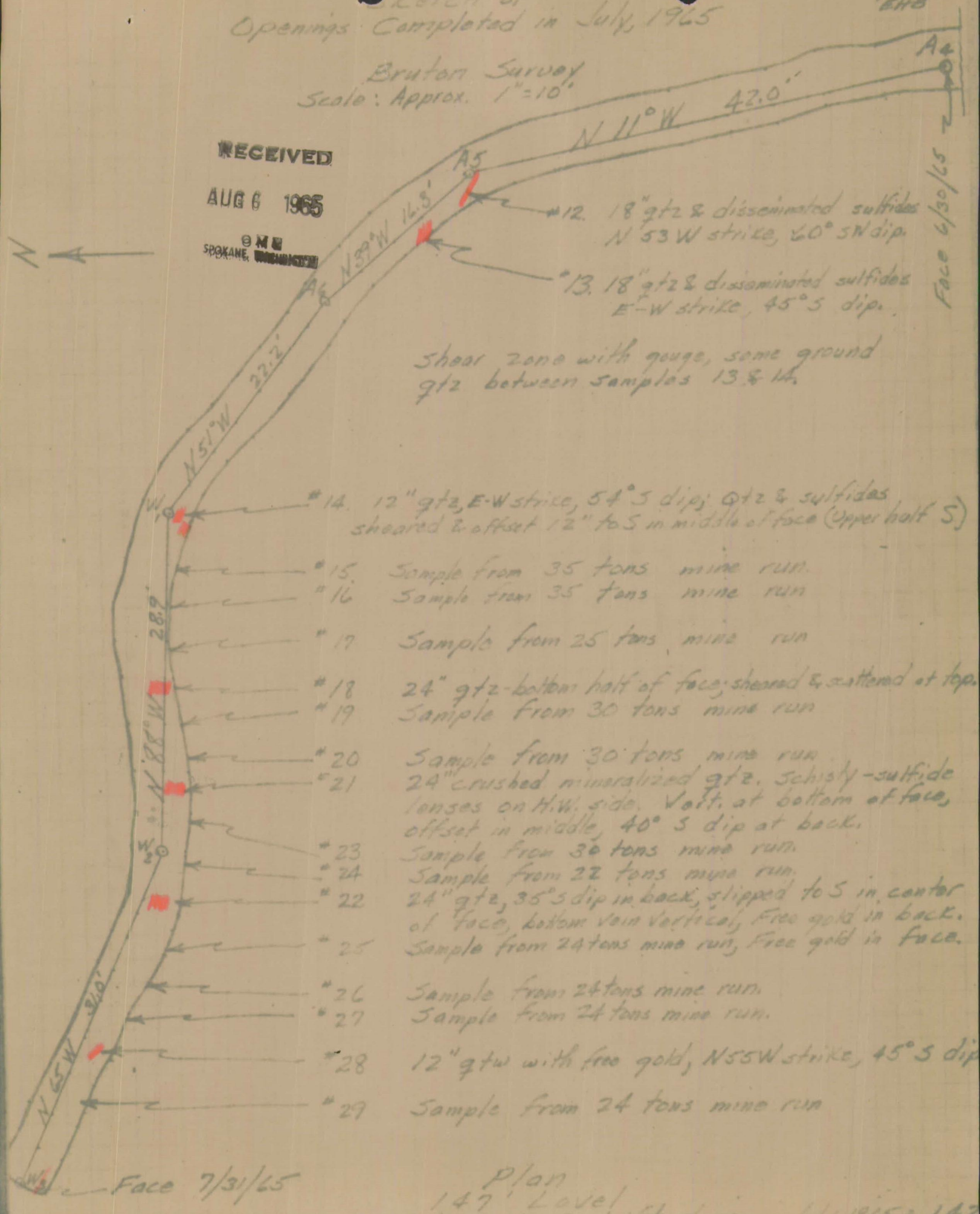
Plan
147' Level

#18
7/31/65
EHB

Keystone Mines, Inc.
Sketch of
Openings Completed in July, 1965

Bruton Survey
Scale: Approx. 1" = 10'

RECEIVED
AUG 6 1965
SPOKANE, WASHINGTON



#12. 18" qtz & disseminated sulfides N 53 W strike, 60° SW dip.

#13. 18" qtz & disseminated sulfides E-W strike, 45° S dip.

Shear zone with gouge, some ground qtz between samples 13 & 14.

#14. 12" qtz, E-W strike, 54° S dip; Qtz & sulfides sheared & offset 12" to S in middle of face (Upper half S)

#15. Sample from 35 tons mine run.

#16 Sample from 35 tons mine run

#17 Sample from 25 tons mine run

#18 24" qtz - bottom half of face; sheared & pattered at top.

#19 Sample from 30 tons mine run

#20 Sample from 30 tons mine run

#21 24" crushed mineralized qtz. Schisty-sulfide lenses on H.W. side. Vein at bottom of face, offset in middle, 40° S dip at back.

#23 Sample from 30 tons mine run.

#24 Sample from 22 tons mine run.

#22 24" qtz, 35° S dip in back, slipped to S in center of face, bottom vein vertical, Free gold in back.

#25 Sample from 24 tons mine run, Free gold in face.

#26 Sample from 24 tons mine run.

#27 Sample from 24 tons mine run.

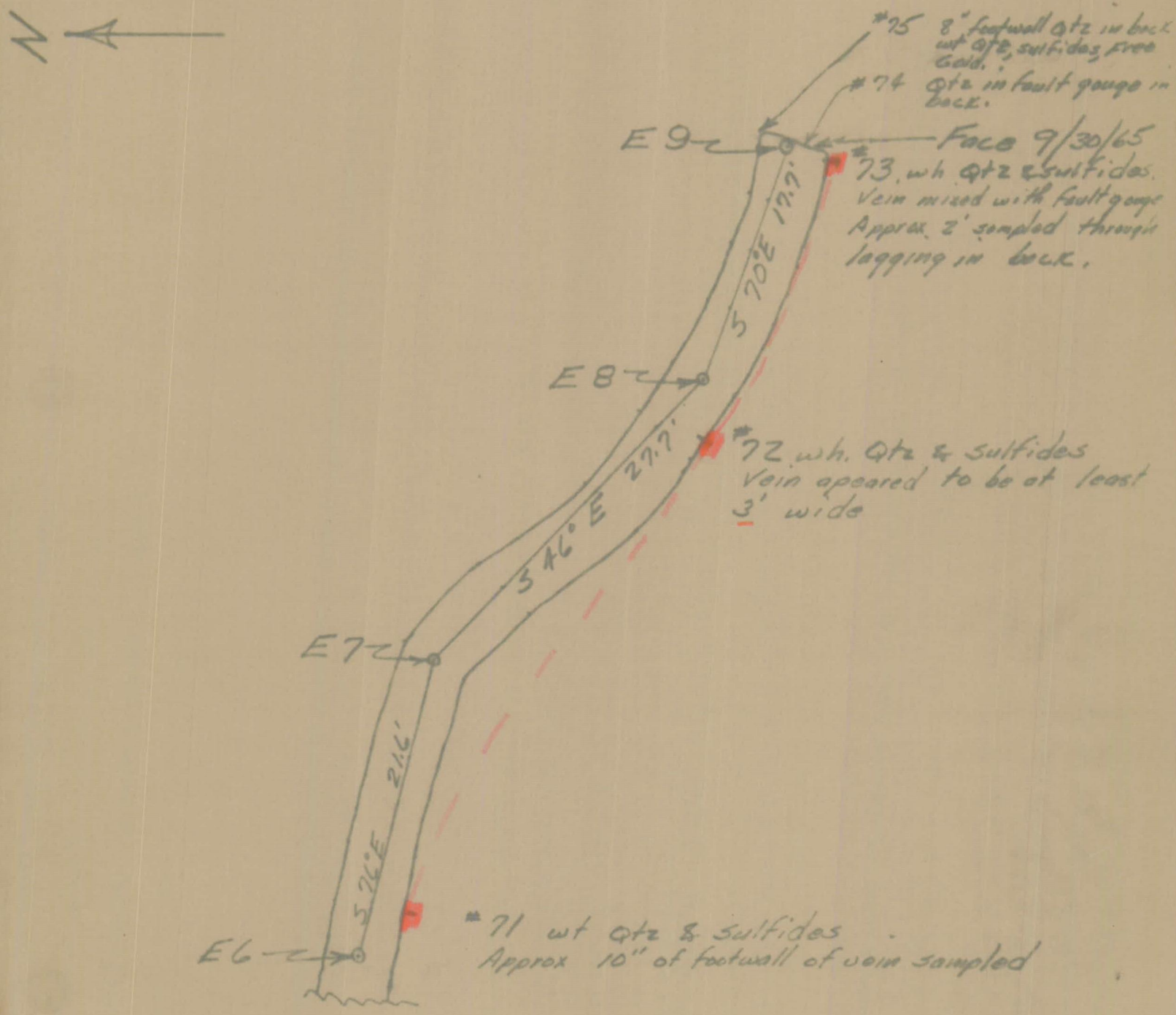
#28 12" qtz with free gold, N55W strike, 45° S dip

#29 Sample from 24 tons mine run

Plan
147' Level
Total feet of drift driven in July 1965 = 142

#20
9/30/65
EHB

Keystone Mines, Inc.
Sketch of

Opening completed in Sept., 1965
147' Level - East Drift

Plan
Brunton Survey
Scale: Approx. 1" = 10'