UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 500

August 5, 1958

MEMORANDUM

To: Mr. Wingfield N. Chamberlain
Division of Operation Control & Statistics

From: Director, Division of Base Metals

Subject: Semi-Annual Reports of Certified projects for the period January 1, 1958 thru June 30, 1958.

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DMEA-66X	Idm-E404	Ely Valley Mines Company
DMEA-420X	Idm-E10	Bristol Silver Mines Co.
DMEA-1948	Idm-E302	United Minerals Corporation
DMEA-1949	Idm-E322	United Minerals Corporation
DMEA-2257	Idm-E442	Walker Corporation
DMEA-2441	Idm-E424	L. D. Foreman, Mary A. Foreman, & Ida L. Cannon
DMEA-2482	Idm-E409	Raymond Combined Mines Co.
DMEA-3428	Idm-E774	Mt. Wheeler Mines, Inc.

W. R. Griswold

WRG/dl 8-5-58
cc to: Dockets (8)
Admr. R. File
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

March 8, 1958

Memorandum

To: Wingfield Chamberlain, Statistics Branch
Division of Operation Contract and Statistics

From: Director, Division of Base Metals

Subject: Report of Semi-Annual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957.

The following projects were inactive during the cited period.

Docket No.	Contract No.	Name
DMEA-66	Idm-E404	Ely Valley Mines Company
DMEA-110	Idm-E2	Callahan Zinc Lead Company, Inc.
DMEA-270	Idm-E261	Montana Mining & Development Co.
DMEA-371	Idm-E67	Peru Mining Company
DMEA-420	Idm-E10	Bristol Silver Mines Company
DMEA-487	Idm-E26	Silver Bay Mines, Inc.
DMEA-606	Idm-E29	U. S. Metals Corporation
DMEA-1203	Idm-E14	Piquette Mining & Milling Company
DMEA-1219	Idm-E187	The Glidden Company
DMEA-1243	Idm-E86	Bachelor Development Company
DMEA-1303	Idm-E371	Yuma Metals, Inc.
DMEA-1315	Idm-E178	J. E. and Lulu Miller
DMEA-1325	Idm-E237	U. S. Smelting, Refining & Mining Co.
DMEA-1525	Idm-E84	Moreno Uranium Corporation
DMEA-1560	Idm-E42	Dodgeville Mining Company
DMEA-1561	Idm-E167	Dodgeville Mining Company
DMEA-1801	Idm-E315	Reed and Reed
DMEA-1870	Idm-E309	U. S. Metals Corporation
DMEA-1948	Idm-E302	United Minerals Corporation
DMEA-1949	Idm-E322	United Minerals Corporation

W. R. Griswold

8623

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 7/1/57-12/31/57 Date of Examination 12/31/57

Operator Ely Valley Mines Company

Mine Name Ely Valley Claims

County and State Lincoln County, Nevada

Docket Number and Commodity DMA 66X (Lead-Zinc)

Contract Number Idm-E 404

ORIGINAL FILE COPY
DMEA
RECEIVED FEB 3 1958

DATE	INITIALS	CODE
2/4	C	220

Date of Contract

Date of Certification

Expiration Date of Royalty Payments

NO CHANGE

Total Amount of Contract

Total Expenditures under Contract

Amount of Government Participation at %

Royalty Payments this Period

Previous Royalty Payments

Total Royalty Payments to Date

NO CHANGE

Percent Government Participation Repaid

Royalty Due on Production to Date

Royalty Remarks:

DMA-66X Idn-E 404

		Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Mines ☐ Survey ☐ Joint ☐			
Revised Estimate of DMEA Reserves (Field Team) Mines ☐ Survey ☐ Joint ☐		NO CHANGE	
Increase of Reserves by work performed subsequent to DMEA project work			
Production DMEA ore	(This Period)		
	(Previous)		
	(To date)	NO CHANGE	
Operator's ore found subsequent to DMEA work	(This period)		
	(Previous)		
	(To date)		

Percent Revised Reserves mined _____

Investment Data

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

NO CHANGE

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

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

NO CHANGE

Signed Glenn G. Gentry (Engineer)
Glenn G. Gentry

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 1/1/57 - 6/30/57 Date of Examination 6/30/57

Operator Ely Valley Mines Company

Mine Name Ely Valley Claims

County and State Lincoln County, Nevada

Docket Number and Commodity DMA-66X (Lead-Zinc)

Contract Number Idm-E 404

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 5 1957

DATE	INITIALS	CODE
8/8	CBM	100

Date of Contract Sept. 23, 1952

Date of Certification Pseudo certification 7/1/56

Expiration Date of Royalty Payments 9/23/65

Total Amount of Contract $86,200.00

Total Expenditures under Contract $10,109.50

Amount of Government Participation at 50% $5,054.75

Royalty Payments this Period None

Previous Royalty Payments None

Total Royalty Payments to Date None

Percent Government Participation Repaid None

Royalty Due on Production to Date None

Royalty Remarks: No production of ore has been made from the exploration conducted.

How about from the property?

Ely Valley Mines Co. DMEA-66X Idm-F 404

											ns	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report)												
Mines		Survey		Joint	X						Not estimated	--
Revised Estimate of DMEA Reserves (Field Team)												
Mines		Survey		Joint	X						Not estimated	--
Increase of Reserves by work performed subsequent to DMEA project work											None	--
Production DMEA ore						(This period)					None	--
						(Previous)					None	--
						(To date)					None	--
Operator's ore found subsequent to DMEA work						(This period)					None	--
						(Previous)					None	--
						(To date)					None	--
Percent Revised Reserves mined						0						--

Investment Data

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

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
	None						

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

Due to insufficient capital, the Operator discontinued exploration work under the contract on September 1, 1953 and the contract was terminated as of July 13, 1956. The Operator has not fulfilled the Government's requirements for reinstatement of the contract.

Signed Glenn G. Gentry (Engineer)

ACTION ON INTERIM
OR FINAL FIELD TE[illegible] REPORT
Date 9 JAN 1957

Referred to:

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

Note comments in report regarding:

1. Note amount Govt. part.
2. No doubt typographical error.
3. Alley
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

1/31/57 The amount of Gov. expenditure is $5,054.73

Robert C. Adams

SEMI-ANNUAL REPORTS OF CERTIFIED PROJECTS

Reporting Period 7/1/56 - 12/31/56 Date of Examination 12/31/56

Operator Ely Valley Mines, Inc.

Mine Name Ely Valley Claims

County and State Lincoln County, Nevada

Docket Number and Commodity DMA-66X (Lead-zinc)

Contract Number Idm-E404

RECEIVED JAN 28 1957 D.M.E.A.

Date of Contract 9/23/52

Date of Certification 7/1/56

Expiration Date of Royalty Payments 9/23/65

Total Amount of Contract $86,200.00

Total Expenditures under Contract $10,109.50

Amount of Government Participation at 50 % $43,100.00 - $5,054.75 Ama

Royalty Payments this Period -0-

Previous Royalty Payments -0-

Total Royalty Payments to Date -0-

Percent Government Participation Repaid -0-

Royalty Due on Production to Date -0-

Royalty Remarks: The DMEA project is incomplete and no production has been obtained.

Ely Valley (DMA-66X) (Contract Idm -E404)

		ns	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report)			
Mines /____/ Survey /____/ Joint /____/		No ore estimate	
Revised Estimate of DMEA Reserves (Field Team)			
Mines /____/ Survey /____/ Joint /____/		-0-	
Increase of Reserves by work performed subsequent to DMEA project work		-0-	
Production DMEA ore	(This period)	-0-	
	(Previous)	-0-	
	(To date)	-0-	
Operator's ore found subsequent to DMEA work	(This period)	-0-	
	(Previous)	-0-	
	(To date)	-0-	

Percent Revised Reserves mined _____

Investment Data

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

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

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

This project has been idle since 9/1/53 and on 7/13/56 the Operator was advised that the contract was terminated effective 9/1/53. The Operator has requested reinstatement of contract but as yet has not met the Government's requirements for reinstatement.

Signed Glenn G. Gentry (Engineer)
Glenn G. Gentry

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

RECEIVED
JUL 30 1956

1605 Evans Avenue
Reno, Nevada

July 27, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Docket No. DMA-66X (Lead-zinc)
Ely Valley Mines Co.
Ely Valley claims
Lincoln County, Nevada
Contract No. Idm-E404

This interim report by Glenn G. Gentry was prepared to give you the status of the project as of the date Mr. Janney was notified that the project was terminated.

S. Ricker

Attach.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 30 1956

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 7/27/56

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMEA-66X

Contract No. Idm-E404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claims

By Glenn G. Gentry

Dated 7/26/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

INTERIM REPORT

Docket No. DMA-66X (Lead-zinc)
Ely Valley Mines Co.
Ely Valley claims
Lincoln County, Nevada
Contract No. Idm-E404

July 26, 1956

RECEIVED
JUL 30 1956

The Ely Valley Mine was visited July 16-17, 1956, and conferences held with Mr. John Janney. This exploration contract was terminated by letter to Mr. Janney dated July 13, 1956 for the reason that no work had been done under the terms of the contract since September 1, 1953.

The termination notice further states: "The termination is effective without prejudice to the property. If within a reasonable time you are prepared financially to efficiently complete the work as set forth in the contract, we will be pleased to favorably consider re-opening this contract."

After discontinuing the exploration work on September 1, 1953, due to insufficient funds, the Operator retained three watchmen to guard his property and continued to maintain the water in the shaft at the 963 foot level.

During the past two years, and at his own expense, the Operator has completed the following necessary preparatory work:

1. Enlargement of excavation on the 963 level for a water reservoir. Concrete foundations for the installation of 2 pumps and 3 electric transformers on the 963 level. (Noted in the interim report dated 9/1/54)

2. *Installation of 10-inch diameter pump column from the collar of the shaft to the 960 level.

3. *Installation of 2300 volt armored cable from the electric power substation to the 960 level.

*(Noted in interim report dated 2/13/56)

Beginning on or about June 29, 1956, the Operator employed a total of 7 men and has installed 2 pumps on the foundations prepared on the 963 level; and on the date of this inspection has lowered the water in the shaft from the 963 level to the 1180 foot level.

Additional preparatory work and installations necessary prior to the resumption of actual extension of the 1200 level crosscut is as follows:

1. Installation of electric motors to operate the pumps on the 963 level.

2. Installation of 3 electric transformers on the 963 level.

3. Complete unwatering of the shaft and 115 feet of crosscut on the 1200 level.

4. Install 6-inch pump discharge column from the 963 level to the 1200 level.

5. Install 2 pumps at the shaft station on the 1200 level.

6. Installation of 60-horsepower, electric driven hoist on the 800 level to handle the Pomona deep well pump in the shaft.

7. Installation of a water safety door in the 1200 level crosscut to insure protection for workmen and to prevent flooding in the shaft.

Based upon the present crew working one shift per day and 6 days per week, the operator's mine superintendent estimates that it will probably require about 6 weeks time to complete the above preliminary work. Installation difficulties and delays may prolong this period to some extent. Water inflow in the shaft has been estimated at about 100 g.p.m. and the present pumps are pumping at about 110 g.p.m.

Remarks: Mr. Janney reports that he is continuing his endeavor to secure adequate capital to complete the project, that he has personally financed the preliminary work accomplished, and that the mine expenditures now amount to about $3,500 per month.

Financial

Contract amount	$86,200.00
Expenditures	10,109.50
Unexpended	$76,090.50

Glenn G. Gentry
Mining Engineer

R M E a

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JUN - 8 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 6/6/56

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMEA-66X

Contract No. Idm-E404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claims

By Glenn G. Gentry

Dated 5/31/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

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JUN 3 1956

INTERIM REPORT

DMEA-66X (Lead-zinc) May 31, 1956
Ely Valley Mines Co.
Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada
Contract No. Idm-E404

The Ely Valley mine was visited on May 24 and a conference held with Mr. John Janney. The mine remains idle and the date for resumption of exploration under the contract is very indefinite.

Mr. Janney reports that he is hopeful of obtaining finances from the Calaveras Central Gold Mining Company which will enable the Ely Valley Mines Company to resume exploration on or before July 1, 1956.

An estimate, dated May 17, 1956 prepared by Mr. Janney's mine superintendent, indicates that necessary preliminary work will require 183 man shifts and the cost of labor and materials will amount to $10,903.40. This work and expense is for the sole account of the Operator.

Glenn G. Gentry
Mining Engineer

DMEA

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APR 9 - 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 4/6/56

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMA-66X

Contract No. Idm-E404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley Claims, Lincoln County, Nev.

By Glenn G. Gentry

Dated 4/6/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

WASHINGTON, D.C.
APR 9 9 37 AM '56

INTERIM REPORT

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APR 9 - 1956

Docket No.: DMEA-66X (Lead-zinc) April 6, 1956

Name and address of Operator: Ely Valley Mines Co.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

The Ely Valley mine was visited on April 2, 1956 and a conference held with Mr. John Janney. The mine is idle and the date for resumption of exploration under the contract is still indefinite.

On February 15, 1956, Amendment No. 5 was approved. It suspended work under the contract during the period beginning August 17, 1955 and ending not later than July 1, 1956. The completion of the contract is further extended to September 23, 1957. The amendment was discussed with Mr. Janney who advised that his plans for resumption of work under the contract were dependent upon moneys which he expects to receive from the operations of the Calaveras Central Gold Mining Company, situated near Angels Camp, Calif. Mr. Janney hopes to receive some funds from this gold mining company which will enable him to begin additional rehabilitation work at the Ely Valley Mine during the latter part of April or early in the month of May.

Glenn G. Gentry
Mining Engineer

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FEB 16 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 2/14/56

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on

Docket No. DMA-66X

Contract No. Idm-E404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley & Ely Valley No. 3 claims
Lincoln County, Nevada

By Glenn G. Gentry and Walter Bank

Dated 2/13/56

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith, USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

RECEIVED
FEB 16 1956

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) February 13, 1956

Name and address of operator: Ely Valley Mines Co.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 Claim
Lincoln County, Nevada

Contract No.: Idm-E404

Accompanied by Mr. Bruce Condie, representing the operator, the Ely Valley Mine was visited on February 9, 1956.

At his expense, the operator has completed the following necessary preparatory work in the shaft:

1. Installation of the 10-inch diameter pump column from the collar to the 960 level.

2. Installation of the 2300 volt armored cable from the electric power substation to the 960 level.

3. Installed the pump bases on their foundations on the 960 level.

The three electric transformers and electric motors for the pumps will not be installed until the operator has adequate funds on hand for the unwatering of the shaft and completion of the exploration project.

The operator employs a crew of five men: 1 superintendent-engineer, 1 miner, 1 hoistman, and 2 watchmen.

Mr. Janney remains hopeful that he will be able to secure sufficient capital and complete the project.

Glenn G. Gentry

Walter Bank

Walter . Bank

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date 12/27/55

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -
Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-zinc

Operator - Ely Valley Mines Co.

Property - Ely Valley Claim & Ely Valley No. 3 claim
Lincoln County, Nev.

By Glenn G. Gentry

Dated 12/21/55

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DEC 30 1955

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments

Copy to: R. M. Smith--USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) December 21, 1955

Name and address of operator: Ely Valley Mines Co.
John Janney, Pres.
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

The Ely Valley mine was visited on December 16 and a conference held with Mr. Janney. Due to lack of funds, the operator has been unable to resume work under the exploration contract and Mr. Janney stated that he does not wish to sign the termination agreement. Mr. Janney is still hopeful that he will be able to secure additional capital from his investment in the Calaveras Central Gold mine, located near Angels Camp, Calif., and that revenue from this source will be sufficient to complete the installation of necessary equipment, unwater the shaft from the 963 to 1200 level, and complete the DMEA contract. ? long shot!

Therefore, the status of the exploration contract is still indefinite, and a further extension of time will no doubt be required.

Glenn G. Gentry
Mining Engineer

RECEIVED
DEC 30 1955

RECEIVED
NOV - 3 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

Date: 11/1/55

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -
Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-zinc

Operator - Ely Valley Mines Co.

Property - Ely Valley claims,
Lincoln County, Nevada

By Glenn G. Gentry

Dated 11/1/55

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

Attachments

Copy to: R. M. Smith--USGS (w/copy of report)
Finance Officer, Region II (w/copy of report)
File

BUREAU OF MINES
WASHINGTON, D. C.

Nov 3 9 00 AM '55

INTERIM REPORT

RECEIVED
NOV - 3 1955

Docket No.: DMA-66X (Lead-zinc) November 1, 1955

Name and address of operator: Ely Valley Mines Co.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

The Ely Valley mine was visited on October 25, 1955 and a conference held with Mr. Bruce Condie, superintendent. Active work on the exploration contract has not been resumed and Mr. Condie has no definite information from Mr. Janney relative the date of again starting the work. Mr. Janney has advised Mr. Condie that he hoped to secure funds from the Calaveras Gold Mining Company, who have recently begun operating a milling plant near Angels Camp, Calif.

Preliminary work completed by the operator, at his expense, consists of the installation of a 10-inch diameter pump column from the surface to the 963 level and discharge pipe from the collar of the shaft to the waste ditch.

Under date of October 17, 1955, a termination agreement, signed by the Administrator, was forwarded to Mr. Janney for his signature. However, at this writing, no further information has been received from Mr. Janney and the Termination Agreement has not been returned to this office.

Glenn G. Gentry
Mining Engineer

R M E a

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 26 1955

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

9/22/55

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 66x

Contract No. Idm-E 404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claim & Ely Valley No. 3 claim
Lincoln County, Nev.

By Glenn G. Gentry

Dated 9/22/55

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

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

BUREAU OF MINES
WASHINGTON, D. C.
SEP 26 9 01 AM '55

INTERIM REPORT

RECEIVED
SEP 26 1955

Docket No.: DMA-66X (Lead-zinc) Sept. 22, 1955

Name and address of operator: Ely Valley Mines Co.
John Janney, Pres.
Pioche, Nevada

Name and location of property: Ely Valley claim and Ely Valley No. 3 claim, Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

Accompanied by Bruce Condie, mine superintendent and engineer, the Ely Valley mine was inspected on Sept. 10 and 15, 1955. John Janney has remained in California and was not available for consultation.

Active work on the exploration project has not been resumed due to the operator's lack of funds, and the superintendent has received no definite information from Mr. Janney relative to the resumption of operations. Therefore, there is no change in the status of the project. The interim report, dated Aug. 24, 1955, recommended termination of the contract, and we have no information from the operator that would revise or change the recommendation. It is suggested that some such clause as Item 5 in the Termination Agreement, dated June 3, 1955, of contract No. Idm-E302, docket No. DMEA-1948, be inserted in order to protect the Government's interest.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG 29 1955

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

8/26/55

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 66X

Contract No. Idm-E 404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claims

By Glenn G. Gentry

Dated 8/24/55

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

BUREAU OF MINES
WASHINGTON, D. C.

AUG 29 9 08 AM '55

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AUG 29 1955

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) August 24, 1955

Name and address of operator: Ely Valley Mines Co.
John Janney, President
Pioche, Nevada

Name and location of Mine: Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

Accompanied by Bruce Condie, mine superintendent and engineer, the Ely Valley mine was inspected on August 13. John Janney was in California and not available for consultation.

The operator has continued to conduct a small amount of preliminary work which has consisted of the installation of 600 feet of 10-inch pipe for a pump column in the shaft and approximately 40 feet of 10-inch pipe for discharge of water away from the collar of the shaft. Additional preliminary installation, contemplated by the operator, is approximately 400 feet of 10-inch pipe to complete the pump column in the shaft and completion of the pipe and drainage ditch for the disposal of water from the shaft.

It is estimated that an additional six weeks time will be required to complete the necessary preliminary work prior to resuming any work on the exploration project. The rate of progress will depend almost entirely upon Mr. Janney's success in obtaining additional capital, and

again!

no definite information could be secured relative to his plans for refinancing the project.

Under amendment No. 4, dated March 9, 1955, paragraph 1 (a) states: "Work under the contract shall be suspended during the period beginning August 31, 1954 and ending not later than August 16, 1955."

The period of suspension, authorized by the amendment, has passed, and no active work on the crosscut from the shaft on the 1200 level has been started, and cannot be started until the preliminary installations have been completed.

Financial:

The operator discontinued actual exploration work on September 1, 1953.

Contract amount:	$86,200.00
Expenditures	10,109.50
Unexpended	$76,090.50

Under date of January 4, 1955, in a letter addressed to Mr. Spangler Ricker, Executive Officer, DMEA, Region II, Mr. Janney states in the last paragraph: "After we feel assured that the time required for this work is available under our contract we do not think it will take long to make our financial arrangements. We ask that we be given 60 days for this as a vacation period with which to do this work."

Since receipt of the above letter, this office has received no additional information from Mr. Janney relative to his financial plans

or his success in providing adequate capital for the completion of the exploration project. Therefore, due to the numerous delays, low rate of progress, various extensions of contract time, and the present indefinite status of the project, it is recommended that this exploration contract be terminated, without prejudice, thus allowing the unexpended funds to be allocated for other purposes.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUL 12 1955

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

July 8, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 66X

Contract No. Idm-E 404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claim & Ely Valley No. 3 claim
Lincoln County, Nevada

By Glenn G. Gentry

Dated 7/8/55

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

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

BUREAU OF MINES
WASHINGTON, D. C.

JUL 11 1 24 PM '55

INTERIM REPORT

RECEIVED
JUL 12 1955

Docket No.: DMA-66X (Lead-zinc) July 8, 1955

Name and address of operator: Ely Valley Mines Co.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley mine was visited on June 29, 1955 and a conference held with Mr. Bruce Condie, mine superintendent. Mr. John Janney, president, was out of the State of Nevada and, therefore, was not available for interview.

The operator, at his own expense, on or about June 26, 1955 started to do some of the preliminary work that will be necessary prior to unwatering the shaft. This work consisted of the installation of 275 feet of 10-inch pipe to be used as a water column in unwatering the shaft and for the exploration project. The remainder of the 10-inch pump column, amounting to approximately 725 feet, is expected to be installed at an early date. Mr. Condie reports that Mr. Janney is endeavoring to secure additional financing for the exploration project.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
JUN 16 1955

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

June 14, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 66X

Contract No. Idm-E 404

Commodity Lead-zinc

Operator Ely Valley Mines Co.

Property Ely Valley claim and Ely Valley No. 3 Claim, Lincoln County, Nevada

By Glenn G. Gentry

Dated June 14, 1955

S. Ricker
Executive Officer
DMEA Field Team, Region II

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

BUREAU OF MINES
WASHINGTON, D. C.
JUN 16 9 33 AM '55

INTERIM REPORT

RECEIVED
JUN 16 1955

Docket No.: DMA-66X - (Lead-zinc) June 14, 1955

Name and address of operator: Ely Valley Mines Co.,
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

The Ely Valley mine was visited on June 2, 1955 for the purpose of ascertaining the operator's plans for the resumption of work under the exploration contract. Mr. John Janney was not in Nevada; therefore, was not available for consultation.

The above matter was discussed with Mr. Bruce Condie, mine superintendent, and it was learned that no work had been accomplished on the project since August 9, 1954 and that the date for resumption of operations is indefinite. It appears evident that Mr. Janney is still endeavoring to secure additional financing for the exploration project.

It is noted in Amendment No. 4, dated March 9, 1955, that the period of suspended operations ends on August 16, 1955.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR - 4 1955

Office of
Executive Officer
DMEA Field Team
Region II

1605 Evans Avenue
Reno, Nevada

March 31, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region II

Subject: Interim Inspection Report

Attached are the original and three copies of an Interim Report on:

Docket No. DMEA- 66X

Contract No. Idm-E 404

Commodity Lead-Zinc

Operator Ely Valley Mines, Inc.

Property Ely Valley Claims, Lincoln County, Nev.

By R. W. Osterstock, USGS

Dated March 25, 1955

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

Attachments 4

Copy to: Finance Officer, Region II(w/copy of report)
R. M. Smith-USGS(w/copy of report)

DEPARTMENT OF STATE
WASHINGTON, D. C.

APR 4 2 30 PM '55

IN REPLY REFER TO:

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APR - 4 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Mineral Deposits Branch
222 So. West Temple - Room 208
Salt Lake City 1, Utah

March 25, 1955

Memorandum

To: DMEA Field Team, Region II

From: R. W. Osterstock

Subject: Docket No. DMA-66X (Lead-Zinc), Ely Valley Mines, Inc.
Ely Valley Claims, Lincoln County, Nevada
Contract No. Idm-E404

The subject property was visited and inspected jointly by R. W. Osterstock (U.S.G.S.) and G. G. Gentry (U.S.B.M.) on February 3, 1955. Mr. Bruce Condie, General Superintendent, was present during the examination.

The purpose of this inspection was to familiarize the Survey member of the examining field team with objectives of the project as well as the present status of the work. After a brief visit to the surface and accessible underground installations, the remainder of the inspection was spent examining the mine maps.

Work under the subject contract has been recessed since August 31, 1954 owing to lack of funds. Actual exploration work on the property has not been active for more than a year. Several requirements as set forth by the Bureau of Mines engineer must be complied with prior to the resumption of exploration work. These requirements are noted in G. G. Gentry's U.S.B.M. Interim Report dated October 22, 1954.

Work completed to date under the subject contract has included the following:

1. Cleaned out and rehabilitated approximately 50 feet of shaft just above the 1200-foot level.

2. Deepened shaft 20 feet to provide for sump.

3. Ore pocket constructed on the 1200 level.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
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RENO, NEVADA.

4. 1200 level in front of shaft has been widened to allow space for unloading mine cars.

5. 115 feet of crosscutting northeasterly from shaft.

The mine workings are now open only to the 963 level; openings below this level are flooded. It is anticipated that much water will be encountered on the 1200 level in the 1485 foot crosscut; consequently advance preparations are mandatory. The surface and underground installations at the mine appear to have been satisfactorily maintained during the prolonged shut-down.

Near the No. 1 shaft on the 963 level the east-trending, 70° north dipping No. 1 fault shows normal movement with Prospect Mountain quartzite in the foot wall and Pioche shale in the hanging wall. The No. 2 fault, paralleling the No. 1 but lying some 400 feet to the north, has also had normal movement thus placing the Pioche shale on the hanging wall at an even lower elevation.

Ore bodies in the Ely Valley mine are characteristically localized in favorable limestone beds in the Pioche shale, and by far the most production has come from the Combined Metals bed. Stopes in the C.M. bed on the upper levels are often stepped down to the north on subordinate E-W trending normal faults. Most of the value realized from past production has come from zinc which has historically averaged 11 percent. The zinc occurs as marmatite accompanied by a heavy pyrite gangue. Some production of manganese carbonates was recorded from the 300 level of the mine.

Geologically, the situation at the Ely Valley Mine remains unchanged, to date there has been insufficient work accomplished on the exploration project to either verify or disprove the existence of ore bodies in the downfaulted blocks containing the C.M. bed. Consequently, the original plans for exploration as set forth in the contract (Idm-E404) should be followed.

Distribution:
Field Team, Reg. II (6)
Osterstock
Smith

DMEA 66

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 10-26

Referred to:

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

Note comments in report regarding:

1. Financing problems
2. Near expiration date.
3. Are we in this deal only $5000 ±? Wonder
4. how long we should

and take appropriate action. Play along

- - - - - with Johnny?

Action taken by Division:

ROBERT E. ADAMS

Initials

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 26 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

420 Custom House
555 Battery Street
San Francisco 11, Calif.

Date: **October 22, 1954**

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA **-66X**

Contract Idm-E **404**

Commodity **Lead-Zinc**

Operator - **Ely Valley Mines, Inc.**

Property - **Ely Valley Claim and Ely Valley Claim No. 3, Lincoln County, Nevada**

By **Glenn G. Gentry, Mining Engineer**

Dated **October 14, 1954**

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

Roscoe Smith, USGS (With one copy of report)

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 26 1954

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) October 14, 1954

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, Pres.,
Pioche, Nev.

Name and location of property: Ely Valley claim and the Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley mine was visited on October 8, 1954 for the purpose of inspecting any exploration work performed by the applicant under the present DMEA contract. During the inspection, the examining engineer was accompanied by Mr. A. C. Johnson, Chief, Mining Division, Region III and Mr. Bruce Condie, mine superintendent for the operator. Mr. John Janney, president of the mining company, was reported to be in Twin Falls, Idaho and therefore was not available for consultation.

No work has been accomplished since the inspection on August 9, 1954 in the extension of the drift off the 1200 level as approved by the contract.

The rehabilitation work, recently conducted by the operator, at his expense, on the 963 level (or 900 level), was completed on August 31, 1954, and no additional installations or rehabilitation work is con-

templated until adequate financing has been secured.

Two to three men are employed at the mine in order to maintain the water level at a point about 25 feet below the 963 level and to act as watchmen at the property.

Mr. Condie reports that Mr. Janney is endeavoring to refinance his operations, however, the date of resuming the necessary rehabilitation work and actively conduct the exploration project appears very indefinite. The active exploration work has now been recessed for over a year, and it may be advisable to review the work accomplished and future work required prior to resumption of operations.

The exploration contract is dated September 23, 1952, and active work on the project was started on November 28, 1952 and continued to February 28, 1953. From February 28, 1953 to April 2, 1953, the exploration was suspended due to lack of funds. After doing what?

Work was resumed on April 2, 1953 and continued until September 1, 1953, when operations were again suspended due to lack of funds. And what? From September 1, 1953 to May 10, 1954, the operator retained a mine superintendent and two to three men who were engaged in keeping the water level to about 25 feet below the 963 level and acting as day and night watchmen.

On May 10, 1954, the operator began excavation for a water reservoir on the 963 level. This work and the construction of concrete

foundations for the two pumps and the electric transformers together with the installation of an I Beam foundation for the Pomona deep well pump was completed on August 31, 1954. Operations are again recessed for an indefinite period due to lack of funds.

Prior to active resumption of the contract exploration, it will be necessary to complete the following:

1. Install 2300 volt armored, electric cable from the surface transformer substation to the switchboard on the 963 level.
2. Install electric switchboard on the 963 level.
3. Install the three transformers on foundations at the 963 level.
4. Install two horizontal pumps and the Pomona deep well pump on the 963 level.
5. Install 1,000 feet of 10-inch pipe (from surface to the 963 level) as pump discharge column.
6. Remove approximately 1,000 feet of the present 6-inch pump discharge column.
7. Unwater the shaft from the present water level to the 1200 level.
8. Install a water tight bulkhead in the 1200 level crosscut.

The time required for the above installations, will of course, depend upon the number of men employed and the number of shifts worked per day. Under the present contract, items 1 to 7 inclusive, would be completed at the sole expense of the applicant.

STATEMENT OF WORK COMPLETED

The applicant has completed the following work specified and approved under exhibit "A" of the exploration contract:

1. Cleaned out and rehabilitated approximately 50 feet of shaft just above the 1200-foot level.

2. The shaft has been deepened an additional 20 feet to provide the necessary sump and the necessary shaft timbers have been installed.

3. Ore pocket has been constructed on the 1200-level.

4. 1200-level in front of the shaft has been widened to allow space for unloading mine cars. Total footage 50.9 feet, as approved under amendment No. 1, dated August 26, 1953.

5. 115 feet of crosscutting has been completed in a northeasterly direction from the shaft.

Work to be completed under Exhibit "A" of the exploration contract:

	Approved costs
1. Construct water tight bulkhead in the 1200-foot level crosscut	$ 3,000.00
2. Crosscut from the shaft at the 1200-foot level in a northeasterly direction for a distance of 1,485 feet @ $35.00/ft.	51,975.00
3. Diamond drill from the 1200-foot level - 6 holes to be drilled upward and 6 downward - total footage drilled not to exceed 3,000 feet @ $7.50/ft.	22,500.00
	$77,475.00

Under Exhibit "A" of the exploration contract, the following items were specified and the costs approved:

	Cost	Status
1. Clean out and rehabilitiate approximately 50 feet of the present shaft just above the 1200-foot level - 50 feet @ $30.00/ft.	$ 1,500.00	Completed
2. Deepen present shaft an additional 20 feet to provide necessary sump and install necessary timbers - 20 feet @ $100.00/ft.	2,000.00	Completed
3. Construct pocket below the 1200-foot level to handle the rock from the 1200-foot level crosscut	1,200.00	Completed
4. Construct water tight bulkhead in the 1200-foot level crosscut	3,000.00	No progress
5. Crosscut from the shaft at the 1200-foot level in a northeasterly direction for a distance of not to exceed 1600 feet @ $35.00/ft.	56,000.00	115 feet completed
6. Diamond drill from the 1200-foot level - 6 holes to be drilled upward and 6 downward - total footage drilled not to exceed 3,000 feet @ $7.50/ft.	22,500.00	No progress
Total estimated cost of project	$86,200.00	

Government participation @ 50% = $43,100.00

Resume of expenditures:

Date	Amount	Cumulative	Unexpended	Units of work reported
October 1952	None	None	$86,200.00	None
November "	$ 195.00	$ 195.00	86,005.00	6.5 feet
December "	888.00	1,083.00	85,117.00	29.6 feet
January 1953	1,437.00	2,520.00	83,680.00	33.2 feet
February "	865.00	3,385.00	82,815.00	8.65 feet
March "	None	3,385.00	82,815.00	None
April "	1,130.00	4,515.00	81,685.00	5.3 feet
May "	926.50	5,441.50	80,758.50	17.9 feet
June "	2,586.50	8,028.00	78,172.00	73.9 feet
July "	2,081.50	10,109.50	76,090.50	50.9 feet
August "	None	10,109.50	74,309.00	None
September "	"	"	"	"
October "	"	"	"	"
November "	"	"	"	"
December "	"	"	"	"
January 1954	"	"	"	"
February "	"	"	"	"
March "	"	"	"	"
April "	"	"	"	"
May "	"	"	"	"
June "	"	"	"	"
July "	"	"	"	"
August "	"	"	"	"
September "	"	"	"	"
October "	"	"	"	"
	$10,109.50	$10,109.50	$74,309.00	225.95 feet

Percentage of funds expended = 11.727
Percentage of 1200-foot level crosscut completed = 7.187

Contract period:

Under the contract, dated September 23, 1952, the exploration project was to be completed within the period of 16 months.

Under amendment No. 2, dated November 3, 1953, approval of a recess from Sept. 1 to March 1, 1953, was

granted.

Under amendment No. 3, dated March 10, 1954, the work under the contract shall be suspended from the period beginning Sept. 1, 1953 and ending not later than May 1, 1954.

In Article 3 of the contract form, the period of 26 months provided by amendment No. 2 is deleted, and the period 28 months is substituted.

This exploration contract, therefore, expires on January 23, 1955. As only approximately 3 months time remain before the contract expiration date, it is obvious that a further extension of time will be required if the project is to be completed.

The low rate of progress can be attributed largely to the applicants lack of sufficient capital with which to adequately conduct the necessary work. This lack of funds has also made it difficult to definitely detail plans for future necessary rehabilitation work and the installation of the required equipment.

Glenn G. Gentry
Mining Engineer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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SEP 10 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

420 Custom House
555 Battery Street
San Francisco 11, Calif.

Date: September 3, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA -66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim, Linclon County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated September 1, 1954

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

Roscoe Smith, USGS (With one copy of report)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1954

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) Sept. 1, 1954

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President,
Pioche, Nevada

Name and location of property: Ely Valley claim and Ely Valley No. 3 claim
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley mine was visited on August 9 and 10, 1954 for the purpose of inspecting work performed under the exploration contract. During the inspection the examining engineer was accompanied by Mr. Bruce Condie, mine superintendent. Conferences were also held with Mr. John Janney, president, at his office in Pioche, Nev.

No work has been accomplished during this period in the extension of the drift off the 1200 level as approved by the contract. Preliminary work conducted at the applicants expense has amounted to the following:

"963 level":

The excavation for the water reservoir has been completed. The concrete foundations have been poured and are now ready for the installation of two pumps and three 250 kva transformers. This equipment is on hand and is reported to be in good condition. Additional installations necessary prior to actual work on the contract drift are as follows:

1. Complete foundation for the Pomona deep well pump on the 963-level and install the pump.

(The pump is on hand).

2. Install 2300 volt, armored cable from surface transformer substation to the 963-level.

(The cable is on hand).

3. Install approximately 1,000 feet of 10-inch pipe (from surface to the 963 level) as discharge pump column. The operator is considering the purchase of new pipe @ $1.64 per foot.

4. Remove the present 6-inch discharge pump column from the 963-level to surface.

5. Unwater the shaft from the present level to the sump.

6. Install water door on the 1200-foot level.

Two miners have been employed, working a day shift for six days per week on the preliminary work; therefore, the progress has been about all that could be expected. The work has been well done and the concrete foundations should be adequate for the pumps and the transformers.

Mr. John Janney, president, informed the examining engineer, that his efforts, so far, had been unsuccessful in securing additional funds for the project. Therefore, the date of completion of the preliminary work is indefinite and the date of starting the contract work cannot be estimated. Mr. Janney also reported that he is considering requesting renegotiation of the exploration contract and asking the Government to participate in the company costs of installations which were not allowed by the contract. Mr. Janney estimates these costs may amount to $50,000. Under amendment

No. 3, the contract expires on January 23, 1955, and it appears that a further extension of time will be necessary in order to complete the exploration work.

Glenn G. Gentry
Mining Engineer

Form MF-104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
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OCT - 4 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1954 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Dly Valley Mines, Inc. Minerals Rock-Zinc
Address Pioche, Nevada
Contract Amount, $ 66,200.00 Government Participation: 50% Amount, $ 33,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Contracts: Short Form						10/7/54. J.W. [illegible]
~~Drilling~~ Shaft Cleanout		1,500.00	1,500.00			
~~Bulldozing~~ 1200 Pocket		1,200.00	1,200.00			
Crosscutting		5,[illegible]4.50	5,[illegible]4.50			
Drifting Shaft Sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date Oct. 13-54 *Payee Dly Valley Mines, Inc.

Per [signature] Title Asst. Secty.

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date [illegible]

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 4 1954

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Sly Valley Mines, Inc. Minerals Lead + Zinc
Address Pioche, Nevada

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	1 8[illegible]			5,484.50	156.7	35.00	1600	35.00
Crosscutting								
~~Xxxx~~ Shaft cleanout				1,500.00	50.0	30.00	50	30.00
Raising Sinking				1,9[illegible]5.00	19.55	100.00	20	100.00
Shafts ~~Xxxx~~ 12[illegible]0 pocket				1,[illegible]00.00				1,[illegible]00.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs				10,169.50			Total Costs Authorized by Contract	86,[illegible]00.00
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				~~10,169.50~~				

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

Date 9/13/54 Operator Sly Valley Mines, Inc.

Per S. P. Huffman Title Asst. Secy.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

OCT 4 1954

ELY VALLEY MINES, Inc.

Mining Department

EXPLORATION AND RELATED WORK AT THE ELY VALLEY MINE FOR AUGUST, 1954

The following report covers the work performed at the Ely Valley Mine during the month of August:

During the first half of the month, the ground around the shaft as indicated on the drawing in red was all removed. Hitches were cut for the installation of 2-15"by 50 Lb. I-beams.

Forms were installed and concrete was poured on either side of the shaft as supports for the 2 I-beams.

The pump column on the present 963 level pump was altered to make room for the installation of the beams, and at a later date, the deep-well pump.

During the last half of the month, the large I-beams were painted with a rust preventative paint and installed. These I-beams are each 16' in length and are installed with an unsupported span of 10'-6", and 22 inches apart. These two beams together are capable of supporting a centrally located load of nearly 34 tons working load. The pump and the 10" pump column from the 963 level to the 800 level will be supported thereon. The pump will weigh 9 tons and the column slightly over 4 tons. With this load, the beamswill be far within the limits of their strengths.

The I-beams were cross braced with $2\frac{1}{2}$ x $2\frac{1}{2}$ x 3/8 angle iron, these x-braces being welded in place after installation of the beams and take care of any stresses that might tend to make the beams twist.

The I-beams were then grouted with concrete level with the inside edge of the flanges.

Work was commenced on the installation of the power cable. A 4" galvanized iron conduit was installed from a point in the shaft 6 Ft. below the collar to the main transformer station on the surface. This conduit was placed in a trench 36" to 18" in depth, covered with sand to aid in the prevention of rust and then the trench was backfilled. This conduit will easily accomodate the 3/0 high-voltage power cable which will carry the power underground to the transformers to be located on the 963 level.

Respectfully submitted,

Sept. 12, 1954

ELY VALLEY MINES, Inc.

Bruce Condie

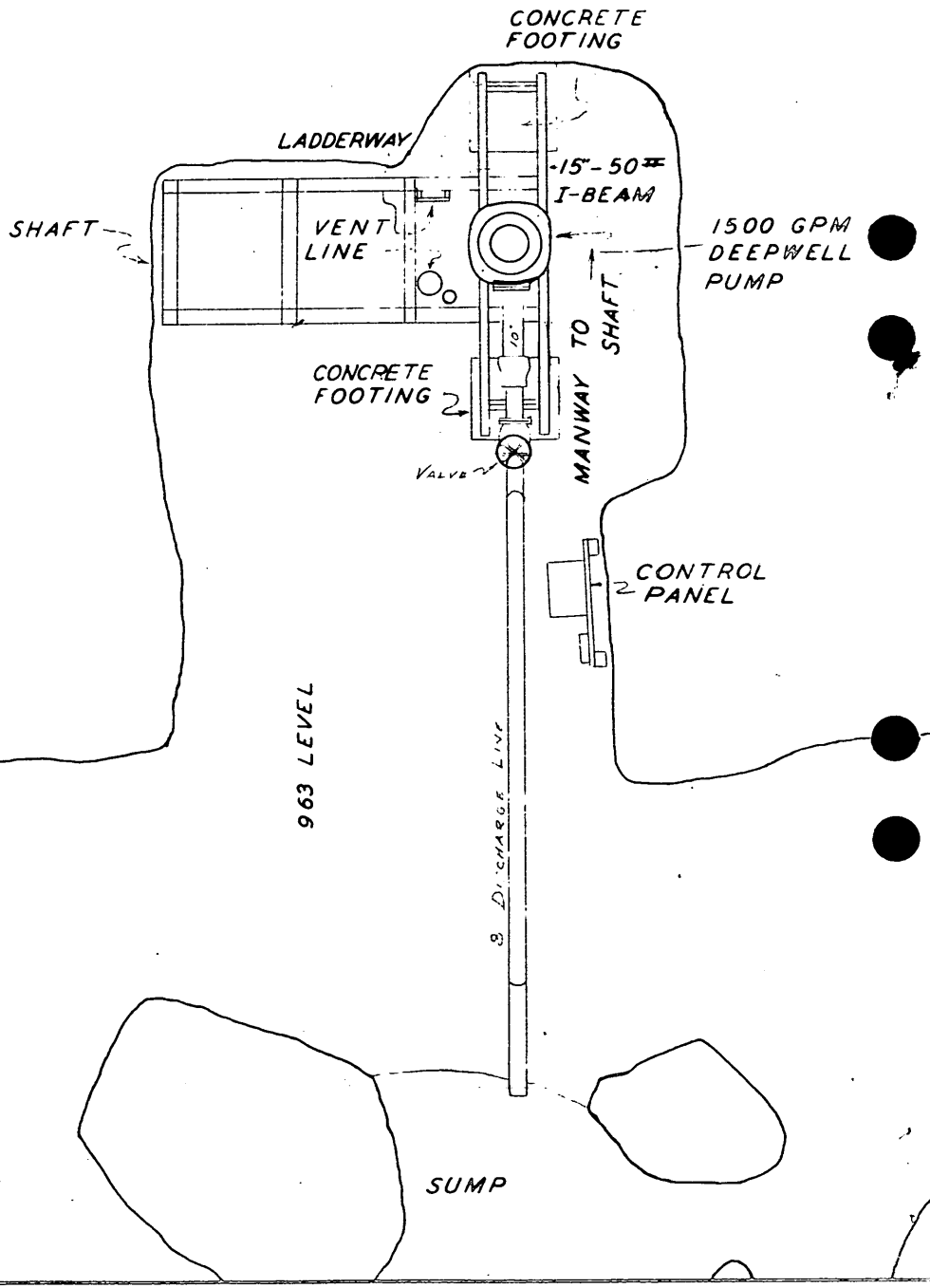
Bruce Condie, Supt.

PLAN OF DEEP WELL PUMP INSTALLATION

ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1"—8 FT.

PROGRESS FOR AUG, 1954



Defense Minerals Administration
RECEIVED
JUL 12 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

420 Custom House
555 Battery Street
San Francisco 11, Calif.

Date: July 8, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA - 66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claims
Lincoln County, Nevada

By Glenn G. Gentry

Dated July 6, 1954

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

Roscoe Smith, USGS (With one copy of report)

Bureau of Mines
RECEIVED
JUL 12 1954

INTERIM REPORT

Docket No.: DMA-66X (Lead-zinc) July 6, 1954

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 Claim
Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mine was visited on June 22, 1954 for the purpose of inspecting work performed under the exploration contract. During the inspection of the mine, the examining engineer was accompanied by Mr. Bruce Condie, mine engineer and superintendent for the applicant. Conferences with Mr. John Janney were also held on the nights of June 21 and 22, 1954.

Necessary preliminary operations, consisting of preparing to install additional pumping equipment on the 963 foot level, was started on May 10, 1954 and has continued on a one shift basis for six days per week. Based upon the present sized crew (2 men) this phase of the work will not be completed until about August 1, 1954. The water level in the shaft is standing at approximately 25 feet below the 963-foot level and is maintained at that point.

Additional work and installations required prior to the actual start of the exploration project:

Item	Description	Estimated date of completion
1	Complete pumping installation on the 900-foot level	8/1/54
2	Change 963 feet of pump column in shaft from 6-inch to 10-inch pipe (500 feet of 10-inch pipe on hand	8/1/54
3	Install 200-horsepower Pomona pump on 900-level and install 2300 V cable	8/10/54
4	Unwater shaft to the 1200-foot level	8/15/54
5	Install water door on 1200-foot level	9/15-10/1/54
6	Start of the actual exploration work under the contract might be started on or about 10/1/54	

The above time table estimated that two shifts of men would start shortly after the date of this inspection and that steady progress could be maintained. In that event, the completion of the 1200-feet of crosscut might be attained prior to the end of the contract.

Due to lack of sufficient funds, the present work (done at the applicant's expense) has been slow. The applicant's plans for refinancing the Ely Valley Mines, Inc. have not as yet been successful. Therefore, unless additional funds are available in the near future it appears obvious that a further extension of time will be required.

Resume of expenditures:

Date	Amount	Cumulative	Unexpended	Units of work reported
Oct. 1952	None	None	$86,200.00	None
Nov. "	$ 195.00	$ 195.00	86.005.00	6.5 feet
Dec. "	888.00	1,083.00	85,117.00	29.6 "
Jan. 1953	1,437.00	2,520.00	83,680.00	33.2 "
Feb. "	865.00	3,385.00	82,815.00	8.65 "
Mar. "	None	3,385.00	82,815.00	None
Apr. "	1,130.00	4,515.00	81,685.00	5.3 "
May "	926.50	5,441.50	80,758.50	17.9 "
June "	2,586.50	8,028.00	78,172.00	73.9 "
July "	2,081.50	10,109.50	76,090.50	50.9 "
Aug. "	1,781.50	11,891.00	74,309.00	50.9 "
Sept. "	None	"	"	None *
Oct. "	"	"	"	" *
Nov. "	"	"	"	" *
Dec. "	"	"	"	" *
Jan. 1954	"	"	"	" *
Feb. "	"	"	"	" *
Mar. "	"	"	"	" *
April "	"	"	"	" *
May "	"	"	"	" **
June "	"	"	"	"

*Work recessed by authority of Amendments 2 and 3.
** Necessary preliminary work resumed on May 10, 1954

Glenn G. Gentry
Glenn Gentry
Mining Engineer

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Defense Minerals Administration
RECEIVED
AUG 31 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1954 Docket No. DMEA 66 Contract No. DMI-2 401
Operator's Name Ely Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors:						
Short Form						Approved Betty
~~Drilling~~ Shaft Cleanout		1,500.00	1,500.00			
~~Bulldozing~~ 1200 pocket		1,200.00	1,200.00			
Crosscutting		5,484.50	5,484.50			
Drifting						
Shaft sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date Aug. 12, 1954 *Payee Ely Valley Mines, Inc.

Per S. O. Hickman Title Asst. Sectary

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-3404 in accordance with the terms of the contract.

Signature George H. Holmes, Jr. Title Mining Methods Research Engr. Date August 20, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date August 23, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-10-A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
ACCOUNTS RECEIVED AUG 24 1954
AUG 31 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 66 Contract No. DMX-B 404
Operator's Name Ely Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	1 ft.			5,484.50	156.7	35.00	1600	35.00
Crosscutting								
~~xxxx~~ Raising Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts Sinking				1,925.00	19.25	100.00	20	100.00
~~xxxx~~ Winzes 1200 pocket				1,200.00				1200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				10,109.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				10,109.50				

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

Date Aug. 12, 1954 Operator Ely Valley Mines, Inc.

Per L. O. Hickman Title Asst. Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

ELY VALLEY MINES, INC.

MINING DEPARTMENT

EXPLORATION AND RELATED WORK AT THE ELY VALLEY MINE FOR JULY, 1954

The following report covers the work performed at the Ely Valley mine during the month of July:

July 1st through July 4th

During this 3-day period, 4 man-shifts were expended in removing broken rock from the pump station. One man-shift was employed in moving rock and mud from the sump.

The underground crew was likewise employed 1/2 shift in repairing 963 pump.

July 5th through July 11th

No work was performed on July 5th, a holiday, with the exception of 1/2 man-shift required to repair pump electrical lines when one leg of the 3-phase 440 volt system burned off at the master switch on the 900.

We spent the remainder of the time available to us underground in plugging and removing the bottom 4 feet wide for a trackway into the pump station. Six man-shifts were employed.

Other Company maintenance work required the service of the entire crew an additional 9 man-shifts.

July 12th through July 18th

On Monday, July 12th, a timber bulkhead was installed over the sump along the margin where the pump station will connect with it. This was done to prevent broken rock from falling into the sump. By Friday, July 16th, all the ground required was removed for the pump station. Ten man-shifts were expended on this work.

Forms were put in for one of the pump bases and the reinforcing iron and anchor bolts were fabricated. Forms were placed for the transformer base which is also to be of concrete. An additional 4 man-shifts were put in on this job, the 17th and 18th.

Two men were employed on the surface in hauling sand, gravel and cement, and moving in concrete mixing equipment. This work was likewise performed on the 17th and 18th.

July 19th through July 23rd

All concrete, as shown on the accompanying cross-section of pump station, was poured during this period. Rails were installed and the track completed into the area. This work required 20 man-shifts. The pump station is now completed excepting for the installation of pumps and electrical control equipment.

Exploration Work at the Ely Valley Mine, July , 1954

July 24th and 25th

The mine was down these two days, Saturday and Sunday. Work was carried on the 18th, a Sunday, at the request of the men to enable them to have the 2-day holiday at this time.

July 26th through July 28th

Preparatory to the removal of ground around the shaft for the pump installation, it was necessary to remove electrical wiring and switches which were directly in the way. A new panel board was built, the wires and switches were then moved to it and the old control panel removed. Six man-shifts were expended.

July 29th through July 31st

This period was used in removing ground from the southeast end of the shaft at the 963 level as indicated on the accompanying sketch in red. A great amount of caution was required due to the proximity of shaft and station timbers.

Our schedule of work to be completed in August calls for the completion of the excavation as indicated on the sketch of the deep well pump installation. After this ground is removed, the opening formed will be timbered. Concrete slabs will be poured, one of either side of the shaft, and two 15" I-beams weighing 50 lbs per foot will be installed. These beams will form the base for the 200 HP Pamona pump, and will extend out over the concrete footings as indicated in the sketch. The Pomona deep well pump, when installed, will pump the water from the bottom of the shaft lifting the 1200 level exploration drift water to the 963 level sump.

After this work is completed, power cables will be put down from the surface to the 963 level transformer station. Work will then be commenced on the installation of the 10" water column from the new pump station to the surface.

Respectfully submitted,

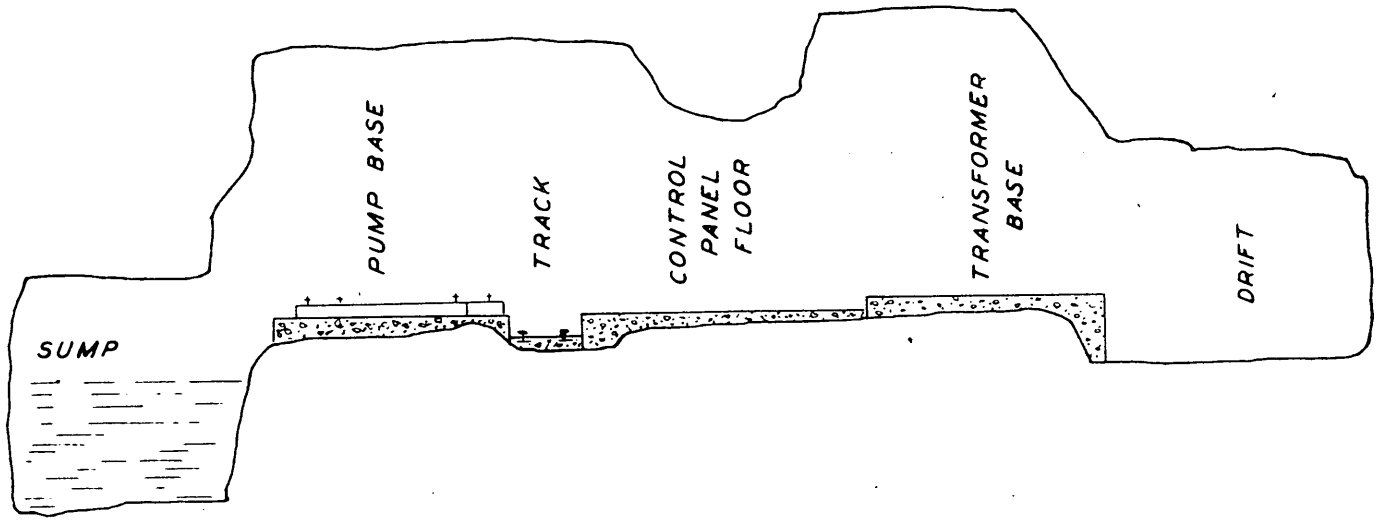
Aug. 11, 1954

by

ELY VALLEY MINES, Inc.

Bruce Condie

Bruce Condie, Supt.



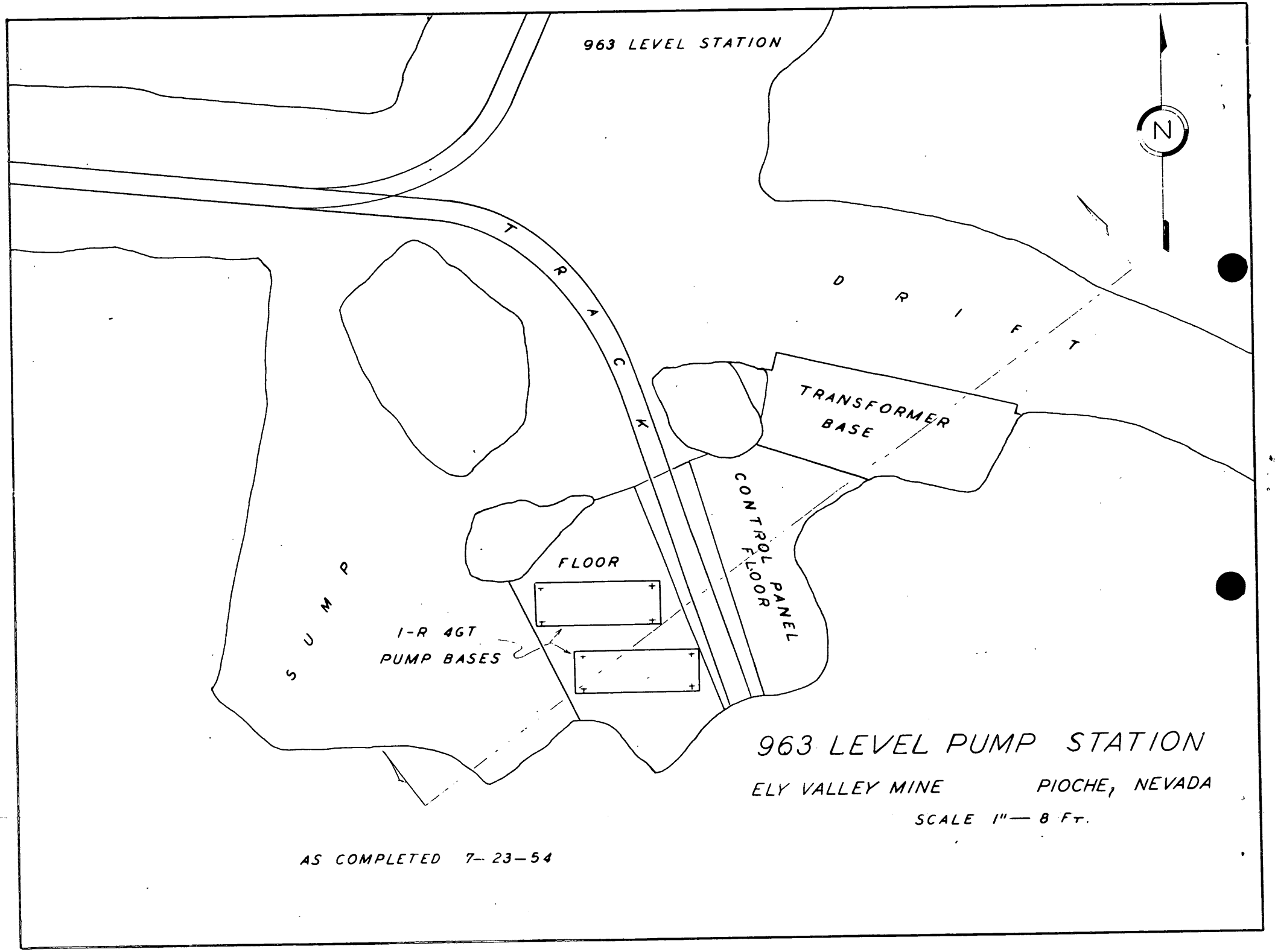
SECTION THRU 963 PUMP STATION

ELY VALLEY MINE

PIOCHE, NEVADA

SCALE 1" — 8 FT.

8-1-54

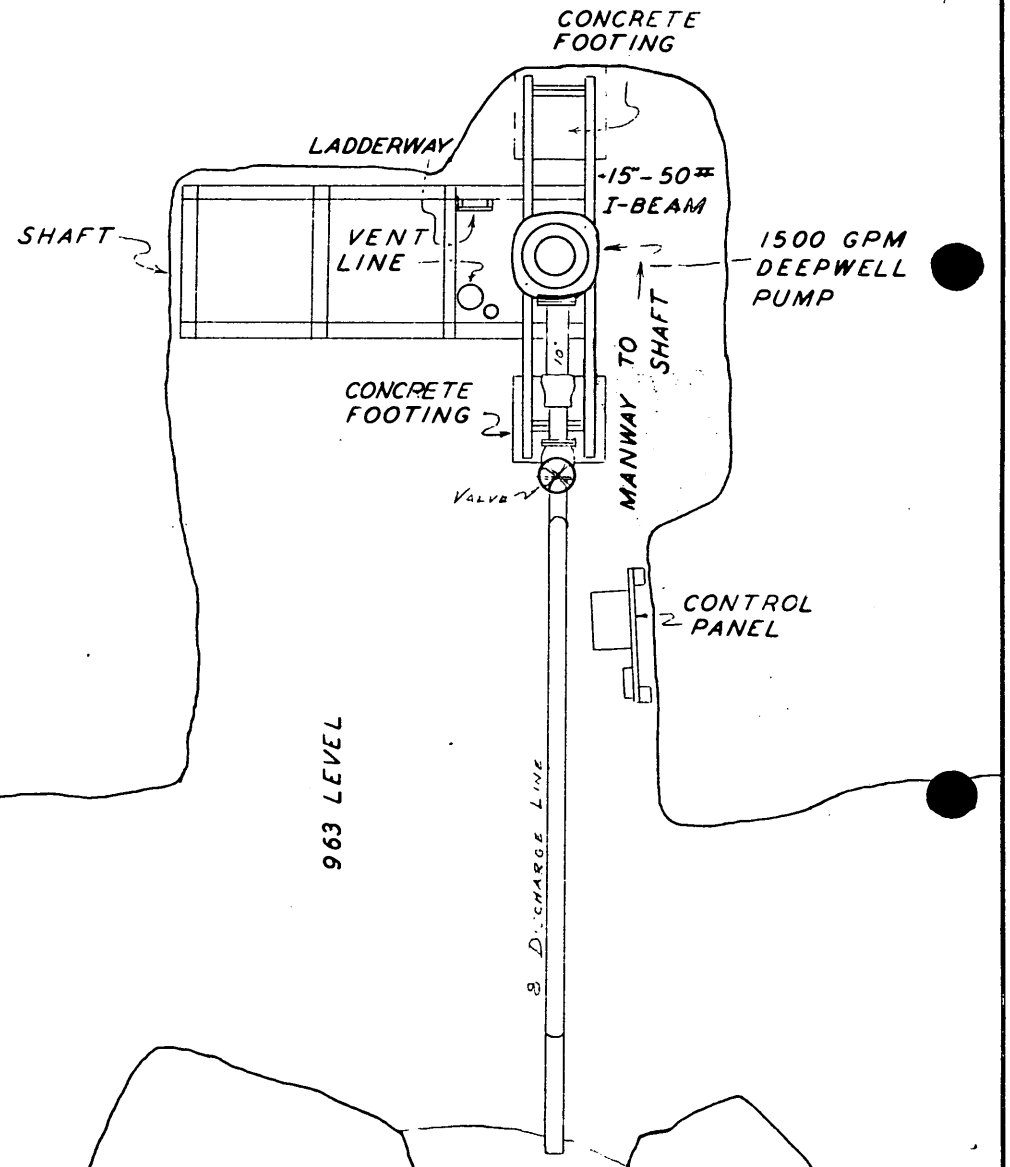

963 LEVEL STATION
N
TRACK
DRIFT
TRANSFORMER BASE
CONTROL PANEL FLOOR
FLOOR
SUMP
1-R 4GT PUMP BASES
963 LEVEL PUMP STATION
ELY VALLEY MINE
PIOCHE, NEVADA
SCALE 1" — 8 FT.
AS COMPLETED 7-23-54

PLAN OF DEEP WELL PUMP INSTALLATION

ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1"—8 FT.

PROGRESS FOR JULY, 1954



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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 195 4 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,1[illegible]0.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drifting ~~xxx~~ Shaft cleanout		1,500.00	1,500.00			
~~Bandoning~~ ~~xxxxx~~ 1200 pocket		1,800.00	1,800.00			
Crosscutting		5,484.50	5,484.50			
Drifting						
shaft sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date July 9, 1954 *Payee Ely Valley Mines, Inc.

Per [illegible] Title Asst. Secty.

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Im-2404 in accordance with the terms of the contract.

Signature R. C. Johnson Title Chief, Mining Div. Date July 12, 1954.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Region III Executive Officer DMEA Field Team Region III Date July 13, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

ACCOUNTS JUL 13 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1954 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Dry Valley Mines, Inc. Minerals [illegible]
Address Globe, Nevada

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	1 ft.			5,101.50	164.7	35.00	160	35.00
Crosscutting								
Raising 5'x10' element				1,500.00	50.0	32.00	50	30.00
Shafts sinking				1,925.00	19.25	100.00	20	100.00
Winze 1200 pocket				1,200.00				1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs				10,127.50				Total Costs Authorized by Contract: 65,200.00
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				10,127.50				

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

Date July 9, 1954 Operator Dry Valley Mines, Inc.

Per S. D. Hickman Title Asst. Secy.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Mining Department

EXPLORATION AND RELATED WORK AT THE ELK VALLEY MINE FOR JUNE, 1954

The following report covers the work performed at the Elk Valley Mine during the month of June.

June 1 through June 6

During this period work was carried on in the cutting out of the ground for the transformer station. Two men worked 2-1/2 days for a total of 5 man-shifts. An additional 240 cubic feet of ground being excavated.

Other company maintenance work required the services of the entire crew an additional 7-1/2 man-shifts.

June 7 through June 13

Work was continued on the transformer station through Thursday, June 10th. Besides the hoistman, 2 men were employed 5-3/4 shifts in removing 352 cubic feet of ground. Aside from removing the ground out of the back for hand room for jacks controlling the pump, the transformer area is completed.

Work was commenced on Friday, June 11 toward the completion of the pump station commenced in May. A total of 5 man-shifts were employed in removing 150 cubic feet.

Other Company maintenance work required the services of this mining area 1 man-shift.

June 14 through June 20

During this one-week period work was pressed toward completion of the pump station. Ground was excavated totaling 483 cubic feet in working 13-man-shifts underground. In addition, as previously, 1 man was employed on the surface running hoist and dressing steel.

June 21 through June 27

An additional 360 cubic feet of ground was removed from the pump station and 420 cubic feet from the transformer station. The necessary ground has now been removed for the transformer station making it 12 Ft. high by 14 feet in length with a depth of 6 feet. This outline is indicated on the enclosed sketch. Two men worked a total of 13-man-shifts on this work.

June 28 through June 30

All exploration work performed during this 3-day period was expended in removing ground for the pump station, 153 cubic feet of ground being excavated.

Two man-shifts were expended on maintenance work repairing the pump now in use on the 963 level sump.

As of July 1, the transformer station has been completely excavated, and the pump station is about 80 percent complete. As shown on the accompanying sketch there is a narrow pillar remaining to be removed between the station and the sump. The back must be raised an additional 4 feet to allow clearance for an overhead crane and chain block for installing and repairing the pumps. The station at the present time is 8 feet high.

During the month of July the remainder of the ground will be removed after which time forms will be built and concrete poured for the pumps and control panel installations. Our program then calls for the commencement of work for the installation of a 200 H.P. Peerless deep well pump on this 963 level to lift the water from the 1200 level.

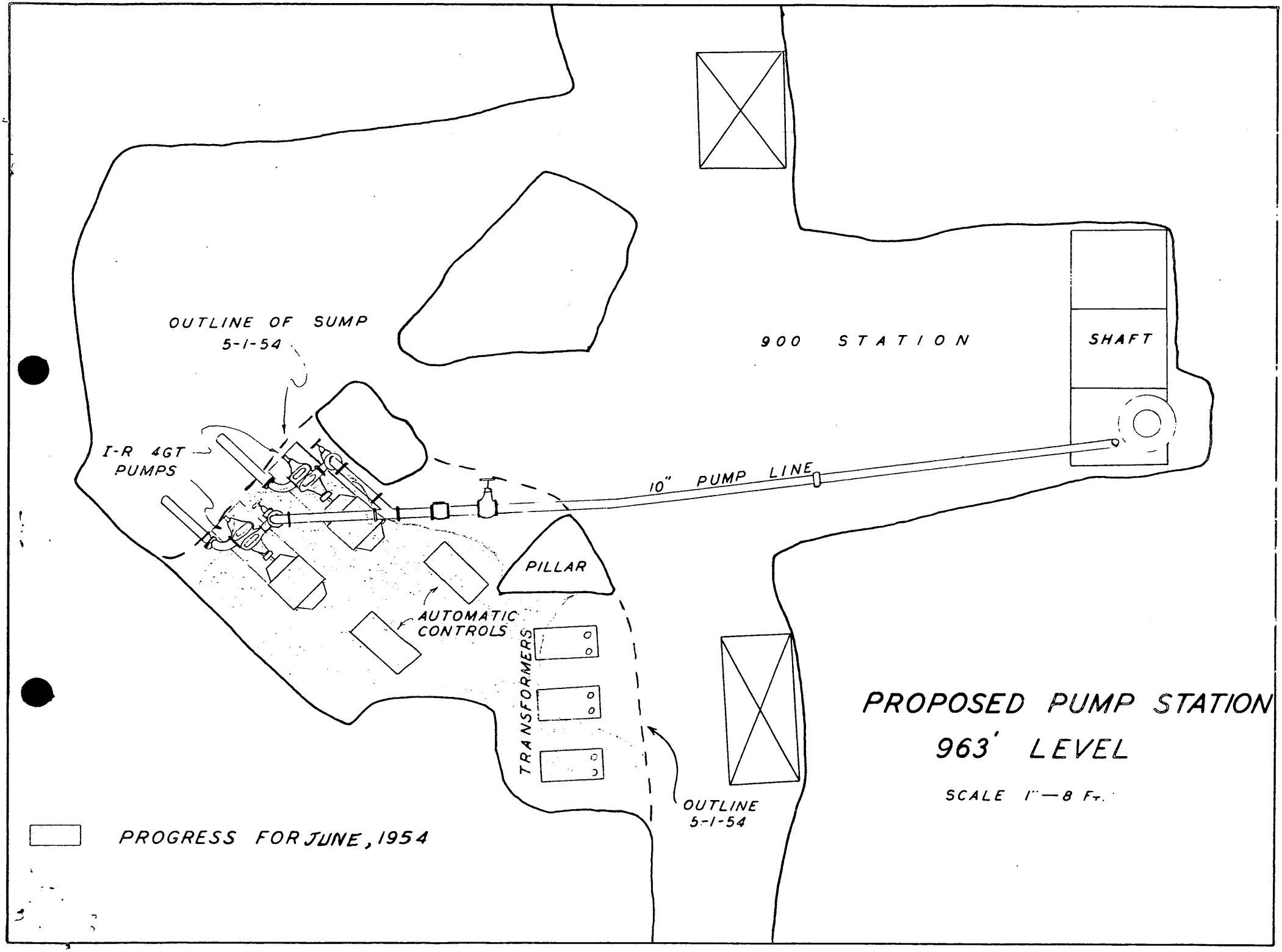
Respectfully submitted,

July 8, 1954

ELY VALLEY MINES, Inc.

Bruce Gordie

Bruce Gordie, Supt.


OUTLINE OF SUMP
5-1-54
900 STATION
SHAFT
I-R 4GT
PUMPS
10" PUMP LINE
PILLAR
AUTOMATIC
CONTROLS
TRANSFORMERS
OUTLINE
5-1-54
PROPOSED PUMP STATION
963' LEVEL
SCALE 1" — 8 Ft.
PROGRESS FOR JUNE, 1954

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1954 Docket No. DMEA 66 Contract No. IDM-E 404
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted] Short Form Contracts:						
Drilling Shaft cleanout		1,500.00	1,500.00			
B[redacted]zing 1200 pocket		1,200.00	1,200.00			
Crosscutting		5,484.50	5,484.50			
Drifting						
Shaft sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date June 15, 1954 Payee Ely Valley Mines, Inc.

Per S. O. Hickman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E404 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date June 23, 1954.

A. C. Johnson

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date June 24, 1954

H. C. Miller

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-101A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

JUN 25 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1954 Docket No. DMEA 66 Contract No. DMA-E 404

Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc

Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	100			5,484.50	156.7	35.00	1600	35.00
Crosscutting								
Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts sinking				1,925.00	19.25	100.00	20	100.00
1200 pocket				1,200.00				1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				10,109.50				TOTAL COSTS AUTHORIZED BY CONTRACT 86,200.00
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				10,109.50				

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

Date June 15, 1954 Operator Ely Valley Mines, Inc.

Per [signature] Title Asst. Secty.

REMARKS: Resumed work on project May 1, 1954 after authorized vacation months.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

FLY VALLEY MINES, INC.

Mining Department

EXPLORATION AND DEVELOPMENT WORK AT THE FLY VALLEY MINE FOR MAY, 1954.

The following report covers the work performed at the Fly Valley Mine during the Month of May.

On May 10th work was commenced in the Fly Valley shaft, on the D.M.A. Doc. No. 66K. The work in the shaft comprised the pumping out of water which had been allowed to raise - at the time of the recess last September - in order to cut down the flow and the cost of pumping. The water was lowered 87' from the 948' level to the 1075' level. This relieved the pockets so as to permit the hoisting of muck from the 963' level to the surface and made way for the excavation for additional space on the 963' level pump station.

In order to install the large Ingersoll-Rand 6CT pumps - two of which are on hand - it becomes necessary to remove an additional 2,890 cubic feet of rock. Power for these pumps must be sent underground at 2,300 volts. This in turn necessitates the removal of 1,280 cu. ft. of ground for the installation of transformers. On May 17th work was commenced toward the removal of this additional rock.

Four men were employed 19 man-shifts in the excavation of the ground as indicated on the accompanying sketch in red. This includes the time required for preliminary work, the installation of track, a slusher, air, water and electrical lines.

It should be noted that the necessary pumps for this installation as well as automatic control panels, switches, power cable and transformers are on hand.

The concrete foundations for these pumps will have to be put in and allowed to set. This applies also for the transformers in the station being provided. The power cable and necessary switch panels and controls will then be installed. After a reasonable concrete curing period, the pumps will be placed and put in operation.

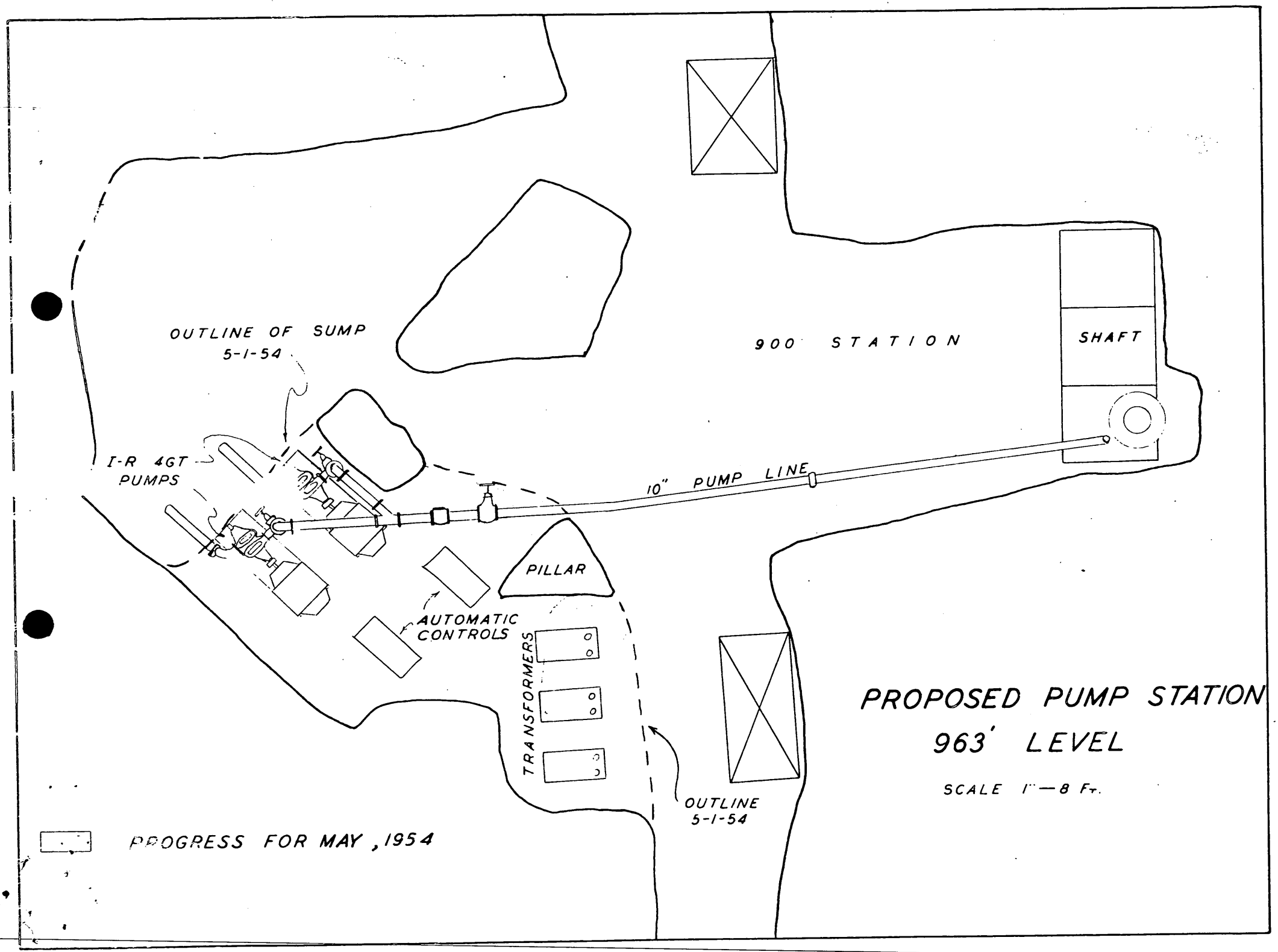
This work has been proven necessary from the experience gained in driving the 1200' level drift just before the recess period started. Additional water is expected to be encountered as the drift is extended. We do not estimate this added flow to produce more than 600 G.P.M., however, pumps as they will finally be installed will give us a capacity of well past 1,500 G.P.M.

I sincerely trust that this report will give you any necessary information and will meet with your approval.

Respectfully submitted,
FLY VALLEY MINES, INC.,

Bruce Condie

Bruce Condie, Supt.


OUTLINE OF SUMP
5-1-54
900 STATION
SHAFT
I-R 4GT
PUMPS
10" PUMP LINE
PILLAR
AUTOMATIC
CONTROLS
TRANSFORMERS
OUTLINE
5-1-54
PROPOSED PUMP STATION
963' LEVEL
SCALE 1" — 8 Ft.
PROGRESS FOR MAY, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 3 - 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: April 29, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim, Ely Valley Mining District
Lincoln County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated April 26, 1954

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

~~XXXXXXXXXXXX~~ USGS (With one copy of report)
Roscoe Smith,

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 3 - 1954

INTERIM REPORT

Docket No.: DMA-66X (Lead-Zinc) April 26, 1954

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 Claim
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mine was visited on April 13, 1954 and a conference held with Mr. Bruce Condie, mine superintendent. Mr. John Janney, president of the mining company, was not available. Operations under the exploration contract have not been resumed and the mine is still flooded to the 900 level.

The operator has completed necessary repairs on shaft timber sets from the collar to the 900 level and has overhauled the pumps expected to be installed on the 600 level.

Mr. Condie reports that Mr. Janney is very hopeful of securing additional financing and that operations may be resumed on or about May 15, 1954.

Amendment No. 3, dated March 10, 1954, states:

1. (a) The work under the contract shall be suspended from the period beginning Sept. 1, 1953, and ending not later than May 1, 1954.

2. In article 3 of the contract form, the period "twenty-six (26) months", provided by amendment No. 2, is deleted, and the period twenty-eight (28) months is substituted.

The contract would therefore expire on Jan. 23, 1955.

No definite plans have been completed for the installation of a water door, though the matter is being considered by the operator.

Definite plans for future contract operations and necessary installations cannot be consummated by the operator until he has succeeded in refinancing the project.

Mr. Condie was again requested to advise this office, in advance, as to the date of resuming the exploration work.

Glenn G. Gentry
Mining Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 18 1954

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: March 15, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA -66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim and Ely Valley No. 3 Claim
Lincoln County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated March 10, 1954

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

~~XXXXXXXXXXXX~~ USGS (With one copy of report)
Roscoe Smith

INTERIM REPORT

Docket No.: DMA-66X (Lead-Zinc) March 10, 1954

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 Claim
Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

The Ely Valley mine was visited on March 5, 1954 and a conference held with Mr. Bruce Condie, mine superintendent. Mr. John Janney, president of the mining company, was not available. The mine is still flooded to the 900-level.

The operator, at his own expense, has made some repairs in the shaft between the collar and the 900-level, and Mr. Condie states that there should be no delay in resuming the contract exploration work as soon as the necessary refinancing has been completed.

According to amendment No. 2, dated Nov. 3, 1953, the project work had been recessed from Sept. 1, 1953 to March 1, 1954. On Feb. 19, 1954, Mr. Janney apparently visited the office of Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, and requested further postponement of resumption of operations until about May 1, 1954 and an extension of contract time to 28 months.

The examining engineer suggested to Mr. Condie that plans for the installation of an adequate water door in the northeast crosscut on the 1200 level should be completed well in advance of resuming operations otherwise delays in fabrication and delivery of the door may prove costly.

Mr. Condie was requested to bring this matter to Mr. Janney's attention upon his return to the mine and also to advise this office in advance as to the date of resuming the exploration work.

Glenn G. Gentry
Mining Engineer

Defense Minerals Administration
RECEIVED
FEB 19 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: February 15, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA-66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claims, Lincoln County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated February 8, 1954

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

~~Ex. Hx. Bailey~~, USGS (With one copy of report)
Roscoe Smith, USGS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1954

INTERIM REPORT

Docket No.: DMA-66X (Lead - Zinc) February 8, 1954

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and Ely Valley No. 3 Claim, Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

During the evening of January 14, 1954, in Pioche, Nevada, the examining engineer conferred with Mr. John Janney relative to the applicant's plans to resume work under the exploration contract. According to amendment No. 2, dated Nov. 3, 1953, the project work has been recessed from Sept. 1, 1953 to March 1, 1954. These dates were brought to Mr. Janney's attention.

Mr. Janney informed the examining engineer that efforts had been made to refinance his operations and said efforts were continuing. At the time of the conference, additional refinancing had not been obtained and no definite date for the resumption of exploration operations had been determined.

The applicant retains a watchman at the mine and has employed a small crew in the production of manganese ore from upper levels and above the water line.

Glenn G. Gentry
Mining Engineer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 14 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: December 10, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA-66X

Contract Idm-E 404

Commodity Lead and Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claims, Lincoln County, Nevada

By Glenn G. Gentry

Dated November 27, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

INTERIM REPORT

Docket No.: DMA-66X (Lead and Zinc) Nov. 27, 1953

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President,
Pioche, Nevada

Name and location of property: Ely Valley claim and the Ely Valley No. 3 claim, Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mine was visited briefly on the morning of Nov. 7, 1953 and a conference held with Mr. John Janney on the night of Nov. 9, 1953.

As previously reported, all work on the exploration contract was discontinued on Sept. 1, 1953 and has not been resumed. Under date of Sept. 16, 1953, the applicant requested a ten months' extension of his contract in order to secure additional necessary financing to complete the project. In answer to Mr. Janney's request and under date of Nov. 3, 1953, amendment No 2 was approved, allowing:

1. In Article 3 of the form, the period "Sixteen (16 months) is deleted and the period "twenty six months" is substituted therefor.

2. During the period from Sept. 1, 1953 to March 1, 1954:

   a. The project work shall be recessed.

   b. The Government shall not contribute to any costs incurred by the operator.

c. The operator shall save the Government harmless from any and all claims and preserve and protect the project work and any property in which the Government has an interest.

In order to protect the Ely Valley Mine, the operator pumps water from the 900-level as required and also maintains watchmen on a 24-hour basis.

While Mr. Janney still feels confident of success in securing additional capital, yet the possible date of resuming operations is indefinite.

FINANCIAL REPORT

Contract amount:	$86,200.00
Government participation @ 50% = $43,100.00	
Funds expended as of August 1953	$10,109.50
Unexpended	$76,090.50

Contract dated: Sept. 23, 1952
Contract period, amendment No. 2 = 26 months
Contract period of recess: Sept. 1, 1953 to March 1, 1954
Contract expires on: Nov. 23, 1954.

RECOMMENDATIONS

As soon as Mr. Janney secures adequate additional capital, he should immediately complete plans for the installation of the water door in the proposed adit, as the fabrication and delivery of this door and frame may require considerable time.

Glenn G. Gentry
Mining Engineer

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
FEB 9 1954
RECEIVED

2/10/54 - J.W.A.

Month of December 1953 Docket No. DMEA 66 Contract No. DMEA - 5 Lod
Operator's Name Ely Valley Mines, Inc. Lead - Zinc
Address Reno, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50% Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Contracts:						
Short Form						
~~Drilling~~ Shaft cleanout		1,500.00	1,500.00			~~O.K.~~ Baty
~~Bulldozing~~ 1200 pocket		1,200.00	1,200.00			
Crosscutting		5,184.50	5,184.50			2/11/54 - J.W.A.
Drifting						
Shaft sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date Jan. 13, 1954 *Payee Ely Valley Mines, Inc.

Per S. D. Dickman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date FEB 4 1954 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature A. C. Johnson Title Chief, Mining Div Region III Date Jan. 20, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date January 21, 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

THE INTERIOR
Minerals Administration
JAN 29 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November 195 3 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Lily Valley Mines, Inc. Minerals Lead - Zinc
Address Miami, Oklahoma
Contract Amount, $ 15,000.00 Government Participation: 50 % Amount, $ 12,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors:						
Short Form						
[illegible] Chest Cleanout		1,500.00	1,500.00			
Drilling						
[illegible] 1500 Rockout		1,200.00	1,200.00			
Bulldozing						
Crosscutting		5,124.00	5,000.00			
Drifting						
[illegible] Cleaning		1,975.00	1,975.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,199.50	10,199.50			

I certify that the above bill is correct and just and that payment therefor has not been [illegible]
Date [illegible] *Payee Lily Valley Mines, Inc.
Per [illegible] Title Asst. Secretary

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

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

(Instructions on reverse)

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

$

Signature
(Authorized Certifying Officer)

Date JAN 21 1954 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature A. C. Johnson Title Chief, Mining Div., Reg. III Date 12/29/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date 12/30/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1953

12/1/53 Received J.O.H.

Month of October, 1953 Docket No. DMEA 66 Contract No. DMA - B 424
Operator's Name Sly Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada
Contract Amount, $ 86,000.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted] Contracts: Short Form						~~OKE~~
Drilling Shaft Cleanout		1,500.00	1,500.00			Betty
Bulldozing 1200 Pocket		1,200.00	1,200.00			
Crosscutting						12/3/53 J.H.L.
Drifting		5,484.50	5,484.50			
Shaft Sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date Nov. 1, 1953 *Payee Sly Valley Mines, Inc.

Per S. D. Kirkman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ - 0 -

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMA-R404 in accordance with the terms of the contract.

Signature George H. Holmes, Jr. Title Mining Methods Research Engr. Date Nov. 16, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature R. C. Mulvey Title Executive Officer DMA Field Team Region III Date November 16, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 30 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1953 Docket No. DMEA 66 Contract No. DMEA-3 404

Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc

Address Pioche, Nevada

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	1 ft.			5,484.50	156.7	35.00	1600	35.00
Crosscutting								
xxx Raising Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts sinking				1,925.00	19.25	100.00	20	100.00
xxx Winzes 1200 Pocket				1,200.00				1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs				10,109.50				Total Costs Authorized by Contract
Operating Equipment Purchased								86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				10,109.50				

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

Date Nov. 14, 1953 Operator Ely Valley Mines, Inc.

Per S.D. Hickman Title Asst. Secretary

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: Sept. 25, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA -66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim & Ely Valley No. 3 Claim
Lincoln County, Nevada

By Glenn G. Gentry

Dated September 23, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

INTERIM REPORT

Docket No.: DMEA-66X (Lead-Zinc) Sept. 23, 1953

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley claim and the Ely Valley No. 3 claim, Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley mine was visited on Sept. 17, 1953 for the purpose of inspecting work being performed under the exploration contract. Office conferences were also held with Mr. John Janney in Pioche, Nevada during the evenings of Sept. 15 and 17, 1953.

On Sept. 1, 1953, the operator discontinued all DMEA contract exploration work on the 1200 level, removed all equipment, pulled the Pomona pump, and allowed the shaft to fill with water to approximately the 900 level, a height of approximately 250 feet. The pump installation on the 900 level remains intact and is in daily operation in order to maintain the water level at this point.

Due to the flooding of the mine (between the 900 level and the 1200 level) it was impossible to check the progress of 50.9 feet reported by the operator for the month of July 1953 in the amount of $1,781.50 and authorized by amendment No. 1, dated August 26, 1953.

The operator failed to notify this office that he intended to discontinue operations and our first knowledge of the mine conditions was gained in a conference with Mr. Janney on the evening of Sept. 15 in his office in Pioche, Nevada. Mr. Janney explained that due to lack of funds, it was necessary to discontinue work on the exploration project until such time as additional refinancing could be secured.

Under date of Sept. 16, 1953 and enclosed with this report, Mr. Janney has applied for an extension of time for a period of ten months and states: "We will be in a position to continue the extension of the 1600-foot drift on the 1200-foot level as soon as our financing plans are completed."

Mr. Janney has advised the examining engineer that he expects to make a trip to eastern cities in the near future and appears confident of securing additional capital, but could make no estimate of the time required to do so. Assuming that the refinancing plans are successful, it will then be necessary to unwater the shaft to the 1200-foot level, prepare and install adequate pumping capacity and install the water door, prior to resuming the extension of the 1600-foot drift under the contract.

The contract was dated Sept. 23, 1952 and was to be completed within a period of 16 months. It expires on January 23, 1954.

The examining engineer recommends that the contract be extended for a period of 6 months, from Jan. 23, 1954 to July 23, 1954. This period should be sufficient for the work required provided two shifts are used during the exploration operations.

At this time the property is protected by three watchmen and the mine is kept unwatered to the 900-foot level.

GEOLOGY

As no additional work has been done on the 1200-foot level, the geological formations remain the same as noted in the interim report of July 28, 1953.

SAMPLING

No samples were taken.

STATEMENT OF WORK COMPLETED

The applicant has completed the following work specified under Exhibit "A" of the exploration contract:

1. Cleaned out and rehabilitated approximately 50 feet of shaft just above the 1200-foot level.

2. Has deepened the present shaft an additional 20 feet to provide necessary sump and installed necessary shaft timbers.

3. Has constructed ore pocket on the 1200 level.

4. The face of the 1600-foot drift is now at 115 feet northeast of the shaft.

In addition to the allowable contract work, the applicant has installed some new timber sets on the 1200 level station and excavated for pump installations, all at his expense.

RECOMMENDATIONS

There has been no change in the recommendations outlined in the previous interim report dated July 28, 1953.

FINANCIAL REPORT

Contract amount	$86,200.00
Government participation @ 50% = $43,100.00	
Funds expended as of August 1953	10,109.50
Unexpended	$76,090.50

Contract period: 16 months
Contract dated : Sept. 23, 1952
Expiration date: Jan. 23, 1954
Contract time expended: 12 months (dated to Sept. 23, 1953)
Contract time unexpended: 4 months

COMMENTS

It is believed this report will answer a memorandum from Mr. S. Ricker addressed to Mr. A. C. Johnson, dated Sept. 4, 1953, relative to Mr. Janney's letter of Sept. 2, 1953.

Glenn G. Gentry
Mining Engineer

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

Budget Bureau No. 42-R[illegible]5.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

ACCOUNTS OCT 22 1953

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED OCT 30 1953

Month of September, 1953 Docket No. DMEA 66 Contract No. [illegible]-3-484
Operator's Name Fly Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Short Form Contracts:						
Drifting Shaft cleanout		1,500.00	1,500.00			
Boring 1200 Pocket		1,200.00	1,200.00			
Crosscutting						11/4/53 J.W.
Drifting		5,484.50	5,484.50			
Shaft sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		10,109.50	10,109.50			

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

Date Oct. 15, '53 Payee Fly Valley Mines, Inc.

Per S.D. Kirkman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ — 0 —

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1Cm-E404 in accordance with the terms of the contract.

Signature R. C. Johnson Title Chief, Mining Div. Region III Date October 21, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Collins Title Executive Officer DMEA Field Team Region III Date October 22, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
RECEIVED
OCT 30 1953
ACCOUNTS
OCT 22 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 3 Docket No. DMEA 66 Contract No. IDM-3 404
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting				$5,484.50	156.7	35.00	1600	35.00
Crosscutting								
Raising Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts sinking				1,925.00	19.25	100.00	20	100.00
Winzes 1200 Pocket				1,200.00				1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs				10,109.50				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				10,109.50				

Total Costs Authorized by Contract: $86,200.00

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

Date October 15, Operator Ely Valley Mines, Inc.

Per S. D. Hickman Title Asst. Secretary

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1953

Betty

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: Sept. 25, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA-468

Contract Idm-E-[illegible]

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim & Ely Valley No. 3 Claim
Lincoln County, Nevada

By Glenn G. Conley

Dated September 23, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

INTERIM REPORT

Docket No.: DMEA-66X (Lead-Zinc) Sept. 23, 1953

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley claim and the Ely Valley No. 3 claim, Lincoln County, Nevada

Contract No.: Idm-2404

SUMMARY

The Ely Valley mine was visited on Sept. 17, 1953 for the purpose of inspecting work being performed under the exploration contract. Office conferences were also held with Mr. John Janney in Pioche, Nevada during the evenings of Sept. 15 and 17, 1953.

On Sept. 1, 1953, the operator discontinued all DMEA contract exploration work on the 1200 level, removed all equipment, pulled the Pomona pump, and allowed the shaft to fill with water to approximately the 900 level, a height of approximately 250 feet. The pump installation on the 900 level remains intact and is in daily operation in order to maintain the water level at this point.

Due to the flooding of the mine (between the 900 level and the 1200 level) it was impossible to check the progress of 50.9 feet reported by the operator for the month of July 1953 in the amount of $1,781.50 and authorized by amendment No. 1, dated August 26, 1953.

The operator failed to notify this office that he intended to discontinue operations and our first knowledge of the mine conditions was gained in a conference with Mr. Janney on the evening of Sept. 15 in his office in Pioche, Nevada. Mr. Janney explained that due to lack of funds, it was necessary to discontinue work on the exploration project until such time as additional refinancing could be secured.

Under date of Sept. 16, 1953 and enclosed with this report, Mr. Janney has applied for an extension of time for a period of ten months and states: "We will be in a position to continue the extension of the 1600-foot drift on the 1200-foot level as soon as our financing plans are completed."

Mr. Janney has advised the examining engineer that he expects to make a trip to eastern cities in the near future and appears confident of securing additional capital, but could make no estimate of the time required to do so. Assuming that the refinancing plans are successful, it will then be necessary to unwater the shaft to the 1200-foot level, prepare and install adequate pumping capacity and install the water door, prior to resuming the extension of the 1600-foot drift under the contract.

The contract was dated Sept. 23, 1952 and was to be completed within a period of 16 months. It expires on January 23, 1954.

The examining engineer recommends that the contract be extended for a period of 6 months, from Jan. 23, 1954 to July 23, 1954. This period should be sufficient for the work required provided two shifts are used during the exploration operations.

At this time the property is protected by three watchmen and the mine is kept unwatered to the 900-foot level.

GEOLOGY

As no additional work has been done on the 1200-foot level, the geological formations remain the same as noted in the interim report of July 28, 1953.

SAMPLING

No samples were taken.

STATEMENT OF WORK COMPLETED

The applicant has completed the following work specified under Exhibit "A" of the exploration contract:

1. Cleaned out and rehabilitated approximately 50 feet of shaft just above the 1200-foot level.

2. Has deepened the present shaft an additional 20 feet to provide necessary sump and installed necessary shaft timbers.

3. Has constructed ore pocket on the 1200 level.

4. The face of the 1600-foot drift is now at 115 feet northeast of the shaft.

In addition to the allowable contract work, the applicant has installed some new timber sets on the 1200 level station and excavated for pump installations, all at his expense.

RECOMMENDATIONS

There has been no change in the recommendations outlined in the previous interim report dated July 28, 1953.

FINANCIAL REPORT

Contract amount	$86,200.00
Government participation @ 50% = $43,100.00	
Funds expended as of August 1953	10,109.50
Unexpended	$76,090.50

Contract period: 16 months
Contract dated : Sept. 23, 1952
Expiration date: Jan. 23, 1954
Contract time expended: 12 months (dated to Sept. 23, 1953)
Contract time unexpended: 4 months

COMMENTS

It is believed this report will answer a memorandum from Mr. S. Ricker addressed to Mr. A. C. Johnson, dated Sept. 4, 1953, relative to Mr. Janney's letter of Sept. 2, 1953.

Glenn G. Gentry
Mining Engineer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 17 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: August 12, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA -66X

Contract Idm-E 404

Commodity Lead and Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claims, Lincoln County, Nevada

By Glenn G. Gentry

Dated July 30, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

Requires attention

INTERIM REPORT

Docket No.: DMEA-66X (Lead and Zinc) July 30, 1953

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nev.

Name and location of property: Ely Valley Claim and the Ely Valley No. 3 Claim, Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mine was visited on July 12 and 13, 1953 for the purpose of inspecting work being performed under the exploration project. During the inspection of the mine, the examining engineer was accompanied by Mr. John Janney, President and Mr. Bruce Condie, Engineer-Superintendent.

The exploration drift has been advanced on approximately a N. 30° E. course a total distance of 115 feet from the shaft at which point a very considerable increase in the volume of water and the lack of sufficient pump capacity made it necessary to stop further exploration. The last heading round was drilled on June 27, 1953 but not blasted due to the amount of water pouring through the drill holes and the danger of increasing the flow beyond the capacity of the shaft pump. At the time of the inspection, the volume of water entering the drift was estimated at from 150 to 160 gallons per minute and this flow together with the inflow from the bottom of the shaft, required 76 percent of the pump capacity. Therefore, any sudden material increase in the inflow of water might endanger the project.

The applicant reports that he is considering the installation of a water tight bulkhead, having a steel frame and steel door, as per drawing D-348. This type of water door bulkhead is manufactured by the Eimco Company of Salt Lake City, Utah and is presently in use on the 1200 level and 1400 level of the Caselton Shaft of the Combined Metals Reduction Company, and is reported to be entirely successful.

The examining engineer has recommended to the applicant, that this type of water door bulkhead and the specified manner of installation would be satisfactory to the Government. However, due to lack of funds, the applicant has taken no definite steps toward either the purchase of the bulkhead frame and door or the installation of same.

The imperative installation of this water tight bulkhead and adequate pumping capacity has been covered in previous interim reports and also by letters dated June 3 and 11, 1953 by Mr. A. C. Johnson, Chief, Mining Division, Region III, addressed to the applicant.

Personnel employed:

1 Engineer-superintendent
2 Miners
1 Hoistman
2 Mechanics

These men are working one shift per day for 6-days per week.

The date of resuming the advance of the exploration was indefinite and would depend upon the decrease in the inflow of water.

GEOLOGY

The drift has been advanced through the Prospect Mountain quartzite and has apparently reached the influence of the No. 1 Fault. Therefore, additional water could be expected. Near the face of the drift, two

narrow quartz veins carrying sulphides were observed. These veins have a general East-West strike and dip approximately 50 degrees northeast.

SAMPLING

Sample No.	%,Pb	%,Zn	%,Cu	Ounces/Ton Au	Ounces/Ton Ag	Description
BM-615	*0.2	*0.2	*0.02	No gold or silver analysis available.		Width 8 inches, south wall of drift, 16 feet west of face. Quartz vein shows considerable sulphides.
BM-616	*0.2	0.2	0.05			Width 6 inches, south wall of drift, 4.8 feet west of face. Same type of material as in BM-615.

* - Less than

STATEMENT OF WORK COMPLETED

The face of the exploration drift is now 115 feet northeast of the shaft. Some trimming will be necessary, near the shaft and on the west side of the station, to allow sufficient room for the installation of track.

RECOMMENDATIONS

The examining engineer recommends that immediate decisions relative to an adequate water tight bulkhead, location of said bulkhead, installation of adequate pumping capacity and the installation of adequate size pump column, be made and that no further advance of the exploration drift be considered until the above installations have been completed and tested. These installations are considered to be absolutely necessary for the protection of workmen and the ultimate completion of the project, and will entail the following:

1. Complete the excavation on the 1200 level station for

the installation of proper size pumps.

2. Installation of adequate pumps: The mining company have on hand 2 Ingersoll Rand No. 4 GT, 2-stage pumps operated by 250 horsepower and/or 350 horsepower, 2300 volt, electric motors. These pumps have a reported capacity of 800 g.p.m. each.

For this installation, it would be necessary to install a 2300 volt power cable from the collar of the shaft to the pump motors. The applicant states that he has the required power cable on hand. It would also be necessary or advisable to replace 550 feet of the present 4-inch diameter pump column with 6-inch diameter pipe. The applicant reports that he has the 6-inch pipe on hand for this change.

3. The installation of the water tight bulkhead and the safety door: This will entail the proper excavation, purchase of the steel frame and door and the proper installation as per drawing No. D-348.

Items No.'s 1, 2, and 3 will probably require a minimum of 60 days time, depending upon date of delivery of the bulkhead frame and door.

Present pump installations:

1200 level: 1 Pomona pump - 27 stage, operated by a 10-horsepower, 440 V electric motor. Intake 3 inches, discharge to 4-inch pump column. Pump lift 75 feet. Rated capacity; pumping at 76% of the time at about 200 g.p.m.

Water reservoir on the 1140 level: 1 Worthington centrifugal pump, single stage, operated by 30-horsepower, 440 V electric motor. Intake 3 inches, discharge 2 inches; rated capacity 300 g.p.m. for 225 foot head. Discharge to 4-inch pump column.

965 level: 1 Ingersoll-Rand centrifugal motor pump, 2-stage, operated by 40-horsepower electric motor, intake 3 inches, discharge 2 inches, lift 185 feet.

600 level: 1 pump installation, same as on the 965 level. This pump connected in line and synchronized with pump on the 965 level.

265 level: 1 pump installation, same as on the 600 and 965 levels and pumps to the surface.

The applicant therefore has 5 pump installations which have nearly reached their capacity. Any sudden and increased flow of water would probably drown the Pomona pump on the 1200 level and flood the drift and the lower part of the shaft.

The operator has furnished the following data relative to the quantity of water pumped from the 1200 level:

Date	Rate g.p.m.
June 22, 1953	86
" 23, "	120
" 24, "	149
" 25, "	151
" 26, "	149.8
" 27, "	149.6
" 28, "	148.4
" 29, "	148.2
" 30, "	147.8
July 4, "	147.2
" 5, "	147.8
" 6, "	146.2

The costs of items No.'s 1 and 2 are not allowed in the contract and are therefore for the account of the operator. For item No. 3, the water tight bulkhead, the contract allows the sum of $3,000.00 which is probably about one half of todays cost.

FINANCIAL REPORT

Contract amount	$86,200.00
Government participation @ 50% = $43,100.00	
Funds expended as of June 30, 1953	8,028.00
	$78,172.00

Contract dated: Sept. 23, 1952
Contract period: 16 months
Contract expiration date: Jan. 23, 1954
Contract time expended: 9 months
Contract time unexpended: 7 months

COMMENTS

The applicant is considering requesting permission to allow suspension of contract operations for a period of time in order to strengthen his financial position, which will not now permit the installation of the necessary facilities to handle increased water conditions, and to provide a period of waiting to see if the present flow of water will decrease.

The examining engineer suggested that operations be suspended for a week to ten days and then if the flow of water decreased to a marked extent, to explore ahead of the present face by means of a long drill hole in order to gain additional information relative to water conditions that might be expected. The possibility of grouting in a further effort to seal off the water was also discussed and may be used to advantage at a later date.

The applicant reports that his financial position has steadily worsened since beginning work on the exploration project and he is uncertain of the success of his plans for additional financing.

Government will also be concerned in this matter inasmuch as the completion of the exploration contract may depend upon the success of

procuring additional funds.

The progress of this project has been very slow and it appears evident that the applicant will require an extension of contract time.

Glenn G. Gentry
Mining Engineer

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

ACCOUNTS SEP 18 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

See

Month of August 1953 Docket No. DMEA 66 Contract No. IDI-E 404
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Ploche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
~~xxxx~~ shaft cleanout		1,500.00	1,500.00			~~Bell~~
Drilling ~~xxxxx~~ 1200 Pocket		1,200.00	1,200.00			Belly
Bulldozing						
Crosscutting	1,781.50	3,703.00	5,484.50			10/5/53. J.W.G.
Drifting Shaft Sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,781.50	8,328.00	10,109.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 10, 1953 Payee Ely Valley Mines, Inc.
Per S. P. Hickman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ 890 75

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

Date SEP 21 1953 Vou. No. SF-DMEA-21

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Ian-104 in accordance with the terms of the contract.

Signature C. F. Stehman Title Chief, Mining Div. Region III Date Sept. 16, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Micker for H. C. Miller Title Executive Officer DMEA Field Team Region III Date Sept. 17, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS SEP 18 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 66 Contract No. 1014-3 L04

Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc

Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	1'	1,781.50	50.9	5,484.50	156.7	35.00	1600	35.00
Crosscutting								
~~xxx~~ Raising shaft cleanout				1,500.00	50.0	30.00	50	30.00
Shafts Sinking				1,925.00	19.25	100.00	20	100.00
~~xxx~~ Winzes 1200 Pocket				1,200.00				1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,781.50	50.9	10,109.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,781.50		10,109.50				

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

Date Sept. 10, 1953 Operator Ely Valley Mines, Inc.

Per S. D. Kirkman Title Asst. Secretary

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

ELY VALLEY MINES, Inc.

Pioche, Nevada

EXPLORATION AND RELATED WORK AT THE ELY VALLEY MINE FOR AUGUST, 1953

The following report covers the exploration program carried on at the mine for the month of August.

August 1 through August 6

1,200 Sump Installation

The excavation of additional room for water storage was completed on August 6th. An additional 850 cubic feet of rock was removed in sideswiping to the left from the heading driven in July. This work is shown in red on the accomanying sketches. In all, 10 man-shifts were expended.

Surface Work

Hoistman	5 man-shifts	
Blacksmith	4 man-shifts	
Pump Repair	1 man-shift	--- overhauling spare pump to be used on 1,100 level installation.

August 7 through August 10

1,200 Pump Station

At a point in the main cross-cut 52 feet from the shaft, a section of ground 5.0' X 8.0' x 7.5' high was removed between the cross-cut and the newly excavated sump. The bottom of the section removed is on the drift level, and, as shown on the sketch, is connected with the sump. Station pumps will be installed in this station. In removing this section for pump installations, 4 man-shifts were expended.

Surface Work

Hoistman	2 man-shifts	
Blacksmith	2 man-shifts	
Pump Repair	2 man-shifts	--- the discharge on the 1,100 pump broke resulting in a one-day delay in exploartion work.

August 10 through August 31st

No exploration work was carried on during this period.

We now feel that sufficient time has elapsed to demonstrate the possibility of draining the water from the No. 1 fault between the 900 and 1,200 levels, and it is demonstrated that larger pump installation is required. Until larger pumps are installed the drift should not be progressed as there would be developed a water flow in excess of the present water pump capacity. We have requested that the visiting Engineer from the Bureau of Mines confere with us on his next visit on this situation.

Description of Footage Claimed For August

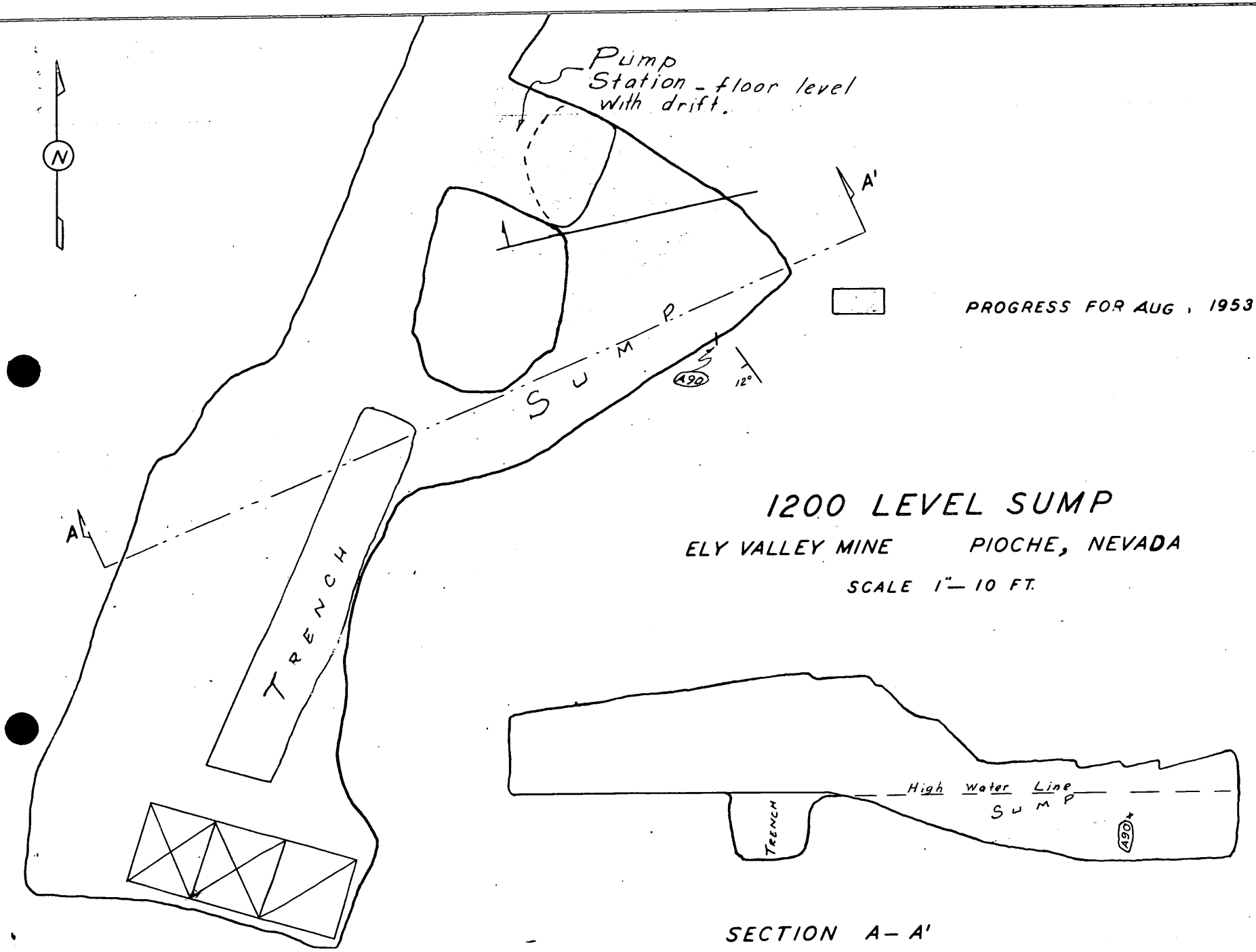
We are resubmitting our claim for part of the work done in July which we reported on form MF-104 and MF-104A. This is necessary work as shown on the narrative report for July and is subject to the approval of our application in Amendment No. 1 for work done in July for which work we have been requested to resubmit with this report our application for payment in the amount of $1,781.50.

Geology

In the added work carried on in excavating the sump no change in geology was encountered.

Respectfully submitted,

by Bruce Condie, Supt.


Pump Station - floor level with drift.
N
A'
A
SUMP
A90
12°
TRENCH
PROGRESS FOR AUG, 1953
1200 LEVEL SUMP
ELY VALLEY MINE
PIOCHE, NEVADA
SCALE 1" — 10 FT.
High Water Line
SUMP
TRENCH
A90
SECTION A — A'

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

Budget Bureau No. 42-R1036.5.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED SEP 1 1953 ACCOUNTS AUG 26 1953

Month of July, 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Short Form Contracts:						9/9/53. J.W.A.
Shaft Cleanout		1,500.00	1,500.00			
1200 Pocket	300.00	900.00	1,200.00	300.00	900.00	1200.00
Crosscutting						
Drifting	1,781.50	3,703.00	5,484.50	-0-	3703.00	3703.00
Shaft Sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,081.50	8,028.00	10,109.50	300.00	8028.00	8328.00

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

Date August 12, 1953 Payee Ely Valley Mines, Inc.

Per S. D. Kirkman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ 150.00

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

Date AUG 2 1953 Vou. No. SF-DMEA-9

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date August 19, 1953

H. C. Miller Region III

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-98476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS AUG 26 1953
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ely Valley Mines, Inc. Minerals Lead-Zinc
Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
				3,703.00	105.8			
Drifting	1'	~~1,781.50~~	~~50.9~~	~~5,184.50~~	~~156.7~~	35.00	1600	35.00
Crosscutting								
Raising Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts Sinking				1,925.00	19.25	100.00	20	100.00
Winzes 1200 pocket		300.00		1,200.00				1200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
		300.00		8,328.00				
TOTAL DISTRIBUTED COSTS		~~2,081.50~~	~~50.9~~	~~10,109.50~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		~~2,081.50~~ 300.00		~~10,109.50~~ 8,328.00				

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

Date August 12, 1953 Operator Ely Valley Mines, Inc.

Per S. D. Kirkpatrick Title Asst. Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

ELY VALLEY MINES, Inc.

Engineering Department

EXPLORATION AND RELATED WORK AT THE ELY VALLEY MINE FOR JULY, 1952

I present herewith a report on the operations carried on in July incident to the Government approved exploration program for the Ely Valley Mine.

July 1 through July 8

No work was carried on during this period thereby giving the water encountered in the heading the last of June a chance to drain off if this should prove possible.

July 9 through July 12

As no appreciable decrease was noted in the water flow, exploration work was resumed with the program in mind of cutting a sump on the 1200 level and to finish work on the loading pocket and 1200 station.

1200 Station

The remainder of the ground necessary to be removed for the station was drilled, blasted and hoisted to the surface.
Man-shifts expended, 2½.

1200 Sump installation

Drilling was commenced for a sump to collect the water being made on the 1200 level.
Man-shifts expended, 1.

Moving equipment

1-½ man-shifts were spent in moving necessary equipment back to the 1200 level. This included rock drills, steel, slusher and scraper, and air pumps.

Surface Work

Hoistman	3 man-shifts
Topman	2 man-shifts--- loading equipment to be used on 1200 level, leveling off for dumping of waste.

July 13 through July 19

1200 Station

Installing timber for switch and telephone panel
Man-shifts expended, 1.

1200 Sump Installation

The heading for the sump was driven 4 Ft., north 60 degrees east on a 30 degree incline downward, at a point 31 feet from the shaft to center-line, on the right side of station. Man-shifts expended, 2. This represents one round of shots. The muck was not removed.

1200 Loading Pocket

An additional 380 cubic feet of rock was removed for the skip loading pocket making a total length of 30 feet for the trench. Man-shifts required, 6. The skip loading pocket is now completed.

Shaft Pump Repair

The 27-stage Pomona pump lifting the water from the bottom of the shaft failed to shut off. A check of the wiring on automatic control showed a short in the wiring.
Man-shifts spent making repairs, 1.

Surface Work

Note: Due to the impossibility of making a breakdown on the numerous jobs carried on in the shop such as steel sharpening, tool repair, rock drill repair, etc. I am now including all these charges under the single head, blacksmith.

Blacksmith, 5 man-shifts--- sharpening bits (insert type), repairing equipment and sharpening tools.
Truck driver, 1 man-shift--- hauling waste to waste dump.

July 20 through July 26

1200 Sump Installation

The heading, 6 feet wide, was advanced 12.8', on a north 60 degrees east course and on an incline of 30 degrees.
Three rounds were blasted and the muck removed in an expenditure of 8 man-shifts. This work progressed slowely due to the necessity of having to hand muck much of the broken rock due to the steepness of the incline.

Surface Work

Hoistman	4 man-shifts	
Blacksmith	2 man-shifts	--- dressing insert bits, repairing tools.
Truckdriver	$\frac{1}{2}$ man-shift	--- hauling waste to dump.

Note: The reason for the limited amount of work being accomplished during this period was the result of my using the entire crew $15\frac{1}{2}$ man-shifts doing necessary maintenance work in the mine on other levels.

July 27 through July 31

1200 Sump Installation

During this period, 8 man-shifts were expended driving this heading for the sump 17.4' horizontally (sufficient depth now having been gained) on a north 60 degree east course. This progress required the blasting of 4 rounds of shots.

Underground Electrical Lines

To expedite the carrying forward of this underground work, and to conform to the wishes of the State Mine Inspector, 2 man-shifts were expended in installing electric lights and a telephone on the 1200 station with the necessary lines down the shaft. It was felt that the lights were desirable to give the men on the level warning in case of power outages.

Surface Work

Hoistman	5 man-shifts	
Blacksmith	3 man-shifts ---	sharpening insert bits
Pump Repair	1 man-shift ---	overhauling auxiliary pump for 1100 sump installation
Hauling Waste	1 man-shift.	

Description Of Progress and Footage Claimed For July, 1953

1200 Pocket Installation

We would now like to receive credit for the 25% of this project not previously claimed. This completes the project, and would result in an allowance of $300.00.

Drifting on 1200 Level.

Footage previously claimed, 105.8

Although no progress was made in the main cross-cut to the northand east, we would like to make application for an allowance of footage for the ground taken out in widening the original station. In January of 1953, we asked for and were allowed 14.0' of footage for ground taken out in widening the station near the shaft (shown on sketch for January, 1953) When Mr. Gentry was here on July 13th, I asked him if an allowance would be made for ground taken out along the station up to the point at which drifting commenced. He recommended that I make application for this footage with the thought that perhaps it could be allowed.

Further, We would like to make application for an allowance of footage in drifting for the work done in cutting the sump. As no allowance was made for the sump needed on this level, and

in view of the fact that this sump is urgently needed, such an allowance would be of great financial assistance to us. I regret very much that I failed to take this item up with Mr. Janney when he was in Pioche.

Additional footage claimed for ground removed on the station 16.7'

Additional footage asked for ground removed on cutting sump 34.2'

Geology

The work done in cutting the sump was entirely in Prospect Mountain quartzite, the beds dipping 12 degrees to the south-west and striking north 35 degrees west.

A bed 3" to 4" in thickness shows up very conspiuosly about waist-high in the face of the heading. This bed contains a large amount of iron pyrites and quartz but little else. An assay taken 31 feet in from the station on the right hand side showed the following:

Gold, Oz. per ton	0.005
Silver Oz. " "	0.26
Lead, percent	0.10
Zinc, percent	1.00
Copper, percent	0.10

The water flow in the main cross-cut has diminished somewhat, but according to my calculations amounts to only 10 gallons per minute. The flow calculated to be 150 G.P.M. now seems to be between 135 and 140. One point is worthy of note, as we advanced the drift in June and since that time while the water has been draining, many points on the station and in the shaft have appeared to diminish in flow or discontinue entirely.

I have endeavored to cover all phases of our operation during the month of July. I sincerely hope that it will prove satisfactory and give you an insight into our operation along with its problems and aims.

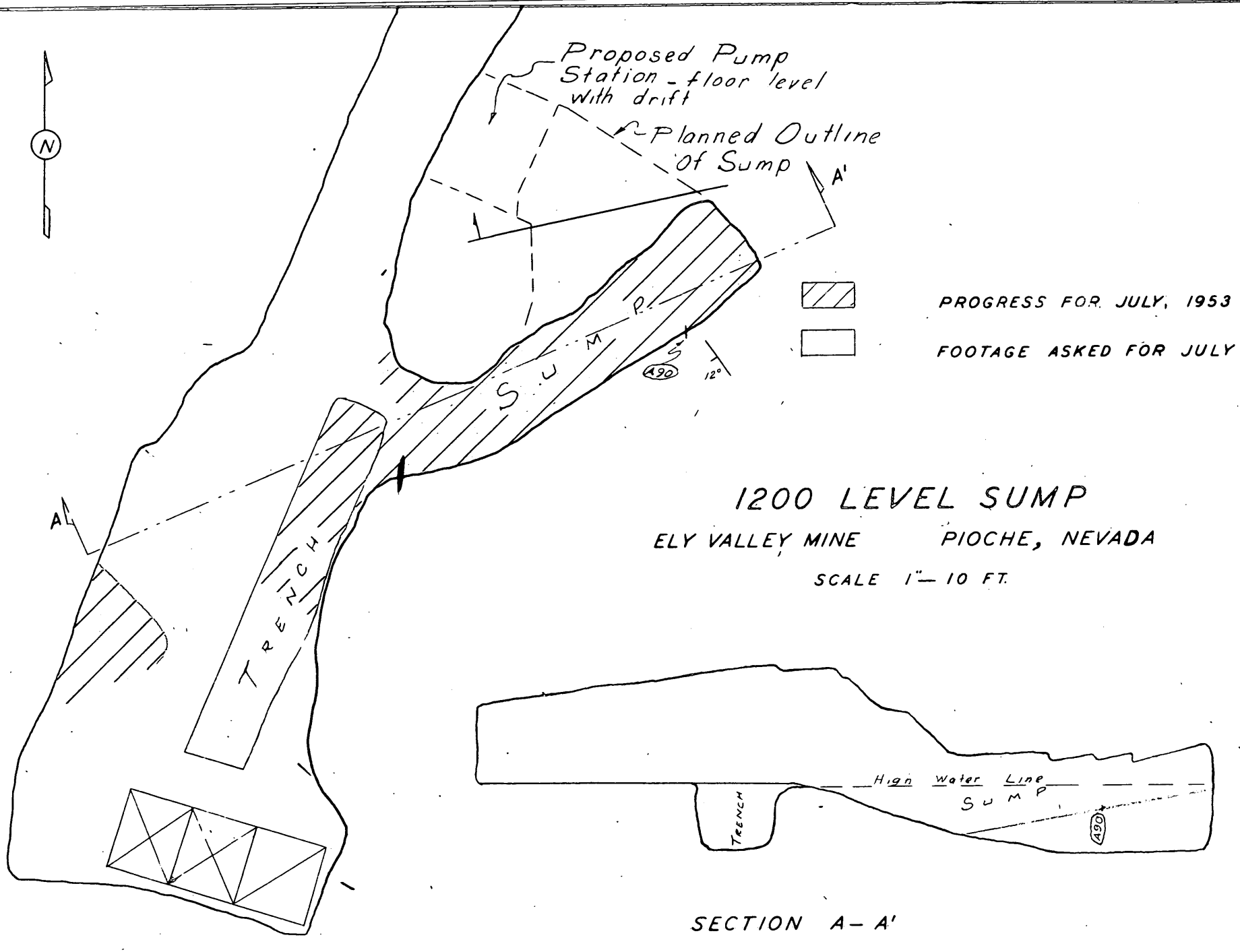
Respectfully submitted,

Aug. 11, 1953

by

Bruce Condie

Bruce Condie, Asst. Supt.



1200 LEVEL SUMP

ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" — 10 FT.

SECTION A – A'

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

JUN 12 1953

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: June 8, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 66X

Contract Idm-E 404

Commodity Lead and Zinc

Operator - Ely Valley Mines, Inc.,
John Janney, President, Pioche, Nevada

Property - Ely Valley Claims and the Ely Valley No. 3
claim, Lincoln County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated May 28, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

George Mavor

INTERIM REPORT

Docket No.: DMEA-66X (lead and zinc) May 28, 1953

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President,
Pioche, Nevada

Name and location of property: Ely Valley Claim and the Ely Valley No. 3, claim, Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mine was visited on May 6, 1953 by R. M. Smith and C. M. Tschanz of the U.S. Geological Survey and on May 19 and 20, 1953 by Glenn G. Gentry of the Bureau of Mines, for the purpose of inspecting work being performed under the exploration contract. Mr. John Janney, President of the mining company was out of the state on May 19 and 20 and the examining team was shown through the mine by Mr. Bruce Condie, mine engineer and superintendent of operations.

Since the last inspection on April 2, 1953, the operators have completed mucking out the last round blasted at the bottom of the shaft, installed necessary shaft timbers, drilled and blasted the floor of the 1200 level station, cut out for the ore pocket, lined the ore pocket with sheet iron plate and installed chutes with iron gates operated by hydraulic lifts. They have also installed a 12-horsepower double drum slusher, operated by compressed air, with scraper to handle broken ore through the ore pocket to the shaft skips.

Personnel employed:

1 Mine engineer-superintendent
1 Hoistman
3 Miners

These men are working on one shift and six days per week. While the progress has been slow, the work has been done in a satisfactory manner and has followed good mining practice.

Additional installations prior to starting the drift will consist of:

(1) Install 4-inch compressed air pipe from the 800 level to the 1200 level.

(2) Install ventilation pipe from the 800 level to the 1200 level.

(3) Install electric lights on the 1200 level station.

(4) Install 18-inch gage mine track.

(5) Transfer locomotive, mine cars, mucking machine and Sullivan 2 drill Jumbo from the surface to the 1200 level.

(6) Install one or two sets of timber between the shaft and point of starting the drift on the 1200 level.

(7) It may also be necessary to enlarge the station on the west side of the shaft in order to provide sufficient room for the locomotive.

The above work will probably require two to three weeks time unless the present crew is increased.

GEOLOGY

All of the work was done in Prospect Mountain quartzite which strikes N. 45° W. and dips 30° southwest. The workings are in the footwall of the No. 1 (uplift) fault. Greater quantities of water can be

expected once the fault is cut.

SAMPLING

No mineralization was observed in the Prospect Mountain quartzite, therefore no samples were taken.

STATEMENT OF WORK COMPLETED

All of the preliminary phases of preparing to begin the 1600 foot drift, should be completed during the first week in June and actual drifting progress should be made after that date. The volume of water entering the shaft and from the area around the 1200 level station remains about the same at approximately 50 g.p.m.

Due to the absence of Mr. Janney, no definite information could be obtained relative to the company plans for the installation of a water tight bulkhead and water door on the 1200 level. However, in discussing this matter with Mr. Condie, mine superintendent, it appears that nothing has been done either in planning or estimate of cost or location of this bulkhead.

Now that the long drift is nearly ready to start, it is important to the efficiency and safety of the project that detailed plans be immediately prepared by the applicant for the installation of this water tight bulkhead, and the location of the bulkhead to be decided upon. All necessary parts and equipment for the water door should be purchased and/or prepared and should be in readiness for installation in order to avoid delays and increase in costs. Adequate pumping capacity should also be in readiness to handle any sudden increase in the flow of water entering the shaft.

These matters have been thoroughly discussed with Mr. Janney and Mr. Condie on numerous occasions and have also been covered in the previous interim reports.

FINANCIAL REPORT

Contract Amount	$86,200.00
Government participation @ 50% = $43,100.00	
Funds expended as of April 30, 1953	4,515.00
Unexpended	$81,685.00

Contract period:

Contract dated: Sept. 23, 1952
" period: 16 months
" expiration: Jan. 23, 1954
" time expended: 8 months
" " unexpended: 8 months

COMMENTS

The applicant is considering driving the 1600 foot drift on a contract basis and have asked the present mining crew to bid on this work. Definite bids and cost details have not been submitted due to the absence of Mr. Janney, however tentative discussions between the miners and the mine superintendent indicate a price of $13.50 per foot. This cost is to include drilling, blasting, one half of the explosive costs and removal of the broken rock to the ore pocket at the 1200 level station.

The examining engineer also considers that it may be advisable or necessary to install roof bolts in the back of the 1200 station, due to the size of the opening and as an additional safety measure.

Glenn G. Gentry
Mining Engineer

C. M. Tschanz,
Geologist

R. M. Smith,
Geologist

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

500

DEPARTMENT OF THE INTERIOR ACCOUNTS JUL 17 1953
DEFENSE MINERALS ADMINISTRATION

RECEIVED JUL 20 1953

Month of June, 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ely Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada
Contract Amount, $ 86,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
~~Drilling~~ Shaft Cleanout		1,500.00	1,500.00			Betty
~~Bulldozing~~ 1200 Pocket		900.00	900.00			
Crosscutting						8/5/53 - J.W.A.
Drifting	2586.50	1,116.50	3,703.00			
Shaft Sinking		1,925.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2586.50	5,441.50	8,028.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 13, 1953 *Payee Ely Valley Mines, Inc.
Per S. D. Kirkman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ 1293 25

Lloyd H. Sjolander
Authorized Certifying Officer
Signature (Authorized Certifying Officer)
Date JUL 22 1953 Vou. No. SF-DMEA-2

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature R. C. Johnson Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer DMEA Field Team Region III Date July 16, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

ACCOUNTS JUL 17 1953 Department of the Interior Defense Minerals Exploration Administration RECEIVED JUL 20 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ely Valley Mines, Inc. Minerals Lead - Zinc
Address Pioche, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	1'	2,586.50	73.9'	3,703.00	105.8	35.00	1600	35.00
Crosscutting								
~~[illegible]~~ Shaft Cleanout				1,500.00	50.0	30.00	50	30.00
Shafts Sinking				1,225.00	12.25	100.00	20	100.00
~~[illegible]~~ 1200 Pocket				900.00	3/4 done			1200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,586.50	73.9	8,028.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,586.50		8,028.00				

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

Date July 13, 1953 Operator Ely Valley Mines, Inc.

Per [signature] Title Asst. Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

ELY VALLEY MINES, Inc.

Engineering Department

EXPLORATION AND RELATED WORK AT THE ELY VALLEY MINE FOR June, 1953

The following report covers operations at the Mine incident to the carrying forward of the Government approved exploration program.

June 1 through June 7

Shaft Sinker Pump

As stated in my report for May, the slow, 1160 R.P.M. motor on the 4-stage deep well pump made the de-watering of the shaft almost impossible. To correct this diffuculty, a 27-stage Pomona Pump was installed to pump the water from the bottom of the shaft. The results were encouraging and on June 3rd the water was pumped down to where mining operations could be resumed. On June 5th, the 10 H.P. Electric motor sent in for re-winding was returned and installed on the 27-stage pump. This pump and motor change-over required 4 man-shifts.

Mucking the Shaft Bottom

Before the drift driving operations could continue, it was necessary to clean the broken and spilled muck from the bottom of the shaft. The 2" air line was extended down the shaft from the 1140 level, and an inch water line was put in to the 1200 level along with a pressure reducing valve. The shaft guides were changed for 42' in the center compartment. The above work required 15-man-shifts

1200 Station

Broken muck was cleaned from the 1200 station. Extra timber and surplus equipment was moved to the surface preparatory to further drifting in the 1200 level cross-cut hereafter referred to as the 1200 #1 drift

Surface Work

Sawyer	1 man-shift	framing guides, making ladders
Topman	1 " "	loading and unloading supplies
Truck driver	2-2/8 man-shifts	hauling waste from bin to dump
Timekeeper	2-1/2 " "	
Rock drill Rep.	1 man-shift	
Blacksmith	1-1/2 man-shifts	
Steel sharpening	1-1/2 man-shifts	
Tool Repair	1/2 man-shift	

June 8 through June 14

1200 #1 Drift

The main cross-cut to the north and east was started on

June 8th, on a one-shift basis. The drift was driven 27.8' during this period for an average of 5' per round. This work was contracted.

Mine Ventilation

An American Blower, type ELS, was installed on the [illegible] level of the main shaft. A suction line of 12" diameter was installed from the blower and up the shaft some 20' to assure the obtaining of fresh air from the down- draft in the shaft. Galvanized fan line was then installed down the shaft to the 1200 level. This line is of 12" size for the first 300 feet and 8" for the remainder of the distance. The entire project required 16-1/2 man-shifts.

Skip Tender

A man was employed 1/2 man-shift moving the muck from the 1200 station to the surface.

Surface Work

Hoistman	9-1/2 man-shifts	
Truck driver	1 man-shift	hauling waste
Timekeeper	2-1/2 man-shifts	
Blacksmith	5 man-shifts	making supports for fan line.

June 15 through June 21

1200#1 Drift

The drift was advanced 27.6' on a two-shift per day program requiring a total of 16 man-shifts.
The heading started to make a little more water, as expected, due to our proximity to the faulting in our major uplift which we designate the No. 1 fault.

In drilling during this period we have been experimenting with a Jackleg rock drill and tungsten-carbide insert bits. The results have been very satisfactory on this quartzite ground.

1200 Station

An additional 562 cubic feet of ground was removed from the station to make room for a siding needed for switching equipment as well as for additional storage area. 5 man-shifts were expedned in breaking and removing this ground.

Surface Work

Hoistmen	12 man-shifts

Topman	1 man-shift	loading and unloading equipment
Truckdriver	2-1/8 man-shifts	hauling waste.
Blacksmith	2 man-shifts	
steel Sharp.	2 " "	
Air pump Rep/	1 " "	

June 22 through June 28th

1200 #1 Drift

Eight man-shifts were expended in driving 18.5' of drift during the week.

Further experimantation was performed with other types of drill rods and insert bits and another type of Jackleg machine. Again we found the results very satisfactory indicating to us that this type of equipment should be used.

Each round blasted resulted in the producing of more water. We are entering the No. 1 fault, and while the increased flow is not as much as we expected, it measures up to 76% of our pumping capacity. This fault has the contained water up to our 963' level, a distance of 230 feet. Unless this supply can be drained in a few days we plan to increase the pumping capacity before going ahead with the drift. On the other hand, if this stored water should drain out to the 1200 level in a reasonable period of time bringing the flow back to 65 gallons per minute, we will not have to suspend the work for a change in the pumping system and capacity.

The last round was drilled on June 27, and, due to the small reserve on our pumps, the holes were not blasted.

900 Sump

The sump on the 900 level was cleaned of sludges, requiring 3 man-shifts.

300 Sump

The sump on the 300 level was cleaned, requiring 1 man-shift.

300 Pump

The pump on the 300 level was pumping less water per minute than other pumps in the system with the result that frequently the storage reservoir would run over before pumps below it in the system would cut out. This pump was replaced with one of greater output. Six man-shifts were expended in making the change-over.

1100 Sump

Two man-shifts were required to place the pump formerly on the 300 level in this location. This was done to provide us with a spare pump for higher heads for other installations. For the 180 Ft. of head from the 1100 sump to the 963 Ft. level, the new installation is most satisfactory.

Moving Equipment

The rockdrills and steel as well as the pump formerly on the 1100 level were moved to the surface.

Surface Work

Hoistman	8 man-shifts
Truckdriver	1-1/2 man-shifts
Topman	1 man-shift
Steel sharpening	1 man-shift
Rock drill Rep.	1 " "

Description Of Work Claimed For Month Of June, 1953

Drifting on 1200 level

The drift was advanced 73.9'
Total drift advance to date --- 105.8'

Geology

The drift is entirely in the Prospect Mountain Quartzite. Numerous faults were cut - as shown on the accompanying sketch - many of which show sulfide mineralization the predominate mineral of which is pyrite.

Samples were cut and assayed on all mineralization observed. The location and sample number are likewise noted on the enclosed sketches.

The water encountered was found on these faults and other small fractures mostly parallel to them.

Although the strike and dip on the faults are in most cases parallel to the major No. 1 fault, and are undoubtedly part of that fault system, still, the main slippage has not been encountered. It can only be a few feet away. It is from this main fault that the water is draining which is bleeding off through the holes drilled in the face.

Assay Record

Sample No.	Description	Oz. Au per ton	Oz. Ag per ton	Percent Pb	Percent Zn	Percent Cu
A84	3" out of Min. in bed	----	Tr.	0.05	0.15	0.10
A85	12" " breccia in fault	----	----	0.05	0.20	0.15
A86	6" " fault-fissure	Tr.	0.14	0.20	0.25	0.10
A87	10" " " "	----	0.07	0.05	0.10	0.05
A88	2" " Qtz. and pyrites in fissure	----	Tr.	0.05	0.10	0.10
A89	4" " Fault-fissure	----	----	0.15	0.20	0.20

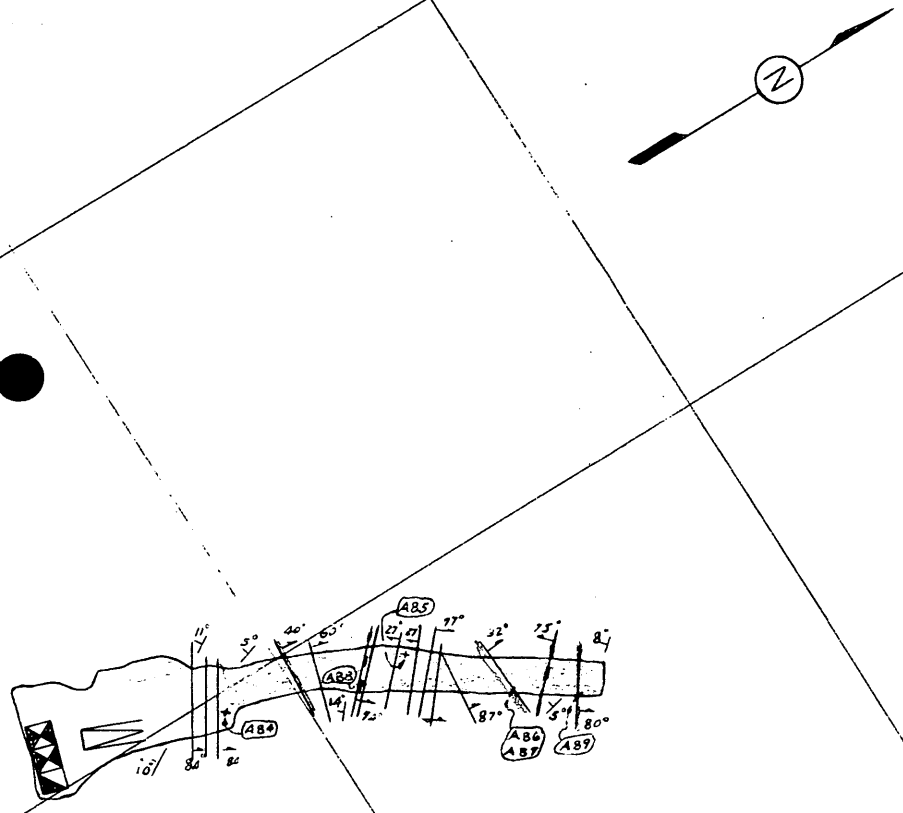
Respectfully submitted,

July 10, 1953

ELY VALLEY MINES, Inc.

by Bruce Condie

Bruce Condie, Asst. Supt. & Eng.



PROGRESS FOR JUNE, 1953

SAMPLES

STRIKE & DIP OF BEDS

FAULTS

1200 No. 1 CROSS-CUT

ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" = 40 FT.

May 25th through May 31st

1200 #1 Drift

The designation on the work off the shaft was changed from 1200 station to 1200 #1 drift when the back was reduced to 8' in height. The width is still being carried at 14'.

Rounds were drilled on the 26th and 27th. Again 22 holes were used to pull approximately 4.4' of depth per round. The same results were found in regards to bit use and steel breakage.

Work in the drift was halted after Wednesday when flyin rocks from the blast cut the main power cable, this in spite of the fact that extra precautions were taken to protect the pumps. No work was carried on the remainder of the week. The men worked a total of 8 man-shifts.

Sump Pump Repair

The blasting off of the power cable was not detected for one hour after the round was blasted. During that time the water rose in the shaft until the motor drowned out resulting in the insulation being shorted out.

The motor was removed and replaced by one of a slower speed with the result that the dewatering of the shaft was almost impossible. The old motor was rushed to Salt Lake City for rewiring. The mechanics worked 2-1/2 man-shifts in making the necessary changes.

1100 Pump Repair

Due to some unknown cause, shortly after the sump pump burned up, the simular motor on the 27 stage pump boosting the water from the 1100 sump to the 900 level also burned out. It became necessary to pull this pump out also and send this motor in for re-wiring.
A 40 H.P. Ingersoll-Rand Motorpump with a capacity of 200 G.P.M. was installed to handle the water from the sump. This pump is showing excellent results in this location.

The mechanical crew put in 9-3/8 man-shifts in making the changeover.

The installation of the station pump now gives us an extra high-speed motor to be used on the sump pump in case of trouble at some future time.

Pumping

The hoistman and two men underground were employed on the 31st in operating air pumps in an effort to get the water down for work on June 1st.

Surface Work

Hoistman	3 man-shifts
Timekeeper	2-1/2 man-shifts
Blacksmith	1-1/2 " "
Cable Maintenance	1 " "

The blacksmith was employed on the pump repair work excepting for the 1-1/2 shifts which were used in making pipe clamps and staples for fastening the bell signal lines.
The main hoist cables were lubricated on the 25th.

Description Of Work Claimed For the Month Of April

1200 Pocket installation — 25% of total cost allowed or $300.00 This covers the cost of installing the measuring hopper and the removal of 196 cubic feet of rock.

The remainder of the trench could not be excavated until the station was further extended.

Drifting on 1200' Level — 17.9' on a course north 26 degrees east.

Geology

The beds in the face of the drift now strike N 30° W and dip 11 degrees southwest. There are 3 small parallel breaks showing no throw 2' back of the face on the right side striking 150°W, dipping 81 degrees northeast. The beddings are still a vitreous quartzite with a pinkish coloration and range from 3" to 36" in thickness. There are 2-3" beddings which or more greyish in color and are somewhat argillaceous in appearance. These thin beds show a good deal of pyrites in some small sections. A sample was cut in such a spot at a point 3' back of the face on the right as designated by sample number 183 on the enclosed sketches. The assay showed the following

Gold	0.02 Oz. per ton
Silver	0.15 Oz. " "
Lead	———
Zinc	0.1%
Copper	0.2%

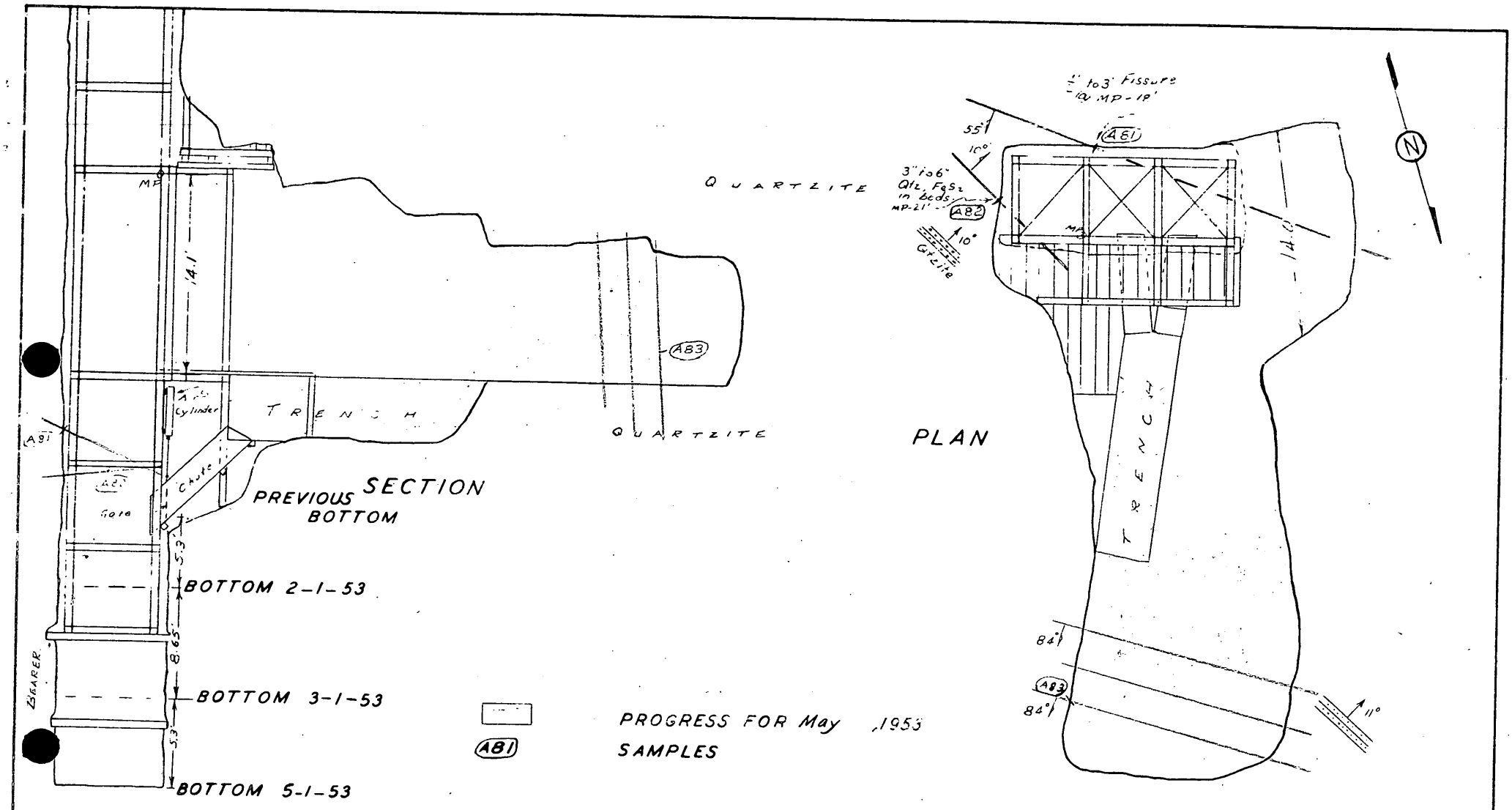
The only water encountered thus far in the drifting is no more than seepage, and this appears on the small breaks described above.

June 10, 1953

Respectfully submitted,

LY WILLY MINES INC.

Bruce Condie, Asst. Supt. & Eng.



DETAILS & GEOLOGY
SHAFT Nº 2 — STATION 12
ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" — 10 FT.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 24 1953

Date: April 20, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Property - Ely Valley Claim and the Ely Valley No. 3 claim, Lincoln County, Nevada

By Glenn G. Gentry, Mining Engineer

Dated April 14, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

George Mavor

April 14, 1953

INTERIM REPORT

Docket No.: DMEA-66X (Lead-zinc)

Name and address of operator: Ely Valley Mines, Inc.
John Janney, President
Pioche, Nevada

Name and location of property: Ely Valley Claim and the Ely Valley No. 3 claim,
Lincoln County, Nevada

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mines, Inc. was visited on April 2, 1953 for the purpose of inspecting the work being performed under the exploration contract. All exploration work had been discontinued on February 28, 1953, and was not resumed until the morning of April 2, 1953. The delay was caused by the inability of the mining company to supply their share of exploration funds.

The last round in the shaft was loaded on the morning of April 2, 1953, and blasted at 1:30 p.m. of that date. The removal of the broken rock should be completed on April 8, 1953.

The next work will consist of installing necessary shaft timbering, station sets and cutting the ore pocket.

In a conference with Mr. Janney, the examining engineer was informed that the mining company expected to receive sufficient funds with which to continue a limited amount of the exploration work and hoped to be in a better financial position by the time drifting operations are started.

During the period that operations under the exploration contract were suspended the mining company started production of manganese ore

from the upper levels of the mine and are continuing to produce this type of ore. The manganese ore is hoisted through a separate shaft and mined with separate equipment except for compressed air, ventilation, power and water for the drills.

Manganese ore is being mined at the rate of approximately 30 tons per day and at the time of inspection about 500 tons had been produced. This ore is being shipped, via truck, to the Caselton Plant of the Combined Metals Reduction Company and is reported to have averaged 19% Mn. The following treatment schedule is reported to be presently in effect:

% Mn.	19.0		
% Mn. deduct.	3.0	by the C,M, Co.	
Pay for	16.0 %	@ $0.75 per unit	$12.00
		Deduct treatment	3.25
		Gross Value	8.75
		Deduct Mining & hauling	5.75 est.
		Net return	3.00

The examining engineer was informed that the mining company had granted a lease on their idle metallurgical plant to the Combined Metals and Reduction Company for the treatment of tungsten ores. The terms and conditions of said lease were not disclosed.

The quantity of water entering the shaft appears to be approximately the same, namely about 50 g.p.m.

The progress of this exploration project has been very slow and the additional loss of one months time makes it doubtful if the contract will be completed by the expiration date of January 23, 1954. An analysis of the contract time shows the following data:

Contract dated: Sept. 23, 1952
Contract period: 16 months
Contract expiration: Jan. 23, 1954

Contract time used to Mar. 23, 1952	6 months
Unexpended time	10 months
Time estimated for shaft timbering, ore pocket, etc.	1 month

Time remaining for 1600 ft. of drifting, diamond drilling, etc. 9 months

The time factor has been brought to the attention of the applicant.

GEOLOGY

The shaft has been sunk in the Prospect Mountain quartzite, which is extremely hard and has not required timbering. No further mineralization has been noted and, therefore, no samples were taken.

STATEMENT OF WORK COMPLETED

Shaft sinking started on January 21, 1953
Depth of Shaft excavated 20.7 feet
Shaft sinking completed on April 8, 1953

According to the sinking record it has required 38 working days to sink the shaft, which gives an average advance of 0.5542 feet per day.

Financial Report:

Contract Amount	$86,200.
Govt. part. @ 50%	$43,100.
Funds expended as of 2/28/53	3,385.
Unexpended	82,815.

COMMENTS

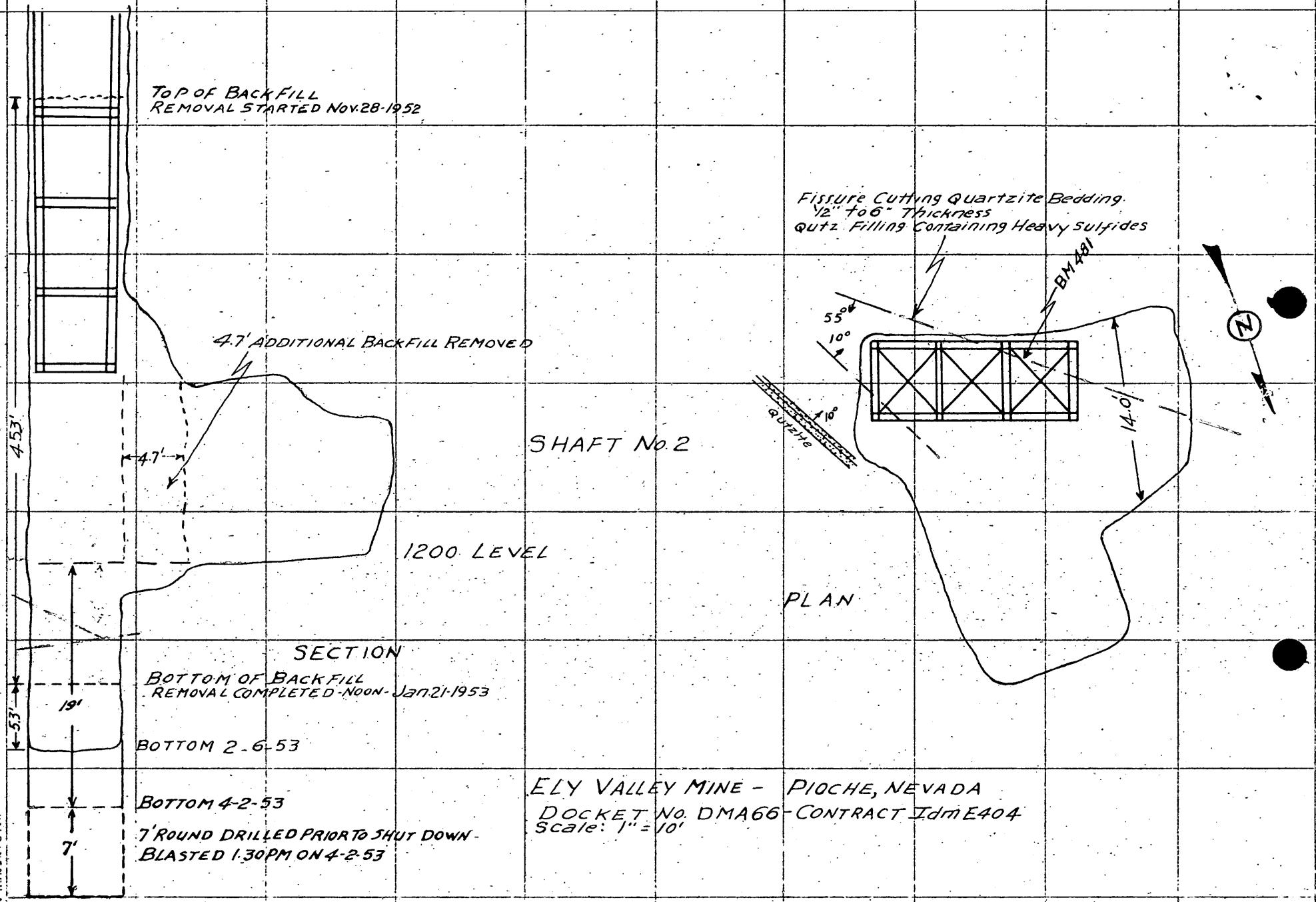
The inspecting engineer was conducted through the mine by Mr. Bruce Condie, mine superintendent. The work has been done in a satisfactory manner and has followed good mining practice. At this time the mining company have made no definite plans for the installation of a water door and it is suggested that this matter should receive their attention in the immediate future.

Glenn G. Gentry
Mining Engineer

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED

1973 APR 16 AM 9:09

SAN FRANCISCO, CALIFORNIA



ELY VALLEY MINE - PIOCHE, NEVADA
DOCKET No. DMA66-CONTRACT IdmE404
Scale: 1" = 10'

"ALBANENE" No. 1550M N.Y.C.O.N.Y.
REG. U.S. PAT. OFF.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-29-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Fly Valley Mines, Inc. Minerals [illegible]
Address Placer, Nevada
Contract Amount, $ 66,200.00 Government Participation: 50% Amount, $ 49,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contractors: Short Form						
Drilling [illegible]		1,500.00	1,500.00			~~[illegible]~~
Bulldozing [illegible]	600.00		600.00			Betty
Crosscutting						
Drifting		400.00	400.00			6/15/53 O.W.A.
[illegible]	500.00	1,395.00	1,925.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~1,100.00~~	~~1,395.00~~	~~1,925.00~~			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 19, 1953 *Payee Fly Valley Mines, Inc.
Per S. D. Hickman Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ 565.00

Signature Lloyd H. Sjolander
(Authorized Certifying Officer) Authorized Certifying Officer
Date JUN 1 1953 Vou. No. SF-DMEA-43

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature _____ Title _____ Date _____

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature _____ Title _____ Date _____

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

JUN 8 1953

Month of April 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Sky Valley Mines, Inc. Minerals [illegible]
Address Moab, Utah

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting				400.00	14.0	35.00	1400	35.00
Crosscutting								
Raising Shaft element				1,500.00	50.0	30.00	50	30.00
Shafts (Mining)	1'	590.00	5.9	1,955.00	15.75	125.00	30	125.00
Winzes Shaft, product	1/1000	600.00	1/600	600.00	1/600	600.00	1/1200	1,200.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1,190.00		4,515.00				Total Costs Authorized by Contract
Operating Equipment Purchased								$ 66,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date May 19, 1953 Operator Sky Valley Mines, Inc.

Per [signature] Title Asst. Secretary

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

ELY VALLEY MINES, Inc.

Engineering Department

[illegible]

April, 1953

The following report covers operations carried on incident to the carrying forward of the Government approved exploration program.

No progress was made on the program during the month of March. The water had been allowed to come up in the shaft. On March 25th work was started in dewatering the shaft. The electrical controls were found to be shorted out, and as a result of this and the need to re-install the sinker pump 9 man-shifts were required to pump out the water.

April 1 through April 5

Shaft Sinking Operations

The round reported drilled in the February report was cleaned out, loaded and blasted. Two days were required to clean up the latter and blast. The remainder of the week was spent in removing the broken rock. This entire operation required 10 man-shifts.

Surface Work

The only surface work carried out during the week was by the hoistman and truck driver, 5 man-shifts in all.

April 6 through April 12

Shaft Sinking Operations

The first 3 days of the week were spent in removing the rest of the broken rock. As the result of missed holes in key cut-holes, only 3.0' of the round broke. Machinery was spent in blowing out the remaining portions of the holes, loading and blasting them. The remainder of the week was employed in removing the ground broken by the blast. The entire operation required 22 man-shifts.

Surface Work

The services of a hoistman for the entire week, a truck driver for 2-1/2 shifts and a blacksmith sharpening steel for 3 shifts were required to supplement the shaft-sinking operation.

April 13 through April 19

Shaft Timbering

It had been our plan since the start of the project to sink the

shaft by using temporary timber then to cut out substantial hitches for a bearing set and build up from there.

Exploration Work for April, 1953

Ground was drilled and blasted to make room for hitches for the bearer set 10'-8" below the planned level for the new station. The shaft was bulkheaded immediately below this point and stulls installed as a permanent means of supporting the shaft guides below the bearing set. The broken rock was removed and the stringers for the set installed. The work for the entire week required 27 man-shifts.

Compressor Repair

Trouble had been encountered during the last few days in March with the Ingersoll-Rand Compressor. Two men were employed on the 13th in changing one of the valves and refacing the valve seats.

Surface Work

Six man-shifts were required for a hoistman, and 3 man-shifts were required for the repair of tools by a blacksmith of which 2 man-shifts were chargeable to the exploration work.

April 20 through April 26

Shaft Timbering

The bearing set was completed during this period. Building up from this point, 3 additional sets were installed up to the station level. The station set itself was about one-third completed. By direction of the management, the station set was shortened up to 14'. Three men worked 19-5/8 man-shift.

Surface Work

The following time was expended on work carried out on the surface:

Hoistman	6-1/4 man-shifts
Topman	1-1/2 man-shifts
Blacksmith-Mechanic	6 man-shifts

The topman was required to load the large amount of timber which was cut underground.

The blacksmith-mechanic was employed 2 days in sharpening steel and repairing tools. The remaining 4 days were spent in fabricating the loading hopper to be installed on the 1200 level. This hopper is to be made of steel with steel gates and chutes.

As shown in previous reports, the timber used in the shaft has been framed.

April 27 through April 30

Shaft Timbering

The timbering of the shaft was completed with the exception of installation of ladders and landings. At some later date, a revision in the guides will be required. The timbering required 9 man-shifts.

1200 Pocket Installation

Drilling was done for the removal of sufficient ground to install the loading hopper and chutes. The chute will load the skip at a point 11.5' below the station level. A later measurement showed that 341 cubic feet of ground was drilled and blasted.

Surface Work

The following time was expended in work carried out on the surface:

Hoistmen	4-6/8 man-shifts
Blacksmith-Mechanic	4 man-shifts

The mechanic was employed in further work in the building of the loading hopper.

Electrical Repair

Moisture from the recent rains seeped into the electrical conduit below the 300 level and resulted in the short-circuiting of the bell signal system in the shaft. The electrician and a helper worked 6 hours installing a new line from the 300 to the 800 levels, or 1-1/2 man-shifts.

Geology

The 5.3' of additional footage gained in the shaft showed no change in strike or dip of the beds. The rock is a vitreous thin-bedded quartzite throughout and contains numerous thin shaley partings. Some copper stain shows in these beds near the bottom and in the south-east corner of the shaft. An assay showed 0.2% copper on a specimen taken from the muck pile. Only a trace could be detected in the rock still in place.

Description of The Footage Claimed For The Month of April

Shaft Sinking	5.30'
1200 Pocket Installation	50% due to cost of materials used and labor itemized as follows:

Labor	194.07
Explosives	23.75

Structual Steel 476.88

Exploration Work for April, 1953

Drill Bits	20.00
Bolts	3.52
Welding Rod	3.00
Total	4709.26

In view of the itemized costs and my estimate that the pocket is 50% completed as to cost, we have submitted our report making for this allowance.

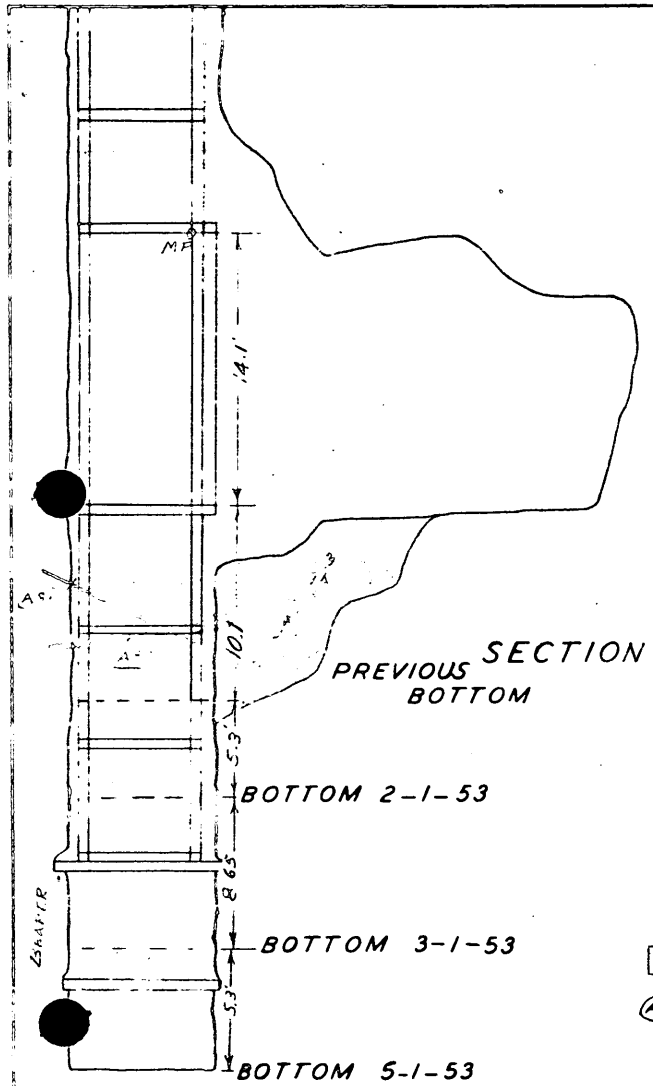
Respectfully submitted,

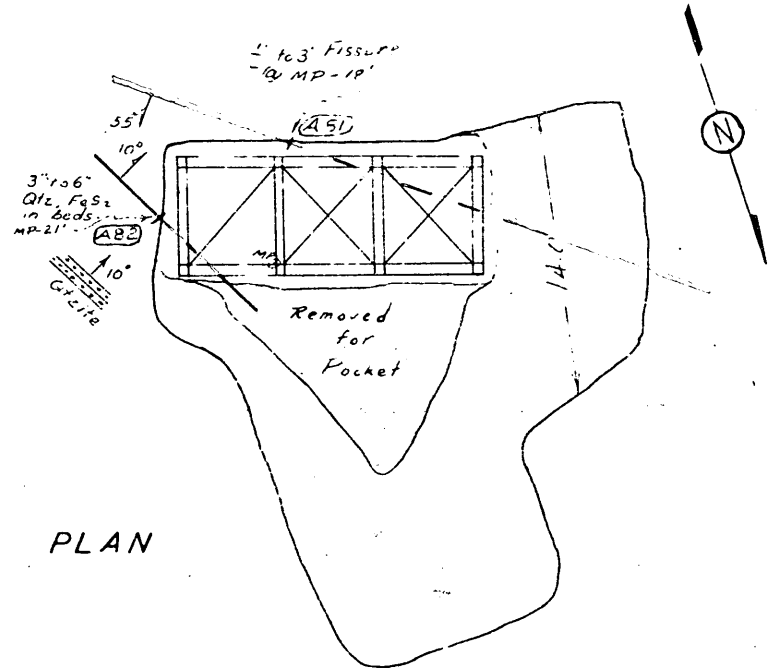
VIX VALLEY MINES, Inc.

by Bruce Condie

Bruce Condie, Asst. Supt. & engr.

RECEIVED
REGION III
BUREAU OF MINES
DEPARTMENT OF INTERIOR





PROGRESS FOR APRIL, 1953

(A81) SAMPLES

DETAILS & GEOLOGY
SHAFT Nº 2 — STATION 12
ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" — 10 FT.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 1953

Date: Feb. 27, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.
John Janney, Pres.
Pioche, Nev.

Property - Ely Valley Claim and the
Ely Valley No. 3 Claim, Lincoln County, Nev.

By Glenn G. Gentry, Mining Engineer

Dated Feb. 17, 1953

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

INTERIM REPORT

Docket No.: DMEA-66X (Lead-zinc) February 17, 1953

Name and address of operator: Ely Valley Mines, Inc.
John Janney, Pres.
Pioche, Nev.

Name and location of property: Ely Valley Claim and the
Ely Valley No. 3 Claim,
Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

The Ely Valley Mines, Inc. was visited on February 5, 6, 8, 10, and 11, 1953 for the purpose of inspecting the work completed and presently being performed under the exploration contract.

The inspecting engineer was accompanied by Mr. Bruce Condie, engineer and assistant supt. for the mining company. Mr. John Janney, president, was absent on a trip to California and therefore not available. Numerous conferences were held with Mr. Condie to discuss all phases of the exploration project.

The work of removing the backfill from the No. 2 shaft has been completed and the crew is presently engaged in sinking the shaft an additional 20 feet in order to provide sufficient room for an ore pocket and sump.

The principal cause of delays and resulting decreased progress has been due to breakdowns of the pumping equipment and the time required for necessary repairs. The major part of the "pump trouble" apparently resulted from the accumulated slime encountered with the backfill material. This slime did not settle readily in the "catch

basin" provided and the abrasive nature of the material caused excessive wear on pump impellers and bearings.

Since completing the removal of the backfill material and starting to sink the shaft in new ground, the delays and pump repairs have been reduced to a considerable extent.

CONCLUSIONS

Shaft sinking (day shift only)

The personnel employed at the mine consists of:

	Per diem
1 Mining engineer - Asst. supt. (estimated @ $500.00 per month)	$16.66
1 Hoist operator	14.54
1 Mechanic	15.08
1 " - truck driver	15.08
2 Watchmen (estimated @ $14.54 ea.)	29.08
	$90.44
Add insurance @ 15.0%	13.57
	$104.01

(Includes overtime) 6 day week $676.04 = $132.21

4 miners, on contract basis @ $65.00 per ft.
10

Cycle of operations:

3 days drilling and blasting
3 days removal of muck
Advance 5 feet @ $65.00 per ft. = $325.00 = 65.00 per ft.
$1,001.06 $200.21

Additional costs to be added. (Costs not available)

Electric power
Blasting powder - Electric primers
Repairs and replacement parts
Drill steel and *bits - cost for use of dump truck
Timber - Misc. supplies
Property taxes - Fire insurance
Main office personnel and expense

Estimated overall costs probably close to $225.00 per ft.

* 60 Liddlcoat detachable bits @ $0.25 each, used per shaft round.

Several factors need to be considered when contemplating the apparent high cost of shaft sinking, i.e.:

1. High cost of necessary labor overhead.

2. Size of shaft (approximately 7.8 feet wide by 17 feet long, excavation).

3. Water inflow at about 50 g.p.m. which includes water falling into the shaft and upon the workmen.

4. Length of time required for drilling and mucking.

5. Time required in lowering the water after blasting and slowness of mucking off a rough muck pile.

The four miners working in the shaft are using two machines mounted on cross bars for drilling thirty holes to a depth of 6 feet each, a total of 180 feet of drilling.

A cycle of the first shaft round gives the following data:

Date	Hours	Holes drilled	Total Feet	
Feb. 3, 1953	8	14	84	
" 4, "	8	9	54	(Pump trouble)
" 5, "	8	7	42	(complete drilling and pull out)
" 6, "	4			(Load and blast) 1 hour delay to clear smoke
	28	30	180	

Approximately three days time are required to remove the resulting 37 skip loads of broken rock.

Inasmuch as the proposed extension of the shaft will be completed in another 15 feet, it appears doubtful that there will be any reduction in costs.

RECOMMENDATIONS

The inspecting engineer suggested that the work might be expedited

and progress increased by drilling and mucking at the same time, using one half of the shaft for each operation. However, the miner contractors considered the water situation and the time consumed in keeping out of the way of the skip and the changing of the pump suction hose, would off set any time saved. Therefore, the suggestion will probably not be tried out.

The water flowing into the shaft and the upsurge from the bottom of the shaft, presently estimated at approximately 50 g.p.m., will no doubt be increased as the exploration drift is advanced toward the No. 2 fault. While the ultimate amount of water inflow cannot be estimated, the inspecting engineer has recommended to the mining company that a decision should be made immediately as to the type of water door to be used and the approximate location for such a safety measure.

These decisions should be made soon as it may require considerable time to design and cast or fabricate a water door meeting all requirements, to make the necessary excavations and to place the forms and concrete.

If these matters are delayed until water conditions have been exactly determined, there is the possibility that costs will be materially increased and that progress in the drift might be entirely stopped for a time.

The inspecting engineer examined a water door installation on the 1400-foot level of the Caselton shaft, installed by the Combined Metals Reduction Co. This door is designed for a head of 390 feet and to withstand a pressure of 30,000 pounds per square inch. The

door is a heavy casting, 5 feet wide by 8 feet high and has a rubber, water tight, seal.

The casting patterns for the door and cast-iron frame, are reported to be in the foundry of the Eimco Corporation, Salt Lake City, Utah.

All of the information regarding the proposed water door has been presented to Mr. Bruce Condie, superintendent for Ely Valley Mines, Inc., with the recommendation that he and Mr. Janney inspect the installation in the Caselton shaft, to determine whether or not said door meets their requirements and to ascertain costs of fabrication and installation.

While the cost of such a water door as above described plus the proper installation will probably amount to a much greater amount than the $3,000.00 allocated, yet it may be the cheapest installation to be made when all safety factors are considered. At any rate, such a safety device merits complete and detailed investigation by the mining company.

STATEMENT OF WORK COMPLETED

The work of removing the backfill from the shaft started on Nov. 28, 1952 and was completed on Jan. 21, 1953.

This amounted to:	45.3 feet	from the shaft
	4.7 feet	from the station at the 1200 level
	50.0 feet	
Shaft sinking	5.3 feet	
Crosscutting	14.0 feet	from shaft on the 1200 level
Total	69.3 feet	

The work has been done in a satisfactory manner and the operator's reports have been found to be correct.

GEOLOGY

The shaft is being sunk in the Prospect Mountain quartzite, which is extremely hard. At approximately 6 feet below the floor of the 1200-foot level, a small fissure cutting the quartzite bedding, was noted. The quartz filling in this fissure appeared to contain heavy iron sulfides and accordingly sample BM-481 was taken as noted on the accompanying sketch.

The analysis of this sample follows:

%,Pb	%,Zn	%,Cu	%,Fe	Oz. Au/T	Oz. Ag/T
0.1	5.6	0.10	23.95	0.02	0.50

FINANCIAL REPORT

Contract dated: September 23, 1952

Date of starting work: November 28, 1952

Exploration contract amount: $86,200.00

Government participation 50% = $43,100.00

Funds expended: $2,520.00

Unexpended: $83,680.00

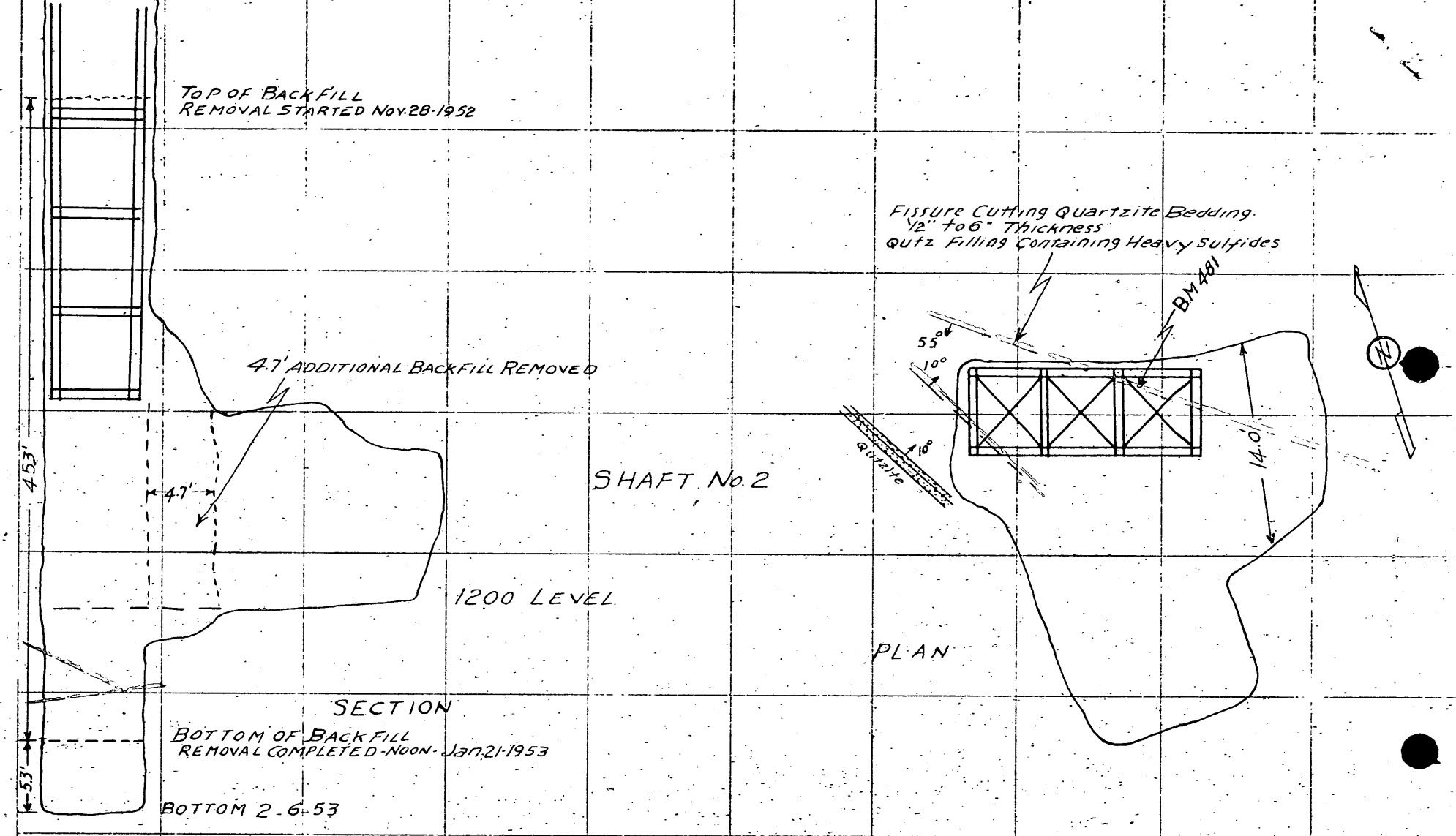
Advance as of Feb. 6, 1953: 69.3 feet.

COMMENTS

After completing the shaft excavation, it will be necessary to level off the floor of the station on the 1200-foot level, to excavate for an ore pocket, drive tail drift to handle locomotive and cars and to install permanent timber, shaft sets on the 1200 station level.

All of the above work will probably require about six weeks time and must be finished prior to starting extending the 1600-foot drift.

Glenn G. Gentry
Mining Engineer



ELY VALLEY MINE - PIOCHE, NEVADA
DOCKET No. DMA66 - CONTRACT IdmE404
Scale: 1" = 10'

"ALBANENE" No. 195M R. U.S. PAT. OFF. REG. U.S. PAT. OFF.

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

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

ACCOUNTS MAR 27 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Fly Valley Mines, Inc. Minerals Lead-Zinc
Address Alcoa, Nevada
Contract Amount, $ 44,200.00 Government Participation: 50 % Amount, $ 43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Shaft clearing			1,500.00		1,500.00	1,500.00
Bulldozing						
Crosscutting						
Drifting			490.00		490.00	490.00
Shaft timbering	865.00	530.00	1,395.00	865.00	530.00	1,395.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	865.00	530.00	1,395.00	865.00	2,520.00	3,385.00

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

Date March 24, 1953 *Payee Fly Valley Mines, Inc.

Per [signature] Title Asst. Secretary

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

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

(Instructions on reverse)

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

$ 432.50

Signature A. J. Renner
Authorized Certifying Officer
(Authorized Certifying Officer)

Date APR 6 1953 Vou. No. SF-DMEA-39

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer DMEA Field Team Region III Date March 24, 1953

H.C. Miller

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS MAR 27 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 66 Contract No. DMA - B 66b
Operator's Name Sly Valley Mines, Inc.
Address Pioche, Nevada
Minerals Lead-Zinc

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting				490.00	14.0	35.00	1600	35.00
Crosscutting								
~~XXXX~~ Shafts clean-out				1,500.00	50.0	30.00	50	30.00
Shafts Sinking	1 ft.	865.00	8.65	1,395.00	13.95	100.00	20	100.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		865.00	8.65	3,385.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$86,200.00
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date March 11, 1953 Operator Sly Valley Mines, Inc.

Per [signature] Title Asst. Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

ELY VALLEY MINES, Inc.

Engineering Department

EXPLORATION AND RELATED WORK AT ELY VALLEY MINES, Inc., FOR FEBRUARY, 1953.

The following report covers operations carried on incident to the carrying forward of the Government approved exploration program.

February 2 through Feb. 8

Shaft Sinking operations

Four men were employed in the bottom for 4-3/4 days. The work performed was drilling and blasting. Blasting was done with electric blasting caps. 100 Lbs. of 60% extra Hercules gelatin was used in blasting 37 four-foot holes.

The shaft is making quite a little more water. The volume has doubled in drilling this round, however, only 40 Gals. per minute is flowing into the shaft.

For 1-1/4 shifts the crew was unable to work on the bottom due to trouble with the footvalve and control switch of the Sinker Pump. The shaft crew assisted in making repairs.

Pump Repair

The shaft crew, as above stated, and a mechanic worked 1-1/4 shifts repairing the footvalve, replacing the control switch and replacing a broken pipe fitting on the suction hose.

Surface work.

The two surface mechanics, besides duties performed underground, were employed in various duties, renovating ventilation lines, sharpening steel, making casing for shaft work, framing a set of shaft timber and repairing one of the drifters being used in sinking the shaft.

February 9 through February 15

Shaft Sinking Operations

The same four-man crew were employed in removing the rock broken in the round of blasts. In all, 3-1/2 shifts were spent mucking. Measurements showed that 3.1' of progress was made.

The remainder of the week was spent in setting up drills and drilling.

Cleaning Sump

The shaft crew spent 2 hours cleaning the 1100 Sump on 13th.

February 9 through February 15 (Cont.)

Surface Work

As during the previous week, the surface mechanics were employed in various ways. Repair work was done on all three air compressors; a new valve was installed on the Gardner-Denver; a main bearing was installed on the Chicago Pneumatic;and new brushes were installed on the motoor of the Ingersoll-Rand. This work required, 3 man-shifts.

Work was continued in the repairing of fan line to be installed in the proposed 1200 level drift for ventilation, in the framing of shaft timber and the dressing and sharpening of steel.

Besides the above mentioned work, these two men trammed waste to waste dump and operated compressors.

February 16th through February 22

Shaft sinking operations

The drilling of the round of shots was completed and the round was blasted. The round consisted of 37 6' holes in a V-type cut. An additional 5 holes were drilled as plugs in the easterly end to make room for timber in ground previously broken. There wase 42 electric primers used and 150 Lbs of powder.

Surface Work

The surface crew was employed in theis usual work, operating compressors, hauling waste, sharpeneing steel and framing timber.

February 23 through February 28

Shaft Sinking Operations

Broken rock was cleared from the bottom of the shaft resulting from the blasting on Feb. 18th.

Another round was drilled, and consists of 40 7-foot holes. The round was not loaded as drilling was completed at the latter part of the afternoon on the 28th.

Equipment used in sinking was moved to the surface.

Moving Equipment

The sinker pump and tugger were moved to the surface and pumping from 1100 sump set to work automatically when the water in the shaft raised to that point.

Surface Work

The surface crew completed the framing of the 5th set of shaft timber. All the sets required have now been completed. Both drifters used in sinking were sent to the surface for minor repairs. Three man-shifts were spent by one mechanic in performing maintenance work. This time has not been included in our costs of the exploration program.

GEOLOGY

The formation so far encountered in the shaft sinking operations is Prospect Mountain Quartzite. This quartzite lays in layers of varying thickness fromm 1 inch to 26 inches. The beds are still striking approximately north 60 degrees east and are dipping 10 degrees to the south-east.

No further mineralization was encountered so no sampling was done.

DESCRIPTION OF FOOTAGE CLAIMED FOR MONTH OF FEBRUARY

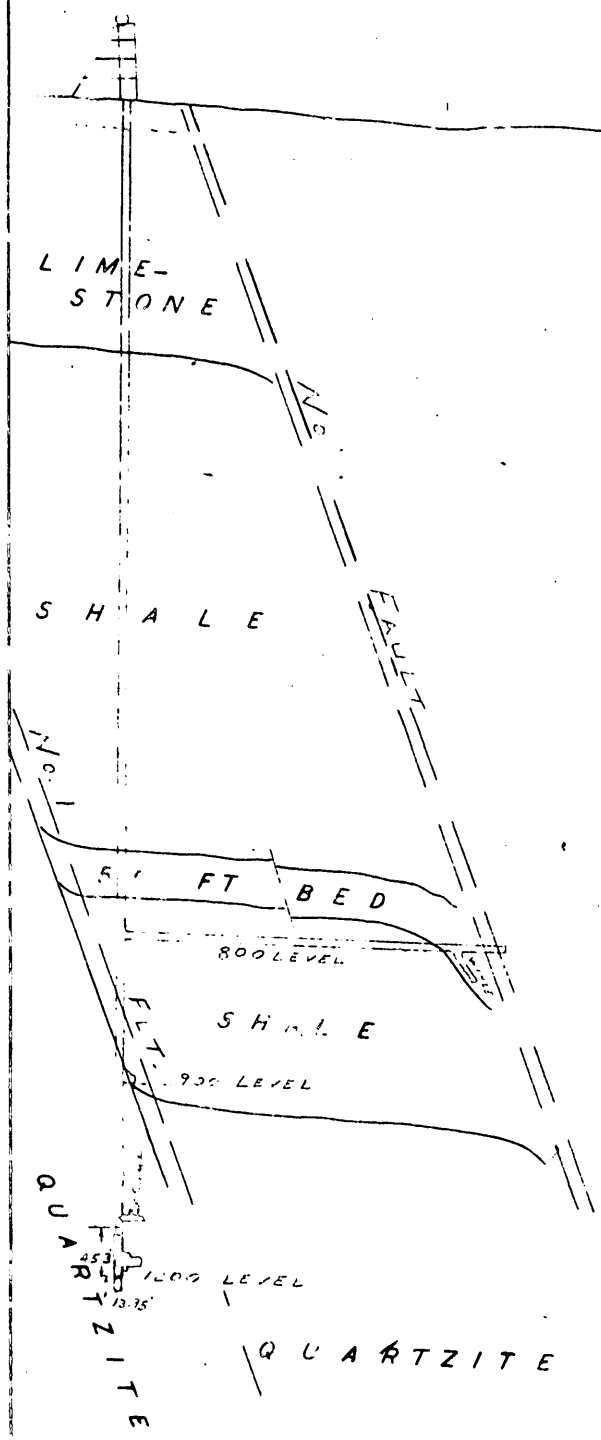
Shaft Sinking 8.65'

I have again endeavored to cover the work performed relative to the carrying on of our shaft work. I sincerely hope that this report will be satisfactory.

Respectfully submitted,

March 11, 1953 by Bruce Condie

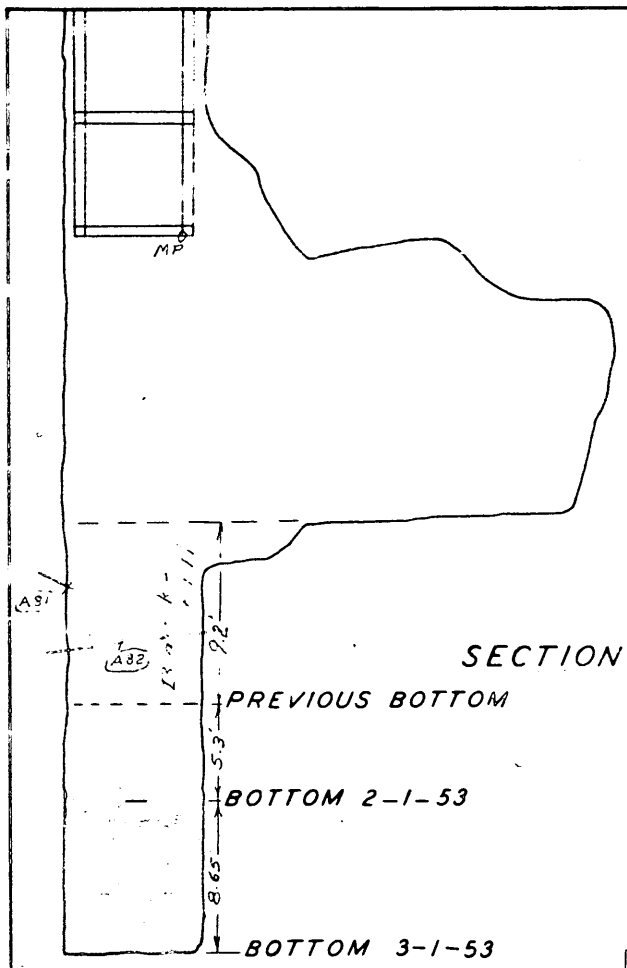
Bruce Condie, Asst. Supt. & Eng.

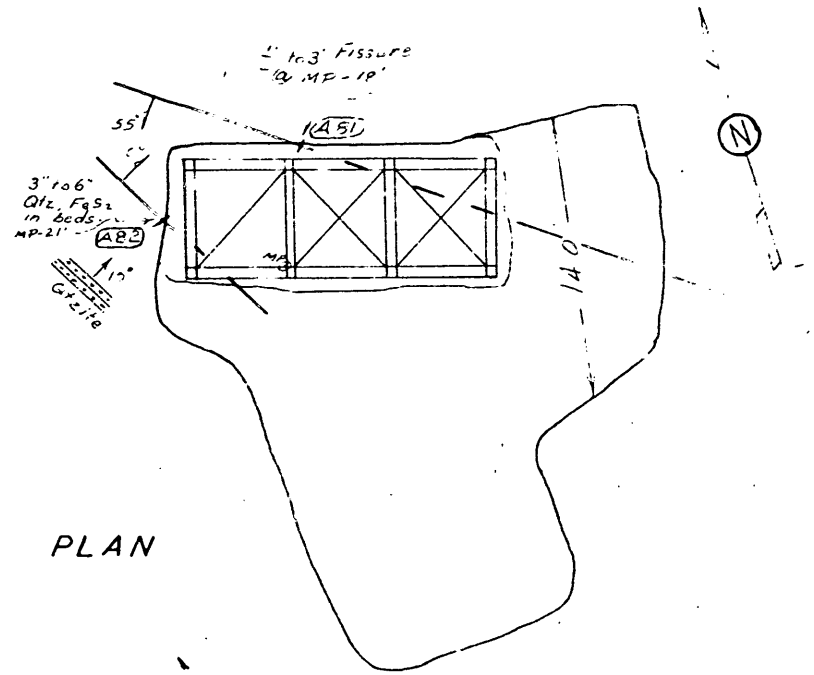


PROGRESS MAP
EXPLORATION PROGRAM

ELY VALLEY MINE PIOCHE, NEVADA

[ ] PROGRESS FOR FEB, 1953
[ ] PREVIOUS PROGRESS





PROGRESS FOR FEB 1953

A81 SAMPLES

DETAILS & GEOLOGY
SHAFT Nº 2 — STATION 12
ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" — 10 FT.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 5-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
ACCOUNTS RECEIVED FEB 25 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

MAR 16 1953

Month of January, 1953 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Ly Valley Mine, Inc. Minerals [illegible]
Address Placer, Nevada
Contract Amount, $86,200.00 Government Participation: 50 % Amount, $43,100.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						~~Alt~~ ~~Gracewood~~ Betty
Drilling						
Bulldozing (Draft cutting)	530.00	none	530.00			
Crosscutting	~~[illegible]~~					
Drifting	400.00	none	400.00			
Stop & clean out	517.00	1,083.00	1,500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,447.00	1,083.00	2,530.00			

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

Date Feb. 9, 1953 *Payee Ly Valley Mine, Inc.

Per A.D. Hickman Title Asst. Sec.

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

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

(Instructions on reverse)

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

$ 718.50

Lloyd W. Sjolander
Signature Authorized Certifying Office
(Authorized Certifying Officer)

Date MAR 2 1953 Vou. No. SF-OMCA-36

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Region III Date Feb. 20, 1953

H. C. Miller

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
ACCOUNTS FEB 25 1953
MAR 16 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA 66 Contract No. DMA - 164
Operator's Name Sly Valley Mine, Inc. Minerals Lead - Zinc
Address Pioche, Nevada.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	1 ft.	490.00	14	490.00	14.0	35.00	1600	35.00
Crosscutting								
Raising								
Shafts clean-out	1 ft.	417.00	13.9	1,500.00	50.0	30.00	50	30.00
Winzes 0 ft. sinking	1 ft.	530.00	5.3	530.00	5.3	100.00	20	100.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		1,437.00	33.2	2,520.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Feb. 9, 1953 Operator Sly Valley Mine, Inc.

Per S.D. Hickman Title Asst. Sec.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

ELY VALLEY MINES, Inc.

Engineering Department

EXPLORATION AND RELATED WORK AT ELY VALLEY MINES, Inc.

January, 1953

The following report is a resume of operations carried out at the Ely Valley Mine incident to the carrying forward of our Government approved exploration program:

January 1st through January 3rd

No work was carried on New Years day.

Shaft mucking operations

On the 2nd only, backfill was removed from the shaft which had run in from the 1200 Station.

1200 Level Station

Drilling was started for the taking up of 3 feet of bottom from the station. This is necessary inorder to give us 16 feet of heighth for the station.

900 Pump

The labor of 2 men for 4 hours was required to replace a shaft bearing on the motor end of the 900 pump. This bearing had burned out.

Sinker Pump Operation

It was necessary to call out a mechanic and hoisting engineer to go underground and start the sinker pump. The entire shaft sinking crew, otherwise, would have been unable to work until the water was pumped down. This required 1 hour each for the 2 men on the 2nd and 3rd.

January 5th through January 11th.

1200 Level Station

Work was carried on throughout the week in drilling, blasting and removing the broken rock for the additional station area required, the drilling of which would interfere with our timbering of the shaft. Time was taken out from the station operations for part of the 8th and 9th to repair the 1100 pump and part of the 10th to clean the 1100 sump of slimes. This work is more fully explained under those headings.

1100 Pump

The shaft crew as well as 2 mechanics and one electrician worked a total of 2.7 hours per man on different phases of repair on the 1100 pump.

The discharge hose blew off and efforts to make ordinary type bands hold were fruitless. We finally made2 bands from ½" round iron. This seemed to hold.

Trouble was had with the mechanical float switch on the 1100

sump. The electrician spent 4 hours installing a Gerraty Floatles Electrode switch which had proven to be trouble free in our other installations. It was necessary to run a 110 volt line 220 feet from the 900 levle.

Timber Framing

One man worked 8 hours framing shaft sets for later installation.

Blacksmithing

One man worked 3 shifts making hanging rods and tie rods for the shaft sets. He further worked 3 shifts sharpening and dressing drill rods.

1100 Sump

The slimes were cleaned from the 1100 sump, 4 men worked 2 hours each on the operation. Four 3½ tonskips of material was hoisted to the surface.

300 Pump

The coupling bolts on the 300 pump sheared off. It was necessary to call out a mechanic and hoistman to make the repairs, as it happened Sunday the 11th.

January 12th through January 16th

Shaft Mucking Operations

Shaft mucking was resumed on Jan. 17th.
Progress 3.5'

1200 Station

The remainder of the ground, as shown on the accompanying drawing, was blasted and removed. Four men worked 5 days on the project.

Sinker Pump operation

It was necessary on 3 consecutive occasions to have mechanic and hoistman come to work an hour early and start the sinker pump. The large reservoir area in the station results in a long interval between pumpings.

Blacksmithing

One mechanic worked 3 shifts sharpening drill steel used in cutting the 1200 station and in making conventional starters to be used in the shaft deepening operations.

Rock drill repair.

One day was spent by a mechanic in repairing machines to be used in shaft deepening operations.

January 19th throught January 24th

Shaft Mucking Operations

The removal of backfill was accomplished in its entirity at 12 N., the 21st.
Progress for entire week, 5.7'
Progress for entire cleanout 45.3'

Shaft Sinking Operations

Work was started at 12;30 P.M. on Jan. 21st toward sinking the shaft 20 feet. The first round was drilled during remainder of the week.

The following covers data in drilling the first round:

Machines used	2-Ingersoll-Rand bar-mounted DA-35's
Type of steel	1-1/4 round leyner
Type of bits	Conventional starters 2/5/16" bits Liddicoat single-pass detatchable for 2nd 3rd and 4th steels, 2", 1-3/4 and 1-7/8" sizes in 5L type.
Number of holes drilled	26
Depth of holes	7.0'
Explosives	Hercules extra 60% powder, electric blasting caps. 100 Lbs of powder used for round.
Actual drilling time	16 hours.
Footage pulled	5.3'
Number of men in bottom	4

1100 Pump repair

The parts ordered for the 27-stage pomona replacement pump were received. Two man-shifts were expended repairing and reassembling this unit.

The discharge hose which gave us trouble earlier this month broke again. The hose was no longer in a serviceable condition so a new 10' hose was installed on the pump discharge.

The shaft crew made the underground installation as they were unable to work in the bottom until water could be pumped out.

Compressor Repair

Water valves which were not in good operating condition were replaced on the Ingresoll-Rand compressor. Due to the prospect of cold weather, water jackets must be drained when the compressor is not in use.

Blacksmithing

The blacksmith was engaged for 2½ days in making 2" by 9" sections of pipe to be used for casing the drill holes in the shaft bottom. These casings are necessary to keep the holes clear of ravelings.

January 26th to January 31st

Shaft Sinking

The entire time chargable to sinking was spent in mucking out. Eleven man-shifts worked in all for the week.

300 Pump Repair

The coupling bolts on the 300 pump again sheared on the night of the 27th. The discharge line to the surface had formed a bad leak. It was necessary to call out a hoistman and a mechanic to repair them. The men were on the job 5 hours.

1100 Sump

The slimes were again cleaned from this sump. Three men were required for 4 hours to remove 13 skips of material to the surface.

900 Sump

The slimes from the backfill which was recently removed from the shaft had very nearly filled the 900 sump. It required 5½ man-shifts to remove 24 skips of such material.

Blacksmithing

The blacksmith worked 2½ shifts making hanging rods and drill casing to be used in the shaft.
Another day was spent by him in sharpening starters used in drilling the first round. All bits were usable only for one hole or about 28 inches each.

300 Sump

The slimes were likewise cleaned from the 300 sump. Two men worked 4 hours in removing 5 skips of such material.

GEOLOGY

The formation encountered in the entire project to date is Prospect Mountain Quartzite.

No faulting of consequence has as yet been cut. On the station, however, there are numerous small breaks almost at right angles to the bedding planes. These small breaks are passageways for a small flow of water, perhaps 6 or 7 gallons per minute.

At a point 1,181' below the surface and in the east end of the shaft about 3" to 6" of quartz with varying amounts of iron pyrites was encountered. This quartz lies between and paradlel to the beds striking north 60 degrees east and dipping 10 dgrees to the south-east. A sample was cut designated on the enclosed print as No. A 82.

At a point 1,187' below the surface, in the center of the south side of the shaft, a fissure of varying thickness from ½" to 3" was cut. This fissure is composed of a quartz filling with varying amounts of sulfides the bulk of which is iron, and is striking north 50 degrees west and dipping 55 degrees to the north-east. A sample was cut designated by the number A81.

Assays

Sample No.	Oz. Au/ton	Oz. Ag/ton	percent Pb	Percent Zn.
A81	0.05	0.88	0.2	4.8
A82	0.005	0.16	0.15	0.3

DESCRIPTION OF FOOTAGE CLAIMED FOR MONTH OF JANUARY

Backfill Removal

For material removed from the shaft 9.2'

For material removed from the station 4.7'
This footage added to the 45.3' actually removed from the shaft would give us the 50.0' approved in the contract. During the shaft cleaning period as the job progressed, we were forced to removed 2,550 cubic feet of backfill from the station on the 1200 level. To assist us somewhat in the cost of removing this fill we are asking, now, for the approval of this 4.7 additional footage.

Shaft Sinking

For footage actually gained 5.3'

Drifting

Total footage requested 14.0'
As shown on the accompanying sketch, the ground to the west of the station was removed during the month of January, 8' by 8' in section and 14.0' long along the course of our proposed drift. As this drift will necessarily bi-pass the shaft on its west and be extended somewhat to the south as a tail drift this area now excavated would be included within its boundaries.

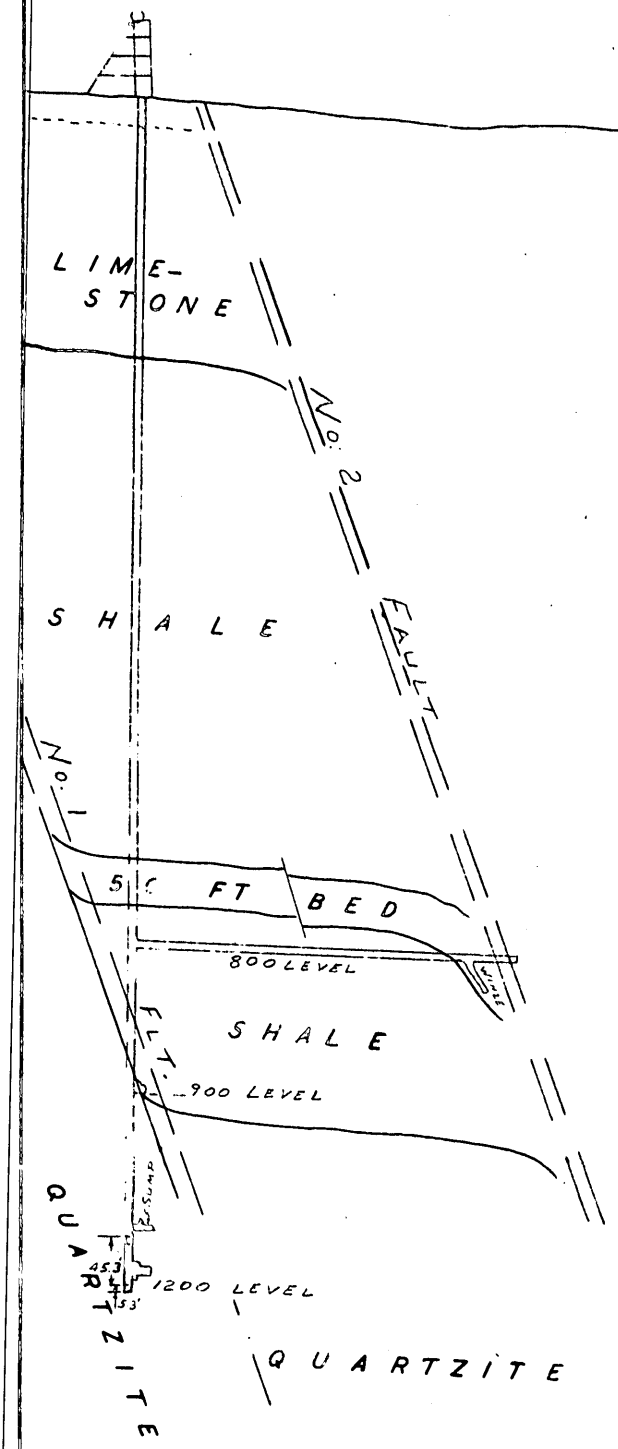
I have endeavored to cover in this report all phases of our operation during the past month. I sincerely hope that it shall prove satisfactory and give you an insight into our operation along with its problems for the period covered.

Respectfully submitted,

February 12, 1953 by

Bruce Condie

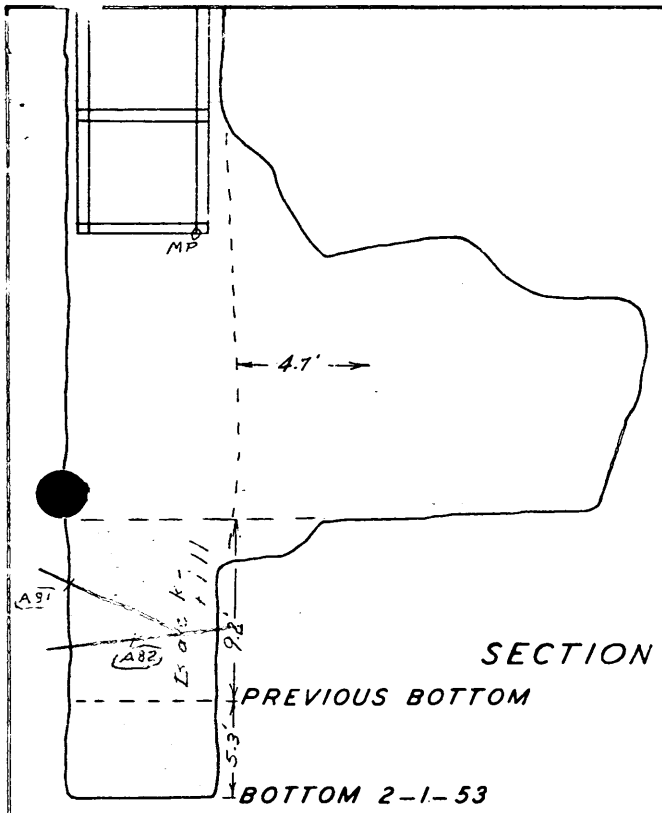
Bruce Condie, Asst. Supt. & Eng.



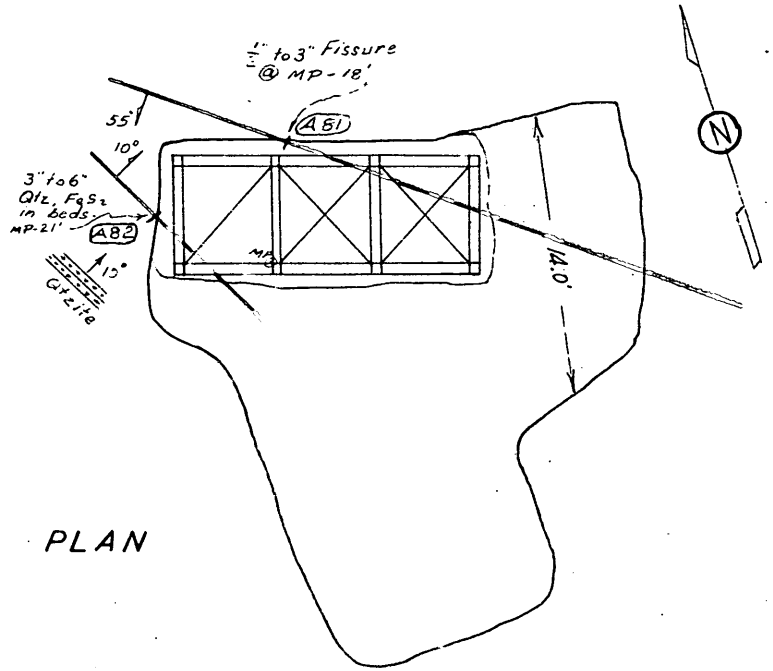
PROGRESS MAP
EXPLORATION PROGRAM

ELY VALLEY MINE PIOCHE, NEVADA

☐ PROGRESS FOR JAN., 1953
☐ PREVIOUS PROGRESS



SECTION



PLAN

PROGRESS FOR JAN. ,1953

(A81) SAMPLES

DETAILS & GEOLOGY
SHAFT Nº 2 — STATION 12
ELY VALLEY MINE PIOCHE, NEVADA

SCALE 1" — 10 FT.

DEPARTMENT OF THE INTERIOR
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

Date: Dec. 12, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

Attached are four copies of Interim Report on -

Docket DMEA 66X

Contract Idm-E 404

Commodity Lead-Zinc

Operator - Ely Valley Mines, Inc.

Property - Ely Valley Claim & Ely Valley No. 3 Claim
Lincoln County, Nevada

By Glenn G. Gentry, Mng. Engr.

Dated Dec. 1, 1952

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: Finance Officer, Region III (With one copy of report)

E. H. Bailey, USGS (With one copy of report)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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INTERIM REPORT

Docket No.: DMEA-66X (lead-zinc) Dec. 1, 1952

Name and address of operator: Ely Valley Mines, Inc.,
John Janney, President
Pioche, Nev.

Name and location of property: Ely Valley Claim and the Ely Valley No. 3 Claim, Lincoln County, Nev.

Contract No.: Idm-E404

SUMMARY

The first part of the exploration project to be performed by the applicant is to consist of removing muck from near the bottom of the shaft. This muck had accumulated during past years to an estimated depth of about 45 feet and is reported to be tightly packed and cemented.

Conferences were held with Mr. John Janney, President of the Ely Valley Mines, Inc. on Nov. 16, 1952 and accompanied by Mr. Janney, the mine was inspected and additional conferences held on Nov. 17, 18, 19, and 20, 1952.

The extra amount of time spent at the property was due to the necessity of understanding the numerous problems that will confront the applicant in removing the accumulated 45 feet of muck from the bottom of the shaft and, if possible, to assist the applicant in determining the best and cheapest method of removing the muck.

Item 1 of Exhibit "A", attached to the contract, states: "Clean out and rehabilitate approximately 50 feet of the present shaft just above the 1200 foot level - 50 feet @ $30.00 per foot . . . $1500.00."

Mr. John Janney, President, in a letter dated October 24, 1952, addressed to Mr. H. C. Miller, Defense Minerals Administration, has stated, in part, "It is, of course, apparent that it would be impossible to do this work for $30.00 per foot." Another letter from Mr. Janney dated October 25, 1952 and addressed to the Executive Officer, DMEA Field Team, San Francisco, Calif., states, in part: "In this connection if the progress of the work shows the figures allowed to be inadequate, with this rental allowance eliminated, we would like the door held open for a restudy of this item in the contract, that adjustment may later be made if such proves to be proper and called for in order to do the work."

On October 16, 1952 the mining company started to rehabilitate the mine shaft and generally prepare to begin actual work under the contract. This preliminary work which has been done at the applicants expense, has consisted of:

> Unwatering the shaft from the 900 foot level to the top of the muck pile.
>
> Cleaning shaft sets from collar to muck pile.
>
> Repairing and installing pumps at bottom of shaft.
>
> Removing accumulated timbers, blocks, cable, etc. that had fallen into the shaft.
>
> Excavating for water reservoir at side of shaft at 6.5 feet above the present water level. This was done in order to provide a settling basin in the hopes of preventing excessive wear and damage to the Pomona shaft pumps.
>
> Repair and/or replace ladders in shaft manway.

The foregoing preliminary work was nearly completed at the time of the inspection. While no detailed costs had been compiled, Mr. Janney estimated that he had spent several thousand dollars.

The applicant expects to begin removing the muck from the bottom of the shaft on November 21 or 22, on a one shift basis until Dec. 1, 1952. The following personnel will be required:

Labor:

One shift	Rate	Rate per day (includes insurance)
1 - Mining engineer-supt.	$500.00/month	$16.66
1 - Hoistman		14.54
1 - Pump mechanic		15.08
1 - Blacksmith		15.08
1 - Topman		15.08
3 - Miners	$15.54/da, each	46.62
8		$123.06

Labor:

Two shifts

1 - Mining engineer-supt.	$500.00/month	16.66
2 - Hoistman @	$14.54/da, each	29.08
1 - Pump mechanic		15.08
1 - Blacksmith		15.08
2 - Topmen	$15.08/da, each	30.16
6 - Miners	$15.54/da, each	93.24
13		$199.30

Added to the cost of labor, will be the following:

Electric power, dump truck to transfer muck from shaft bin to dump, repairs of machinery, timber, bookkeeping, taxes, plant insurance, oils and grease, and a night watchman.

CONCLUSIONS

The top of the muckpile in the shaft, on Nov. 18, 1952, was 5.5 feet below the bottom level of the reservoir excavation. The

muck was covered with approximately 18 inches of water and therefore actual mucking conditions could not be determined. The flow of water into the shaft has been estimated at 18 g.p.m. and this flow covers the muck at the rate of 1 foot per hour.

While actual removal of the muck has not been started, the applicant proposed to do the work by hand mucking and has let the contract to Walter Weber and Vivian Ewing at a cost of $40.00 per foot. This price covers only the loading of the muck into the skip.

The shaft size is approximately 7 feet by 17 feet. The shaft has three compartments, with the skips operating in counterbalance.

Mucking operations will be difficult due to lack of space and water falling on the workmen.

The contractors, who are experienced miners and shaftmen, appear confident that progress can be maintained at 2 feet per day.

RECOMMENDATIONS

The work and allowed cost of removing the loose and broken rock from the shaft does not justify the cost and installation of additional equipment which might reduce the cost per foot. The plan of mucking from one shaft compartment and blocking off the other compartments, thence raising from the bottom, has been abandoned due to the fluid nature of the material.

The inspecting engineer recommended the use of a small air tugger hoist and bucket in order to eliminate overhead hand shoveling into the large shaft skip. However, the applicant considers that he has insufficient room to operate such equipment and therefore may not try

out the idea.

PROGRESS REPORT

Contract dated: Sept. 23, 1952.

Date of starting work: Nov. 23, 1952

Exploration contract amount: $86,200.00

Government participation, 50% = $43,100.00

Advance as of this date: None

Funds expended: None

COMMENTS

Mr. Janney appears to feel that the cost of removing the 45 feet of muck from the bottom of the shaft will be much higher than the price allowed in the contract, due to the cost of preparing for the work and the difficulties involved and has requested permission to submit a detailed cost statement after the job has been completed. At that time he will also probably request consideration for some financial adjustment of this phase of the contract.

Glenn G. Gentry
Mining Engineer

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1952 Docket No. DMEA 63 Contract No. [illegible]
Operator's Name Ly Valley Mno. Inc. Minerals [illegible]
Address [illegible]
Contract Amount, $ 65,200.00 Government Participation: 50 % Amount, $ 32,600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
[illegible]	844.00	155.00	1,000.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	844.00	155.00	1,000.00			

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

Date 12/29/53 *Payee Ly Valley Mno. Inc.

Per [illegible] Title Asst. Sec.

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

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

(Instructions on reverse)

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

$ 444.00

Signature Floyd A. Sjolander
Designated Certifying Officer
(Authorized Certifying Officer)

Date JAN 29 [illegible] Vou. No. SF-DM CA-32

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature R. C. Johnson Title _____ Date _____

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. C. Miller Title Executive Officer DMEA Field Team Region III Date January 26, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS JAN 26 1953
Defense Minerals Administration

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts [illegible]	[illegible]	[illegible]	20.6	1,003.00	35.1	30.00	50	[illegible]
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]		[illegible]				

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

Date [illegible] Operator [illegible]

Per [illegible] Title [illegible]

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

FLY VALLEY MINES, INC.

Engineering Department

EXPLORATION AND ASSOCIATED WORK AT FLY VALLEY MINE

December, 1952

Shaft mucking operations were carried on with diligence during the month of December. However, there were many factors which were obstacles to a continuous operation. The following is a resume of operations:

Dec. 1st through Dec. 6th.

Shaft mucking operations 12.7' of progress.

#11 Pump (pumping from the new 1100 sump to the 900 level)
Mucking operations were held up on 2 occasions when float switch failed to operate allowing the sump to run over.
A new float switch was installed.

Dec. 8th through Dec. 13th.

Shaft mucking operations 4.2' of progress.
This operation was carried out on 8th and 9th only. No further progress could be made until the last 3 sets of shaft timber-which had been under the muck - could be reblocked.

Shaft 2-Repair The before mentioned sets were realigned and blocked. New hanging rods were required. The raising and blocking of these sets required 2 days for the full underground crew.

Sinker Pump Trouble was had in determining how long to operate this pump during the off hours when operations were idle. The electrician and mechanic installed a floatless water control switch to operate the pump.

#11 Sump (1100 Sump) This sump was cleaned of slimes which had accumulated since mucking had commenced.

Dec. 15th through Dec. 20th.

Shaft Mucking Operations 6.2' of progress.
Mucking was carried on for 4 shifts only during this period.

900 Sump This sump was cleaned of sediment which had collected since dewatering operations were commenced in October.

#11 Pump-Repair The Pomona 27 stage pump, pumping from the 1100 level to the 900 level, was dismantled, cleaned and partially reassembled. This pump broke down during November. Parts were needed before repairs could be completed. This pump is urgently needed as a standby.

300 Sump This sump was cleaned of sediment.

300 Pump. Impellers became worn from the excessive amount of solids passing through pump lines due to the fines being stirred up. Impellers were changed. This took place before and during the cleaning of the sumps above mentioned.

900 Pump The float switch on this pump became fouled and failed to operate. A new switch was installed.

Shaft 2 Skip-Repair A mechanic was employed 1 shift fastening plates previously removed from center skip back in place. These plates may now be removed by unbolting.

Dec. 22 through Dec. 27th.

Shaft Mucking 2.1' of progress.
Waste removal was carried on for 5 shifts. The cross-section of the shaft at this point is excessively large due to the partial cutting of the station for our proposed 1200 level.

Steel Sharpening One mechanic was put to work making drill rods to be used in shaft deepening as well as station cutting operations.

Sinker Pump Operation
Underground Elect. Lines A great deal of trouble and expense has been encountered from having to call hoistman and mechanic out in the period when operations are not carried out. This was necessary in order to check on the operation of the sinker pump. This pump is short coupled and the water raising but a few feet would drown out the electric motor. To overcome this, a light was placed on the surface as a signal to watchmen when pump is in operation. The phone system was also repaired.

No work was carried out on Christmas day.

300 Pump. The drive shaft on this pump broke. It was necessary to re lace entire impeller assembly.

#11 Sump. (1100 Sump) The sump was again cleaned of slimes.

Dec. 29 through 31st.

Shaft Mucking 4.4' of progress in 2 5/8 shifts.

Timber Framing Work was started on the framing of the next set of timber to be installed in the shaft.

Geology

The formation encountered in the cleaning out of the shaft to Dec. 31 is quartzite, and is commonly referred to as Prospect Mountain Quartzite of the Lower Cambrian series.

This quartzite lies in beds varying from 2" to 26" in thickness, and is characterized by frequent thin bands of a whitish shale. This quartzite is grey to white and in places pinkish in color. It ranges from a very hard vitreous rock in some beds to a softer more argilaceous quartzite in others.

The beds are striking north, 60 degrees east and are dipping 10 degrees to the south-east. No faulting of any consequence has been encountered. No sampling has been done as no mineralization has been observed.

I trust that this report will furnish you with a clear picture of our exploration and related operations as carried out during the month of December.

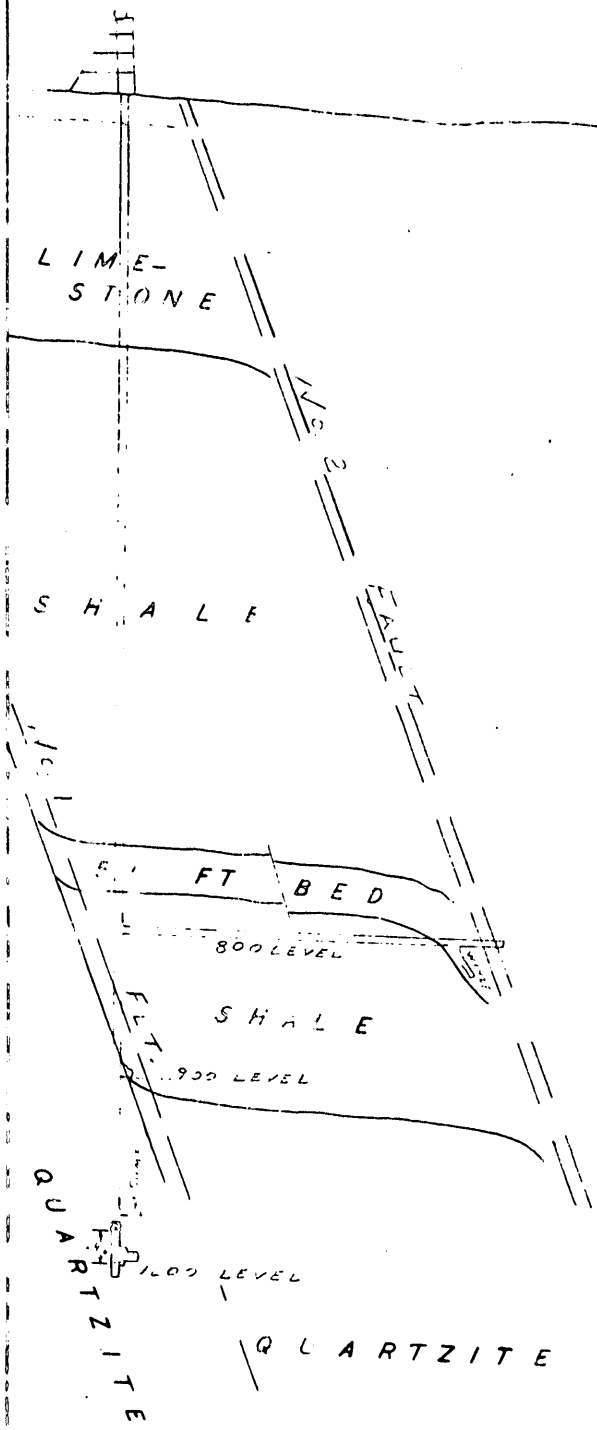
Respectfully submitted,

by

Bruce Condie, Asst. Supt. & Engineer.

January 9, 1953

C.C.: S.D. Hickman
Eng. File



PROGRESS MAP
EXPLORATION PROGRAM

ELY VALLEY MINE PIOCHE, NEVADA

PROGRESS FOR DEC., 1952

PREVIOUS PROGRESS

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Keating
Betty

Month of December, 1952 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Sky Valley Mine, Inc. Minerals [illegible]
Address Idaho, Boyah
Contract Amount, $ 66,000.00 Government Participation: 50 % Amount, $ 43,[illegible].00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Short Discount	195.00		195.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	195.00		195.00			

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

Date Dec. 22, 1952 *Payee Sky Valley Mine, Inc.

Per S. D. Hickman Title Asst. Sec.

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

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

(Instructions on reverse)

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

$ 97.50

Signature R. J. Renner
Authorized Certifying Officer
(Authorized Certifying Officer)

Date JAN 2 - 1953 Vou. No. SF-D Mea-31

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature _____ Title _____ Date _____

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature _____ Title _____ Date _____

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF 104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1952 Docket No. DMEA 66 Contract No. [illegible]
Operator's Name Sky Valley Mine, Inc. Minerals Lead - Zinc
Address Austin, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	1 ft.	195.00	6.5	195.00	6.5		50	30.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		195.00	6.5	195.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date Dec. 22, 1952 Operator Sky Valley Mine, Inc.

Per [signature] Title Secy. Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
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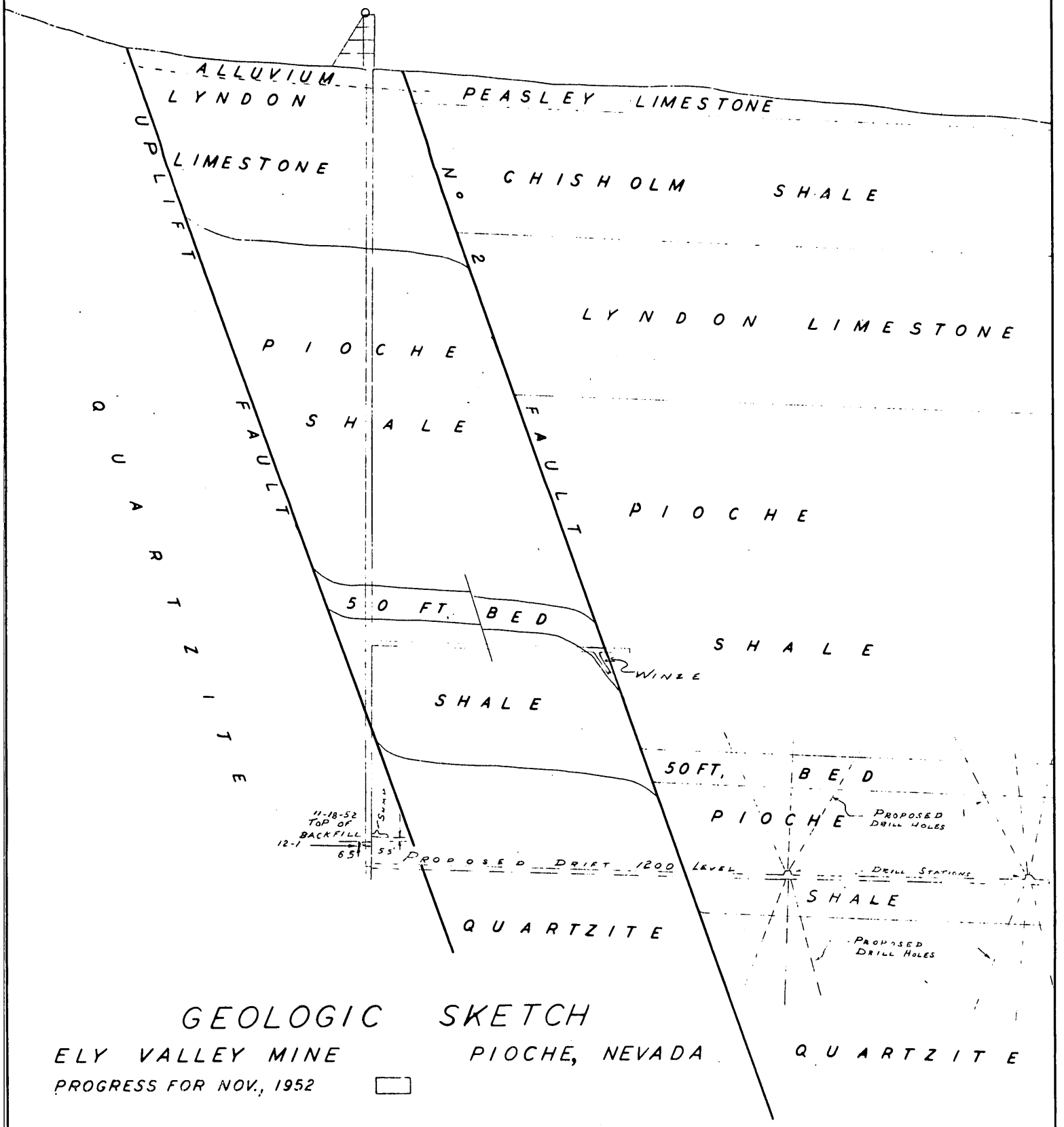

GEOLOGIC SKETCH

ELY VALLEY MINE PIOCHE, NEVADA

PROGRESS FOR NOV., 1952