UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (~~or cancelled~~) without certification. DMEA No. 866

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

✓ Interim Audit(s).

✓ Report of Review.

Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

✓ Subordination Agreement.

✓ Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

✓ Project summary.

✓ Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

✓ Operator's Final Report.

✓ Interim Reports.

✓ On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

aa
Reviewer's Initials

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

Interim AUDIT CERTIFICATE

I have examined the records and transactions of:

Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco 11, California

pertaining to Exploration Project Contract No. Idm-E185 and Amendments No. 1, 2 and 3, Docket No. DMA-866 for the period October 17, 1951 to November 30, 1952.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the contractor.

Total cost as billed by contractor	$17,883.77
Exceptions	None
Total accepted cost	$17,883.77

The contract calls for a 50 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eight Thousand Nine Hundred Forty One and 89/100 Dollars

- $8,941.89

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

George Mayor

George Mayor
Auditor

January 20, 1953

I INTRODUCTION

On December 19, 1952 an interim audit (covering the period of October 17, 1951 to November 30, 1952) was made of the records and accounts of operations pertaining to Contract No. Idm-E185 and Amendments No. 1, 2 and 3, Docket No. DMA-866 with the:

Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco 11, California

covering a project of exploration for Lead and Zinc.

The accounting records under this contract are located in the company's office in San Francisco, California.

During the course of the audit Mr. Albert S. Simrak, General Manager was present and consulted as required. His cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The operator maintains a complete set of accounting records, which includes a general ledger, cash book, invoice register and payroll register. There is no separate general ledger account maintained for the cost of the exploration project, however all charges applicable to the cost of the project can readily be identified. Mr. Albert S. Simrak, General Manager prepares the Form MF-104. As this was one of the early contracts whereby it was not necessary to attach certified invoices, the operator did however attach a complete analysis of all costs for the months of October, November and December 1951 and for the months of July through November 1952. All of the necessary documents were attached. The aforementioned months represent the eight months the contract was in operation.

III SCOPE OF AUDIT AND FINDINGS

The audit covered a complete analysis of all expenditures in order to ascertain the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of November 1952. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts $12,542.16

Under date of July 7, 1951 a sub-contract was made for diamond drilling and approved by the Government January 10, 1952. As this diamond drilling did not prove successful on the operator's property, Amendment No. 1 dated July 10, 1952 allowed the operator to change over to churn drilling. Under date of July 4, 1952 a sub-contract was made for churn drilling and

approved by the Government September 19, 1952. The drilling costs under the two (2) operations are accounted for as follows:

Diamond Drilling				
AX Drilling	169'	@ $4.00*	$ 676.00	
BX Drilling	10'	@ 4.50*	45.00	
EX Drilling	71'	@ 3.50*	248.50	
EX Drilling	52'	@ 4.00	208.00	
EX Drilling	105'	@ 4.50	472.50	
Cementing	441'	@ 2.50	1,102.50	
Reaming	46'	@ 2.75	126.50	$2,879.00

* Rates are 50¢ ft. less than sub-contract. No adjustment made.

Churn Drilling				
Drilling	1,320'	@ $6.50	$8,580.00	
Transportation Drill Equipment			250.00	
Bulldozing			420.00	
Transporting Tractor and widening drill station			292.00	
Survey work at drill site			121.16	9,663.16
Total Drilling Costs				$12,542.16

All charges were verified to the terms of the contract and sub-contracts together with vendors' invoices and an examination of cancelled bank checks. The only items not specifically set out in contract were transporting tractor and widening drill station, $292.00, and survey work at drill site, $121.16 and as both items are necessary costs to churn drilling no exception was taken.

(2) Labor and Supervision $3,220.00

The payroll records for the period October 17, 1951 to November 30, 1952 were examined and made up as follows:

Labor	$ 820.00
Supervision	2,400.00
Total	$3,220.00

The labor charge was made up of two employees on a monthly salary basis covering services as hoistman and bucket man. The supervision salaries included M. E. Bohannan, Supervision Engineer and Albert S. Simrak, Superintendent. An examination of cancelled payroll checks was made during the audit. No time book was maintained due to employees being on monthly salary basis. No charge was made by the operator for payroll taxes or liability insurance as same was absorbed by the operator. All salaries paid were in accordance with contract terms.

(3) Operating Materials and Supplies $1,120.43

A complete examination was made of invoices charged to this category which included the verification of footings and extensions together with the

examination of cancelled bank checks. The project did not maintain any stores account and all purchases were charged direct to the cost of operating materials and supplies. The supplies used can be accounted for as follows:

Gasolines, Oil, etc. used in operation of Dodge Sedan, pick-up truck and water truck.	$ 976.80
Other miscellaneous supplies	143.63
Total	$1,120.43

The gasoline, oil, etc., was used principally for operation of auto and trucks between Eureka, Nevada and mine site, a distance of 40 miles. The other miscellaneous supplies were all necessary supply items properly chargeable under this category.

(4) Operating Equipment $420.00

All charges for operating equipment were checked to the rates specified in contract which can be accounted for as follows:

Depreciation			
1 Compressor	2 months	@ $160.00	$320.00
1 Hoist	2 months	@ 50.00	100.00
Total			$420.00

The contract terms for depreciation were for a period of 4 months at $210.00 per month making a total of $840.00. The operator used $420.00 of this amount for depreciation, for the period ending December 31, 1951 and the remaining $420.00 was charged to the cost of bulldozing for the period ending August 31, 1952 and included with item (1) covering costs of churn drilling. The charge for bulldozing was allowed by Amendment No. 3 of the contract.

The operator also used the following equipment on project operations for which no rental charge for the use of same was made:

1 - GMC 3/4-ton pick-up truck
1 - GMC 2½-ton flat bed truck
1 - Dodge Sedan passenger car
1 - Schramm Air Compressor, 105 cu.ft.
1 - Gardner-Denver Air Compressor, 105 cu.ft.

All of the above equipment is owned by the operator with the exception of the Gardner-Denver Air Compressor which was rented at $140.00 per month from Air Equipment Company, Salt Lake City, Utah during the months of October, November, and December 1951 and the rental costs were absorbed by the operator.

(5) Initial Rehabilitation and Repairs - 0 -

Contract allowed $1,400.00 for rehabilitation of shaft collar, which was not used by operator.

(6) New Buildings, Improvements, etc. - 0 -

Not applicable to this contract.

(7) Miscellaneous $165.38

An examination of the charges to this category included the inspection of invoices and cancelled bank checks. The entire amount represented repairs to compressor during the months of October and December 1951 and is a proper charge to the project costs.

(8) Contingencies $415.80

The charges under this category covered mileage paid to M. E. Bohannan, Supervisor for the use of his personal automobile and represented 11 round trips from Reno, Nevada to Eureka, Nevada, a distance of 270 miles each way. The trips were made during the 5 month period ending November 30, 1952 and represented 5,940 miles at .07 = $415.80. As M. E. Bohannan lived in Reno, Nevada and was paid at the rate of $20.00 per day for a few days work each month, Mr. Albert S. Simrak, General Manager felt that M. E. Bohannan was entitled to mileage in addition to his daily rate of pay for the services rendered at mine site. As the mileage charge appeared reasonable under the circumstances no exception was made. During the course of the audit an examination of mileage invoices together with cancelled bank checks was made.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs, as charged to this project are reasonable and proper under the terms of the contract.

The items of cost as shown on the November 1952 MF-104 and the approved amounts are summarized as follows:

	Totals Nov.MF-104	Distribution Corrected	Disallowed by Audit	Allowed by Audit
(1) Independent Contracts				
Drilling	$11,459.00	$11,459.00		$11,459.00
Bulldozing	420.00	420.00		420.00
Other Drilling Costs	532.00	663.16		663.16
(2) Labor and Supervision				
Labor	820.00	820.00		820.00
Supervision	2,400.00	2,400.00		2,400.00
(3) Operating Mat'ls & Supplies				
Gasoline, Oil, etc.	1,251.59	976.80		976.80
Miscellaneous		143.63		143.63
(4) Operating Equipment				
Depreciation	420.00	420.00		420.00
(5) Initial Rehabilitation & Repairs $1,400.00 allowed by contract not used	- 0 -	- 0 -		- 0 -
(6) New Buildings, Improvements, etc. Not applicable	- 0 -	- 0 -		- 0 -
(7) Miscellaneous				
Repairs to Equipment	165.38	165.38		165.38
Travel Expense Mileage	415.80			
(8) Contingencies				
Travel Expense Mileage		415.80		415.80
	$17,883.77	$17,883.77	None	$17,883.77

The audit also disclosed that the status as of November 30, 1952, of the "allowable maximums" under this contract was as follows:

Item	Allowable Maximum	Total Costs	Balance
Rehabilitation of shaft collar	*$1,400.00	- 0 -	- 0 -
Engineering and supervision	2,400.00	$2,400.00	- 0 -
Allowance for use of equipment	420.00	420.00	- 0 -
Allowance for rental of equipment	420.00	420.00	- 0 -

* $1,400.00 transferred to Item No. 7 Churn Drilling as per Amendment No. 3.

At the conclusion of audit, the findings were discussed with Albert S. Simrak, General Manager.

January 20, 1953

George Mayor
Auditor

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco 11, California

pertaining to Exploration Project Contract No. Idm-E185, Docket No. DMA-866X, including Amendments Nos. 1, 2, 3, 4, and 5, for the period October 17, 1951, to September 16, 1953, covering a project for the exploration of lead and zinc ores, on property known as the Rocco Homestake Mine, located in White Pine County, Nevada.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with Executive Officer in charge of the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the accepted costs ($17,883.77) of all work on an actual cost basis were covered by an interim Audit Report and Audit Certificate dated January 20, 1953, issued by this DMEA Auditor; and
(c) All subsequent costs incurred were under a subcontract at unit rates which was approved by the Government and the Monthly Reports had documentary proof of costs attached.

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

Total cost as billed by the Contractor	$35,375.46
Exceptions:	
Costs in excess of contract	8,635.46
Total accepted costs	$26,740.00

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in amount of Thirteen Thousand Three Hundred Seventy and 00/100 Dollars

$13,370.00

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

George Mavor
George Mavor
Auditor

March 19, 1954

Government's Copy

DOCKET NO. DMEA-866

AMENDMENT NO. 5

It is agreed this 3rd day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Hamilton Consolidated Mines Corporation, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E185, Docket No. DMEA-866, dated October 17, 1951, and amendments thereto, be further modified and amended as of August 1, 1953, as follows:

Date of completion of the contract is extended two (2) months to October 1, 1953.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By H. C. Miller

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

HAMILTON CONSOLIDATED MINES CORPORATION

By Albert S. Sinrak

Albert S. Sinrak, General Manager

AMENDMENT NO. 5

Docket No. DMA-866X Mineral Lead-Zinc

Exploration Project Contract Idm-E185

Date of Contract October 17, 1951

Date of Amendment September 3, 1953

Operator Hamilton Consolidated Mines Corporation

JUSTIFICATION

Because of a breakdown in drilling equipment, with the resultant loss in working-time, and in order to allow sufficient time for completion of this project, the contract has been extended for two months. Accordingly, Amendment No. 5, dated September 3, 1953, establishes the completion date as of October 1, 1953.

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

HAMILTON CONSOLIDATED MINES CORPORATION
CONTRACT Idm-E185
DOCKET NO. DMEA-866

AMENDMENT NO. 4

Contract Idm-E185 (Docket No. DMEA-866), dated October 17, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and the Hamilton Consolidated Mines Corporation, is amended as follows, effective December 1, 1952:

> The date of completion of the project is extended to August 1, 1953.

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

Dated January 2, 1953.

UNITED STATES OF AMERICA

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

HAMILTON CONSOLIDATED MINES CORPORATION

By Albert S. Simrak
Albert S. Simrak (General Manager)

DEPARTMENT OF INTERIOR
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Defense Minerals Administration
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AMENDMENT NO. 4

Docket No. 866 Mineral Lead-Zinc

Exploration Project Contract Idm-E 185

Date of Contract October 17, 1951

Date of Amendment January 2, 1953

Operator Hamilton Consolidated Mines Corporation

JUSTIFICATION

Work under this contract started on October 27, 1951, and had to be recessed on November 14, 1951, on account of snow and the inability to retain men at the mine during the winter. Conditions at the mine made it impossible to resume operations until about August 1, 1952, and they again had to be recessed about November 15, 1952, because of snow and the inability of the Operator to keep a drilling crew working at this isolated area. The Operator has some 1600 feet more churn drilling to perform under the contract. The original completion date was extended by Amendment No. 2, to December 1, 1952, and as work cannot be resumed until sometime in May 1953 the termination of the contract is further extended to August 1, 1953.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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HAMILTON CONSOLIDATED MINES CORPORATION
CONTRACT Idm-E185
DOCKET NO. DMEA-866

AMENDMENT NO. 3

Contract Docket No. DMEA-866, dated October 17, 1951, between the United States of America, acting through the Department of the Interior, DMEA, and the Hamilton Consolidated Mines Corporation, is amended as follows, effective September 12, 1952: In Exhibit "A,"

1. Transfer unexpended balance in item (1) to new item (7). (See Amendment No. 1, dated June 27, 1952, which establishes item (7)).

2. Re-establish item (4) and transfer all but $600 of the unexpended balance to new item (7).

3. Delete item (6) and transfer unexpended balance to new item (7) for use for tractor rental for levelling churn drill sites.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated September 12, 1952.

UNITED STATES OF AMERICA

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

HAMILTON CONSOLIDATED MINES CORPORATION

By Albert S. Simrak
Albert S. Simrak (General Manager)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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AMENDMENT NO. 3

Docket No. 866 Mineral Lead-Zinc

Exploration Project Contract Idm-E 185

Date of Contract October 17, 1951

Date of Amendment September 12, 1952

Operator Hamilton Consolidated Mines Corporation

JUSTIFICATION

Amendment No. 3 is drawn to correct Amendment No. 1, which after having been executed was found not to conform entirely to the needs of the Operator or to his request for amending the contract.

As the Operator has no need for the unexpended balance remaining in item 1 to further rehabilitate the shaft, he desires to transfer the balance ($945.64) to churn drilling (item 7). As it was not the Operator's intent to have item (4) deleted entirely but only to have all but $600 of its unexpended balance transferred to item (7), item (4) has been restored with a balance of $600. The balance of funds ($1,305) in item (4) is thus transferred to item (7). Item (6) is deleted and the balance of funds ($420) transferred to item (7) to be used for rental of tractor for levelling churn drill sites.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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SEP 22 1952

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

HAMILTON CONSOLIDATED MINES CORPORATION
CONTRACT Idm-E185
DOCKET NO. DMEA-866

AMENDMENT NO. 2

Contract Docket No. DMEA-866, dated October 17, 1951, between the United States of America, acting through the Department of the Interior, DMEA, and the Hamilton Consolidated Mines Corporation, is amended as follows, effective July 10, 1952:

The date for completion of the project is extended to December 1, 1952.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated July 10, 1952.

UNITED STATES OF AMERICA

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

HAMILTON CONSOLIDATED MINES CORPORATION

By Albert S. Simrak
Albert S. Simrak, (General Manager)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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JUL 21 1952

AMENDMENT NO. 2

Docket No. DMEA-866 Mineral Lead-Zinc

Exploration Project Contract Idm-E 185

Date of Contract October 17, 1951

Date of Amendment July 10, 1952

Operator Hamilton Consolidated Mines Corporation

JUSTIFICATION

Due to the fact that diamond drilling has not been entirely successful on the contractor's property, Amendment No. 1, dated June 27, 1952, was drawn to permit the Operator to churn drill instead of diamond drill. This change of operation and the fact that the past severe winter delayed normal operations at the property justify extending the completion date. The new completion date will permit the operator to complete the program originally outlined in his contract.

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

Government Copy
Lead + Zinc

HAMILTON CONSOLIDATED MINES CORPORATION
CONTRACT Idm-E185
DOCKET NO. DMEA-866

AMENDMENT NO. 1

Contract Docket No. DMEA-866, dated October 17, 1951, between the United States of America, acting through the Department of the Interior, DMEA, and the Hamilton Consolidated Mines Corporation, is amended as follows, effective June 27, 1952: In Exhibit "A",

1. Delete items (2), (3), and (4).

2. Add item (7), reading as follows:

Churn drilling from surface locations. The maximum cost of this work, to which the Government will contribute, shall not exceed the total of the unexpended balances of the estimated costs for items (2), (3), and (4).

The churn drilling shall be done by an independent contract, approved by the Government.

The location, direction and depth of all drilling is subject to the approval of the Government.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated June 27, 1952.

UNITED STATES OF AMERICA

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

HAMILTON CONSOLIDATED MINES CORPORATION

By Albert S. Simrak
Albert S. Simrak (General Manager)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 21 1952

AMENDMENT NO. 1

Docket No. 866 Mineral Lead-Zinc

Exploration Project Contract Idm-E 185

Date of Contract October 17, 1951

Date of Amendment June 27, 1952

Operator Hamilton Consolidated Mines Corporation

JUSTIFICATION

The Company has not been too successful in carrying out its diamond drilling program because of the nature of the formations drilled. It is the opinion of the Company and Mr. A. C. Johnson, Chief, Mining Division, Bureau of Mines, Region III that churn drilling has a better chance than diamond drilling of reaching the objective. The contract accordingly has been amended to substitute churn drilling for diamond drilling.

As there are small unexpended balances remaining under Items (2) and (4) of Exhibit "A" of the contract, these items as well as Item (3) for which there is an unspent balance of slightly more than $13,000 have been deleted and a new item (7) added to permit churn drilling and the use of the unexpended balances to pay for it.

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

MF-200
(June 1951)

Docket No. DMA 866
Commodity Lead Zinc

Idm-E 185

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 17th day of October, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco, 11, California

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Nevada, County of White Pine described as follows:[3] Those certain mining claims contained in Lease and Option Agreement dated March 20, 1950 between Carl F. Muir and Fred E. Anderson and assigned to Hamilton Consolidated Mines Corporation on April 25, 1950 and excluding that certain leased portion to Angelo Reck described in this document (attached) until said lease to Angelo Reck is terminated.
with respect to which the Operator represents and undertakes:[4]

(*a*) ~~That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

Guaranty of the lessee

(*b*) That he is a lessee, in possession and entitled to possession, and the ~~subordination agreement of the lessor~~ is attached.

3. *Exploration project.* The Operator, within Sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] Lead-Zinc Ore; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] Xix (6) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of prop*[illegible]. All facilities, buildings, fixtures, equipme[illegible]r other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $13,370.00, which is 50 percent of the agreed estimated total cost of this project, $26,740.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson

Acting Director, Production Expansion Division
Defense Minerals Administration.

Hamilton Consolidated Mines Corp.
(Operator)

By Albert S. Surrak
Gen. Manager

U.S. GOVERNMENT PRINTING OFFICE 16—64066-2

HAMILTON CONSOLIDATED MINES CORPORATION Docket 866
200 Davis Street
San Francisco, California

Exploration Project Contract

EXHIBIT "A"

The proposed program is to explore Block E, shown on attahced maps, by two crosscuts into the hanging wall block and diamond drilling from stations established in the crosscuts to explore for ore below the crosscut level.

The estimated costs of the project is as follows:

(1)	Rehabilitation of shaft collar	$ 1,400.00
(2)	Crosscutting, 100 feet @ $30 per foot	3,000.00
(3)	Diamond drilling, 2000 feet @ $8.00 per foot	16,000.00
(4)	Operating expense	3,100.00
(5)	Engineering and supervision	2,400.00
(6)	Equipment furnished by operator	840.00
	Total	$26,740.00

1. Rehabilitation of the shaft collar is to be done on labor contract and is to include all labor, supplies and materials required to a maximum of $1400 for the project.

2. Crosscutting is to be done on labor contract and per foot cost includes all labor, supplies and materials except as listed under item (4).

3. Diamond drilling is to be done on contract and to include all labor, supplies, materials and equipment, except as listed under item (4) and item (5), and contract is subject to approval by the government.

4. Operating expense other than included in contract costs are as follows:

1 Hoist man @ $350 per month, 4 months	$ 1400.00
1 Bucket man @ $275 per month, 4 months	1100.00
Diesel oil, gasoline, lubricating oil and miscellaneous supplies for operating compressor and hoist, $150 per month, 4 months	600.00
Total	$ 3,100.00

5. Engineering, supervision and office expense is allowable to a maximum of $600 per month for 4 months.

6. Equipment to be furnished by the Operator for use on the project is as follows:

Unite	Value	Use Allowance per Month
Compressor	$9,575	$ 160.00
Hoist	3,000	50.00
		$ 210.00

HAMILTON CONSOLIDATED MINES CORPORATION Docket 866
200 Davis Street
San Francisco, California

Exploration Project Contract

EXHIBIT "A"

The maximum allowable cost for use of the above equipment on the project for four months operation is $840.00

No additional building, installations, fixtures, equipment or improvements to be purchased, rented, repaired, or rehabilitated, except as listed above, are to be allowed as costs under this contract.

GUARANTY

In consideration of the waiver by the United States of America of the requirement of a Landlord's Subordination Agreement as set forth in paragraph 2 (b) of the attached Exploration Project Contract between the undersigned and the United States of America, the undersigned hereby guarantees the payment to the United States of America of royalties, as specified in paragraph 15 of said contract, upon any and all ore discovered or developed as a result of said contract, which is mined within ten (10) years from the date of said contract, whether or not the undersigned has any interest in the property covered by the said contract or any part in the mining operation at the time said ore is mined. If for any reason the net smelter returns from operation that will be subject under said contract to such payment to the United States of America are not available as a means of measuring the amount of such payment, then the undersigned agrees and undertakes to make such payment according to the best estimate of the amount that can reasonably be made, and in the event of dispute as to such estimate, the undersigned agrees that the determination thereof by either the Administrator of Defense Minerals Administration or by the Director of the U. S. Bureau of Mines shall be final and binding upon the undersigned; provided, however, that should undersigned, prior to the accrual of any obligation to pay under this guaranty, furnish to the United States subordination agreement required by paragraph 2 (b) of said contract, this covenant shall thereupon become fully satisfied and of no further force or effect.

Dated this September day of 24th, 1951.

Hamilton Consolidated Mines Corporation

Albert S. Surrak - Gen Mgr

Double O Timber & Mining Corporation

Albert S. Surrak - Secretary

See Amend of 9-25-51

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
OCT 1 1 51 PM '51

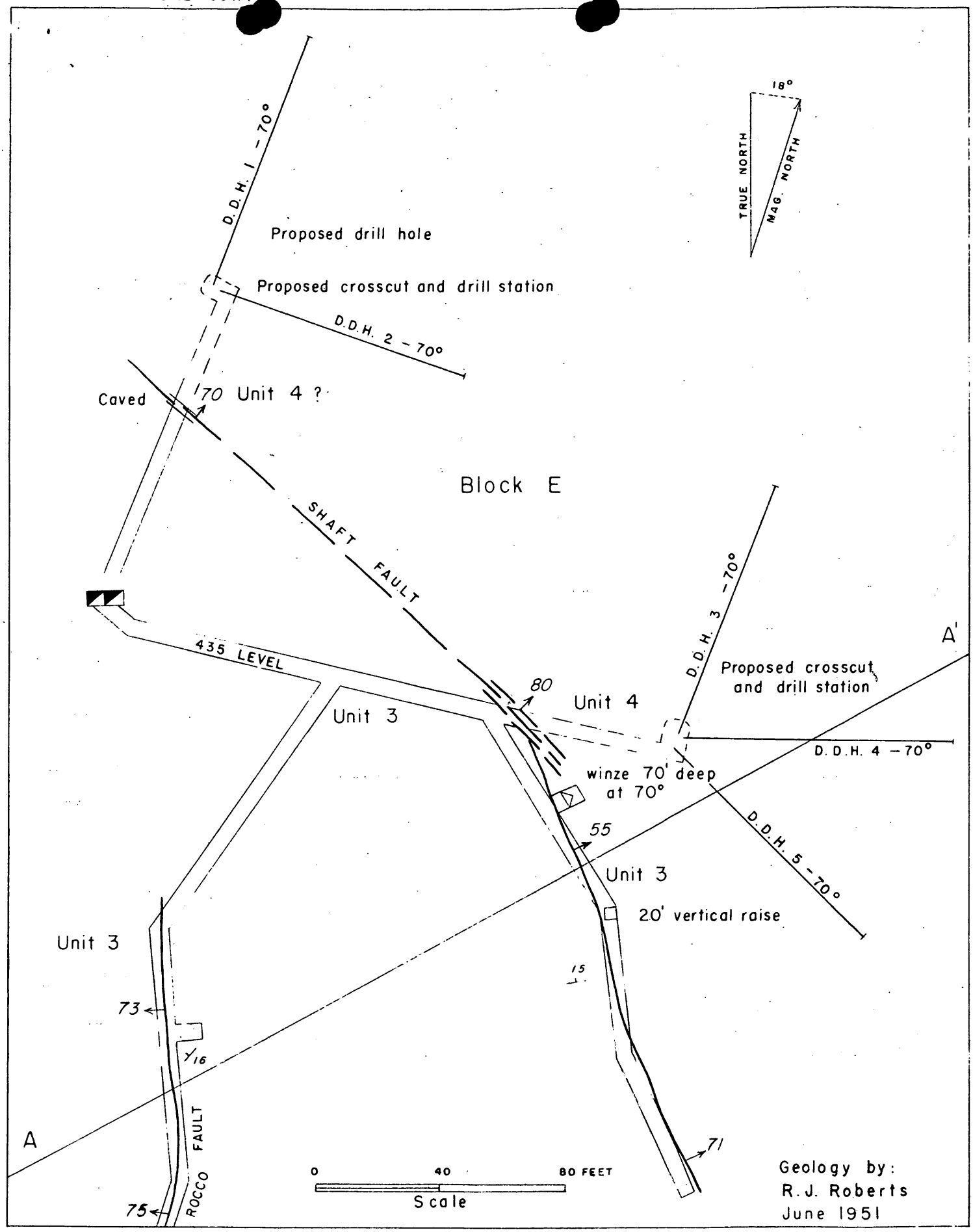


FIG. 4 - GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

The undersigned, FRED E. ANDERSON, in consideration of the sum of TEN DOLLARS ($10.oo), lawful money of the United States of America, to him in hand paid, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, does hereby assign, transfer, convey and set over unto HAMILTON CONSOLIDATED MINES CORPORATION, a Nevada corporation, all of his right, title, and interest in and to that certain mining lease and option agreement executed in duplicate on the 20th day of March, 1950, by and between CARL F. MUIR, party of the first part, and FRED E. ANDERSON, party of the second part, said lease and option agreement being annexed hereto, made a part hereof, and incorporated herein with the same force and effect as if set out at length herein.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
OCT 5 9 19 AM '51

DATED this 24th day of April, 1950

(signed) Fred E. Anderson
Fred E. Anderson

STATE OF NEVADA,)
)SS.
COUNTY OF WASHOE.)

On this 24th day of April, 1950, before me, the undersigned, a Notary Public in and for the County and State aforesaid, p ersonally appeared FRED E. ANDERSON, known to me to be the person described in and who executed the foregoing instrument and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

Seal

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

(signed) Hayes E. Shaffer
NOTARY PUBLIC
In and for said County and State

My Commission expires:
October 29, 1951

I, Albert S. Simrak, Secretary of the Double O Timber & Mining Company do hereby certify that the above is a true and correct copy of the Assignment of that certain Lease and Option Agreement attached hereto and duly recorded at Ely, Nevada as indicated upon the reverse side of this copy.

DOUBLE O TIMBER & MINING COMPANY
Albert S. Simrak Secretary
Albert S. Simrak, Secretary

85101
85101
Filed at the request of
Albert S. Simrak
August 5, 1951
at 28 min. past 9 o'clock
A.M. and recorded on
Book 126, pages 475--476
LEASE record
of White Pine County, Nevada
(signed)
D.S. Shaver
Recorder

85102

Filed for Record at request of
Albert D. Smirak
August 5 - 1950
at 32 min. past 9 o'clock
AM - and recorded in
Book 126 - pages 476 - 479
Lease - - - Record
of White Pine Co., Nevada
signed (D. S. Shaver -
Recorder

LEASE AND OPTION AGREEMENT

THIS LEASE AND OPTION AGREEMENT, made and entered into this 20th day of March, 1950, by and between CARL F. MUIR, party of the first part, hereinafter referred to as "First Party", and FRED L. ANDERSON, party of the second part, hereinafter referred to as "Second Party";

W I T N E S S E T H:

That the said First Party, for and in consideration of the sum of One Dollar ($1.00), lawful money of the United States, to him in hand paid by said Second Party, and for the other considerations hereinafter mentioned, does hereby grant unto said Second Party an exclusive lease, and option to purchase all those certain mining claims situate in White Pine Mining District, White Pine County, State of Nevada, and known as and more particularly described as follows, to-wit:

Those certain unpatented claims known as Homestake and Last Chance;

Those certain patented claims known as Rocco Ledge and Company, also called Rocco Ledge; Rocco No. 2, also called Rocco Ledge No. 2;

Together with said First Party's undivided one-half interest in and to those certain patented claims known as Protection and Rex.

I

The purchase price of said mining claims is Twenty Thousand Dollars ($20,000.00), lawful money of the United States. The life of this agreement shall be three (3) years from May 1, 1950, and said purchase price shall be paid within that period of time, either by royalties or otherwise, or both. All royalty payments shall be determined and calculated as follows, to-wit:

A. To pay to said First Party a royalty on all ore extracted from said premises and sold, or concentrated at the site of such operations and thereafter sold, said royalty to be

on the net smelter returns on the following basis:

1. Ten Percent (10%) on all ores up to the value of Thirty Dollars ($30.00) per ton.

2. Fifteen Percent (15%) on all ores of a value in excess of Thirty Dollars ($30.00) per ton.

B. That all ores sold from said above described mining claims shall be shipped in the name of the said Second Party with instructions as hereinafter set forth. To furnish the smelter or other reduction works where such ores are shipped with a copy of this agreement authorizing, instructing and directing the said smelter or reduction works to do and perform the following:

1. To deduct from the said smelter returns on each shipment of ore a sum of money equal to Ten Percent (10%) thereof on all ore or ores up to a value of Thirty Dollars ($30.00) per ton; to deduct from said smelter returns on each shipment of ore or ores a sum of money equal to Fifteen Percent (15%) thereof on all such ore or ores of a value in excess of Thirty Dollars ($30.00) per ton, transportation and smelting charges to be deducted before calculation of the foregoing royalties.

2. To forward said sums so deducted to the First National Bank at Ely, Nevada, to be by that institution credited to the account of the said First Party; to furnish said First National Bank with duplicate copies of settlement sheets.

C. All royalty payments received hereunder to the credit of the said First Party shall be applied on and in reduction of the purchase price hereinabove provided.

D. To immediately, upon the execution of this Agreement, enter onto the said above described mining claims and to begin mining operations thereon, and to continue, during the life of this agreement, working said property, performing not less than fifty (50) eight (8) hour shifts of work on said mining claims

during each and every month of the life of this agreement when weather conditions so permit.

E. To cause all workmen employed in, on, or in connection with the mining operations performed in the above described mining claims to be fully covered under the terms of the Nevada Industrial Insurance Act, the Nevada Occupational Diseases Act, and all amendments thereto, and keep, during the life of this agreement, all such employees so insured.

F. To do no act or acts which would cause mechanics, supply or materialmen's liens or other liens to be placed against said above described mining claims or any part thereof; and to post and keep posted in a conspicuous place or places in said mining premises a notice or notices in writing signed by First Party reading to the effect that all work and labor done thereon and all materials, supplies and improvements constructed or erected thereon are being done wholly and solely at the expense of said Second Party, and stating that the said First Party will not be responsible for indebtedness for labor, material, supplies, or any thereof, created by the said Second Party in connection with the work and operations of said mining property during the existence of this agreement; and to use every means and effort to keep said notices posted, and to not disturb or remove the same or permit the same to be disturbed or removed.

G. To do and perform all work and improvements and operation of said mine and mining property in good and workmanlike manner at the sole cost and expense of the said Second Party.

H. To permit the said First Party, his agent or agents, to inspect the said mining operations at any and all reasonable times during the life hereof.

IT IS MUTUALLY COVENANTED AND AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

A. That time is the essence of this Agreement.

B. That this Agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto, provided, however, that the said Second Party is hereby given and granted the right to assign this Agreement to any corporation lawfully authorized to accept such Assignment.

C. That the Whim House dump now situate and being upon a portion of the above described mining claims is excluded from the terms of this Lease, and the said Second Party has no right whatsoever thereto.

D. That the said Second Party, upon the termination of this Lease, or upon the prior expiration thereof or any forfeiture hereunder, shall have a right to remove any and all machinery and equipment placed thereon by said Second Party within thirty (30) days thereafter.

E. That there now exists that certain Lease Agreement dated the 1st day of December, 1949, wherein First Party herein is Lessor and one ANGELO RECK is Lessee, and which said Lease covers a portion of the above described claims, and that said ground so covered by the Lease in this paragraph mentioned shall be, and is hereby, excepted from the terms of this Lease, and which said ground is substantially embraced within the following boundaries and area, to-wit: Beginning at the collar of the shaft on the ground now worked and the subject matter of said Lease to the said ANGELO RECK, on the Rocco claim, thence east to the east sideline of Rocco No. 2, with the further right in the said ANGELO RECK to go to a depth in said area to the level of the said collar of said shaft; also included in said Lease to the said ANGELO RECK is all of the area above the Rocco shaft on the Rocco and Rocco No. 2 claims where the said ANGELO RECK is now working. That under the terms of said Lease the said ANGELO RECK has the right to mine all ground twenty (20) feet above the collar of the shaft and in the area embraced in

the immediately foregoing boundaries.

F. That in the event the said ANGELO RECK forfeits his said Lease or his said Lease is otherwise terminated prior to the natural expiration thereof, the ground which is the subject matter of his Lease shall then become subject to all the terms of this Lease and Option between the parties hereto.

G. In the event the said Second Party shall make default in the performance of any of the terms, covenants or conditions in this agreement contained and on his part to be kept and performed, and shall fail within thirty (30) days after written notice of such default given to him by the said First Party to correct such default, the First Party, on the expiration of said thirty-day period, may declare a forfeiture hereof and the said Second Party shall forthwith, upon demand, deliver up to the said First Party the peaceful possession of said premises and every part thereof, and the said First Party may, with or without due process of law, enter into and upon said premises and take possession thereof.

H. That the waiver by the said First Party of any default in the performance of any of the terms, covenants or conditions hereof upon the part of the said Second Party to be by him kept and performed shall not operate or be construed as a waiver of any subsequent default in regard to any of the terms hereof.

IT IS FURTHER MUTUALLY COVENANTED AND AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

A. That said First Party will make, execute and deliver a good and sufficient deed to said mining claims in escrow in the First National Bank in Ely, White Pine County, State of Nevada,

with instructions to said bank to the effect that the said Deed, together with this agreement, and the Deed hereinafter agreed to be executed by the said Second Party, be delivered to said Second Party upon the receipt by said bank of the full purchase price within the time herein fixed and herein agreed upon by the parties hereto.

B. That said Second Party will make, execute and deliver a Quitclaim Deed to said mining claims to the above named bank, to be placed in escrow with instructions that in the event the said Second Party fails to make the payments at the times or in the manner herein agreed to be made, said bank shall deliver to said First Party, upon written demand by him, the said Deed made and executed by the said First Party, together with the Deed made and executed by the said Second Party and all copies of this or any other agreement made and entered into between the parties hereto.

C. It is further mutually covenanted and agreed by and between the parties hereto that the said Second Party will pay or cause to be paid all bullion taxes upon the net proceeds of said above described premises, which bullion taxes are levied by the State of Nevada, and/or the County of White Pine.

D. Said Second Party agrees to promptly pay any and all Social Security taxes levied by the United States Government or unemployment compensation taxes levied by the Unemployment Compensation Division of the State of Nevada, upon him as an employer and to permit no delinquencies to be created therein. Said Second Party further covenants and agrees to pay any and all taxes levied by the State of Nevada, the County of White Pine, or any political subdivision of the State of Nevada against any and all improvements and equipment, mining machinery, or buildings or structures during the life of this Agreement.

E. It is further mutually covenanted and agreed by and

between the parties hereto that should the said Second Party fail, neglect or refuse to carry out any of the terms and conditions hereinabove stated at the time and in the manner provided for herein, this Agreement shall become null and void and of no force and effect, and all payments made by virtue hereof shall be retained by said First Party as liquidated damages for the use and occupancy of said premises, and as part of the consideration for which this agreement is executed, and the said Second Party shall forthwith, upon demand, deliver up to the said First Party the peaceful possession of said premises and every part thereof, and said First Party may, with or without due process of law, enter upon said premises and demand possession of the premises hereinabove described.

F. This agreement shall be deemed to be and shall be construed as a lease and option to purchase, and not as an agreement of sale and purchase.

IN WITNESS WHEREOF, the parties have hereunto signed their names the day and year first above written.

Carl F. Muir — First Party

Fred E. Anderson — Second Party

State of Nevada,)
) ss.
County of White Pine.)

On this 20th day of March, 1950, personally appeared before me, a Notary Public in and for said County and State, CARL F. MUIR and FRED E. ANDERSON, known to me to be the persons described in and who executed the foregoing instrument; who duly acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Barbara Brandin
Notary Public

My Commission Expires: 11-3-53

(7 and last)

Government Copy
Lead, Zinc

APPROVAL OF SUBCONTRACT

To: Hamilton Consolidated Mines Corporation

That certain contract, or proposed contract, a copy of which you have submitted with your request for approval, dated August 5, 1952, between you and Aubrey Lyon, Well Contractor for the performance of the following work: Churn drilling under Exploration Contract as amended, which is all or a specific element of the work described in an Exploration Project Contract dated October 17, 1951, Idm-E185, Docket No. DMEA 866, is hereby approved by the United States of America, subject to the following terms and conditions:

1. The Government shall not be nor be considered to be a party to said independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of said independent contract.

2. Regardless of the provisions of said independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary.

3. The said independent contract shall not have the effect of increasing the estimated total cost of the exploration project contract or the maximum amount which the Government will pay as provided in the exploration project contract.

Dated: September 19, 1952

THE UNITED STATES OF AMERICA

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

A G R E E M E N T

This AGREEMENT, made and entered into as of the 4th day of July, 1952, by and between Aubrey Lyon, a Well Contractor, by Leona E. Lyon, his duly appointed guardian authorized by court to conduct his business, residing at North Hollywood, California, hereinafter called the "first party", or "contractor", and the Hamilton Consolidated Mines Corporation, a Nevada Corporation, hereinafter called the "second party";

WHEREAS, the parties hereto desire to reduce to writing an oral agreement made as of the above date;

WITNESSETH:

A - First party covenants and agrees:

1 - to churn drill or cause to be drilled a minimum of 2 holes of approximately 1000 feet of depth each, or approximately 2000 lineal feet of holes from surface drill stations to be selected and designated by the second party. Said drilling to be done on property known as Rocco-Homestake Mine, located in the Hamilton Consolidated Mines Corporation lease near Ely, Nevada. This agreement is made with the understanding that 2 additional holes of approximately 1000 feet of depth each will be drilled on an adjoining property for Gold Zone Mining Corporation., a Nevada corporation, when, as and if a now pending application for federal government exploration aid is approved.

2 - to supply all labor, machinery, tools and equipment necessary and proper to do and perform every thing as provided for in this agreement, and to supply at expense of second party all pipe casing and drilling clay necessary and proper to do and perform everything as provided for in this agreement

3 - to operate under all applicable Federal Enactments and those of the State of Nevada regarding Employer's Liability, Workmen's Compensation and Workmen's Insurance, expressly agreeing that his employees engaged on the work herein undertaken to be done by him are not and shall not be treated or considered as the servants, employees or agents of the second party.

4 - to perform all of the above described work for the price of six dollars and fifty cents ($6.50) per lineal foot for all hole completed to not less than six (6) inch size in diameter, to the approximate depth of 1000 feet, plus or minus depending upon the contact of an ore body.

5 - that all work performed or drilling done under this agreement shall be recorded in duplicate form each day, and shall be a true and accurate record showing footage drilled, hours worked nature of rock penetrated, feet and size of casing placed during each shift, feet of hole cemented or sealed, and pertinent information regarding condition of each hole. This report shall be furnished to the second party in duplicate copy each day, or to his representative.

6 - all work shall be performed in good workmanlike manner and in conformity with generally accepted standards of work of like nature and kind prevailing in the industry, with the understanding that the objective is to secure accurate samples of the formation penetrated and shall be directed to this end. Sludge or cuttings must be removed as soon as each "run" is completed and placed by the contractor in proper sequence, properly marked in containers provided by the second party for that purpose. The contractor shall make samples in quantity to secure accurate and representative sludge samples in the event it is necessary to cut or divide the samples to not less than ¼ of the original amount of the sludge recovered.

7 - that he will not request payment for any footage of holes lost before the desired depth has been attained, and if a hole is so lost that he will drill a replacement hole to the depth of the lost hole for which second party has paid before second party is required to make any payment upon said replacement hole.

8 - that he will maintain in operation not less than one (1) drilling Rig, not less than one 8 hour shift per day, not less than six (6) days per week, except for days in which a national holiday may occur, and if requested by the second party, will arrange to operate on a two (2) shift basis each day.

9 - It is further agreed that the first party will re-purchase all pipe salvaged at the termination of the contract for a price equal to the market value of the same as of the date of salvage.

B - Second party agrees and covenants:

1 - To provide all rights of way, both of ingress and egress and the peacable possession of convenient portions of its real property upon which any necessary temporary building or other facilities may be erected for the prosecution of the work covered by the agreement and to provide and level drilling sites.

2 - to pay to the first party at the rate of six dollars and fifty cents ($6.50) per foot for hole drilled and completed upon presentation of a bill made in duplicate and showing the amount of footage so drilled, and the amount due thereon based upon the charge of six dollars and fifty cents ($6.50) per foot, said billing to be prepared for each seven (7) day interval.

3 - to provide a house usable as living quarters for drilling crew, with sufficient water for drilling purposes and domestic use within approximately 3 miles of drilling site.

4 - to pay for all pipe, casing and drilling clay necessary and proper to do and perform every thing as provided for in this agreement.

5 - to provide one (1) GMC flat bed truck with water tank for hauling water. Operating costs of truck so supplied including the license fee, insurance, and all costs of maintaining the truck in good operating condition, shall be the cost of the first party.

6 - to pay $250.00 upon moving in to the site and $250.00 upon termination of the drilling, which amount represents the cost of moving drilling equipment onto the property to be drilled and returning same to place of original storage.

The above agreement is hereby accepted and approved by the respective parties hereto with the stipulation herewith stated that all of the above work to be performed shall be undertaken under the supervision of the second party or its duly designated agent and at a date that shall be established by the second party, with due notice of at least ten (10) days in advance to the party of the first part of the time so scheduled for the start of operations.

IN WITNESS WHEREOF, the respective parties hereto have set their hands and seals this 5th day of August, 1952.

Aubrey Lyon, a well contractor

By Leona E. Lyon
Leona E. Lyon,
his duly appointed guardian,
First Party

Hamilton Consolidated Mines Corp.

By Albert S. Simrak
General Manager
Second Party

Gold Zone Mining Corporation.

By Albert S. Simrak
Secretary

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

Office of
Executive Officer
DMEA Field Team
Region III

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

September 22, 1952

Mr. Albert S. Simrak, General Manager
Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco 11, California

Re: Docket DMEA 866 (Lead-Zinc)
Hamilton Consolidated Mines Corporation
Contract Idm-E185

Dear Mr. Simrak:

There is attached herewith a copy of our formal approval, dated September 19, 1952, of your contract with Aubrey Lyon, Well Contractor for churn drilling under exploration contract as amended.

Sincerely yours,

H. C. MILLER

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

Enclosure

Copy to: DMEA, Interior Building, Washington 25, D. C. (with original and two copies of approval)
E. H. Bailey, USGS (with copy of approval)
A. C. Johnson, Reno, Nevada (with copy of approval)

P.S. Attached are three copies of subcontract between Aubrey Lyon and Hamilton Consolidated Mines Corp., for your files.

H.C.M.

LEASE AND OPTION AGREEMENT

THIS LEASE AND OPTION AGREEMENT, made and entered into this 20th day of March, 1950, by and between CARL F. MUIR, party of the first part, hereinafter referred to as "First Party", and FRED E. ANDERSON, party of the second part, hereinafter referred to as "Second Party":

W I T N E S S E T H:

That the said First Party, for and in consideration of the sum of One Dollar ($1.00), lawful money of the United States, to him in hand paid by said Second Party, and for the other considerations hereinafter mentioned, does hereby grant unto said Second Party an exclusive lease, and option to purchase all those certain mining claims situate in White Pine Mining District, White Pine County, State of Nevada, and known as and more particularly described as follows, to-wit:

Those certain unpatented claims known as Homestake and Last Chance;

Those certain patented claims known as Rocco Ledge and Company, also called Rocco Ledge; Rocco No. 2, also called Rocco Ledge No. 2;

Together with said First Party's undivided one-half interest in and to those certain patented claims known as Protection and Rex.

I

The purchase price of said mining claims is Twenty Thousand Dollars ($20,000.00) lawful money of the United States. The life of this agreement shall be three (3) years from May 1, 1950, and said purchase price shall be paid within that period of time, either by royalties, or otherwise, or both. All royalty payments shall be determined and calculated as follows, to-wit:

A. To pay to said First Party a royalty on all ore extracted from said premises and sold, or concentrated at the site of such operations and thereafter sold, said royalty to be calculated

The undersigned, FRED E. ANDERSON, in consideration of the sum of TEN DOLLARS ($10.00), lawful money of the United States of America, to him in hand paid, and for other good and valuable considerations, the receipt whereof is hereby acknowledged, does hereby assign, transfer, convey and set over unto HAMILTON CONSOLIDATED MINES CORPORATION, a Nevada corporation, all of his right, title, and interest in and to that certain mining lease and option agreement executed in duplicate on the 20th day of March, 1950, by and between CARL F. MUIR, party of the first part, and FRED E. ANDERSON, party of the second part, said lease and option agreement being annexed hereto, made a part hereof, and incorporated herein with the same force and effect as if set out at length herein.

DATED this 24th day of April, 1950

(signed) Fred E. Anderson
Fred E. Anderson

STATE OF NEVADA,)
) SS
County of Washoe.)

On this 24th day of April, 1950, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Fred E. ANDERSON, known to me to be the person described in and who executed the foregoing instrument and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

(signed Hayes E. Shaffer
NOTARY PUBLIC
In and for said County and State.

My Commission expires
October 29, 1951

I, Albert S. Simrak, Secretary of the Double O Timber & Mining Company do hereby certify that the above is a true and correct copy of the Assignment of that certain Lease and Option Agreement attached hereto and duly recorded at Ely, Nevada as indicated upon the reverse side of this copy.

DOUBLE O TIMBER & MINING COMPANY

SEAL

/s/ Albert S. Simrak, Secretary.
Albert S. Simrak, Secretary.

on the net smelter returns on the following basis:

1. Ten Percent (10%) on all ores up to the value of Thirty Dollars ($30.00) per ton.

2. Fifteen Percent (15%) on all ores of a value in excess of Thirty Dollars ($30.00) per ton.

B. That all ores sold from said above described mining claims shall be shipped in the name of the said Second Party with instructions as hereinafter set forth. To furnish the smelter or other reduction works where such ores are shipped with a copy of this agreement authorizing, instructing and directing the said smelter or reduction works to do and perform the following:

1. To deduct from the said smelter returns on each shipment of ore a sum of money equal to Ten Percent (10%) thereof on all ore or ores up to a value of Thirty Dollars ($30.00) per ton; to deduct from said smelter returns on each shipment of ore or ores a sum of money equal to Fifteen Percent (15%) thereof on all such such ore or ores of a value in excess of Thirty Dollars ($30.00) per ton, trnasportation and smelting charges to be deducted before calculation of the foregoing royalties.

2. To forward said sums so deducted to the First National Bank at Ely, Nevada, to be by that institution credited to the account of the said First Party; to furnish said First National Bank with duplicate copies of settlement sheets.

C. All royalty payments received hereunder to the credit of the said First Party shall be applied on and in reduction of the purchase price hereinabove provided.

D. To immediately, upon the execution of this Agreement, enter onto the said above described mining claims and to begin mining operations thereon, and to continue, during the life of this agreement, working said property, performing not less than fifty (50) eight (8) hour shifts of work on said mining claims

during each and every month of the life of this agreement when weather conditions so permit.

E. To cause all workmen employed in, on, or in connection with the mining operations performed in the above described mining claims to be fully covered under the terms of the Nevada Industrial Insurance Act, the Nevada Occupational Diseases Act, and all amendments thereto, and keep, during the life of this agreement, all such employees so insured.

F. To do no act or acts which would cause mechanics, supply or materialmen's liens or other liens to be placed against said above described mining claims or any part thereof; and to post and keep posted in a conspicuous place or places in said mining premises a notice or notices in writing signed by First Party reading to the effect that all work and labor done thereon and all materials, supplies and improvements constructed or erected thereon are being done wholly and solely at the expense of said Second Party, and stating that the said First Party will not be responsible for indebtedness for labor, material, supplies, or any thereof, created by the said Second Party in connection with the work and operations of said mining property during the existence of this agreement; and to use every means and effort to keep said notices posted, and to not disturb or remove the same or permit the same to be disturbed or removed.

G. To do and perform all work and improvements and operation os said mine and mining property in good and workmanlike manner at the sole cost and expense of the said Second Party.

H. To permit the said First Party, his agent or agents, to inspect the said mining operations at any and all reasonable times during the life hereof.

IT IS MUTUALL COVENANTED AND AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

A. That time is the essence of this Agreement.

B. That this Agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto, provided, however, that the said Second Party is hereby given and granted the right to assign this Agreement to any corporation lawfully authorized to accept such Assignment.

C. That the Whim House dump now situated and being upon a portion of the above described mining claims is excluded from the terms of this Lease, and the said Second Party has no right whatsoever thereto.

D. That the said Second Party, upon the termination of this Lease, or upon the prior expiration thereof or any forfeiture hereunder, shall have a right to remove any and all machinery and equipment placed thereon by said Second Party within thirty (30) days thereafter.

E. That there now exists that certain Lease Agreement dated the 1st day of December, 1949, wherein First Party herein is Lessor and one ANGELO RECK is Lessee, and which said Lease covers a portion of the above described claims, and that said ground so covered by the Lease in this paragraph mentioned shall be, and is hereby, excepted from the terms of this Lease, and which said ground is substantially embraced within the following boundaries and area, to-wit: Beginning at the collar of the shaft on the ground now worked and the subject matter of said Lease to the said ANGELO RECK, on the Rocco Claim, thence east to the east sideline of Rocco No. 2, with the further right in the said ANGELO RECK to go to a depth in said area to the level of the said collar of said shaft; also included in said Lease to the said ANGELO RECK is all of the area above the Rocco shaft on the Rocco and Rocco No. 2 claims where the said ANGELO RECK Is now working. That under the terms of said Lease the sand ANGELO RECK has the right to mine all ground twenty (20) feet above the collar of the shaft and in the area embraced in

the immediately foregoing boundaries.

F. That in the event the said ANGELO RECK forfeits his said lease or his said Lease is otherwise terminated prior to the natural expiration thereof, the ground which is the subject matter of his lease shall then become the subject to all the terms of this Lease and Option between the parties hereto.

G. In the event the said Second Party shall make default in the performance of any of the terms, covenants or conditions in this agreement contained and on his part to be kept and performed, and shall fail within thirty (30) days after written notice of such default given to him by the said First Party to correct such default, the First Party, on the expiration of said thirty-day period, may declare a forfeiture hereof and the said Second Party shall forthwith, upon demand, deliver up to the said First Party the peaceful possession of said premises and every part thereof, and the said First Party may, with or without due process of law, enter into and upon said premises and take possession thereof.

H. That the waiver by the said First Party of any default in the performance of any of the terms, covenants or conditions hereof upon the part of the said Second Party to be by him kept and performed shall not operate or be construed as a waiver of any subsequent default in regard to any of the terms hereof.

IT IS FURTHER MUTUALLY COVENANTED AND AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

A. That said First Party will make, execute and deliver a good and sufficient deed to said mining claims in escrow in the First National Bank in Ely, White Pine County, State of Nevada,

with instructions to said bank to the effect that the said Deed, together with this agreement, and the Deed hereinafter agreed to be executed by the said Second Party, be delivered to said Second Party upon the receipt by said bank of the full purchase price within the time herein fixed and herein agreed upon by the parties hereto.

B. That said Second Party will make, execute and deliver a Quitclaim Deed to said mining claims to the above named bank, to be placed in escrow with instructions that in the event the said Second Party fails to make the payments at the times or in the manner herein agreed to be made, said bank shall deliver to said First Party, upon written demand by him, the said Deed made and executed by the said First Party, together with the Deed made and executed by the said Second Party and all copies of this or any other agreement made and entered into between the parties hereto.

C. It is further mutually covenanted and agreed by and between the parties hereto that the said Second Party will pay or cause to be paid all bullion taxes upon the net proceeds of said above described premises, which bullion taxes are levied by the State of Nevada, and/or the County of White Pine.

D. Said Second Party agrees to promptly pay any and all Social Security taxes levied by the United States Government or unemployment compensation taxes levied by the Unemployment Compensation Division of the State of Nevada, upon him as an employer and to permit no delinquencies to be created therein. Said Second Party further covenants and agrees to pay any and all taxes levied by the State of Nevada, the County of White Pine, or any political subdivision of the State of Nevada against any and all improvements and equipment, mining machinery, or buildings or structures during the life of this Agreement.

E. It is further mutually covenanted and agreed by and

between the parties hereto that should the said Second Party fail, neglect or refuse to carry out any of the terms and conditions hereinabove stated at the time and in the manner provided for herein, this Agreement shall become null and void and of no force and effect, and all payments made by virtue hereof shall be retained by said First Party as liquidated damages for the use and occupancy of said premises, and as part of the consideration for which this agreement is executed, and the said Second Party shall forthwith, upon demand, deliver up to the said First Party the peaceful possession of said premises and every part thereof, and said First Party may, with or without due process of law, enter upon said premises and demand possession of the premises hereinabove described.

F. This agreement shall be deemed to be and shall be construed as a lease and option to purchase, and not as an agreement of sale and purchase.

IN WITNESS WHEREOF, the parties have hereunto signed their names the day and year first above written.

/s/ Carl F. Muir	/s/ Fred E. Anderson
First Party	Second Party

State of Nevada,)
) SS.
County of White Pine)

On this 20th day of March, 1950, personally appeared before me, a Notary Public in and for said County and State, CARL F. MUIR and FRED. E. ANDERSON, known to me to be the persons described in and who executed the foregoing instrument; who duly acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

SEAL

My Commission Expires: 11-3-53

/s/ Barbara Brandis
Notary Public

application

MAR 22 1951

dmd 866

Mr. Herres

DOUBLE O MINING CORPORATION

• • Telephone SUtter 2321 • •
~~ROOM 205, 268 MARKET STREET~~
200 DAVIS ST. ROOM 201
San Francisco 11, California

March 6, 1951

Mr. James Boyd
Defense Minerals Administration
Department of Interior Bldg.,
Washington 25, D. C.

Dear Sir:

I am in receipt of a copy of press release by the Department of the Interior Information Service, dated Feb. 20th 1951 re the allocation of $10,000,000. for mineral exploration.

My understanding of the data included in this release is, that, (1) A sum of $10,000,000. has been set aside by the Defense Production Administration to assist operators of mines in finding new deposits of certain strategic metals and, (2) that this assistance will be extended when the operators of such properties contribute a share of the money required for the necessary development.

If my understanding of this matter is correct, I believe the situation presented by the development of the Rocco-Homestake mine in the Hamilton Mining District in White Pine County, Nevada, meets the requirements of this allocation.

The Rocco-Homestake mine now being operated by the Hamilton Consolidated Mines Corporation, has been in the past, the largest producer of high grade ore in the White Pine Mining District.

The Hamilton Consolidated Mines Corporation under advice of competent engineers, has undertaken to prospect for a faulted segment of a large replacement ore body which produced about 12,000 tons of ore of a grade in excess of 60% Lead and 10 ozs. Silver.

All underground workings in this mine as well as in some half a dozen others which rank as high grade producers in this same district, have only been confined to areas close to the surface. However the geological conditions that prevail, indicate that the mineralization is deep seated but owing to low lead prices for many years past, anything but shallow work has never been attempted.

The general mining situation is covered in the enclosed brochure, which contains reports by W. S. Larsh, recently retired General Mangger of the Kennecott Copper Corporation in Nevada; Professor Fred L. Humphrey of the School of Mines at Stanford University, and Thos. S. Robinson who has been a successful mine operator with many years of experience in the State of Nevada.

per memo 3/27/51

MAR 22 1951

These reports indicate the importance of the development program planned. Discovery of ore at deeper levels would enable not only the Rocco-Homestake mine to contribute immediately a worthwhile quantity of lead ore, but would generate extensive development of other lead properties throughout the dolomite area in this White Pine district with good prospects of much additional production. In as much as the product there is high-grade shipping ore, the lead would be immediately available from smelter process.

The Hamilton Consolidated Mines Corporation has expended something over $10,000. in the past year for initial equipment, repairs and preliminary drilling exploration. I believe an additional fund of $30,000. will be sufficient to enable this company to consumate successfully the work of locating new and important ore, mainly by core and churn drilling.

The company is prepared to advance one half of this amount or $15,000. for this purpose, and desires to apply for a like contribution from your agency. Will you please send us the proper forms for an application and such other instructions as may be required.

The enclosed reports are for your consideration or to be passed on to the proper department which will have authority in this matter. When they have served their purpose we would appreciate their return.

The Hamilton Consolidated Mines Corporation operates the Rocco-Homestake mine under a Lease which requires a 10% royalty on net smelter returns, and also provides an option to purchase for a price of $20,000. on or before March 20, 1953.

May we be favored with an early reply.

Yours very truly,

Hamilton Consolidated Mines Corporation

Albert S. Simrak

Albert S. Simrak, Gen. Manager.

BUREAU OF MINES
WASHINGTON, D. C.

MAR 12 10 12 PM '51

THE ROCCO-HOMESTAKE MINE

LOCATION The Rocco-Homestake mine is located in what is known locally as the "Lead Belt" on the east side of White Pine mountain in White Pine County, Nevada. The property includes the following six mining claims, viz, the Rocco Ledge and the Rocco Ledge Number 2, both patented; the Homestake and the Last Chance, unpatented, and a one-half interest in the Protection and the Rex, both patented.

This area lies nearly midway between the towns of Ely and Eureka, both of which are famous mining camps, the latter for its production of lead, silver and gold and the former for its immense deposits of copper and in which is being mined the great Ruth pit by the Kennecott Copper Company.

The distance between Ely and Eureka is approximately 75 miles connected by Highway 50, one of the best transcontinental roads. The Rocco mine is now reached by a side road from Highway 50, at a point about 16 miles from this Highway. This distance can be easily shortened to 10 miles and in fact it is now possible to use a makeshift road to take advantage of this shorter route. The one now in use is in good condition for a dirt road and needs little repair to service the shipment of material to the mine and the shipment of ore from mine to smelter.

HISTORY One of Nevada's great mining booms started with the discovery of Treasure Hill which lies about 5 miles Southeast of the Rocco mine. This discovery, made in 1867, was followed by several years of feverish activity in extracting the rich silver ores which were found near the surface near the top of Treasure Hill. While these ore bodies did not go to depth, as far as past experience goes, the production is given at about $22,000,000.

These silver mines were possibly the richest ever discovered either in North or South America, considering the shallow depths to which the ore was followed. I have personally seen some of the old mill records which were left in the assay office at the Stanford mill and these records showed days when the mill heads ran over 900 ozs. silver per ton. I might add that I had two small water pails filled with rich specimens from a number of these mines and received something like $200.00 for the contents from the Selby smelter at a time when silver was quoted at 50¢ an oz. Much of this Treasure Hill ore ran up to thousands of ounces per ton and was readily amenable to recovery by pan amalgamation, which, in those days, was the only milling process in general use.

The town of Hamilton was built at this time and boasted a large population. For many years it was the County Seat of White Pine County until destroyed by fire in the eighties. Some of the old buildings, or what is left of them, still stand as a memento of the glory which for a short time adorned the area connected with the White Pine Excitement.

With the decline in production of these rich silver deposits the miners who remained in that vicinity began to open lead and silver prospects which were found further to the northwest on White Pine mountain and during the seventies and eighties many mining locations were filed and some production reported. However these base ores containing heavy lead, light silver and occasional copper values, could not be milled as was the case with the free chloride ores of Treasure Hill. Moreover the market price for lead was very low, due in part to the immense production of lead by the mines at nearby Eureka. A number of small smelters were built but were unsatisfactory and impractical under existing conditions.

In 1893 the purchase of silver in fixed legal amounts by the United States Treasury was discontinued and the price of the metal dropped from over 90¢ to about 60¢ per ounce and closed down nearly every mine in the State of Nevada.

Here and there a few miners and prospectors who could not get away continued to dig a little ore under conditions which permitted them a bare living. However there were always a few spots on the "Lead Belt", near the old town of Hamilton, which continued some production and about 1898 a lease on what is now the Rocco-Homestake ground struck ore just under the overburden and ore of excellent grade in lead.

This ore was followed down with an incline shaft and proved to occur in the bedding planes of the dolomitic limestone making an unusual width of pay in comparison with other Hamilton mines which had been worked at and near the surface. This particular bed made the ore at a contact dipping northerly at an angle of about 20°. All of this is important to our present investigation of the Rocco-Homestake mine and will be discussed later in this report.

From available records such as bullion tax statements filed with the State, this lease recovered and shipped in the next two years about 1,700 tons of ore which even at the low metal prices prevailing returned a good profit to the lessees.

The property then passed into the hands of a company formed by several parties living in the nearby town of Eureka. Recovery of high grade lead ores continued under the new operators for a period of some five years or until about 1905, and an additional 10,000 tons or so of the same high grade product were shipped directly to the smelters in Salt Lake and San Francisco.

Total production, mainly from the original flat bed, approximated 12,000 tons which ran about 60% lead and 10 ozs. silver per ton. This grade of ore averaged, at prices current at that time, from $45.00 to $55.00 per ton and returned from smelter a total of slightly less than $600,000. The net profit according to my understanding, and I was mining then in White Pine County, was in the neighborhood of $170,000. I have verified this general statement by reference to data available at the Mackay School of Mines, where a summary of bullion taxes was published for that section. I would say that during the period under consideration the greater part of all shipments were

made from the Rocco-Homestake, which was by far the most profitable producer on the "Lead Belt". Had this ore been mined with lead at 17¢ and silver at .90½¢ it would have returned roughly $2,000,000 with a profit of around $1,500,000.

With the discovery of the rich gold and silver mines at Tonopah and Goldfield at this period, everyone, including myself, who could get away drifted to these new camps. The "Lead Belt" could not offer serious competition to the bonanza mines which were discovered in southern Nevada from 1900 to 1906 and with the exception of the Rocco-Homestake little mining continued in the Hamilton area.

About 1905 the big ore body, which had been followed down through a long incline shaft, appeared to end at what was called the 300 foot level. Meanwhile a vertical shaft had been sunk at a point north of the old workings both to shorten the long tram through the incline shaft as well as to prospect the country beyond the point where the ore appeared to have reached its limits.

In 1906, I believe, the Rocco-Homestake company discontinued operations and from that time on and until very recently no further development nor mining was attempted in this property. However, in 1950 the Hamilton Consolidated Mines Corp. in view of the high metal prices prevailing, secured a lease and option to purchase the Rocco and after careful examination of the situation initiated a program of development by diamond drilling both to pick up faulted segments of the original ore bearing bed and to prospect for new deposits which they believe may be located.

GEOLOGY While doubtless rich mines still remain to be discovered by surface outcrops, it is also true that, in the past 100 years since 1849, prospectors have pretty well covered the mineralized areas in all western States. Now we must use other methods to discover new deposits to provide the metals so badly needed in our expanding economy.

Mine geology offers probably the most satisfactory solution of this problem. In a situation such as presented by the White Pine Mining District, it would appear to be the only answer in the search for ore bodies which surely must exist at deeper horizons.

The future development of ore in the Rocco-Homestake mine will depend on successful efforts of geologists to locate new deposits and to properly interpret the significance of the faults encountered there and which are closely related to the formation of ore bodies in this particular type of mineralization.

Fortunately this section has been carefully studied by two leading geologists whose findings are attached to this report, viz, Professor Fred L. Humphrey and W. S. Larsh. Professor Humphrey, of Stanford University, has spent much time in a study of the geology of the "Lead Belt " and adjoining areas. His papers on this subject will be published by the Mackay School of Mines. At this time he is probably the foremost authority on the geology of this section and his work will be a basis for future mining operations in the White Pine mining district

His attached report was made in 1950 for the Hamilton Consolidated Mines Corporation and is confined to one phase of the operations of this company, viz, the possibility of locating a faulted segment of the Rocco orebody which was so productive between the surface and the 300 foot level.

The report of Mr. W. S. Larsh, former General Manager of the Kennecott Copper Company in Nevada, although written in 1909, covers in detail the major geology of the White Pine mining district. Mr. Larsh at one period spent a number of years in this particular section and his report gives a very full and valuable picture of the important basic elements which influenced the deposition of the various metals which are identified with this district.

Until further progress is made in underground openings there is little which can be added to these two reports unless it would be to suggest the possibilities of further discoveries of profitable ore bodies in the Rocco-Homestake, in line with the geological data contained in these papers.

White Pine is an area typical of many of the famous mining districts in the Great Basin section. It is composed of the same sedimentary beds found in Eureka and Pioche in Nevada and in Park City, Tintic and San Francisco districts in Utah. All of these are portions of ancient sea bottoms built up in an alternate series of old limestone, quartzite and shale beds and mineralized by igneous intrusions of a later geological age, the latter mainly identified with the Tertiary period.

The deposition of metals, both in fissure veins and in bedded replacement bodies are similar in all of the Basin regions. So much mining has been done in these great mining districts that the pattern of ore occurence is very well understood.

First came the slow deposition of solid material in these ancient seas, now mainly a desert region, which built up in time, thousands of feet of sedimentary rocks. Then due to the force of subterranean igneous masses seeking to erupt through to surface, great and small fissures were formed. Displacement and folding occured in these older beds which permitted mineral bearing solutions to find their way to locations nearer the surface where their metal contents were precipitated.

Past history of these mining districts in Utah and Nevada carry a direct lesson so far as the situation at the Rocco-Homestake is concerned. Any prediction as to discovery of new ore bodies at the Rocco-Homestake must be based on the study of those mines which were developed in similar formations and under similar geological conditions.

There are several basic factors which appear to be essential in the creation of large and profitable ore deposits in the limestone formation.:

First We must have favorable physical conditions which are the result of dynamic earth movements. Strong faulting and crushing of the limestone result in the development of fissures through which ascending mineral charged solutions have convenient access to certain beds favorable to

replacement and deposition of metals from these solutions. Crushed and broken beddings are especially desirable locations for ore deposits.

When ideal conditions, such as may be presented by a very soluble limestone or where dams, created by pre mineral faults, are encountered, then important ore bodies and occasionally great mines may result. This is particularly true in the Basin are in Nevada and Utah. Where great ore bodies have been mined it has been in close proximity to major faulting.

Second From personal observation it has been my conclusion that the strength of the mineralizing solutions vary from one area to another and where these solutions are pregnant with minerals the resulting deposits are rich and extensive and where the solutions are weak and feeble, the resultant deposition is small, so far as tonnage is concerned and the value of the recovered ore of poor grade except in a few spots where accidental concentration was possible.

Thousands of silver, lead and zinc mines have been discovered and worked for generations which although making some production, have seldom paid any profit. On the other hand, a limited number of great producers have been found but in these the physical conditions resulting from strong earth movements and a wealth of metal from pregnant solutions have made them outstanding.

Third There is a difference in the amount of metal deposited due to variations in the chemical contents of the wall rock. In this connection it would appear that frequently certain dolomitic limestones have proved most favorable hosts for deposition of silver, lead and zinc ores.

Limestone structures are often of great thickness and consist of a series of separate beds built up in layers over long geologic periods as the material accumulated at sea bottom under changing conditions. Naturally there were constant small variations in the materials contained in these beds and later when the mineral bearing solutions found a passage through these rocks they encountered some beds more soluble than others. As a result wherever lead-zinc mines are developed in bedded deposits there are always certain beds which are rich in minerals and others either poor or barren.

These variations may and do occur from one bed to another so that in a few feet above or below a very profitable deposit the limestone may be found of no value whatever. This situation is well exemplified by conditions in the Rocco-Homestake mine.

Fourth The part played by volcanic activity is another essential basic factor in the creation of base ore bodies in most sedimentary formations.

The proximity of a granitic batholith augurs well for a silver, lead or zinc mine in a sedimentary series. While at times the igneous rocks may be buried so deeply as to show no surface indication, their influence on the deposition or ores will usually be discovered.

It may be noted that frequently a quartz monzonite intrusive in connection with a dolomite bed has formed large and rich ore bodies. This was the case in the bonanza stopes mined at Eureka and is probably the case at the Rocco-Homestake where the big ore bed occured in dolomite and where I believe the monzonite outcropping some miles westerly will in time be identified below this same dolomite area.

In considering the possibility of opening a large and profitable mine at the Rocco-Homestake, let us see how this mine shapes up in relation to the geologic factors outlined above.

No. 1 Physical conditions in the White Pine "Lead Belt" are perfect for the existence of large ore bodies. Here is an area composed of the older limestones, quartzites and shales, very similar to those of the neighboring Eureka district where hugh bodies of gold, silver and lead ores have been mined and where was recently discovered an immense deposit of ore unmined to date, owing to the volume of water encountered at depth.

As in Eureka, major faulting is a notable feature of the geology. So we have in the White Pine district a basic condition favorable to discovery of important ore deposits.

The Larsh report covers this feature fully and should be carefully read. The local condition which applies to the Rocco is referred to as follows on Page 523, "Mines & Minerals -- The fault fissured zone, in which the mines of this belt occur varies from 300 to 1,500 feet in width; in position above the Pogonip and below the Nevada limestones and bounded on the east and west by fault fissures, both of which are mineralized ----- Thus a wedge shaped body of shattered dolomite tapering downward fills the displacement between the major faults."

On the colored geological map attached may be found the irregular surface outline of the Lone Mountain Dolomite as well as the surface expression of the various formations which make up the White Pine mining district.

It is in this dolomite where these lead-silver mines occur and of these the Rocco-Homestake stands out as the foremost producer of high grade ore.

Further, in this mine the production came from a bedded deposit and not from fissure veins and that is why the production was so large in comparison with many other nearby properties and why we may confidently expect other important ore deposits with future development.

In a country so disturbed by earth movements it is natural that near the surface an intricate pattern of cracks and minor fissuring should be found. These surface cracks have been filled, in many cases, with high grade commercial ore but due to the irregularities of these small fissures and chambers and to frequent intersections with premineral faults, the ore has been left in an irregular and complicated pattern of many small bodies.

It is reasonable to expect, with deeper development, that horizons will be encountered where more regularity may be the rule and that other favorable beds, in addition to the known Rocco bed, may be found.

For the past 75 years lead and silver ores have been mined at many points along the surface or at comparitively shallow depths from one end to the other of this block of dolomite and excellent ore is still being recovered in several of these old properties.

However, due to the heavy lead and comparitively small content of silver in these ores and also to the fact that for many past years the price of lead was extremely low, no serious development of this "Lead Belt" was undertaken.

Mining was done by individual operators and by lessees who were unable financially to do much more than scratch around on the surface and even then they were quite successful in opening many payable lenses and concentrations especially near the intersection of small fissures.

So far as I know this bed mined in the Rocco was the only spot encountered which had the earmarks of definitely large production. As a matter of fact this bed is deeper geologically than the workings in many of these other properties but with development at deeper levels there is no good reason why this same productive bed should not be encountered in a number of these mines which have, in the past, produced some commercial ore from irregular chimneys, chambers and intersections nearer the surface.

It is also quite probable that zones of enrichment will in time be discovered at horizons much deeper than the Rocco bed. This mineralization is surely deep seated and has emanated from igneous masses which doubtless lie at much lower horizons than have been reached in this area.

This lack of serious development in this dolomite block is suggested in the Larsh report from which I quote Page 521, Mines & Minerals: "These mines were operated by leasers and individual owners and only those ore bodies or EASY ACCESS AND HIGH GRADE have been worked. Those requiring EVEN A SMALL AMOUNT OF DEVELOPMENT beyond the reach of individuals REMAIN YET TO BE OPENED.".

It appears to me therefore that the area in which the Rocco-Homestake Mine is located fully meets the requirements suggested in our FIRST essential.

Number 2 The fact that the greater part of all the ores mined in this "Lead Belt" were so high in lead content that most of the product was shipped directly to the smelter is the best evidence that the mineralization itself was rich in metal content. Furthermore the solutions found their way into very many surface fissures and chambers and wherever found appear to be a uniform high grade product.

Number 3 That favorable wall rock is present is proved by the amount of ore which was mined in the mineralized dolomite bed at the Rocco-Homestake. This bed has peculiar variations from others making up this formation. According to Professor Humphrey it includes several narrow widths of quarzite. The bed itself is narrow, some 15 to 20 feet, and in texture is differentiated from adjoining dolomite members. The ore was deposited in this bed near the contact with a coarser grained overlying dolomite bed. It is now the first objective in the present program of development by the Hamilton Consolidated.

The accompanying map showing the area in which the ore was recovered in the Rocco is a copy of a map prepared by Professor Humphrey. The old stopes are shaded and marked Block A and Block B. They were both parts of the same ore bed originally but as mined indicate that in places the pay ore was over 100 feet wide. The thickness of the ore is reported to have run from 2 to 5 feet. Further reference to this map will be made later.

Number 4 While there is an absence of igneous rocks in the surface expression in this "Lead Belt" there is little question that the source of the mineralization was the batholith which has surface exposure on the west side of White Pine mountain, almost due west from the Rocco mine which is located on the east flank of this mountain.

Reference to the colored geological sketch shows the location of two large igneous masses, the Quartz Mozonite and Grano-Diorite. They appear at the horizon of Cambrian rocks but on the easterly side the known mines occur in the later Silurian and Devonian.

I feel reasonably assured that the extension of these igneous masses penetrate at considerable depths below the Lone Mountain dolomite in which the Rocco Canyon ore bodies occur and have been the source of the mineralization of the overlying sedimentaries.

Near the Monzonite, to the West, is found an extensive area of garnetized beds with what appears to be an interesting copper section. The latter has never received serious consideration but in time may draw the attention of large capital. (Ref. to colored map)

While the ore, so far recovered in the Rocco, has been a clean high grade lead-silver with little if any zinc, antimony or arsenic, there has been some good grade copper values in ore mined in a number of neighboring properities. With greater depth in the Rocco we may find copper and zinc and possibly larger ore bodies both in the fissures which have acted as channels for the mineral bearing solutions towards the surface from the underlying batholith as well as other favorable beds which should exist below the horizon of the known Rocco bed.

Thus we conclude that the Rocco-Homestake mine enjoys all of the four favorable basic conditions which we have indicated as being found in these Basin areas and which have been associated with the geology of their major producing base metal mines.

DEVELOPMENT The old Rocco-Homestake company had cleaned up their available ore about the year 1906. Since then very little work was ever done in this mine. From time to time a few leasers have worked the mine but about all they accomplished was to extract the ore pillars which had been left to hold the roof in the big stope and to extract some mixed ore from the small drag stope indicated on the Humphrey map as Block C. In this connection I have added designations of Block letters to the copy of his original map for purposes of better explanation and to which later reference will be made.

Block A represents the main stope or the area in which the principal tonnage was recovered. Block B -- the Rocco stope which also produced a large tonnage. Both of these stopes were mined in fairly continuous ore from surface down to about the 300 foot level of the Rocco shaft. The flat dip of the ore bed northerly added considerably to the apparent length of the deposit.

Block C is an irregular stope extending to the 350 foot level from the 300 and in my opinion is composed of segments of ore dragged down from the 300 foot horizon just west of the Rocco fault and mixed with broken and brecciated wall rock.

Block D is a barren section between Blocks A and B and in the opinion of Professor Humphrey was broken away between the Canyon and Rocco faults and dropped several hundred feet from its original position. Further that originally the ore bearing bed was a part of this Block D and should be found at reasonable depth lying between the Canyon and Rocco faults and should furnish the ore missing between these faults on the 300 foot level. The appearance of the brecciated ore and waste in Block C would seem to me to substantiate this theory.

Block E is the area lying north and east of the Shaft fault (see map) and the normal situation would indicate a further down drop of this block so that the known ore bearing bed would be contacted at a lower depth in Block E than should be the case in Block D.

An important item relative to this Block E is that it lies north of any former work on this property and that it is beyond the plane in which the ore south and west of the Shaft fault appeared to terminate. Should an orebody be found in this Block it would be independent of the limitations existing in the case of the orebody previously mined in Blocks A and B.

In other words the possibilities of finding additional ore in Block D will be at a point below the 400 level of the shaft while a new orebody in Block E might be contacted at any point from the surface down. Of course we would expect the main concentration of ore to be at whatever depth the known ore bearing dolomite was reached but this would not preclude the possibility of finding some ore above that horizon. As a matter of fact, in a lease on this area, some very good ore was recovered during 1950 just below surface along the extension of what is probably the Rocco fault. The Rocco is probably a pre mineral fault and has served as a channel to carry mineral bearing solutions and distribute them into favorable beds. It was probably an active mineralizer to the bed in Blocks A and B and could be responsible for producing just as much ore in Block E wherever the physical conditions were favorable. Where the present good prospect shows in Block E the horizon is approximately 550 feet above the 400 ft level and 150 feet higher than the collar of the Rocco shaft, so there is an interesting situation in this Block but it's investigation should be deferred until the program for drilling Block D has been further advanced.

It should be noted that while practically all the ore mined in the Rocco-Homestake has come from the particular dolomite bed to which we have been frequently making reference, there is no reason why ore should not be found in other parts of the mine, in fissures, chambers or lenses, just as it has in other properties. However we would not expect to encounter anything like as large tonnage or as easy and cheap working conditions in such other locations. In limestone, ore can make wherever there has been an opening for it to enter and especially where some natural barrier has been met to dam and concentrate the solutions when they were seeking to escape to surface but always the best place for large and rich deposits is the favorable soluble bed.

The Hamilton Consolidated Corp. decided to first drill in Block D to locate the productive bed which was missing in that Block between the Canyon and Rocco faults where these faults cut off Blocks A and B. In 1950 the vertical or Rocco shaft was reopened to the 340 foot level and sufficient repairs made to permit setting up a diamond drill on that level at a point just north of the edge of the stope marked Block C. Equipment was installed including large compressor, tugger hoist, a Chicago Pneumatic Drill, necessary air and water connections and several trucks to haul water and generally supply the operation.

The job started late in the year and only two holes were drilled before shutting down for the winter. The first was driven westerly to locate the Canyon Fault on its dip and when this was done the second was a down hole close to the Shaft fault to endeavor to locate the down dropped bed within the D area bounded by the Rocco, Canyon and Shaft faults.

Due to the broken, ravelly and seamy formation encountered in this hole progress was slow and before the hole was completed the bit was lost in a seam. The bed itself was not reached and it will require a number of additional holes to obtain the necessary information to correlate the theory in respect of Block D.

The ground penetrated in this second hole was generally ideal ore making formation. Crushed and brecciated dolomite,the result of heavy movement leaving loose open material in which ore could readily make.

As the old houses left at the mine were not suitable for a Winter campaign, further work was postponed until the Spring of the present year. However, with better housing and with good cellars to protect supplies and food, the mine could be operated the year around.

While the shaft was reopened and is accessable to the 340, no attempt was made until late Fall to clean out the muck to the bottom or 400 foot level. This job was nearly completed when the Winter shut down took place and should have first priority in the Spring as there is a drift on this 400 level which does not show on the only mine map in existence.

Information obtained by an examination of this level might be very important and of considerable aid in further geological work which should be continued consistently as this prospect work is advanced. The 400 level might also offer a much better setup position for the diamond drill while in use underground. The present location of the drill on the 340 level may be too far north. At least I would consider the chance of striking ore better if the holes were driven under the main section East of Block A.

I consider this effort of the Hamilton Consolidated to reopen the Rocco-Homestake mine in this period of unusually high lead prices to be one which is fully justified and which offers good promise of a very successful venture. The operation is one which must be based on sound conclusions reached by mine geologists qualified for this particular type of work and I feel that the company has the advice of engineers who meet this qualification. A fair share of miners luck will also help considerably.

I believe there are many reasons to anticipate the discovery of profitable ore bodies in this mine if a determined effort is made to locate them and among these reasons are the following:

1. The property is located in a section where really big mines have been worked for many years particularly at Eureka and Ely, where conditions are very similar. The geology is ideal for large ore bodies and the one bed which was mined indicated that good tonnage did occur where favorable physical conditions existed.

2. The product is a clean high grade shipping ore with no undesirable by products. It is an excellent smelting ore with lead, iron and lime content which means low smelting charges, and a small capital investment.

3. The location is good with fair roads available to a main highway. Freight costs by truck should average about $12.00 per ton to Salt Lake. Good supply center at Ely just an hour distant where overnight repair parts may be obtained by phone to Salt Lake.

4. Low cost mining due to easy ground with a minimum of powder. Ground stands well keeping cost of powder, steel and timber to an unusually low figure. Actual mining and shipping costs on ore should not exceed $30.00 per ton while the ore which has been shipped in the past would bring around $180.00 at this time.

5. A vertical shaft completed to 400 feet which might cost $40,000 to sink if it was not there now. This shaft is perfectly located for the future work which is presently contemplated.

6. In addition to normal demands for batteries, etc., rapidly expanding atomic energy program both in the United States and throughout the world, both for war and peace, will create a large demand for lead metal and I believe a good lead mine might be a very valuable asset in the coming years.

7. Capital investment required should be modest in view of the possible profitable returns from production. The ore can be shipped directly to smelter as mined and thus save a great deal of money normally required for mill construction.

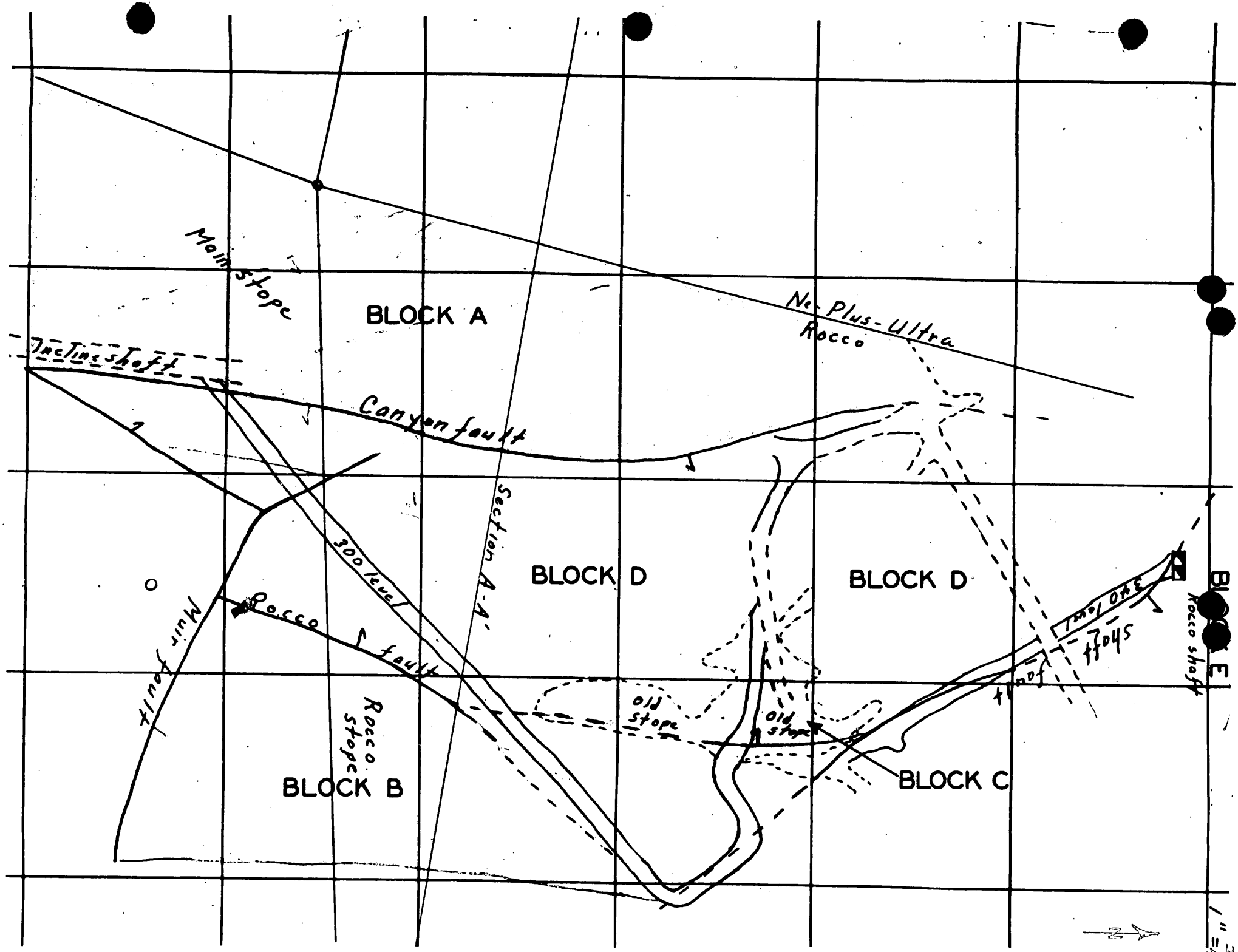
When ore is located the shaft must be retimbered and probably deepened to the 600 level. The installation of a good hoist and this shaft work should be the greatest future expense, but the ore will be there to justify the money. Until then anything except minor installation can be avoided. The cost of the preliminary drilling campaign should not exceed $25,000.

8. I have no doubt that deeper development will uncover large and important ore deposits in the White Pine district. So far the surface only has been scratched and to date the Rocco-Homestake has been the outstanding property. I quote again from the report of Mr. Larsh:

"ONLY THOSE ORE BODIES OF EASY ACCESS AND HIGH GRADE HAVE BEEN WORKED. THOSE REQUIRING EVEN A SMALL AMOUNT OF DEVELOPMENT BEYOND THE REACH OF INDIVIDUALS, REMAIN YET TO BE OPENED."

Thos. S. Robinson

February 1st, 1951


Main stope
BLOCK A
Ne-Plus-Ultra
Rocco
Incline shaft
Canyon fault
Section A-A
300 level
BLOCK D
BLOCK D
Main fault
Rocco fault
Rocco stope
BLOCK B
old stope
old stope
BLOCK C
roof
roof ore
roof 45
Rocco shaft
BLOCK E
1" = 20'

REPORT ON THE ROCCO-HOMESTAKE MINE

I visited the Rocco-Homestake mine in Rocco Canyon, White Pine Mining District, Nevada, on July 7, 8 and 9, 1950 at the request of Mr. Fred Anderson.

Having previously mapped this area for the Nevada State Bureau of Mines, I was familiar with the surface geology before making this visit. The primary concern of this examination was to examine the accessable mine workings, made available when Mr. Anderson opened the Rocco shaft, and proposed an exploration program to find possible further ore deposits. Six diamond drill holes have been recommended to be drilled at the sites shown on the sketch of proposed drilling.

In this report I will not attempt to discuss the previous production of the mine except in a manner that will relate the geology of the previous workings to the proposed exploration.

The enclosed mine sketch was taken in part from an old map of the mine workings and represents the portion of the mine that was accessible and that I examined.

General Geology

The mine is situated in Rocco Canyon within a strongly faulted zone of Lone Mountain dolomite of Silurian age. For mapping purposes this formation has been divided into five lithologic members, on a basis of texture and color. However, within the area around the mine only three of these members may be recognized, and only then after the section has been studied elsewhere under less complicated structural conditions.

The fault block of Lone Mountain dolomite is bounded on the west by a large north-south normal fault with a displacement exceeding 7,000 feet. The rocks to the west of this fault are of Upper Cambrian age. On the north and east it is in fault contact with rocks of Devonian age. These Devonian rocks normally overlie the Lone Mountain dolomite but are here generally in fault contact with it.

Within the mine area there are a number of faults that are of particular importance to the ore deposition. Some of these were the feeders along which the mineralizing solutions ascended. At least one of the faults appears to be post mineral and has dropped the possible ore horizon to a deeper level north of the Rocco Shaft.

Of primary importance is a bed within the Lone Mountain dolomite that is particularly amenable to replacement and in which the previously mined ore occurred.

Mineralization

The ore is primarily a lead and silver ore with subordinate zinc and copper. Galena was the original lead mineral and the silver apparently occured as an intimate mixture of argentite in the galena. Most of the galena has been oxidized to anglesite and cerrussite although some primary galena still remains. This condition of oxidation probably prevails down to the

ground water table where the oxidation should cease. The copper minerals are dominantly azurite and malachite, although there is some chalcocite. No zinc minerals were recognized but probably sphalerite was present with the galena and has oxidized to smithsonite in the zone of oxidation.

Proposed Exploration

Six diamond drill holes have been proposed to explore the area south of the Rocco shaft between the Rocco and Canyon faults. The block between these two faults has been down dropped relative to the footwall blocks. The bedded ore was mined in the footwall of both the Rocco and Canyon faults, but the downdropped block between, so far as could be determined, was not explored sufficiently deep to cut the favorable bed.

This favorable bed is near the top of a white, fine grained dolomite member 10 to 20 feet below a dark dolomite member. It is distinctive in that there are three thin quartzite beds from two inches to one foot in thickness within this amenable bed.

The rocks here, except for dragfolding near faults, dip gently to the north so that the mineralized horizon outcropped about 500 feet south of the Rocco shaft. The old incline shaft was sunk on the outcrop and followed the ore horizon on down to the north. At the 300 level shown on the sketch the ore seemed to flatten and that was apparently the bottom level of the incline.

The Rocco fault dips to the west and the Canyon fault dips to the east. They both indicate normal fault displacements so that the block between them has been dropped down. It is this downdropped block that it is recommended be explored.

The shaft fault, striking to the northwest and dipping to the northeast cuts through the 340 station of the Rocco shaft. This fault has a displacement of several hundred feet on the hill to the west of the mine. It cuts the Rocco fault and forms the north boundary of the prospective ore block. The favorable bed would be considerably deeper on the north of the shaft fault.

The displacement on the Rocco fault does not appear to be much over 200 feet but the exact amount is difficult to ascertain because of the poor surface outcrops. Drill holes from the 340 level of the Rocco shaft should encounter the favorable bed at a vertical depth of about 200 feet, more or less, below the 340 level.

The Rocco Fault forms the west boundary of the Rocco stope and faulted segments of the fault below the Rocco stope contain considerable mineralization. Several leases of ore were stoped along the fault above the 340 leve. This furnishes further evidence that the Rocco fault was probably one of the main feeders of the mineralization. The favorable bed then in the downdropped block, that is, the hanging wall of the Rocco fault, has excellent possibilities of being mineralized. Likewise the Canyon fault appears to be mineralized, at least at the one place I was able to see it near the bottom of the old incline shaft at the 300 level drift.

The Rocco shaft bottomed at the 400 level and a crosscut was run to the south, but that level is now inaccessable and the workings are not shown on the mine map. Mr. Muir of Ely says he remembers that a winze was sunk from the 400 level to a depth of about 60 feet. He says as he recalls it was sunk along a fault at the contact of white and black "lime" and he was told that mineralization occurred along the fault. If this is true the winze was probably sunk along the Rocco fault and the black "lime" would be the hanging wall of the fault. Dark dolomite overlies the favorable bed.

Indications are that a depth of approximately 150 feet was reached below the old stopes. This gives further evidence that the drilling should extend a minimum of 200 feet below the 340 level.

The program here outlined is for the purpose of exploring the fault block between the Rocco and Canyon faults south of the Shaft fault and north of the 300 level drift. The Rocco and Canyon faults dip very steep so there is little probability that they will intersect before the proposed horizon is reached.

About 120 feet south 20 east from the 340 station of the Rocco shaft a drilling station could easily be made. It is proposed that four holes be drilled from here:

Hole No. 1 ---- directed south 40° west at an inclination of 70° from the horizontal. Minimum depth 200 feet.

Hole No. 2 ---- directed west at an inclination of 80°. Minimum depth 200 feet.

Hole No. 3 ---- directed north 60° west at an inclination of 75°.

Hole No. 4 ---- directed west at an inclination of 45°. Depth of about 150 feet, or until Canyon fault is cut.

Two more holes should be drilled from the 340 station of the shaft:

Hole No. 5 ---- directed south 20° west at an inclination of 70°.

Hole No. 6 ---- directed west at an inclination of 80°.

Once the favorable bed is encountered in one hole the depth of the others can be adjusted to those conditions. The first hole should be very carefully watched and the cores examined by someone familiar with the rock. In this way any unknown structures that might alter the present concepts could possibly be recognized, and further drilling could be changed, if required, to fit the conditions.

This fault block may be explored quickly and at comparatively little cost by the proposed six drill holes. If the favorable bed is located and found to be mineralized further exploration would be warranted to the north of the shaft fault. As the favorable bed north of the shaft fault is possibly 300 or more feet deeper than to the south further study should be made as to whether it would be cheaper to drill holes from the surface or drive a cross-cut north of the shaft for a distance of 50 or 60 feet for an underground drill station.

If insufficient mineralization is located by this drilling I would recommend only one more hole. At a point approximately 100 feet north of the collar of the old incline shaft one hole might be drilled down through the old workings to explore for a possible lower favorable bed. It will be necessary to case this hole until below the old stopes, then cement it and drill on down to whatever depth the machine might be capable. This hole should be drilled to the west of the Canyon fault. The block to the east of the Canyon fault and south of the Muir fault is stratigraphically lower than the favorable bed but no mineralizing faults seem to cut it. The favorable bed outcrops on the hill to the east of Rocco Canyon south of the Muir fault and any mineralization that might have been present in this block near the Canyon or Rocco faults has been eroded.

It is further recommended that if mineable ore is encountered here the Symons claim should be leased. A similar condition exists there, of the same favorable bed dipping toward a mineralized fault zone. The Comanche fault, dashed on the sketch about 200 feet to the west of the Canyon fault is east dipping and down on the east. The favorable bed to the west of this fault is at the elevation of the Comanche tunnel and dips into the hill to the northwest.

This report submitted July 21, 1950.

(signed) FRED L. HUMPHREY

MINING AT HAMILTON, NEVADA

Geology of the White Pine District—Early Bonanzas—The Silver, Lead, and Copper Belts—Railroad Prospects

*Written for "Mines and Minerals," by W. S. Larsh**

The White Pine mining district, from which the County of White Pine, Nev., derives its name, is situated near the north end of the White Pine range, 36 miles due west of Ely, and about 40 miles southeast of Eureka. The town of Hamilton, situated about the geographical center of the district, was for 15 years the county seat of White Pine County. In 1885 a fire destroyed much of the town, and all the county buildings, whereupon the county seat was moved to its present location, Ely. Today the impression one receives on viewing it, is that of a well-nigh deserted habitat of days long past. Many of the buildings spared by the fire are dilapidated and rapidly falling into decay, and the skeletons of numerous mills, big waste dumps, and its history, are all that is left to tell of its once flourishing condition. The district was organized in 1865, 44 years ago, but did not become the scene of successful operations until 1867, when the rich mines on Treasure Hill were discovered. Prior to that time a company was operating at Monte Cristo, on the west side of White Pine Mountain, with no flattering prospect of success.

Albert Leathers, a workman at the Monte Cristo plant at this time, was guided to Treasure Hill by an Indian, and on September 14, 1867, located the Hidden Treasure Mine. This mine proved to be so sensationally rich in silver, that the spring of 1868 witnessed one of the wildest rushes or stampedes to White Pine since the Comstock boom. In 1869 Hamilton had a population of 10,000, a mining stock exchange, city government, and a waterworks, the water being pumped through a 12-inch pipe over Mokeamoke Ridge from Illapah Creek, 3 miles east. There were three newspapers, two of which were dailies. Treasure City, on the summit of Treasure Hill, nestling amongst the mines claimed a population of 4,000, two banks, waterworks, numerous dance halls, and all the appurtenances of a western mining camp. Eberhardt, south of Treasure City, had a population of 2,000; Shermantown, two miles west of Treasure City, a population of from 2,500 to 3,000; and there were several other smaller communities scattered at various places throughout the district. In all there were more than 25,000 people within the borders of the district.

In 1870 there were 197 mining companies operating, with a nominal capital of $277,564,000 (United States Mining Statistics West of Rocky Mountains, 1870, Raymond, page 173) besides numerous leases and private enterprises. At this time there were 23 mills with 200 stamps dropping on ore. In addition to this there were nine smelters of various capacities, reducing the ores of the lead belts. The ores of Treasure Hill were "dry" and were treated by the Washoe, or pan amalgamation, process. The lead ores were so rich in lead that the bullion derived from the smelters was little better than the crude ore, and none of these smelters were economically successful.

By 1887, the decline of the price of silver and the exhaustion of most of the easily accessible ore bodies on Treasure Hill, practically closed the era of silver mining in the district and it had greatly declined in population and mining activity. Up to this time $22,000,000 in silver had been produced from Treasure Hill mines. No mining has been done on Treasure Hill since that time. The remaining inhabitants turned their attention to the lead mines as a means of livelihood, changed market conditions making it possible to ship the high-grade lead ores at a profit. These mines were operated by leasers and individual owners and only those ore bodies of easy access and high grade have been worked. Those requiring even a comparatively small amount of development beyond the reach of individuals remain yet to be opened.

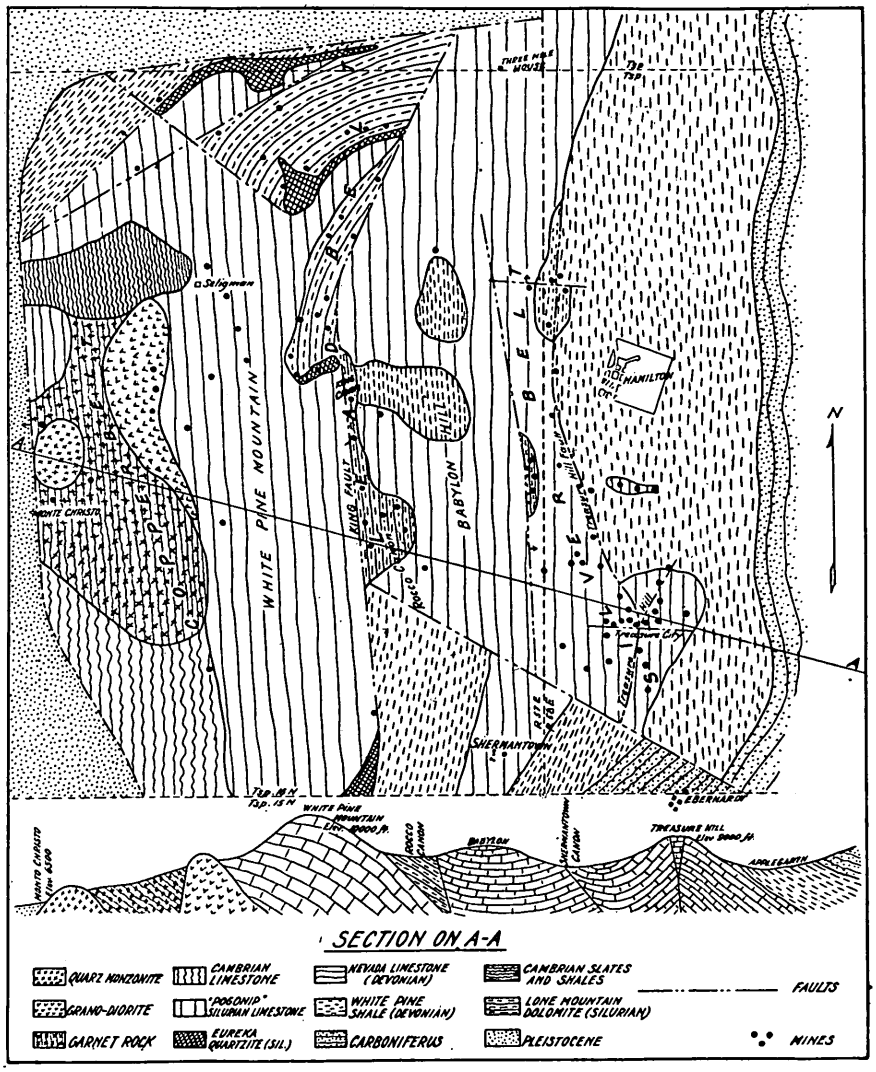


FIG. 1. GEOLOGIC MAP OF WHITE PINE MINING DISTRICT (HAMILTON) NEVADA

Topography and General Description. The White Pine range is one of the larger members of the Basin ranges, lying about midway between the Wasatch and Sierra Nevada uplifts. Like all the Basin ranges it has a general northerly-southerly trend and is separated from the Pancake range on the west and the Egan range on the east, in which Ely is situated, by broad desert valleys. The White Pine district covers a portion 16 miles square, of the northern end of this range, where the strata are locally intensely faulted and folded producing a rough and uneven topography which is not apparent in other portions of the range. White Pine Mountain, on the western border of the district, presents a bold and precipitous outline and rises out of the deserts on the west to an elevation of over 10,000 feet. It is about 10 miles long by 3 miles wide and attains the greatest elevation of any part of the district. On its northern and eastern slopes considerable areas of balsam and white pine timber are to be seen. The southern and western slopes are clothed with scrub cedar, sage brush, and bunch grass. A number of clear mountain springs gush from its sides only to lose themselves in the arid reaches of the desert. East of White Pine Mountain, high rolling hills of irregular topography and lesser elevation extend to Mokeamoke Ridge on the eastern border of the district. The general north-south trend of the ridges is interrupted by an easterly-westerly anticlinal swell from Monte Cristo, which ends in the high dome of Treasure Hill, the next highest point in the district, with an elevation of 9,000 feet. This is locally known as the "Monte Cristo uplift." Except for scattered patches of scrub cedar and mountain mahogany, the hills and ridges east of White Pine Mountain present a smooth and grassy appearance.

* Mining Engineer, Hamilton, Nev.

Geology.—The geology of the White Pine district is not unlike that of many other productive districts in the Basin range region. The ores occur in deposits and veins in Paleozoic strata. Their position and mode of occurrence can be compared to those of Pioche, Reveille, and Eureka, Nev.; Tintic, Utah; Wood River, Idaho, and other localities in the Basin range region. The silver ores of Treasure Hill and the silver-lead ores of the "Base Metal" range owe their origin to the folding and faulting of the limestones which produced the fissures and channels in which ore-bearing solutions circulated. Absence of igneous rocks in these two belts, however, is a noticeable feature. On the other hand, the copper ores on the west side of the mountain are derived from an invasion of porphyries.

Within the White Pine district the White Pine range widens out to the west to almost twice its usual width, this portion having been subjected to intense folding and faulting subsequent to the general uplift of the range. Mokeamoke ridge on the east is a synclinal ridge of erosion, and undisturbed by the later faulting and folding involved in the elevation of Treasure Hill and White Pine Mountain. It is composed of Carboniferous strata. Just east of Treasure Hill this ridge is offset about one-half mile east and from there continues its course southward, where, beyond the confines of the district, it again forms the main ridge of the range. Treasure Hill is a quaquaversal uplift of the "Nevada" (Devonian) limestones and White Pine shales, with its longest axis north and south. White Pine Mountain is topped with the lower Silurian, or "Pogonip," formation and at its west base exposes about 1,000 feet of Cambrian slates and limestones. A great fault running along the west base of the mountain and another at the north end bring the Carboniferous strata of the desert in juxtaposition with the Cambrian and Silurian of the mountain, showing a displacement of probably 10,000 feet. Within the district are numerous faults and folds of minor displacement and intensity which impart the rugged and irregular topography.

The normal position and thickness of the sediments here is as follows: Starting with 1,000 feet of exposed Cambrian limestones and slates at the base and naming them in ascending order: 1,000 feet of Cambrian; 3,500 feet of "Pogonip" limestone; 350 feet of "Eureka" quartzite; 1,500 feet of "Lone Mountain" dolomite (Silurian); 2,000 feet of "Nevada" limestone; 1,200 feet of "White Pine" shale (Devonian); 200 feet of sandstone and 4,000 feet of limestone (Carboniferous); making a total thickness of nearly 14,000 feet.

There are three distinct mineral ranges, or belts, in the district; the silver belt, at the top of the Nevada limestone and beneath the White Pine shale, running north and south from Treasure Hill; the copper belt on the west side of the mountain in the igneous rocks and in the Cambrian; and the lead belt or "Base Metal" range, about half way between the other two, and faulted between the summit of the "Pogonip" and the Nevada limestone. The relation and position of the belts can be more readily grasped by consulting the geological plan and section of the accompanying illustration, Fig. 1.

There are three fault systems: First, an east-west system; second, a north-southeast dipping system; and third, a north-southwest dipping system observable about 300 feet below the surface in the mines of Rocco cañon.

The Silver Belt.—The most striking features of the silver deposits were their great richness at the surface and their comparatively shallow depth. Hague, in his description of the district (United States Survey of 40th Parallel, Vol. 3, page 418), notes four different kinds of veins or deposits on Treasure Hill, and while the ores do occur in all the positions he describes, it is the opinion of mining men today that the "saddle-reef" theory will cover all of them. Treasure Hill is an anticlinal dome, mainly composed of Nevada limestone, but the White Pine shale is, in areas, still left in its correct position overlying it. A great fault runs east and west along the south base of the hill, passing a little north of Shermantown and extending to White Pine Mountain. A north and south fault runs along the axis of the fold and divides at the southern end of the crest of the hill into two parts, one part running easterly through the Hidden Treasure Mine, and one running northerly along the western side of the hill, extending beyond the north end of it for over three miles where it disappears in a fold. This is known as the Treasure Hill fault. There are also numerous minor faults and tension cracks. At the time of the uplift the shale covered the limestone. The limestone, being brittle, was shattered, but the shales being more yielding and flexible bent to a considerable degree and formed an impervious roof. The silver-bearing solutions coming up along the faults and breaks in the lime were arrested upon striking the shales and compelled to spread out along the contact. In this manner they filled the tension cracks and any other openings in the limestone, and left ore bodies on this contact in the vicinity of the faults. The shales were afterward removed by erosion and the ore bodies in the limestone exposed at the surface. Again, ore from seams to pay bodies was uncovered in many other places in the district on this contact at the minor faults, while a string of small mines extended along the Treasure Hill fault, northward, as far as it persisted.

The ore was mainly a chloride (horn silver) and bromide of silver, though there were occasional sulphides. The tales of its richness, related by a few old timers here in camp, are almost incredible. In the Eberhardt Mine a boulder of horn silver was found weighing 6 tons, said to be the largest single mass discovered. There were numerous others of lesser weight extracted but still big enough to be worth a small fortune at that time. From the United States Government Reports (United States Mining Statistics West of Rocky Mountains, 1870, Raymond, page 150) the tonnage up to July 1, 1869, was 8,869 tons whose gross value was $2,017,831, giving an average value of $227.75 per ton. The average fineness was 963. The bulk of the $22,000,000 production credited to Treasure Hill mines came from a lower grade of milling ore, however, which occurred in great bodies below the high-grade ores on the surface. Although no amount of ore was taken out at a depth of more than 300 feet, several shafts were sunk deeper than this, one on the N. Aurora property to a depth of 1,375 feet in hopes that the deposits would "go down." The Eberhardt tunnel was started at the town of Eberhardt, seen at the left of Fig. 1, and driven northerly into the hill 7,000 feet to catch the ores in depth but no bodies of any extent were uncovered. In view of modern mining this tunnel was a failure as it followed along the strike of the strata and did not cross-cut the country, as may be plainly seen from the section in Fig. 1. Although Treasure Hill is at present abandoned, one would certainly hesitate to say its ore deposits are exhausted. In fact it would seem that a careful study of the minor faults, which are numerous, would disclose the position of hidden ore bodies. On the northern slope of the hill along the axis of the fold is 4,000 feet of country capped by the shale and undeveloped except for a few openings at the northern end which disclose ore.

There are roughly 150,000 tons of ore on the dumps of Treasure Hill mines which will run from 16 to 20 ounces in silver, giving a gross value of nearly a million and a half at the present price of his metal. It would take more time than the writer had at his disposal to make even a rough estimate of the tonnage that could still be developed in the old workings, but there is a nice fortune for some one who can treat these dumps and ore of this grade at a profit.

At the west base of Treasure Hill, west of the Treasure Hill fault, is a series of small mines, operated by leasers and individuals. These mines produce annually a small amount of lead-silver ore, grading in silver values more than the ores of the lead belt proper, and less in lead. No mines of magnitude have ever been opened up in this vicinity, and while this may be on account of the lack of sufficient development, the fact remains.

The Copper Belt.—About 5 miles west of Treasure Hill, in the vicinity of Monte Cristo spring, and along the west base of White Pine Mountain, is the largest development of igneous rocks in the district. Here a great dome-shaped batholith of quartz monzonite invades the Cambrian limestones and slates, which are altered to a dense garnet rock for a distance of from 2,000 to 6,000 feet laterally from it. East of this and running northerly about 2 miles to Seligman cañon is a great massive intrusion of gray-brown granodiorite.

Between the monzonite dome and the garnetized limestone is from 50 to 300 feet of brown porphyritic gossan, while at or near the contact of this and the garnet rock, are veins and stringers of copper ore; native copper, chalcopyrite, bornite, and copper carbonates were observed. Up to the past year practically nothing had been done in this locality to develop these ores. In 1907–8 some development work, not on an extensive scale, however, was accomplished. While none of the openings expose the country to much depth, the showings are encouraging and the intelligent expenditure of some money here may open up workable copper deposits.

The Lead Belt.—As the accompanying plan and section, Fig. 1, will show, the lead belt lies about midway between the silver and copper belts, both geologically and geographically, and along the east base of White Pine Mountain. The mines in this belt are almost wholly within the Lone Mountain dolomite, the upper member of the Silurian. By some unexplainable dynamics the dolomite has been extensively faulted while the formations between which it lies have only been folded. Within this formation, and more narrowly within the faulted areas, occurring in beds and fissures, the remarkably high-grade lead ores are found.

The Great Valley and Mother Lode mines seem to mark its southern limits, and it ends to the north where the great east

and west fault submerges this formation, giving it a length of over 5 miles.

These deposits were discovered shortly after those of Treasure Hill and several early attempts were made at smelting these ores. The crude methods and prohibitive transportation charges, however, made them unprofitable at the time. Two decades later, when mining had been abandoned on Treasure Hill, attention was again directed to them. More favorable market conditions made it profitable to export the best grade of these ores to Salt Lake and San Francisco for reduction, and from these mines have since come the ores that have employed, for more than 20 years, the small remaining population of the district.

The fault-fissured zone, in which the mines on this belt occur, varies from 300 to 1,500 feet in width; in position above the Pogonip and below the Nevada limestones, and bounded on the east and west by fault fissures both of which are mineralized. The west fault dips east at 45 degrees and is conformable to the foot-wall. The east fault stands at a much higher angle, probably 75 degrees, and cuts the bedding of the hanging wall at nearly right angles. Thus a wedge-shaped body of shattered dolomite tapering downward fills the displacement between the major faults.

Both fissures are lines of great displacement. Along the east fault, in places, the White Pine shale is brought down to the dolomite, indicating a throw of about 2,000 feet. While on the west fault the displacement appears to vary from 100 to 1,500 feet over most of its length, submerging 350 feet of Eureka quartzite. In four isolated places, however, the Eureka quartzite is left lying undisturbed against the Pogonip. As the dolomite fills the zone between these main faults, it may be termed the gangue or veinstone, as a whole, of a single fissure vein.

The alteration of the dolomite by contact metamorphosis is remarkable. Ordinarily a dark blue-gray sandy rock, in the faulted area of the mines it is changed to a compact, sparry, coarsely crystalline, white marbleized rock, losing its bedding, original color, and structure, and, except for its lithological position would be unrecognizable.

The ore-bearing zone is displaced by the earlier east and west faults which, south of the Monte Christo uplift have a downthrow to the south, and north of it, a downthrow to the north. As far as is known none of the east and west faults pass into the foot-wall formation, and generally they are not very radical in their throw.

There are two distinct classes of ore deposits recognizable: First, those of Rocco cañon, forming in nearly horizontal beds, at or near the top of the dolomite between the fissures; and second, those of King cañon and northward, forming in and along the main fissures. The fissures, where not covered by alluvium, are traceable by following the spongy iron gossan which fills them. This gossan at the surface carries from 4 to 15 ounces in silver per ton and occasional boulders of lead carbonate and galena, varying in size from a few pounds to masses of several tons weight. The lead is found in the gossan as if it had been left stranded by the leaching process which has oxidized the iron. At no point has the sulphide zone been reached to determine the nature and value of the ores at a permanent water level. In the King and Peterson mines depths of 150 and 105 feet, respectively, have been attained neither of which has reached the sulphide zone. These are the two deepest mines on the east fissure. On the west fissure, in the McEllin Mine, a depth of 500 feet by tunnel, has been attained with the same result.

It has been thought by many that the silver mines of Treasure Hill were shallow deposits, and this opinion is entertained by a few regarding the bedded ores of Rocco cañon; but all authorities agree that the lead belt fissures descend to unknown great depths.

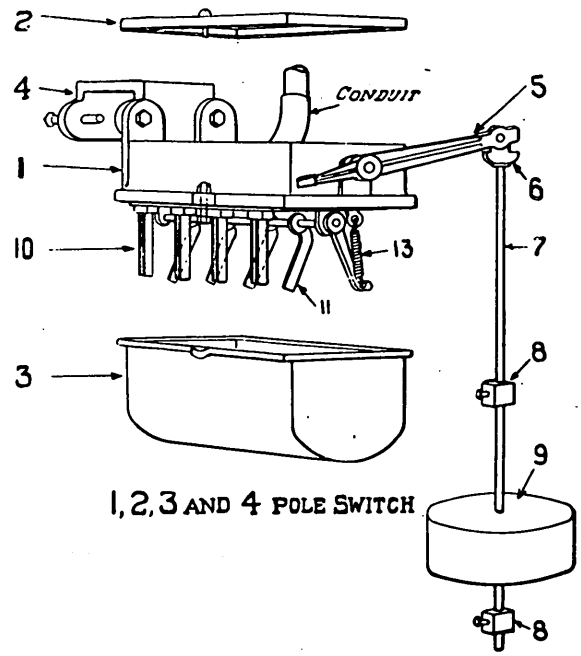
At present the active mines along the belt, naming them from the south northward, are as follows: Great Valley, Rocco Homestake Co., White Pine Lead Co., Nevada Lead Co., Cornell, McEllin, Carbonate King Co., Lo Ben Gula, Peterson and Coyote.

The production from the lead belt to date has been 145,000 tons, averaging 65 per cent. lead and 20 ounces silver per ton, having a gross value of nearly $6,000,000. In this production it should be borne in mind that little, if any, capital other than that taken from the mines has been expended in their development, and that only the highest grade ores have been profitable. That where these mines exceed 100 feet in depth their ores have paid for the deeper workings, and that many comfortable fortunes have been awarded to leasers, individuals, and companies by their operation.

Recently a railroad company has been organized to build a line from Ely to Goldfield. If it crosses the White Pine range at the most feasible place, Little Antelope Pass, it will run within about 8 miles of Hamilton, which will make it possible to market ores of a lower grade than have hitherto been profitable and enormously increase the output of the district.

Sundh Sump Switch

There are many places in mines where an automatic device is convenient and desirable for starting and stopping an isolated pump. The accompanying illustration shows the improved Sundh sump switch, made by the Sundh Electric Co., 115 Cedar Street, New York City. The action of the switch is shown in the illustration. The switch is operated by the pressure of the float 9 against either of the stops 8, attached at suitable points along the rod 7. Movement is communicated to the knife blades of the switch through the rocker arm 5, which is attached to the



upper end of the rod 7. The switch is given a quick movement by means of a spring 13. The switch is weather-proof and can be made water-tight if desired. This type of four-pole sump switch is used in connection with small motors where the normal current does not exceed 20 amperes, and where the switch can be thrown directly across the line without the use of the starting resistance. These tank switches are generally used for energizing solenoid starters by closing the solenoid current when the water rises or falls in the sump.

Geological Survey Branch Office

The United States Geological Survey has opened, at Denver, a permanent branch office to facilitate the transaction of its western work, thus providing a base of supplies for the large corps of engineers who are kept in the field many months each year, making geologic studies of mineral deposits, conducting detailed topographic surveys for the base maps of the geologic atlas of the United States, mapping the great national forests, investigating surface and underground waters, and collecting statistics of mineral production.

The office is located in the Commonwealth Building and was opened on the first of April. R. C. Miles, special disbursing agent, is at present in charge.

The establishment of such a branch office will not only serve the convenience of the Survey corps, but it is designed also to meet the great need of the western public for a source of information less remote than Washington. A supply of copies of the publications available for free distribution will be kept on hand, as well as a complete file of the topographic maps, geologic folios, and other publications of the Survey subject to sale. All of these publications will be open to inspection by persons desiring information concerning the subjects treated. Prospective purchasers of maps and folios will be referred to the nearest sales agent, and the free publications will be distributed in Denver to those making application. In short, the Denver office is intended to serve the public in all matters that lie legitimately within the province of the United States Geological Survey.

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Contingencies—

Expenses incurred during the seasons operations and not included in previous vouchers as follows:

Gasoline—Oil—Materials and supplies	$ 469.30
Engineering	277.55
Engineering (estimated) not yet billed	250.
Mileage for supervision (estimated)	400.
Supervision (at original contract price)	1600.
Total of other compiled advances made by Double O Timber & Mining Company as appears on books and not chargeable or recoverable under contract specifications	4871.76
Total of all other additional costs	$ 7868.69

DOUBLE O TIMBER & MINING COMPANY

Affiliated Companies
Nevada Rosegold Placers, Inc.
Hamilton Consolidated Mines Corp.
Gold Zone Mining Corporation

Room 200, 200 Davis Street
Telephone YUkon 6-4892
San Francisco 11, California

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DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MAY 10 1954

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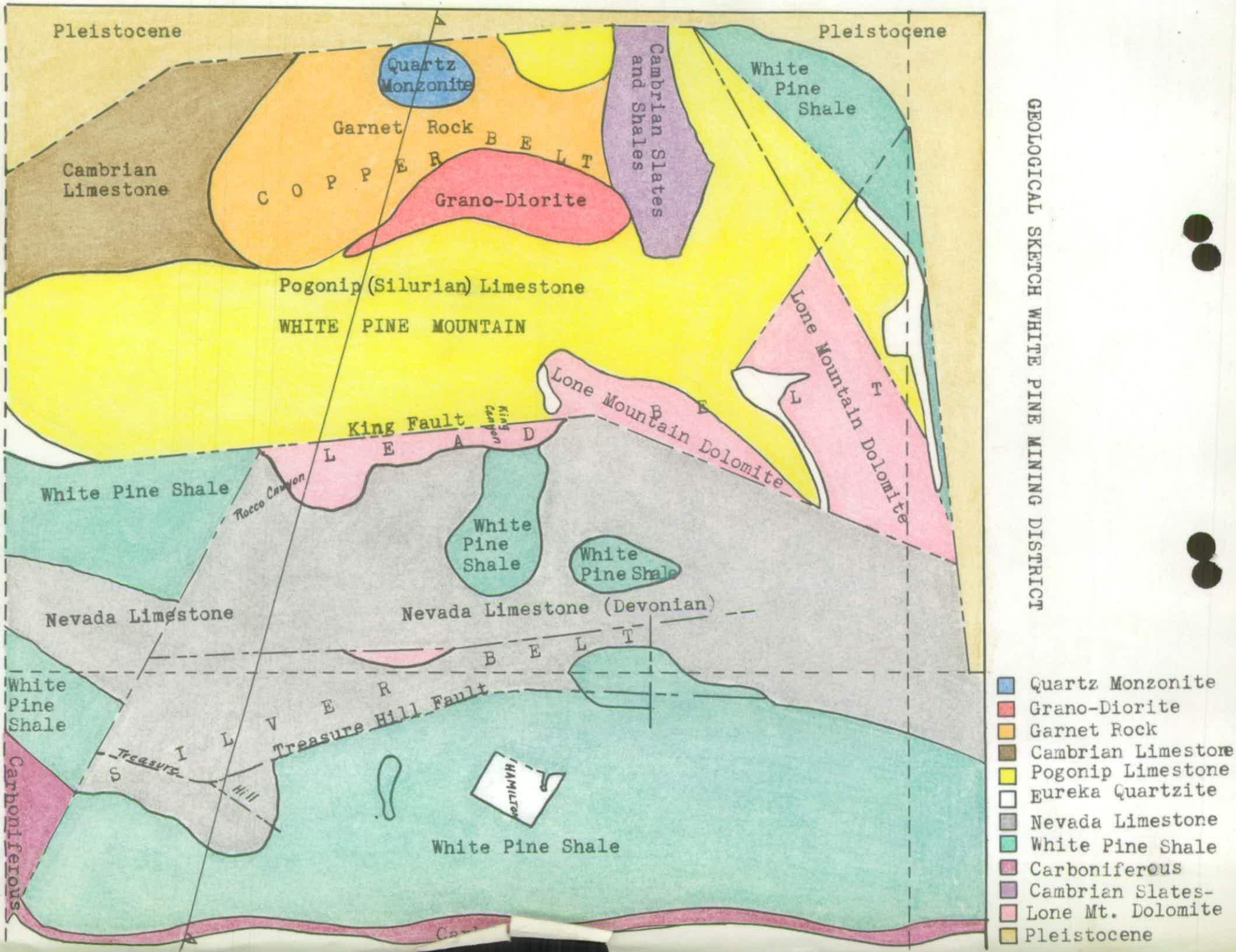


GEOLOGICAL SKETCH WHITE PINE MINING DISTRICT

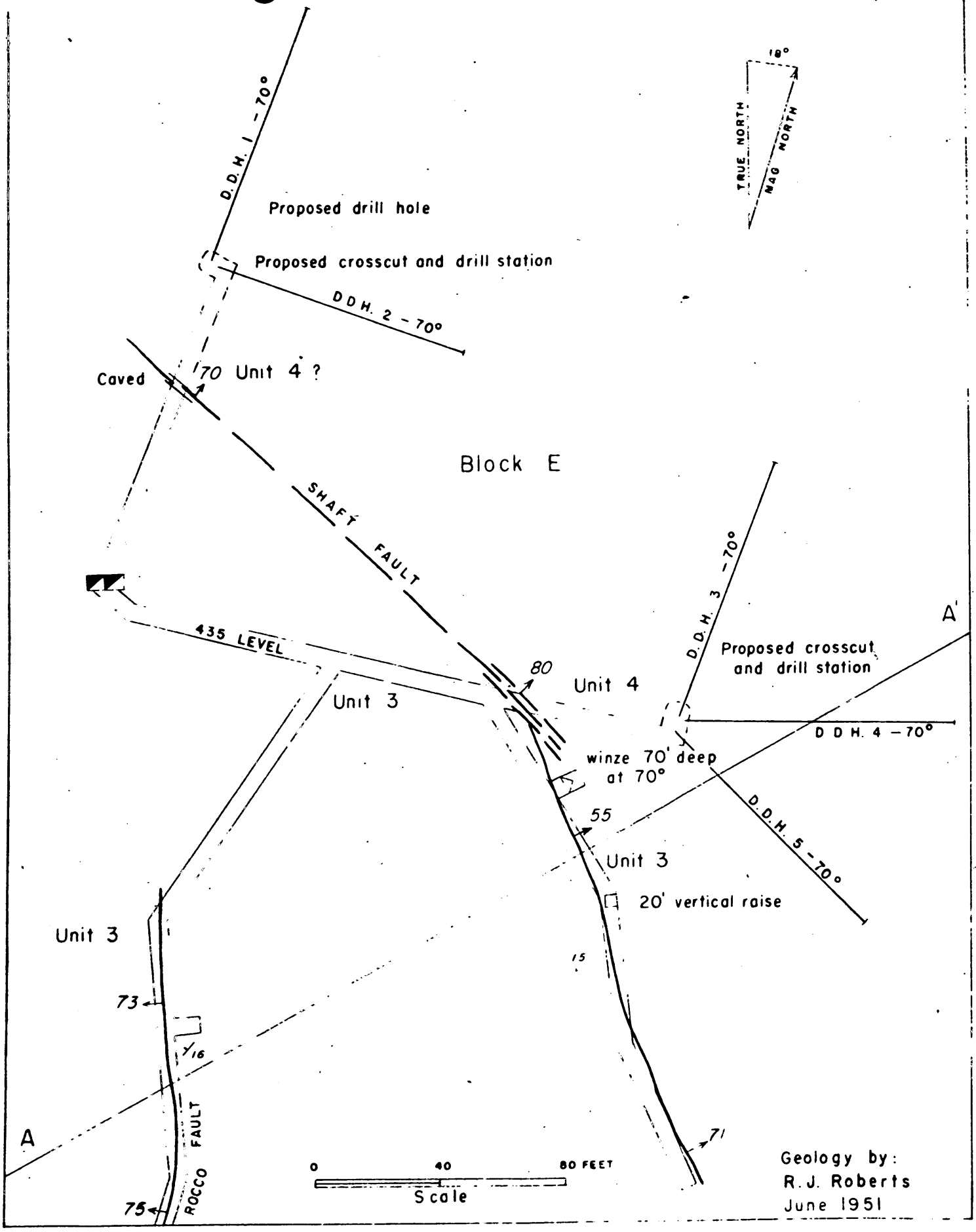


FIG. 4 - GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS ADMINISTRATION
NO. 866

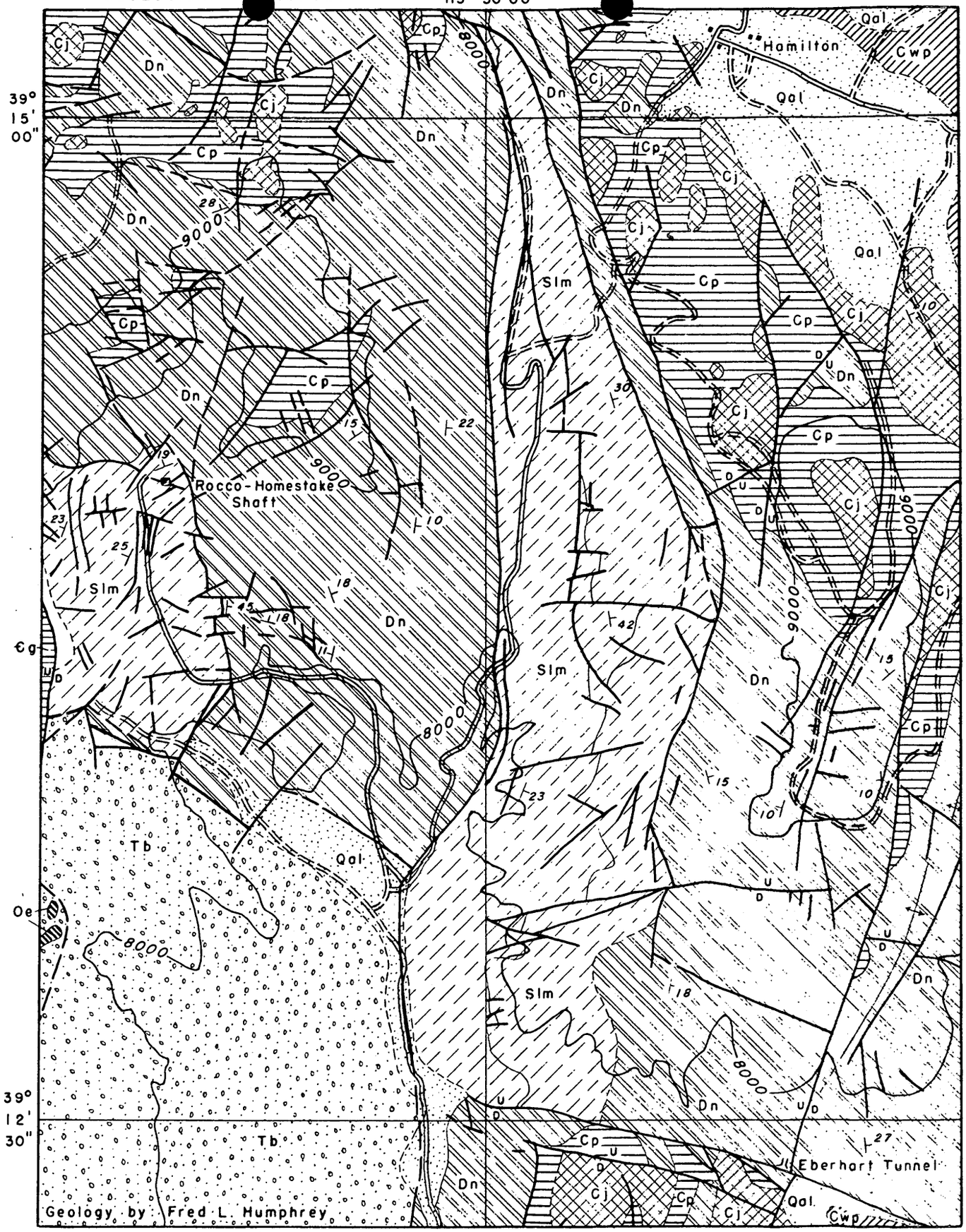


FIG. 2 - GEOLOGIC MAP OF PART OF THE WHITE PINE DISTRICT, NEVADA

0 1000 2000 3000 4000 FEET

Contour interva[illegible]00 feet

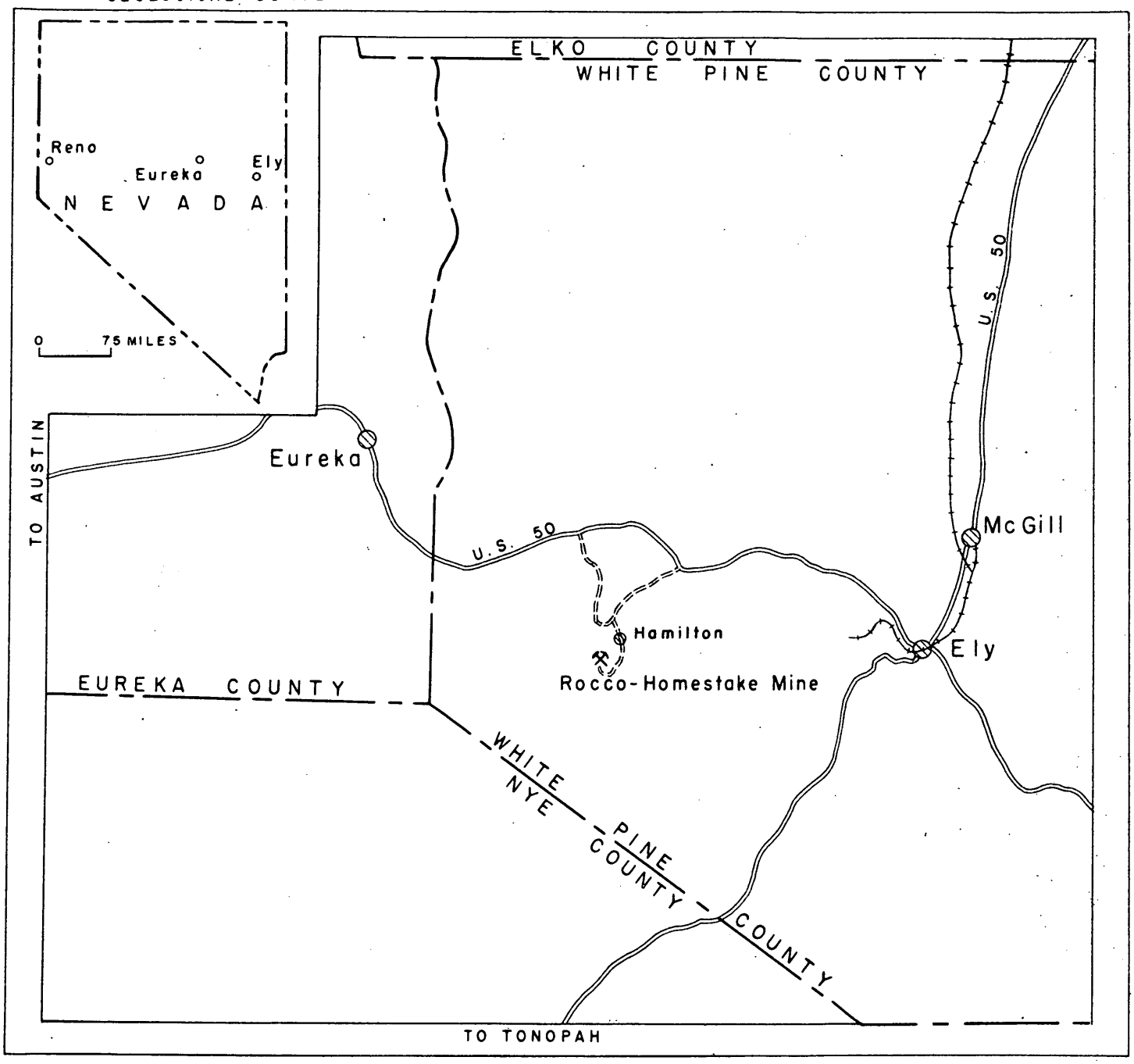


FIG. 1 - INDEX MAP OF NEVADA

0 10 20 30 MILES

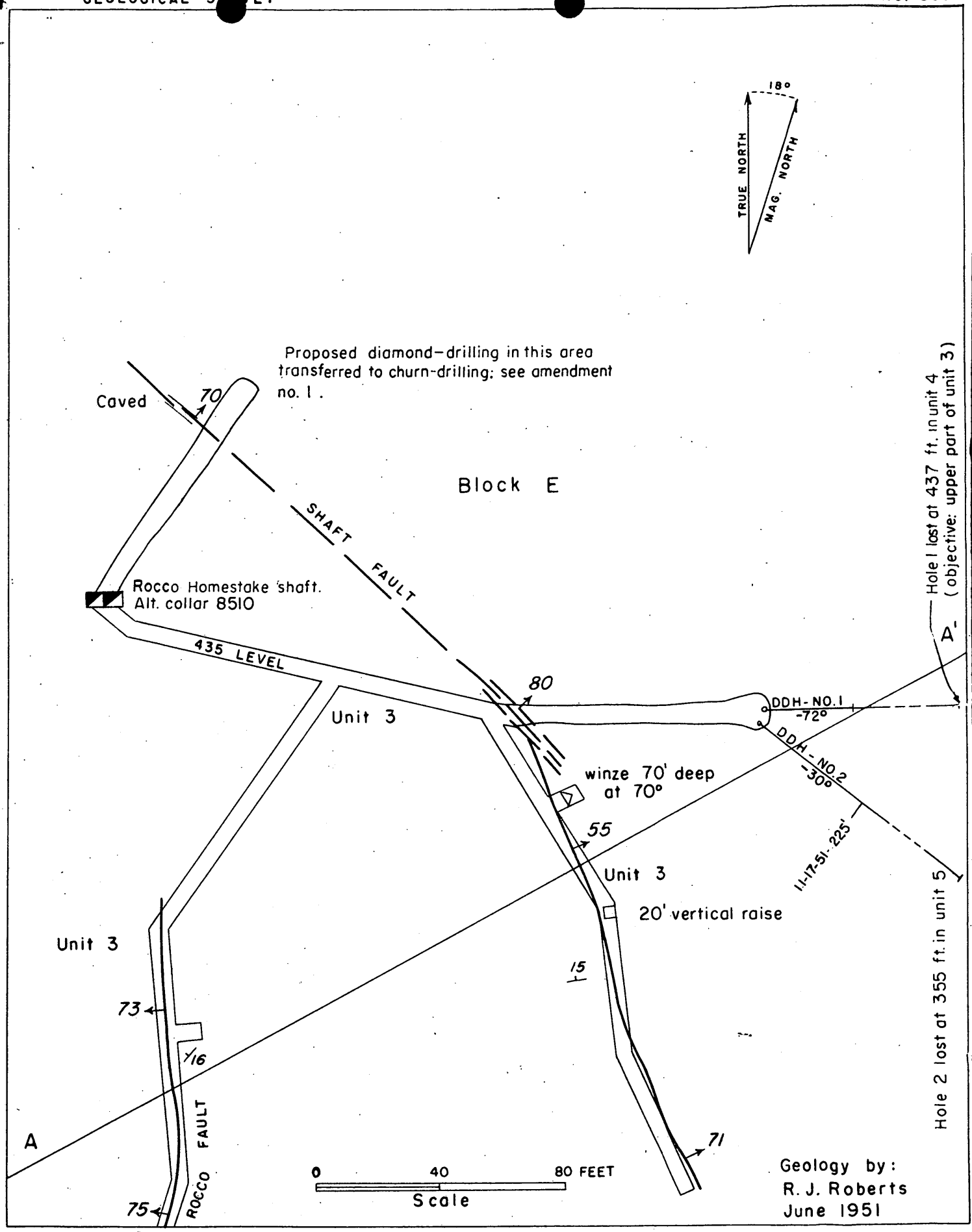
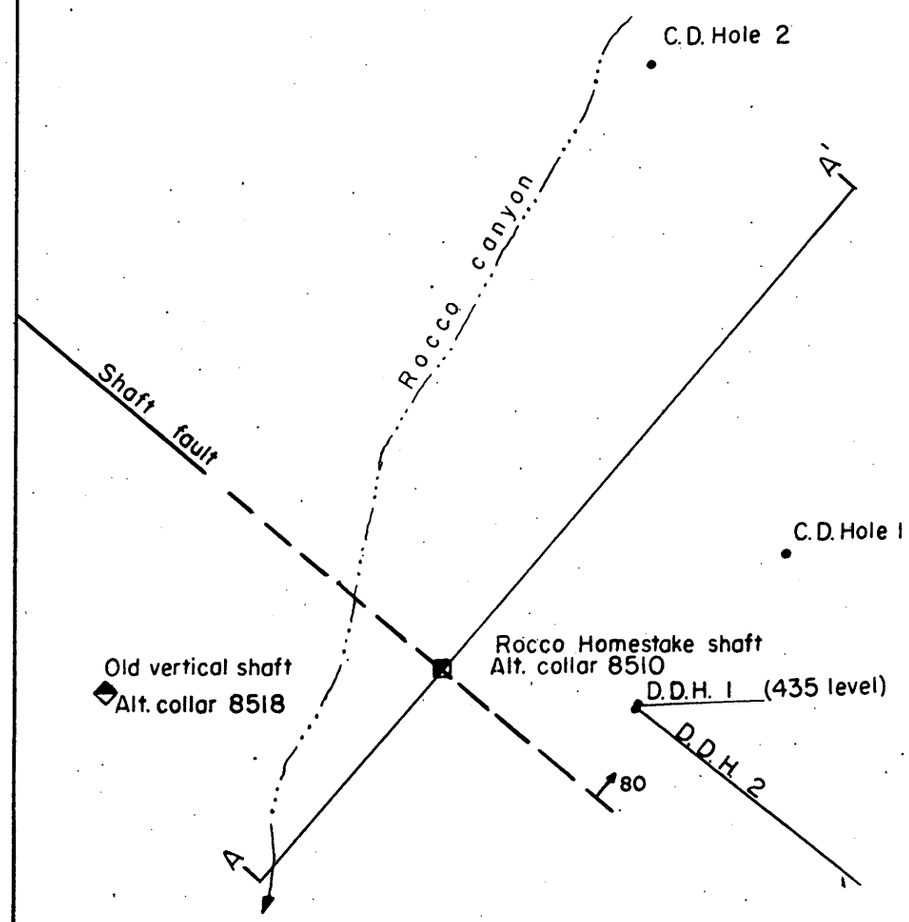


FIG. 4 GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

Hole	Bearing	Inclination	Length	Alt. collar	Alt. bottom
D.D.—1	N.89 E.	—72°	437	8075	7659
D.D.—2	S.52 E.	—30°	355	8075	7898
C.D.—1		Vertical	1300	8720	7420
C.D.-2		Vertical	1320	8600	7280



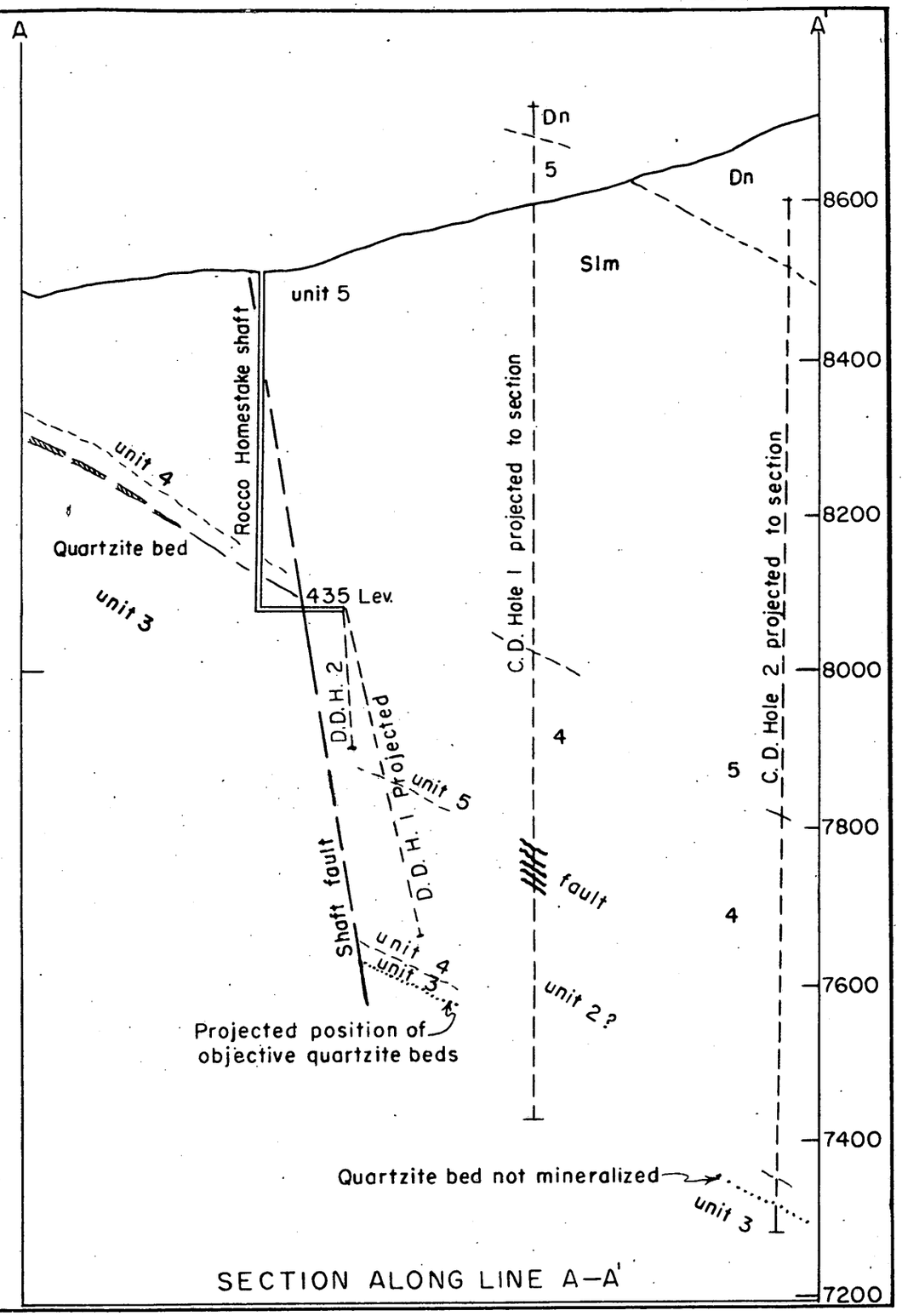
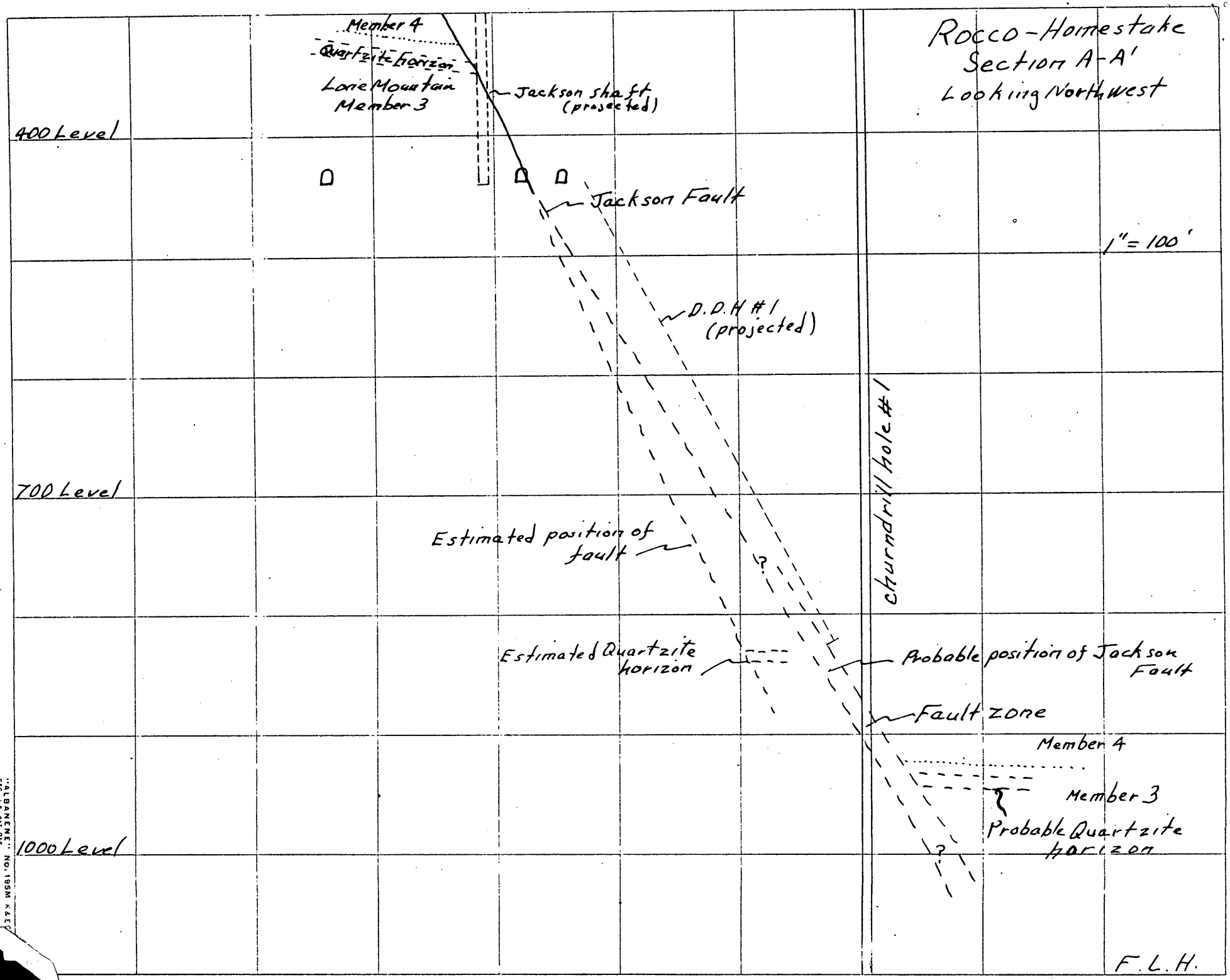


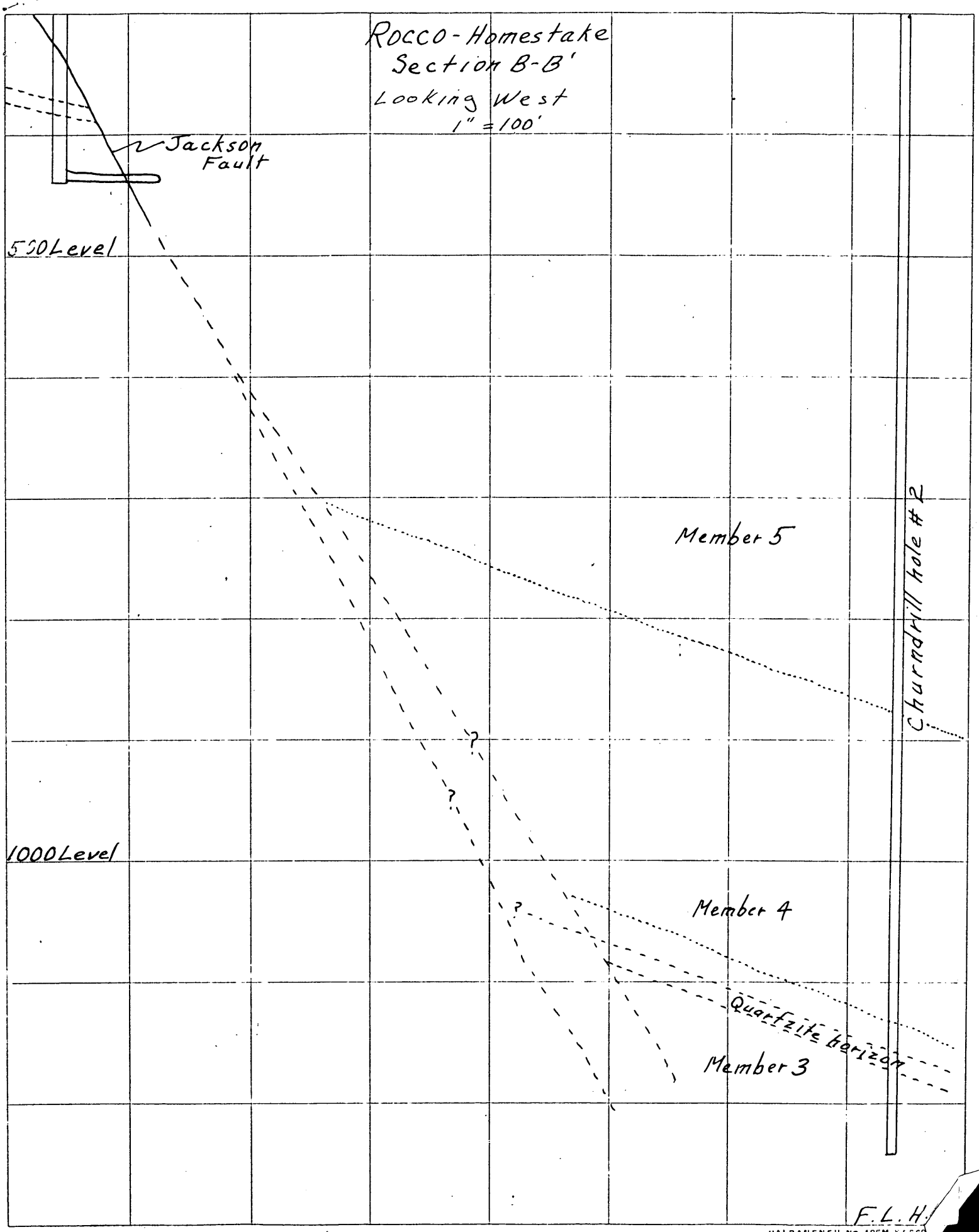
FIG. 6

MAP SHOWING ROCCO HOMESTAKE SHAFT
DIAMOND-DRILL HOLES NO. 1 AND NO. 2
CHURN-DRILL HOLES NO. 1 AND NO. 2

0 100 200 400 600 ft
Scale



"ALBANENE" NO. 185M K&E
REG. U.S. PAT. OFF.



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

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

ACCOUNTS NOV 25 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1953 Docket No. DMEA 866 Contract No. Idm-E 185

Operator's Name Hamilton Consolidated Mines Corporation Minerals Lead-Zinc Ores

Address 200 Davis St. San Francisco, 11, California

Contract Amount, $ 26,740. Government Participation: 50 % Amount, $ 13,370.

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: Trans. Drill	250.					
Drilling	1625.	19,207.-	21,082.-			
Bulldozing		420.-	420.-			
Crosscutting						
Drifting						
Other Drilling Costs		663.16	663.16			
(2) Labor and Supervision:						
Labor		820.-	820.-			
Supervision		2400.-	2400.-			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
~~Pipe~~ Misc. -		143.63	143.63			
~~Track~~ Gas - Oil - etc		976.80	976.80			
(4) Operating Equipment:						
Rental		420.-	420.-			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		165.38	165.38			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Exceptions: Costs in excess of Contract Per Report of Examiner 3/19/54				-863.46		
(8) Contingencies (specify): Not Classified		415.80	415.80			
# Misc. -	7868.69		7868.69			
TOTALS	9743.69	25,631.77	35,375.46	1108.23	25,631.77	26,740.00

Betty 5/12/54

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

Date Nov. 11. 1953 *Payee Hamilton Consolidated Mines Corp.

Per Albert S. Smirak Title Gen. Manager

*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:

$ 554.11

Signature (Authorized Certifying Officer)

Date MAY 3 1954 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. Idm-E185 in accordance with the terms of the contract.

Signature George H. Holmes, Jr. Title Mining Methods Research Engineer Date Nov. 19, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date November 23, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

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

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

December 3, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Operator's Monthly Report - Form MF-104A

In connection with Contract Idm-E185, Docket DMA-866X, Hamilton Consolidated Mines Corp., enclosed herewith is one copy of Form MF-104A, together with one copy of the narrative report, since this is the final report on the project. As soon as final liquidation and settlement are made of this account, the retained Washington copies of this report will be sent to you, properly audited and certified.

Please note in the last paragraph of Mr. Simrak's narrative report the suggestion that his company be granted an additional loan in order to continue the drilling program under this contract.

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

Attachment

Copy to: E. H. Bailey, USGS

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

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

December 3, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Operator's Monthly Report - Form MF-104A

In connection with Contract Idm-E185, Docket DMA-866X, Hamilton Consolidated Mines Corp., enclosed herewith is one copy of Form MF-104A, together with one copy of the narrative report, since this is the final report on the project. As soon as final liquidation and settlement are made of this account, the retained Washington copies of this report will be sent to you, properly audited and certified.

Please note in the last paragraph of Mr. Simrak's narrative report the suggestion that his company be granted an additional loan in order to continue the drilling program under this contract.

H. C. MILLER

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

Attachment

Copy to: E. H. Bailey, USGS

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 NOV 25 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1953 Docket No. DMEA 666 Contract No. Ida-E 105
Operator's Name Hamilton Consolidated Mines Corporation Minerals Lead-Zinc Ores
Address 200 Davis St., San Francisco, 11, California.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core					792'	7.74		
Churn	250'	1625.00	250'	27,506.77	2762'			
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Transportation Drill Equip.		250.00						
TOTAL DISTRIBUTED COSTS		1875.00		27,506.77				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Additional Contingencies		7868.69		7868.69				
TOTAL COSTS		9743.69		35,375.46				

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 11-1953 Operator Hamilton Consolidated Mines Corp.

Per Albert S. Smirak Title Gen. Manager

REMARKS:
Total Hole Drilled 250 feet
Total Depth of Hole 1340 feet

→ 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

NARRATIVE:

Reno-Homestake Mine
Hamilton Consolidated Mines Corporation
DMEA--866 Contract Idg.-2183

This narrative is being submitted upon the termination of the above enumerated contract and the conclusion of exploratory work therein undertaken. To present a clear picture of the exploration work done and the objectives of such work, it is necessary to review very briefly the history of the property and the efforts for its development prior to the inception of the above contract.

The Reno-Homestake Mine received the attention of this company by reason of a report made by W. S. Lorch, General Superintendent of Nevada-Ely Copper Company at Ely, Nevada, dated as of June 1909, and written for "Mines and Minerals" which detailed the geology of the White Pine Mining District. More recent information was obtained from Dr. Fred L. Humphrey, a Geologist of considerable repute and connected with the School of Mineral Sciences at Stanford University. Dr. Humphrey had spent much time in mapping and study of the particular area of the Hamilton District for the Nevada State Bureau of Mines. The information given to this company by Dr. Humphrey as the result of his many years of study of the region, was a challenge to a development program that was sought by our company, and a further challenge to the mining industry to attempt to produce some of the essential minerals much needed by our government in the economy of this country and in short supply from a national production stand-point.

The ore of the Reno-Homestake Mine is a Lead-Silver ore which from past production records averaged 65% Lead and about 12 oz. of Silver per ton. This ore was mined from a bedded deposit of approximately 400 feet in length, and localized in the so-called Lone Mountain Dolomite formation. It dipped slightly to the North and was cut off in that area by the Shaft Fault and confined on the West by the Canyon Fault and again cut-off on the East by the Reno Fault. The exploration undertaken by this company prior to the date of the above contract was directed toward the location of a continuation of the ore bed beyond the faults and within their areas to the north and slightly east of the mined area, and somewhat deeper to conform to the known displacement or down drop of the Canyon Fault, this being the principal North-South fault of the district.

Exploration was undertaken in June 1950 which was directed toward locating ore presumed to yet remain in some of the old stopes which had been back filled and not accessible for examination. Also diamond drilling was undertaken from under-ground stations to determine if any undiscovered ore remained at relatively shallow depths. These operations were not entirely satisfactory and not much beneficial information was produced from an expenditure of about $9000.

Operations were again undertaken in May 1951. The shaft which had been filled with muck from the 300 foot level down to the 435 foot level by previous miners was cleaned out and again placed in operating condition. This permitted a more complete examination of the lower workings and better geological information to further explore the fault pattern and remainable more accurate data to carry on additional exploratory work. Again diamond drilling was undertaken from the 435 foot level and directed toward locating the down dropped favorable Lone Mountain Dolomite formation projected as being not less than 300 feet below the station level. This work was fully under way at the time the above contract with DMEA became effective, and for the record, our expenditure was approximately $7500. prior to the contract date.

The history of the diamond drilling operation is recorded in the reports submitted with vouchers following October 17, 1951. However, it is well to review briefly the results and conclusions of this operation. It was definitely proven that diamond drilling, such as undertaken in this exploration is not entirely satisfactory. The formations are not amenable to good core results. However, by careful analysis of core and sludge samples recovered, it was determined that at one point we were within approximately 50 feet of our objective, and the position of the two faults outlined by surface exposures, were fully established in their relative projected positions. Upon the conclusion of this work and termination of the season's operations, we were fully determined that any future drilling should be done by surface operation and preferably by "Churn Drill". This year of operations was concluded by an expenditure of slightly more than $18,500. of which amount the government contributed $3074.19 on the basis of 50% participation in this development program, and which resulted in net expenditure by this company of approximately $15,500.

The operating season for the year 1952 was somewhat delayed due to unusually heavy

snowfall during the winter months, and actual work did not commence until the end of July. Our drilling station location was determined by consultation of Dr. Humphrey and the Bureau of Mines engineering staff at Reno, Nevada. A shore drill was employed for this proposed work which progressed satisfactorily with the exception of time lost by inefficient labor conditions. During the course of this drilling it soon developed that the drill hole was following and drilling in a fault. It did not seem justifiable to conclude this hole at this time, but it was determined to continue in the hope that the fault would flatten out, or that our drill would resist the soft fault material and return to its true course and reach our objective projected for this hole. This operation was terminated due to weather conditions and the inefficient and difficult labor situation that prevailed throughout the season at the end of October. The total depth reached was about 1360 feet. However, we were only charged and billed for a depth of 1320 feet. The results of this drilling were definitely negative and no beneficial information can be claimed for a total expenditure in excess of $35,000. and a total government participation in the amount of more than $8900. to this date.

Much earlier operations were undertaken in the year 1953 due to light snowfall during the winter months. It was determined to continue drilling about 100 feet more on the uncompleted hole terminated last season, to definitely ascertain the type of material to be found after drilling thru the faulted area. This material was a Dark Dolomite and classified as Unit #3, therefore not the formation being sought and the drilling was discontinued.

A new drilling location was established by Dr. Humphrey. This location was approximately 640 feet north-west from Drill Hole No. 1, and far enough away from any faulting influence to permit much better determination of formations, and positively effect a recognition of the quartzite marker beds which are definitely just above the ore bodies. These quartzite beds have been clearly distinguished by Dr. Humphrey as being above all of the ore bodies which have been mined in this district, and a determination and location of this quartzite will definitely provide the key as to the depth of the faulted portion of the Ore body that has been down-dropped from the shallower workings of this mine. During the course of drilling this Hole No. 2, it was determined that government funds available for this work would be exhausted at about the 1130 foot depth. However, it was decided to carry this hole to some definite conclusion at the expense of this company. The quartzite beds were definitely recognized at the 1260 feet depth, and the hole was carried to a total depth of 1340 feet. No ore was encountered in the favorable Lone Mountain Dolomite formation, and it is therefore to be concluded that actual ore deposition did not occur or carry to the distance so far north of the Bruce Fault (ore bearing fault) as the position of our drill station. This season was concluded with an expenditure of $10,000. in excess of all government participation, as only the direct costs of drilling remained to be charged on the contract and all other operating costs and supervision were paid by this company.

Conclusions and Recommendations:

The original estimate of cost for exploration of this property was far too low and inadequate to effect the many unforeseen difficulties that develop and other costs not visualized and contemplated. Most of the efforts and expenditures prior to Drill Hole No. 2 were wasted and valueless. The drilling of Hole No. 2 has provided the only actual beneficial and tangible information on which to proceed with further and additional exploratory work. It is the opinion of our Geologist, Dr. Humphrey, and the considered opinion of this company, that additional holes should be drilled to prove or disprove definitely the geological features of this exploration program and this property. It is here suggested that the proper government authority should be invited to participate in this additional drilling program by continuation of the above enumerated contract and expenditures estimated to cost $25,000. If such additional participation is not deemed advisable, then immediate release of all liability and complete cancellation of the above contract is requested. The original concept of the RMEA program and production of essential minerals, development of national resources, and the necessity of this production to our national economy, has not changed and is no doubt of as much importance now as it was in the year 1950.

Respectfully submitted,

Hamilton Consolidated Mines Corporation

Albert S. Simrak, General Manager.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

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

September 17, 1953

Betty

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Operator's Monthly Progress Reports - Forms MF-104 & MF-104A

Enclosed herewith are two copies of the subject report received from the following Operator. This report has been audited and passed to the Treasury for payment.

Contract No.	Operator	Report dated	Period covered
Idm-E185 DMEA-866	Hamilton Consolidated Mines Corporation	Sept. 4, 1953	August 1953

S. RICKER
S. Ricker for M. S. Miller
Executive Officer
DMEA Field Team, Region III

Attachment

Copy to: D. H. Dailey, USGS

Form DMEA-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

ACCOUNTS SEP 15 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1953 Docket No. DMEA 808 Contract No. Idc-E105

Operator's Name Hamilton Consolidated Mines Corporation Minerals Lead-Zinc Ores

Address 200 Davis St., San Francisco, California.

Contract Amount, $ 26,740. Government Participation: 50% Amount, $ 13,370.

DEPARTMENT OF THE INTERIOR Defense Minerals Administration RECEIVED SEP 21 1953

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	2795.-	16,412.20	19,207.-			
Bulldozing		420.-	420.-			
Crosscutting						
Drifting						
Other Drilling Costs		663.16	663.16			
(2) Labor and Supervision:						
Labor		820	820.-			
Supervision		2400	2400.-			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
~~Pipe~~ Misc		143.63	143.63			
~~Track~~ Gas-Oil-etc		976.80	976.80			
(4) Operating Equipment:						
Rental		420.-	420.-			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		165.38	165.38			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify): Not Classified		415.80	415.80			
TOTALS		22836.77	25631.77			

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

Date Sept 4, 1953 *Payee Hamilton Cons. Mines Corp.

Per Albert S. Emirah Title Gen. Manager

*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:

$ 1397.50

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

Date SEP 16 1953 Vou. No. SF-DMEA-16

(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 Chief, Mining Div. Date Sept. 24, 1953.
R. C. Johnson Region III

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer DMEA Field Team Region III Date September 15, 1953
S. Ricker for W. 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 NF-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 15 1953
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 21 1953

Month of August 1953 Docket No. DMEA 866 Contract No. Idm-E185

Operator's Name Hamilton Consolidated Mines Corporation

Address 200 Davis St., San Francisco, Californial

Minerals Lead-Zinc Ores

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core					792			
Churn	430'	2795.00	430'	25631.77	2512	7.75		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2795.-		25.631.77				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		2795.00		25631.77				

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.

Hamilton Consolidated Mines Corporation

Date Sept. 4, 1953 Operator

Per Albert S. Amirak Title Gen. Manager

REMARKS:

Drilling depth July Voucher 660'
" " August " 1090
Total this voucher 430'

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

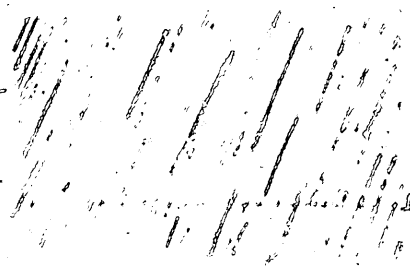
Unit #5---	Upper Dolomite	500' to 800' thick Dark to Black
Unit #4--	Next in order	200' to 300' thick Light grey, Medium grained
Unit #3--	Next in order	300' to 500' thick White very fine grained. (Quartzite in top of this bed)
Unit #2	Next in order	About 300' thick Light to medium grey Medium grained grading down to dark grey

NARRATIVE

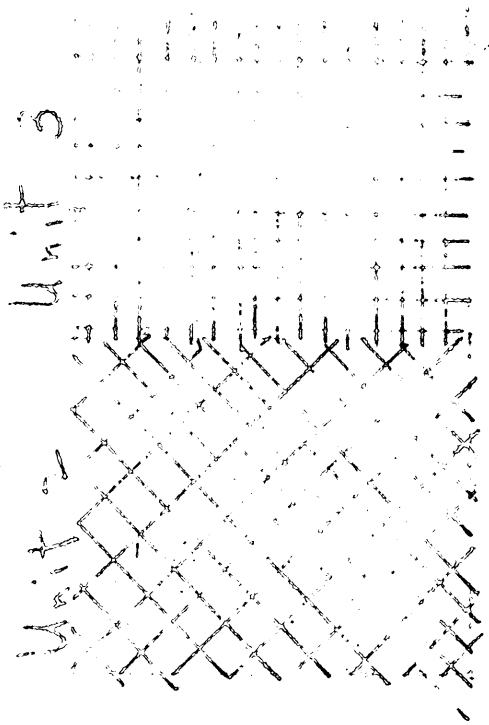
The vouchers here attached cover drilling of Hole No. 2 from 660 feet depth, to 1090 feet of depth. The drilling is progressing very satisfactorily with no particular difficulty of consequence. Surface water was encountered at about 725 feet. No actual test of the volume was made. Mixed dark and grey lime was found between the depth of 725 to 1020 feet with considerable discoloration, Iron pyrites trace of copper and zinc between 790' and 850' The interval between 1020' and 1065' was very mixed between grey and light colored lime. The interval between 1065' and 1090' was mixed dark and light material with considerable of calcite and some reddish colored lime.

Unit 5

Unit 4



Unit 5



[illegible]

[illegible]

[illegible]

[illegible]

XXX [illegible]

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

ACCOUNTS AUG 18 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $ 23,370.

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	295.-	13.487-	16412.-			
Bulldozing		420-	420-			
Crosscutting						
Drifting						
[illegible]		663.16	663.16			
(2) Labor and Supervision:						
Labor		820.-	820-			
Supervision		2400.-	2400.-			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
~~Pipe~~ [illegible]		143.63	143.63			
Track						
[illegible]		976.80	976.80			
(4) Operating Equipment:						
Rental		420.-	420-			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		1653.8	1653.8			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
[illegible]		415.80	415.80			
TOTALS	295.-	19.911.77	22836.77			

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

Date Aug 4 - 1953 *Payee [illegible]

Per Albert S. Smrak Title [illegible]

*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:

$ 1462.50

Signature [illegible] Secretary
Authorized Certifying Officer
(Authorized Certifying Officer)

Date AUG 24 1953 Vou. No. SF-DMEA-7

(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-7185 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date August 14, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date August 18, 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 MEA 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 18 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

AUG 20 1953

Month of July 1953 Docket No. DMEA 866 Contract No. Idm-1185

Operator's Name Hamilton Consolidated Lines Corporation Minerals Lead-Zinc Ores

Address 200 Davis St. San Francisco, California.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core					792			
Churn	450	2925.-	450'	22836.77	2082	7.95		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2925.-	450'	22836.77				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2925.-	450'	22836.77				

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 4-1953 Operator Hamilton Cons. Lines Corp.

Per Albert S. Simrak Title Gen. Manager

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

(Instructions on reverse)

REMARKS:
All costs have been grouped and compiled as "drilling costs" for the purpose of simplification

NARRATIVE:
Drilling is progressing in very satisfactory manner. No difficulty of a serious nature is being had and the formation is consistent with the known structures of the area.

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

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

5 0

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS JUL 22 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED JUL 23 1953

Month of June, 1953 Docket No. DMEA 866 Contract No. [illegible]
Operator's Name Hamilton Consolidated Mines Corporation
Address 200 Davis St. San Francisco, California
Contract Amount, $ 26,740. Government Participation: 50 % Amount, $ 13,370.

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	2028.00	11,459.	13,487.00			
Bulldozing		420.	420.			
Crosscutting						
Drifting						
Other drilling costs		663.16	663.16			
(2) Labor and Supervision:						
Labor		820.	820.			
Supervision		2,400.	2400.			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Exp. Misc		143.63	143.63			
Track						
Gasoline, oil, etc.		976.00	976.80			
(4) Operating Equipment:						
Rental		420.	420.			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		165.30	165.38			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Not classified		415.00	415.80			
TOTALS	2028.00	17,883.77	19,911.77			

Betty 8/5/53 J.W.A.

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

Date 7/16/53 *Payee Hamilton Consolidated Mines Corp.

Per Albert S. Sunrak Title Gen. Manager

*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:

$ 1014 00

Signature [illegible] Defense Minerals Certifying Officer
(Authorized Certifying Officer)

Date JUL 22 1953 Vou. No. 3F-DMEA.3

(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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Narrative——

The drilling of Hole #1 was undertaken in the latter days of May and carried to a total depth of 1470 feet without encountering a favorable formation conducive to Ore deposition. It is now determined that the hole was drilled within a "fault" area and therefore impossible to contact the known and faulted ore body which had previously been mined at shallower depths.

Hole No. 2 was started about the middle of June and it is yet too early to make any determination as to the possibility of completing this hole in the favorable formation that was disclosed by our diamond drilling in 1951.

Albert S. Simrak

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 ACCOUNTS JUL 22 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

REC. JUL 23 1953

Month of June 1953 Docket No. DMEA 066 Contract No. [illegible]-109

Operator's Name Harold n Consolidated Mines Corporation Minerals Lead - Zinc Ores

Address 200 Avenue [illegible] San Francisco, California.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core					72'			
Churn	212'	[illegible]	10'	19,911.77	162'	[illegible]		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				19,911.77				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 7/10/53 Operator Harold Consolidated Mines Corp.

Per Albert S. Smurak Title Ren Mgr

REMARKS: All costs have been recorded and compiled as [illegible] costs for the purpose of [illegible] cation.

→ 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

Keating
Betty

Office of
Executive Officer
DMEA Field Team
Region III

1015 Flood Building
870 Market Street
San Francisco 2, Calif.

January 28, 1955

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Operators' Monthly Progress Reports - Forms EP-104 & 104A

Enclosed herewith are two copies of each of the subject reports received from the following operators as listed below. These reports have been audited and passed to the Treasury for payment.

Contract No.	Operator	Report Subm.	Period covered
1Em-264 DMA-15775	Black Rock Mining Corp.	Jan. 15, '55	December 1952
1Em-2135 DMEA-445	Hamilton Consolidated Mines Corp.	Jan. 3, '55	Sept., Oct., & Nov. 1952
1Em-2147 DMEA-37136	The Gliddon Company	Jan. 14, '55	December 1952
1Em-2251 DMEA-3405	R. N. Fitzgerald, Trustee, Copperhill Mine	Jan. 14, '55	Nov., & Dec. 1952

H. C. MILLER

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

Attachments

Copy to: R. H. Bailey, USGS

AMeiers:mpp
Files
Chron.

Form MF-10 (Rev.)
(April 195[illegible])

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 Sept-Oct-Nov., 195 2 Docket No. DMEA 866 Contract No. Idm-E185
Operator's Name Hamilton Consolidated Mines Corp. Minerals Lead-Zinc Ore
Address 200 Davis St., San Francisco, Calif.
Contract Amount, $ 26,740. Government Participation: 50 % Amount, $ 13,370.

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	2489.50	8969.50	11,459.-	2,489.50	8,969.50	11,459.00
Bulldozing		420.-	420.-		420.00	420.00
Crosscutting				177.00	486.16	663.16
Drifting Other Drilling Costs	177.-	355.-	532.-			
(2) Labor and Supervision:						
Labor		820.-	820.-		820.00	820.00
Supervision	600.-	1800.-	2400.-	600.00	1,800.00	2,400.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe				143.63		143.63
Misc.				371.63	375.00	976.80
Black Gasolene-Oil-etc		506.16				
✓ ✓ —	230.17		1251.59	230.17		
(4) Operating Equipment:						
Rental		420.-	420.-			
Purchase					420.00	420.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment				165.38		165.38
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Repairs to Equipment			165.38			
Travel Expense				189.00		
Travel Expense	226.80		415.80	226.80		415.80
TOTALS	4593.11		17883.77	4,093.11	13,290.66	17,883.77

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

Date Jan 3-1953 *Payee Hamilton Consolidated Mines Corp

Per Albert S. Simrak Title Gen Mgr

*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:

$ 2296 56

Signature _____ (Authorized Certifying Officer)

Date _____ 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. [illegible] in accordance with the terms of the contract.

Signature [illegible] Johnson Title [illegible], [illegible] Date January 13, 1953.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date January 14, 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

NOTE: Explanation for items marked in

Those items were submitted in August 1952, MF-104 and disallowed. They are herewith being re-submitted as REASONABLE- REIMBURSABLE costs of the mining operation and included in monthly totals

Albert S. Lawrik Gen Mgr

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept-Oct-Nov. 1952 Docket No. DMEA 866 Contract No. Idm-E185

Operator's Name Hamilton Consolidated Mines Corp Minerals Lead-Zinc Ores

Address 200 Davis St., San Francisco, California

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core 792								
Churn 937	383	4593.11	383	17,883.77	2112	8.46+		
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		4593.11						TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				17,883.77				

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

Date Jan 3-1952 Operator Hamilton Cons. Mines Corp

By Albert S Smirak Title Gen Mgr

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
1953 JAN 14 AM 9:0
SAN FRANCISCO, CALIFORNIA

Narrative

The drilling that was done under the attached voucher period was devoid of beneficial results for the reason that the actual depth realized was somewhat short of our planned objective. The sludge samples however have indicated we are in a favorable ore horizon and we have planned on drilling another 50 feet of Hole No. 1 which should be sufficient to either prove or dis-prove the area as a possible ore bearing horizon. It has been determined that our Hole No. 1 is probably too close to the Shaft Fault, or a smaller fault not showing on the surface, and we have therefore scheduled Drill Hole No. 2 at a sufficient distance to the North to avoid encountering the same fault formation.

Hamilton Consolidated Mines Corp.

Albert S. Smurak

Form MF-P1 (Rev.) (Ap. 1952)

Budget Bureau No. 42-R1036.3. Approval expires 6-30-63.

Defense Minerals Administration RECEIVED NOV 4 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July & August, 1952 Docket No. DMEA 866 Contract No. IDM E185

Operator's Name Hamilton Consolidated Mines Corp Minerals Lead-Zinc Ore

Address 200 Davis St., San Francisco, 11, Calif.

Contract Amount, $ 26,740. Government Participation: 50% Amount, $ 13,370.

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~~				Distribution corrected	Dis-allowed	
Drilling Chevron	6090.50	2879.-	8969.50	8969.50		8969.50
Bulldozing	420.-	✓	420.-	420.00		420.00
Crosscutting				486.16		486.16
Drilling Transportation Tractor	115.-	✓	115.-			
Transportation Drill Equip	250.-	✓	250.-			
(2) Labor and Supervision:						
Labor	~~1341.16~~	820.-	820.00 ~~9141.16~~	820.00		820.00
Supervision	600.-	✓ 1200.-	1800.-	1800.00		1800.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Gas-Oil-Repairs-Storage	142.55	✓ 375.-	517.55	1244.64	869.64	375.00
Cement-etc	83.73	✓	83.73			
(4) Operating Equipment:						
Rental		420.-	420.-	420.00		420.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		322.23	322.23			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		132.13	132.13			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Travel Expense Mileage	189.-	✓	189.-			
Engineering & Labor Expense	121.16		121.16			
(8) Contingencies (specify):						
TOTALS	8011.94	6148.36	14,160.30	14,160.30	869.64	13,290.66

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

Date Oct 4-1952 *Payee Hamilton Consolidated Mines Corp

Per Albert S. Emerick Title Gen. Manager

*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:

$3,571.14

Signature R. J. Reiner Authorized Certifying Officer (Authorized Certifying Officer)

Date NOV 17 1952 Vou. No. SF-DMEA-26

(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.

U. S. GOVERNMENT PRINTING OFFICE 205675

NARRATIVE

Our drilling program was undertaken about July 27, 1952 and work progressed without undue incident in normal manner until we had reached a depth of about 750 feet, at which point we encountered water. This has not been of a serious nature and has since been classified as "surface seepage" due to unusually heavy snowfall of the past winter. At a depth of about 900 feet we drilled into a "fault". This "fault material" was of a broken, dark colored dolomite and caused considerable trouble and slow-down of drilling by its "caving" nature. At this writing and ~~at~~ depth of 990 feet, it appears that we have encountered the beginning of a change of formation, and no doubt have gone beyond the "fault". It should be noted that at the approximate depth of 900 feet, our cuttings material was distinctly of a reddish color, which upon analysis by Dr. Fred L. Hanchett of Stanford University, indicated some "lead and silver" showings. Our drilling program is progressing in satisfactory and normal manner, and we anticipate the early completion of Drill Hole No. 1 with favorable results and the inception of Drill Hole No. 2

Hamilton Consolidated Mines Corporation

Albert S. Simrak

Albert S. Simrak, Gen. Manager

COPY

DOUBLE O TIMBER & MINING COMPANY

Affiliated Companies
Nevada Renegald Placers, Inc.
Hamilton Consolidated Mines Corp.
Gold Zone Mining Corporation

October 4, 1952

Room 800, 200 Davis Street
Telephone YUkon 6-4892
San Francisco 11, California

Defense Minerals Exploration Administration
870 Market Street,
San Francisco, 2, California.

Gentlemen:

There is attached herewith your Form MF-104 and vouchers covering expenditures incurred by the Hamilton Consolidated Mines Corporation for the months of July and August of this year, under exploration contract Idm-E185, which we trust you will find in proper order.

It has been necessary to combine the 2 months of expenditures in the preparation of the voucher, as the starting date of operations was somewhat delayed from our original expectation, which then caused these expenditures and the billing by service suppliers to be carried over to later date.

At the inception of our drilling program, the work progressed without undue incident and in normal manner until we had reached a depth of about 750 feet, at which point we encountered water. This has not been of a serious nature and has since been classified as "surface seepage" due to unusually heavy snowfall of the past winter. At a depth of about 900 feet our sludge material indicated we had drilled into a type of material which has been classified by Dr. Fred L. Humphrey of Stanford University as "fault material". This "fault" material was of a broken dark lime formation and caused considerable trouble and slow-down of drilling by its "caving" nature. At this writing and depth of 990 feet it appears that we may have encountered the beginning of a change in material and no doubt have gone beyond the "fault". It should also be noted that at the approximate depth of 820 feet, our sludge material was distinctly of a reddish color, which upon analysis by Dr. Humphrey indicated some "lead and silver" showings.

Our drilling program is now progressing in satisfactory manner, and we are anticipating the early conclusion of our drill hole No. 1, which is scheduled to drill another 200 to 300 feet beyond the 990 foot depth. We also anticipate starting drill hole No. 2 within the next week or 10 days, as the drill station and road for this work has already been prepared.

Trusting you will find the enclosed vouchers prepared in satisfactory manner, and assuring you of our desire to cooperate to the fullest measure possible for the success of this exploration project, we are,

Yours very truly,
Hamilton Consolidated Mines, Corp.

s/ Albert S. Simrak.

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
NOV 24 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ~~July~~ August 1952 Docket No. DMEA 866 Contract No. Idm-E185
Operator's Name Hamilton Consolidated Mines Corporation Minerals Lead-Zinc Ores
Address 200 Davis St., San Francisco, 11, Calif.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core				5826.13	792'	#7.356		
Churn	937'	8011.94	937'	8011.94	937'	8.550		26.740.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				13838.07				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				322.23				
New Buildings, Improvements, etc.								
TOTAL COSTS				14,160.30				

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

Date Oct 4-1952 Operator Hamilton Consolidated Mines Corporation

Per Albert S. Amirali Title Gen Mgr

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)

ACCOUNTS OCT 15 1952

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

SF-DMCA-21

MF-104
(April 1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

ACCOUNTS MAR 28 1952

CERTIFICATION

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.

Hamilton Consolidated Mines Corp.
(Name of Company)

By Albert S. Simurak
(Signature of Authorized Official)

December - 27 - 1951
(Date)

Gen. Manager
(Title)

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

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866
Total contract amount $26,740.00
Government participation percent 50%

Distribution of Expenditures for Month of December

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	$595.00	1425.00	2020.00			
Equipment purchase [1]						
Equipment rental [2]	105.00	315.00	420.00			
Buildings						
Explosives						
Repair parts	47.81	84.32	132.13			
Other supplies						
~~Power~~ Gasolene - Oil - Diesel	150.00	225.00	375.00			
Transportation						
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work Drilling	697.50	2181.50	2879.00			
Other (specify) Shaft Filler - Shaft	49.97	272.26	322.23			
Total	$1645.28					
Totals previously reported		$4503.08				
Totals to date			$6148.36			

FOR GOVERNMENT USE ONLY

Checked by PR
Entered by
Approved by George H. Hahn Jr.
Amount approved for payment $882.64
Remarks

APR 7 1952

Lloyd L. Norvell
Authorized Certifying Officer

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

San Francisco, California.
March 24, 1952

I hereby certify that the following enumerated payments made to the accounts listed, and in the amounts stated, have been taken from the actual vouchers that have been paid by this company and pro-rated to conform to Contract DMA--866, and that the original vouchers are on file in the office of the company and available for inspection.

White Pine Fuel Co.,	Eureka,	Nevada	$ 21.26
Weber-Sundberg Hardware	Ely,	"	5.65
Union Oil Co.	"	"	112.81
Fairbanks-Morse Co	San Francisco,	Calif.	1.44
White Pine Fuel Co,	Ely,	Nevada	58.81
Birch Brothers,	"	"	47.81
			$ 247.78

These items have been pro-rated as follows

Gas--Oil--Diesol	$ 150.00
Repairs	47.81
Shaft Collar & Shaft Repair	49.97
	$ 247.78

Equipment used on operations conducted under Contract DMA--866

1 GMC 3/4 ton Pick-up truck
1 GMC 2½ ton Flat Bed truck (for water)
1 Dodge Sedan Passenger Car
1 Fairbanks-Morse 15 H.P. Hoist
1 Ingersol-Rand Air Compressor 315 Cu. Ft. Capacity
1 Schramm Air Compressor 105 " " "
1 Gardner-Denver Air Compressor " " " "
Jack Hammer, Drifter, Air Tugger, other small equipment, etc, etc

All above items on "Use Allowance" basis and pro-rated as applicable under contract---------- $ 105.00

Pay-roll charges cover the following items

Fred E. Anderson,	Hoistman	$ 175.00
Jack Blair,	Bucket Man, Surface	120.00

Dr. Fred L. Humphrey, Consulting Geologist, J.V. Caselli, Engineer, M.E. Bohannan, Supervision-Engineer, and Albert S. Simrak, Superintendent
Pro-rated as applicable under contract---------- 300.00
$ 595.00

Drilling charges taken from billing by Nichols & Thompson Drilling Co., Boise, Idaho, and chargeable to Hole No. 2

EX Drilling	105 ft. @	$ 4.50 per ft.----------	$ 472.50
Cementing	90 " "	2.50 " "	225.00
			$ 697.50

Respectfully submitted for

Hamilton Consolidated Mines Corporation

by Albert S. Simrak
Albert S. Simrak, Gen. Manager.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF December

Name of operator Hamilton Consolidated Mines Corp
Project No. DMA 866
Total contract amount $26,740.00
Government participation percent 50%

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen	1	12½	$14.00 per day	$175.00
Surface Bucket man	1	10	12.00	120.00
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	10	$24.00 per day	240.00
Engineers	1	2½	— —	60.00
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
Total				595.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by George H. Stephens Jr.
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866 $26740.00
Total contract amount
Government participation, percent 50%

Item	Costs: Wages[1] and salaries	Equipment[2]	Supplies	Other	Total	Progress: Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
		Rental	Repairs	Contract Drilling						
Foreman & Supervision etc	$595.00	105.00	247.78	697.50	$1645.28					
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes						~~Hole #2~~	105'	302'	407'	2000'
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	595.00	105.00	247.78	697.50	1645.28				407'	2000'

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

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Checked by
Entered by
Approved by George W. Hahn Jr.
Remarks

MF-104
(April 1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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.

Hamilton Consolidated Mines Corp.
(Name of Company)

By Albert S. Smirak
(Signature of Authorized Official)

November 30 - 1951
(Date)

Gen. Manager
(Title)

ACCOUNTS MAR 5 1952

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.

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866
Total contract amount $26,740.00
Government participation percent 50%

Distribution of Expenditures for Month of November

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	950.00	475.00	1425.00			
Equipment purchase [1]						
Equipment rental [2]	210.00	105.00	315.00			
Buildings						
Explosives						
Repair parts	61.29	23.03	84.32			
Other supplies						
~~Power~~ Gasolene - Oil - Diesel	150.-	75.00	225.00			
Transportation						
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work Drilling -	1524.50	657.00	2181.50			
Other (Specify) Hoist Cable - Shaft Repair	87.84	184.42	272.26			
Total	2983.63	1519.45	4503.08			
Totals previously reported		1519.45				
Totals to date			4503.08			

FOR GOVERNMENT USE ONLY

Checked by fb
Entered by
Approved by R. C. Johnson
Amount approved for payment $1491.82
Remarks

MAR 6 1952

Lloyd L. Narvell
Authorized Certifying Officer

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

ROCCO-HOMESTATE MINE DRILLING GEOLOGIC LOG

Hole No. 1

0 - 85 feet	Dark gray, medium grained dolomite. This is member 5 of the Lone Mountain dolomite (upper member).
85 - 144 feet	Medium and light gray, medium grained dolomite. Few dark gray beds.
144 - 206 feet	Dark gray dolomite with light gray beds. This zone, from 85 to 206 feet, resembles the transition zone between members 5 and 4 of the Lone Mountain dolomite.
206 - 412 feet	Light gray, medium and coarse grained dolomite. Sugary texture. This is characteristic of member 4.
412 - 437 feet	Light gray dolomite with few thin beds of dark gray dolomite. This is characteristic of the lower 50 feet of member 4.

The thin quartzite beds occur in member 3 within 5 to 30 feet of the top; thus they should have been cut within 25 to 50 feet below the bottom of the hole unless some other fault or faults have further complicated the structure.

Hole No. 2

0 - 88 feet	Dark gray medium grained dolomite. Member 5 of Lone Mountain dolomite.
88 - 104 feet	Probable fault. Reddish brown sludge. Qualitative spectrographic analysis indicates approximately 1% lead in this material.
104 - 140 feet	Dark gray dolomite sludge with brown iron oxide. Also runs about 1% lead. May be due to salting from above.
140 - 250 feet	Mostly dark gray dolomite.
250 - 349 feet	Dark gray dolomite with beds of light gray. Probably approaching the base of member 5.
349 - 355 feet	Fault material.

/s/ Fred L. Humphrey.

F. L. H.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866
Total contract amount $26,740.00
Government participation percent 50%

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen	1	25	$14.00 per day	350.00
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	25	$24.00 per day	600.00
Engineers	1			
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
Total				$950.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by A. C. Johnson
Remarks

16—64068-1

ACCOUNTS MAR 5 1952

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November

Name of operator Hamilton Consolidated Mines Corp
Project No. DMA 866 #26740.00
Total contract amount
Government participation, percent 50%

Item	Costs: Wages[1] and salaries	Costs: Equipment[2] Rental	Costs: Supplies Repairs	Costs: Other[3] Contract Drilling	Costs: Total	Progress: Unit	Progress: Units this month	Progress: Units previously reported	Progress: Units to date	Progress: Units authorized by contract
Christman - Supervision	950.00	210.00	299.13	1524.50	2983.63	194'	194'	108'	302'	2000'
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes Ds 2						200'	200'	108'	308'	2000'
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
									302	
Totals	950.00	210.00	299.13	1524.50	2983.63				308'	2000'

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by A. C. Johnson
Remarks

MF-104
(April 1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Department of the Interior
Defense Minerals Administration
MAR 1 0 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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.

Hamilton Consolidated Mines Corp.
(Name of Company)

By Albert S. Sinnak
(Signature of Authorized Official)

October 31- 1951
(Date)

Gen. Manager
(Title)

ACCOUNTS MAR 5 1952

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.

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866
Total contract amount 26,740.00
Government participation percent 50%

Distribution of Expenditures for Month of October

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	475.00		475.00			
Equipment purchase [1]						
Equipment rental [2]	105.00		105.00			
Buildings						
Explosives						
Repair parts	23.03		23.03			
Other supplies						
~~Power~~ Oil Diesel-etc	75.00		75.00			
Transportation						
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work Drilling	657.00		657.00			
Other (Specify) Shaft Cribbing - Shaft Repair	184.42		184.42			
Total	1519.45		1519.45			
Totals previously reported						
Totals to date	1519.45		1519.45			

FOR GOVERNMENT USE ONLY

Checked by PH
Entered by
Approved by A. C. Johnson
Amount approved for payment $759.73
Remarks

MAR 6 1952

Lloyd L. Norvell
Authorized Certifying Officer

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

A. G. Johnson, Chief, Mining Div., Region III Dec. 5, 1951

E. J. Matson, Mining Engineer, Bureau of Mines, Region III

Hamilton Consolidated Mines Corp., Reece-Homestake Mine,
Docket DMA-864 - Contract Idm-2188

The Reece-Homestake mine was visited on Nov. 17, 1951, accompanied by Reece M. Smith and Reed Craig of the U. S. Geological Survey. At the time of the visit, the company had completed the east crosscut to the drill station for diamond drill holes 1 and 2 (see attached sketch). Note: Drill holes 1 and 2 were originally numbered 4 and 5 in the original docket report.

The crosscut to the sites of the original holes 1 and 2 of the docket was advanced a few feet and due to cave at the fault which was giving trouble, the crosscut was stopped until drilling on the east side was completed.

Diamond drill hole 1 (formerly called hole 4) was completed to a depth of 437 feet. No ore was encountered, to our knowledge. Mr. F. L. Humphrey, consulting geologist for the company, was not at the mine at the time of the visit and no information as to the log of the hole was available. He had taken most of the cores for examination away from the mine. R. M. Smith of the U. S. Geological Survey was to contact him and get more information.

Hole 2 (originally numbered hole 5) was down to a depth of 225 feet at the time of the visit. The depth of the hole was estimated to be 300 feet. This hole was originally planned to be on an inclination of -70°, however, the inclination was -50°. This apparently was changed by Mr. Humphrey after hole No. 1 was completed.

The drillers were experiencing considerable difficulty in putting down the holes. They had lost three core barrels (two AX size and one EX) and some rods, also 150 feet of AX casing.

Estimated core recovery was about 20 percent, and that come chiefly from the top of the holes, according to the drillers. The holes were always caving and were cemented from top to bottom and often with repeated cement jobs. The drillers would endeavor to get from 10 to 15 feet before cementing each time. Although core recovery was low, the drillers claimed they always get sludge return. However, sludge return in badly caving ground is not reliable. The ground is difficult to core. The drillers also wanted to stop the work after hole 2 was completed.

From the poor recovery obtained and the difficulty of diamond drilling, it was the opinion that churn drilling from surface would give better results. However, the opinion of Mr. Humphrey was awaited to get the log of the holes before any change could be submitted. R. M. Smith is to contact Mr. Humphrey on it before submitting his report.

E. J. Matson

E. J. Matson.

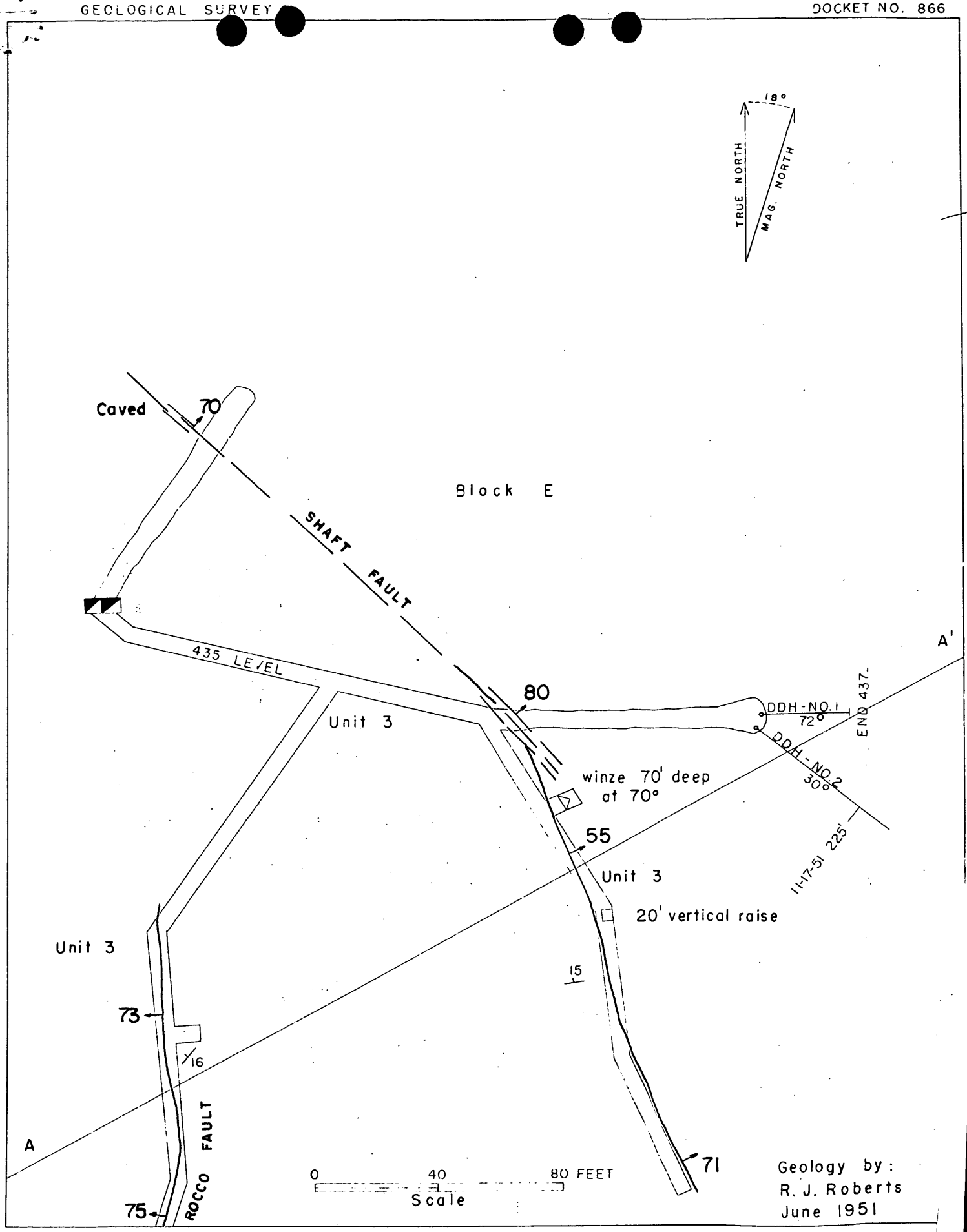


FIG. 4 GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

1M 1151

Se[illegible]in reports in order, with last one at bottom.

J. G. GRATTAN

DRILLING CONTRACTOR

NICHOLS & THOMPSON CORE DRILLING CO.

Daily Report Drill ~~No.~~ NX HOLE No. 1 , _____ **Shift**

Prospect No. _____ _____ **Contract**

Place Ely, Nevada **Date** Nov. 3, 19 51

Depth from Surface, beginning of Shift,	385	Feet		Inches
Depth from Surface end of Shift . .	437	"		"
Distance Drilled, ...	52	"		"
Distance ~~Reamed~~ Cemented . .	52	"		"
____ inch Stand Pipe put in		"		"
____ inch Casing put in		"		"

	FROM FEET	IN.	TO FEET	IN.	FEET	IN.	MATERIAL	
10/17 to 10/22	385		437		√2'		EX Drilling 4.00	@ 208.
	385		437		√2'		Cementing 2.50	130.
	This hole discontinued. Rods stuck and ~~impossible to do additional drilling~~							
10/22 to 10/27	Blasting and jarring on casing							
10/28	Set up for Hole No. 2							
10/29 to 11/3	0		10		10'		BX Drilling 4.50	@ 45.
	10		56		46'		AX Drilling 4.00	184.
			36				Cementing 2.50	90.

Total Feet Drilled in Shift } This should equal "Distance Drilled" above.

Specify Coal Core Saved from each Vein separately, Ft._____ In._____.

Remarks: _____

_____ Runner _____ Foreman.

Report additional remarks, causes of delays, accidents, etc., on other side of this sheet.

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October

Name of operator Hamilton Consolidated Mines Corp
Project No. DMA 866
Total contract amount 26,740.00
Government participation percent 50%

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen	1	12½	14.00 per day	175.00
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	12½	24.00 per day	300.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
Total				475.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by A. C. Johnson
Remarks

16—64068-1

ACCOUNTS MAR 5 1952

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October

Name of operator Hamilton Consolidated Mines Corp.
Project No. DMA 866
Total contract amount 26,740.00
Government participation, percent 50%

Item	Costs: Wages[1] and salaries	Costs: Equipment[2] Rental	Costs: Supplies & Repairs	Costs: Other Contract Drilling	Costs: Total	Progress: Unit	Progress: Units this month	Progress: Units previously reported	Progress: Units to date	Progress: Units authorized by contract
~~Drifting~~ Foreman & Supervision	475.00	105.00	282.45							
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes No 1				338.00		52'	—	—	52'	
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Hole No 2				319.00		56'	—	—	56'	
Totals	475.00	105.00	282.45	657.00	1519.45				108'	2000

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by A. C. Johnson
Remarks

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

PROJECT SUMMARY REPORT

By: J. W. Alt May 21, 1954

1. Docket No. DMA-866 (Lead-Zinc)
Contract No. Idm-E185
Property: Rocco-Homestake Mine
Location: White Pine County, Nevada

Operator: Hamilton Consolidated Mines Corporation
200 Davis Street
San Francisco 11, California

Operator's Property Rights: Lessee
Lease and Option Agreement - Dated March 20, 1950
Guaranty in lieu of Landlord's
Subordination Agreement - Dated September 24, 1951

2. Contract dated October 17, 1951. To complete - 6 months

Work Authorized

To explore Block E, shown on attached maps, by two crosscuts into the hanging wall and diamond drilling from stations established in the crosscuts to explore for ore below the crosscut level.

The Estimated Costs of the Projects are as follows:

(1)	Rehabilitation of shaft collar	$ 1,400.00
(2)	Crosscutting, 100 ft @ $30 per foot	3,000.00
(3)	Diamond drilling, 2000 feet @ $8.00 per foot	16,000.00
(4)	Operating expense	3,100.00
(5)	Engineering and supervision	2,400.00
(6)	Equipment furnished by Operator	840.00
	Total	$ 26,740.00
	Government participation 50%	$ 13,370.00

Amendments

No. 1 Dated June 27, 1952

1. Delete items (2), (3), and (4).

2. Add item (7), reading as follows:

Churn drilling from surface locations. The maximum cost of this work, to which the Government will contribute, shall not exceed the total of the unexpended balances of the estimated costs for items (2), (3), and (4).

No. 2 Dated July 10, 1952

The date for completion of the project is extended to December 1, 1952.

No. 3 Dated September 12, 1952

1. Transfer unexpended balance in item (1) to new item (7).

2. Re-establish item (4) and transfer all but $600 of the unexpended balance to new item (7).

3. Delete item (6) and transfer unexpended balance to new item (7) for use for tractor rental for levelling churn drill sites.

No. 4 Dated January 2, 1953

Completion time extended to August 1, 1953.

No. 5 Date September 3, 1953

Completion time extended to October 1, 1953.

Work Completed

2 diamond drill holes totaling 792 feet from the 435 level
2 churn drill holes totaling 2,810 feet from surface

Total cost $ 26,740.00

Work completed September 17, 1953.

3. Audit Certificate - Report of Review - dated March 19, 1954

Total cost as billed by the Contractor	$ 35,375.46
Exceptions	
Costs in excess of contract	8,635.46
Total accepted costs	$ 26,740.00
Government participation	$ 13,370.00

4. Certificate Date - No Certification of Discovery issued because there was not a discovery of ore.

The work of the project was started on October 17, 1951 and was completed on September 17, 1953. Difficulties were experienced with the diamond drilling through the faulted areas, so the remainder of the contract was transferred to a churn drilling program.

The object of the program was to explore for the assumed faulted extension of a known high grade lead-silver ore body. Subsequent diamond and churn drilling failed to uncover mineralization in the favorable beds.

The contracted diamond and churn drilling programs were carried out in a fairly efficient manner. The usual difficulties, due to adverse weather, breakdowns, and difficult ground, hampered operations throughout the program, and the first churn drill crew was somewhat incompetent.

The Field Team states "Mr. Simrak, the operator and general manager, however, indicated a definite lack of cooperation throughout the entire program. Various requests were made for engineering and geologic data on the property. This information was not forthcoming until the final reports had been compiled, and then not in its entirety."

J. W. Alt

J. W. Alt

☒ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/8/54.
Incl. Voucher for September 1953.

☒ Actual Cost

☐ Agreed Unit Costs

Name Hamilton Consolidated Mines Corporation Docket No. DMEA-866

State Nevada Commodity Lead-Zinc. Idn-E No. 185

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	100'	$3,000.00			
Raising					
Shafts Rehabilitation Collar		1,400.00			
Winzes					
Drilling (Specify) Churn	2,663	20,591.64	2,663'	$20,591.64	$20,591.64
Diamond (Core)	2,000'	16,000.00	792'	6,148.36	6,148.36
Surface Excavation					
Underground ~~Excavation~~ Misc. Operation		3,100.00			
Roads and Trails					
Operating Equipment Furnished ~~Purchased~~		840.00			
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Engineering & Supervision		3,400.00			
Totals		$26,740.00		$26,740.00	$26,740.00

Prepared by W. P. Klugescheid

File Copy
Surname

J.W. Alt.
Initialed
Talbert
Chamber
Porter
Selfridge
Johnson

500

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

MAY 17 1954

Mr. Albert Simrak, General Manager
Hamilton Consolidated Mines Corp.
200 Davis Street
San Francisco 11, California

Re: Docket No. DMA-866 (Lead-Zinc)
Hamilton Consolidated Mines Corp.
Rocco-Homestake Mine
White Pine County, Nevada
Contract No. Idm-E185

Dear Mr. Simrak:

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

The final audit of the contract expenditures and the final reports of the Operator and Field Team have been received and accepted by this Administration. Of the total amount of $26,740.00 approved under the contract, the entire amount was expended, 50 per cent of which, or $13,370.00, represents the Government's share. There was no equipment used on the project in which the Government had an interest or equity. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 11 of the contract which requires the Operator to "keep and preserve said records and accounts for at least three years after completion of the project or the termination of this contract."

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate are appreciated.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WRGriswold/bjl (5/13/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kinkel
Mr. Bishop
Chron. Region III (2)

R.C.G.

Board
Talbert
Chandler

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

APR 6 1954

Mr. George Mayer
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Idm-E-185, DMA-866
Hamilton Consolidated
Mines Corporation
and
Idm-E282, DMA-433X
Frank B. Keever

Dear Mr. Mayer:

In accordance with our teletype of April 5, 1954, I am returning herewith for correction your Report of Review covering the first referenced contract and your Audit Report and Certificate covering the second referenced contract.

The Report of Review states that the Hamilton Consolidated Mines Corporation Contract E185 covers a project for the exploration of tungsten, whereas the contract specifies exploration for "Lead-Zinc Ores". Furthermore, you have stated the Government's participation as being 75 percent and have computed the amount certified for payment accordingly. However, this contract is on a basis of 50 percent participation by the Government.

In the Audit Certificate and Report covering the Frank B. Keever Contract E282, you have indicated the proceeds from property disposition as being $100.00. It appears, however, that the proceeds so far as the project was concerned were $200.00 — the $100.00 being the Government's share of the proceeds. At least the records of this office indicate that to be the correct situation since by letter dated March 5, 1954 addressed to Mr. Albert A. Axelrod, Attorney for the Operator, by the Executive Officer, receipt was acknowledged of a check for $100.00 for the Government's interest in the project's property. Furthermore, this amount was indicated on Schedule of Collections SF-DMA-21 dated March 8, 1954.

P.C.B.

It is requested that you correct these reports and the certificate and resubmit them, after which normal distribution can be made without further advice from this office.

Sincerely yours,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
April 6, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

Talbert

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

APR 5 1954

DEFENSE MINERALS EXPLORATION ADMINISTRATION

To: Mr. George Mayer, DMEA Auditor, 1012 Flood Building,
870 Market Street, San Francisco 2, California

Approp.: 14X4401(01) Revolving Fund, Defense Production Act, Interior
(Allocated Work Fund to the Office of the Secretary)

Re Report of Review on Hamilton Consoldiated Mines, Idm-E185, DMA-866, and Audit Report and Certificate on Frank Keever, Idm-E282, DMA-433X. Disregard our letter of April 1, 1954 and withhold distribution as they are being returned for correction.

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/wb
April 5, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.S.

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

APR 1 1954

Mr. George Mayer
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Dear Mr. Mayer:

Receipt is acknowledged of your Reports of Review covering Contracts Idm-2185, DMA-866, Hamilton Consolidated Mines Corporation and Idm-2207, DMA-1640X, W. W. Dunnigan, and an Audit Report and Certificate covering Contract Idm-2282, DMA-433X, Frank B. Keever. The Reports are acceptable and usual distribution may be effected.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
April 1, 1954

Copy to: Docket (3)
Admr. Reading File
Mr. Chambers

R.C.B.
4-1-54

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

Defense Minerals Administration
RECEIVED
MAR 30 1954

1012 Flood Building
870 Market Street
San Francisco 2, California

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

MAR 25 1954

Re: Idm-E185, DMA-866
Hamilton Consolidated
Mines Company

Dear Mr. Chambers:

Attached hereto is Report of Review for subject contract, and in connection therewith I wish to refer to your letter dated July 3, 1953 wherein you quote certain comments taken from interim report dated June 16, 1953 prepared by John D. Warne, Mining Engineer, who questioned costs previously allowed in my Audit Report dated January 20, 1953, and covering the period October 17, 1951 to November 30, 1952.

All of the items questioned and listed in your letter dated July 3, 1953, have been reviewed and discussed with H. C. Miller, Executive Officer, and the conclusion is, that all costs were reasonable and necessary, and were allowable under the terms of the contract.

A final analysis of the costs of this contract is as follows:

Costs to November 30, 1952 per Audit Report 1/20/53		$17,883.77
Add:		
Churn drilling June to Sept. 1953	$9,623.00	
Contingencies Misc. Expense Sept. 1953	7,868.69	$17,491.69
Total: MF-104 Sept. 1953		$35,375.46
Less: Total Amount of Contract		26,740.00
Excess Costs, disallowed		$ 8,635.46

By taking the excess costs disallowed $8,635.46 and deducting the contingency cost of $7,868.69, this would indicate that the churn drilling had exceeded the cost of the contract by $766.77 and formed part of the excess costs disallowed. It is therefore pointed out that the only costs attributable to operations was churn drilling during the period June to September 1953.

The contingency item of $7,868.69 was added to the MF-104 for September 1953 by the operator, more on the premise of obtaining total contract costs to the operator. As the entire amount was in excess of the allowable costs of the contract and considered an inadmissable cost, no further analysis was made for audit report purposes.

If disallowances had been made on costs pertaining to prior audit, then the operator could have claimed any part of the disallowances up to $766.77 which represented excess costs for churn drilling.

It is also pointed out than an error of 48 feet of churn drilling was made on the subcontractor's invoice for June 1953, which was never charged to the contract, which at $6.50 per feet amounts to $312.00. In addition, the operator had subcontract work performed for 375 feet of diamond drilling prior to signing of contract, which was never claimed.

In view of the foregoing explanations, I believe the Report of Review should be accepted, based on the figures shown therein.

Yours very truly,

George Mavor

George Mavor
Auditor

Attachment

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

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

March 23, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMA-866X (Lead-Zinc)
Hamilton Consolidated Mines Corporation
Rocco-Homestake Mine
White Pine County, Nevada
Contract No. Idm-E185

Attached are four copies of a final report on the subject property entitled "DMEA-866, Rocco Homestake Mine, White Pine County, Nevada, (Lead-Zinc)," by Henry W. Jones, Mining Engineer, U. S. Bureau of Mines, and Roscoe M. Smith, Geologist, U. S. Geological Survey, dated March 8, 1954.

The examining engineer and geologist recommend that no additional exploration work with Government assistance be considered and that DMEA should certify that the project was not successful.

Mr. Roscoe Smith and I concur with the examiners' conclusions.

Four copies of the Operator's final report, dated January 15, 1954, are also enclosed herewith.

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

Attachment

Copy to: Roscoe Smith, USGS
A. C. Johnson, Reno
Finance Officer, Region III
Geo. Mavor

Reviewed by
DMEA OPERATING COMMITTEE
4-2-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

FINAL REPORT

Idm-E185

DMEA-866, Rocco Homestake Mine

White Pine County, Nevada

(Lead-zinc)

Henry W. Jones, Mining Engineer
U. S. Bureau of Mines

Roscoe M. Smith, Geologist
U. S. Geological Survey

March 8, 1954

Reviewed by
DMEA OPERATING COMMITTEE
4-2-54
(date)

FINAL REPORT

Docket No.: DMEA-866 (Lead-Zinc)

Name and address of operator: Hamilton Consol. Mines Corp.
Albert S. Simrak, Gen. Mgr.
200 Davis Street
San Francisco 11, Calif.

Name and location of property: Rocco-Homestake Mine, located 5.3 miles northeast of Hamilton, Hamilton Mining District, White Pine County, Nevada

Contract No.: Idm-E185

SUMMARY

The Hamilton Consolidated Mines Corp., under contract with the Government, explored the Rocco Homestake mine property by means of a diamond and churn drilling program between the periods of Oct. 17, 1951 and Sept. 17, 1953. Work under the DMEA contract No. Idm-E185 comprised diamond drilling two holes totaling 792 feet from the 435-level of the Rocco Homestake shaft (also referred to as the Jackson Shaft) between October and December of 1951. Difficulties were experienced with the diamond drilling through the faulted areas, so the remainder of the contract was transferred to a churn drilling program. Two drill sites were selected by the company geologist and approved by DMEA representatives. A total of 2,810 feet of surface churn drilling was completed between the periods of July 27, 1952 through September 5, 1952, and again between May 21, 1953 through September 17, 1953. The total amount expended for the exploration program was $26,740.00; one half of the funds or $13,370.00 was supplied by the Government under terms of the contract.

No mineralization was encountered in any of the drill holes. The geologic objective of the DMEA exploration was the faulted continuation of a favorable ore zone in the hanging wall of the Shaft (Jackson) fault. The ore deposits of this area are in the Lone Mountain dolomite, closely associated with quartzite marker beds. Churn drill hole No. 2, the only hole encountering the marker bed, failed to penetrate a mineralized zone.

CONCLUSIONS

The object of the DMEA program was to explore for the assumed faulted extension of a known high grade lead-silver ore body. Subsequent diamond and churn drilling failed to uncover mineralization in the favorable beds.

RECOMMENDATIONS

a. It is recommended that no additional exploration work with Government assistance be considered.

b. As no discovery was made, DMEA should not certify the project as successful. The Government is not entitled to royalties from any subsequent production.

c. No mineralization was encountered.

DESCRIPTION OF WORK COMPLETED

The DMEA contract entered with the Hamilton Consol. Mines Corp. dated October 17, 1951 was signed by Albert S. Simrak, Gen. Mgr., on October 29, 1951. Work was started immediately and was terminated

on September 17, 1953.

The contract was set up to allow rehabilitation costs for the Rocco Homestake shaft collar, and crosscutting and diamond drilling on the 435-foot level of the shaft. The operating expenses, engineering, supervision and equipment costs were calculated on a 6 months completion basis. Diamond drilling, contracted to Nichols and Thomson Core Drilling Co., Inc. of Boise, Idaho, was started prior to any inspection by a DMEA engineer or geologist.

Diamond drill hole No. 1 was driven to within 50 feet of the projected position of the favorable bed before the rods became stuck and the hole abandoned at 437 feet. Diamond drill hole No. 2 was driven to 355 feet depth before being discontinued in difficult ground. Both diamond drill holes were collared in unit 5 and drilled downward into unit 4 but were unable to reach the favorable part of unit 3 because of drilling difficulties.

Amendment No. 1 transferred most of the funds to a surface churn drilling program and amendment No. 2 extended the date of completion to December 1, 1952. Accordingly, surface drill site No. 1 was selected by F. L. Humphrey, geologist retained by the company, at a point as indicated in fig. 6 of the accompanying maps, and the site was approved by DMEA field representatives. Churn drilling was contracted to Aubrey Lyon of Hollywood, Calif., and churn drill hole No. 1 was started on July 27, 1952. Crew incompetency and breakdowns slowed the operations so that the drill hole had reached a depth of 1,368 feet by Nov. 14, 1952,

when snow forced the termination of operations.

Amendments 3 and 4 to the contract, meanwhile were allowed permitting the balance of funds to be used for churn drilling, rentals, and operating expenses and again extending the date of completion to August 1, 1953.

Work was again resumed of churn drill hole No. 1 on May 26, 1953, and was deepened to 1,470 feet before being terminated. (The operator reports this depth at 1,360 feet in the final narrative report. The log of No. 1 churn drill hole indicates only 1,300 feet. A copy of the daily churn drill logs submitted by Mr. Simrak and the June 1953 Operator's Narrative, however, indicate the total depth of the hole to be 1,470 feet reached on June 5, 1953.)

Churn drill hole No. 1 was collared in Nevada limestone and was drilled down through units 5 and 4 and into unit 2 of the Lone Mountain dolomite. The favorable bed was displaced by a fault, cut at 950 feet in the hole (fig. 6). No signs of mineralization were found.

Churn drill hole No. 2 was started about June 15, 1953 at a site as shown on fig. 6. Progress was consistently better throughout the drilling of the second hole, due to a more capable crew. This hole was collared in the Nevada formation and was drilled downward through units 5 and 4 of the Lone Mountain dolomite and into unit 3 where the quartzite marker bed was cut at 1290 feet. The hole was continued to a depth of 1340 feet where it was terminated on September 17, 1953.

(Logged to a depth of 1320 feet). There was no indication of mineralization. Amendment No. 5 extended the completion date of the contract to Oct. 1, 1953.

GEOLOGY[1/]

The lead-silver mineralization occurred in the mines as a blanket or bedded deposit in the Lone Mountain dolomite. The dolomite is Silurian and Lower Devonian in age. More specifically, the mineralization occurred in dolomite beds adjacent to one or more of three thin quartzite beds that are near the top of member 3 of the Lone Mountain dolomite.

Five members of the Lone Mountain dolomite are differentiated in this district. The basal unit, member 1, consists of about 450 feet of light gray, coarse-grained dolomite overlying the Hansen Creek dolomite. Member 2, which is between 300 and 400 feet thick, consists of lower dark-fine grained dolomite that weathers with a faint reddish tinge, overlain by 200 feet of mostly light gray, coarse grained dolomite. These were included as one member because there are beds of the dark dolomite in the light gray dolomite. Member 3, about 300 feet thick, is a very fine grained, white, procelaneous dolomite. The significant quartzite beds are in the upper part of this member. Member 4 consists of approximately 300 feet of coarse-grained, sugary, alternating medium and light gray beds of dolomite that contain a few dark gray beds, particularly in the upper part.

1/ Fred L. Humphrey, Professor of Geology, Stanford Univ., Palo Alto, Calif.

Member 5 is dominantly a dark and medium gray, mottled dolomite between 600 and 800 feet thick. It is gradational upward from member 4, through a distance in excess of 100 feet, with alternating beds of coarse-grained, light gray dolomite and mottled gray dolomite. The mottling of this member shows distinctly on weathered surfaces with small, medium to light gray lenses one half to one inch long in a matrix of dark gray, fine to medium-grained dolomite.

The exposures of Lone Mountain dolomite in the Rocco Canyon area include only rocks of the upper three members and the upper part of member 4. The rocks in the Rocco Canyon area have been intensely faulted and fractured. There is both pre-mineral and post-mineral faulting.

EXPENDITURES

Total approved	$26,740
Total cost of project	26,740
Government's share of cost	13,370
Government's share unexpended	None
Value of production during operations and Government's royalty	None

EFFICIENCY OF OPERATIONS

The contracted diamond and churn drilling programs were carried out in a fairly efficient manner. The usual difficulties, due to adverse weather, breakdowns, and difficult ground, hampered operations throughout the program, and the first churn drill crew was somewhat incompetent.

Mr. Simrak, the operator and general manager, however, indicated a definite lack of cooperation throughout the entire program. Various requests were made for engineering and geologic data on the property. This information was not forthcoming until the final reports had been compiled, and then not in its entirety.

There was no equipment purchased under the contract.

DRILL LOG

Date Start:	Oct. 1, 1951		Mine: Rocco Homestake
Date Stop:	Oct. 22, 1951	Alt. Collar: 8,075	Site: 435 level
Bearing:	N. 89 E.	Alt. Bottom: 7,659	Hole No.: DD 1
Inclination:	-72°	Length, Feet: 437	Sheet 1 of 1

Interval	Description
0 - 85	Dark gray, medium grained dolomite. This is member 5 of the Lone Mountain dolomite (upper member).
85 - 144	Medium and light gray, medium grained dolomite. Few dark gray beds.
144 - 206	Dark gray dolomite with light gray beds. This zone from 85 to 206 feet resembles the transition zone between members 5 and 4 of the Lone Mountain dolomite.
206 - 412	Light gray dolomite, medium coarse grained. Sugary texture. This is characteristic of member 4.
412 - 437	Light gray dolomite with few thin beds of dark gray dolomite. This is characteristic of the lower 50 feet of member 4.

DRILL LOG

Date Start:	Oct. 29, 1951		Mine: Rocco Homestake
Date Stop:	December 1951	Alt. Collar: 8,075	Site: 435 level
Bearing:	S. 52 E.	Alt. Bottom: 7,898	Hole No.: DD 2
Inclination:	-30°	Length, Feet: 355	Sheet 1 of 1

Interval	Description
0 - 88	Dark gray medium grained dolomite. Member 5 of Lone Mountain dolomite.
88 - 104	Probable fault. Reddish brown sludge. Qualitative spectrographic analysis indicates approximately 1% lead in this material.
104 - 140	Dark gray dolomite sludge with brown iron oxide. Also runs about 1% lead. May be due to salting from above.
140 - 250	Mostly dark gray dolomite.
250 - 349	Dark gray dolomite with beds of light gray. Probably approaching the base of member 5.
349 - 355	Fault material.

DRILL LOG

	July 27, 1952 - Nov. 14, 1952		
Date Start:	May 26, 1953		Mine: Rocco Homestake
Date Stop:	June 5, 1953	Alt. Collar: I, 720	Site: Surface
Bearing:	---	Alt. Bottom: 7, 420	Hole No.: CD 1
Inclination:	Vertical Depth, Feet: 1, 300		Sheet 1 of 1

Interval	Description
0 - 40	Limestone. Basal beds of Nevada limestone.
40 - 650	Dolomite - Member 5 - dark gray.
650 - 750	Dolomite - alternating dark and light beds. Transition between members 5 and 4.
750 - 950	Dolomite - mostly light gray coarse-grained with few beds of dark gray dolomite. Member 4.
950 - 1000	Fault zone.
1000 - 1300	Light gray and dark gray bands. Resembles member 2.

DRILL LOG

Date Start:	June 1953		Mine: Rocco Homestake
Date Stop:	Sept. 17, 1953	Alt. Collar: 8,600	Site: Surface
Bearing:	---	Alt. Bottom: 7,280	Hole No.: CD 2
Inclination:	Vertical	Depth, Feet: 1,320	Sheet 1 of 1

Interval	Description
0 - 125	Limestone - Basal beds of Nevada limestone.
125 - 710	Dolomite - Dark gray, fine- to medium-grained, some mottling. Member 5.
710 - 840	Dolomite - Transition zone member 5 to member 4.
840 - 1250	Dolomite, Light gray coarse-grained, sugary texture. Scattered beds of dark gray dolomite. Member 4.
1250 - 1260	Dolomite - Mostly light gray to white, very fine-grained dolomite. Top of member 3.
1260 - 1290	White, fine-grained dolomite with sandy dolomite cuttings. On solution in hot acid the rock contained about 15% quartz grains. This is the quartzite horizon.
1290 - 1320	Dolomite, white, very fine-grained. 1 to 5% quartz grains when dissolved in acid.

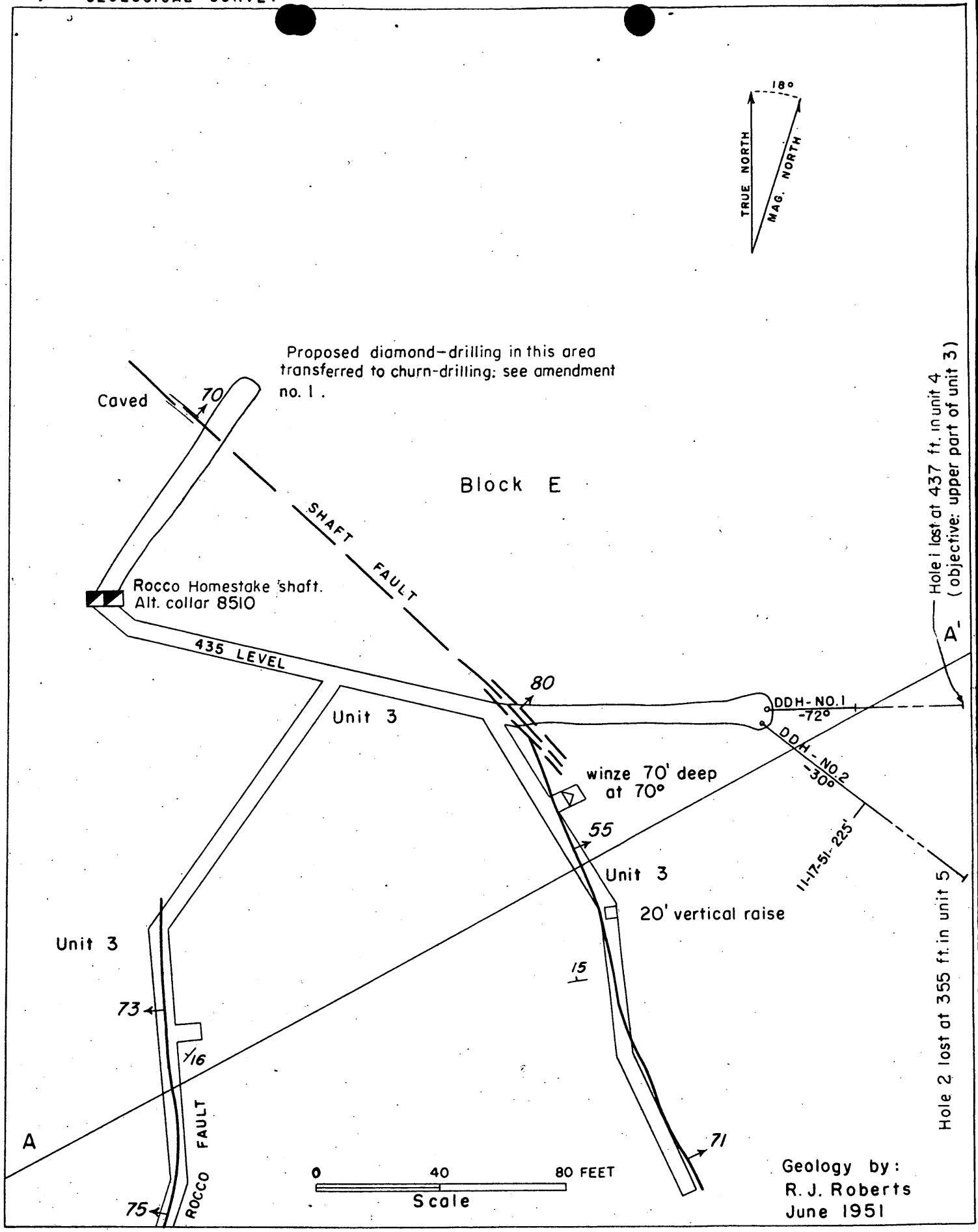
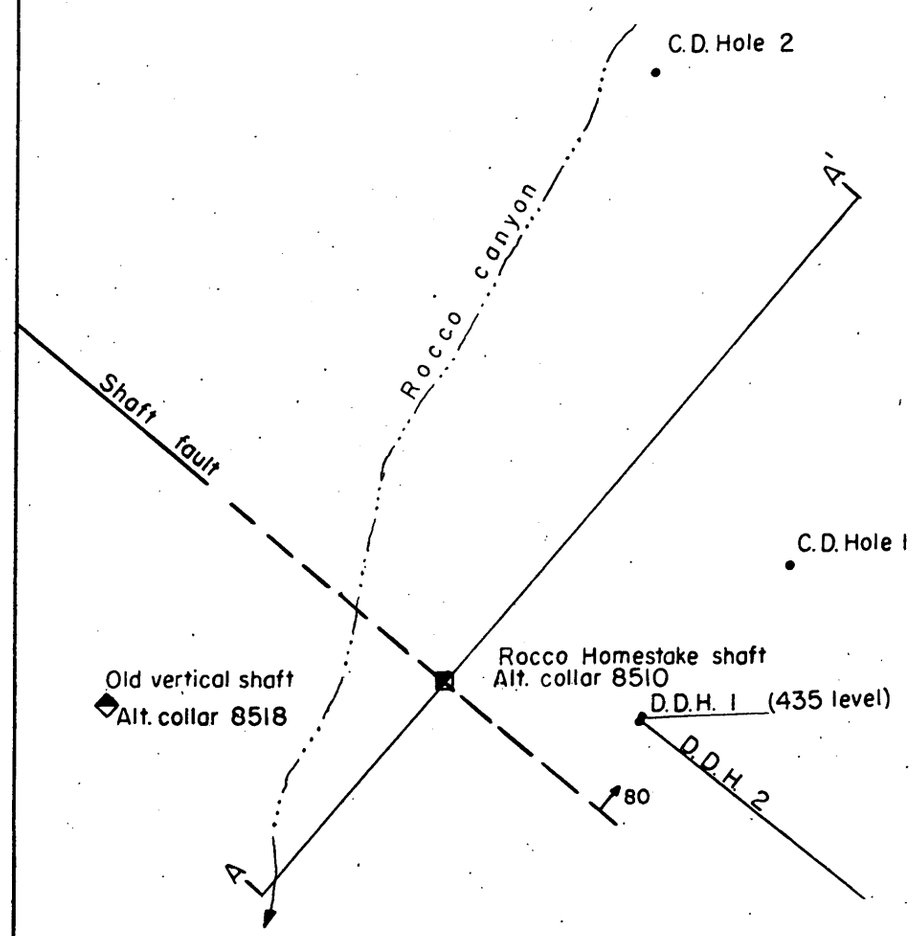


FIG. 4 GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

Hole	Bearing	Inclination	Length	Alt. collar	Alt. bottom
D.D.—1	N.89 E.	—72°	437	8075	7659
D.D.—2	S.52 E.	—30°	355	8075	7898
C.D.—1		Vertical	1300	8720	7420
C.D.-2		Vertical	1320	8600	7280



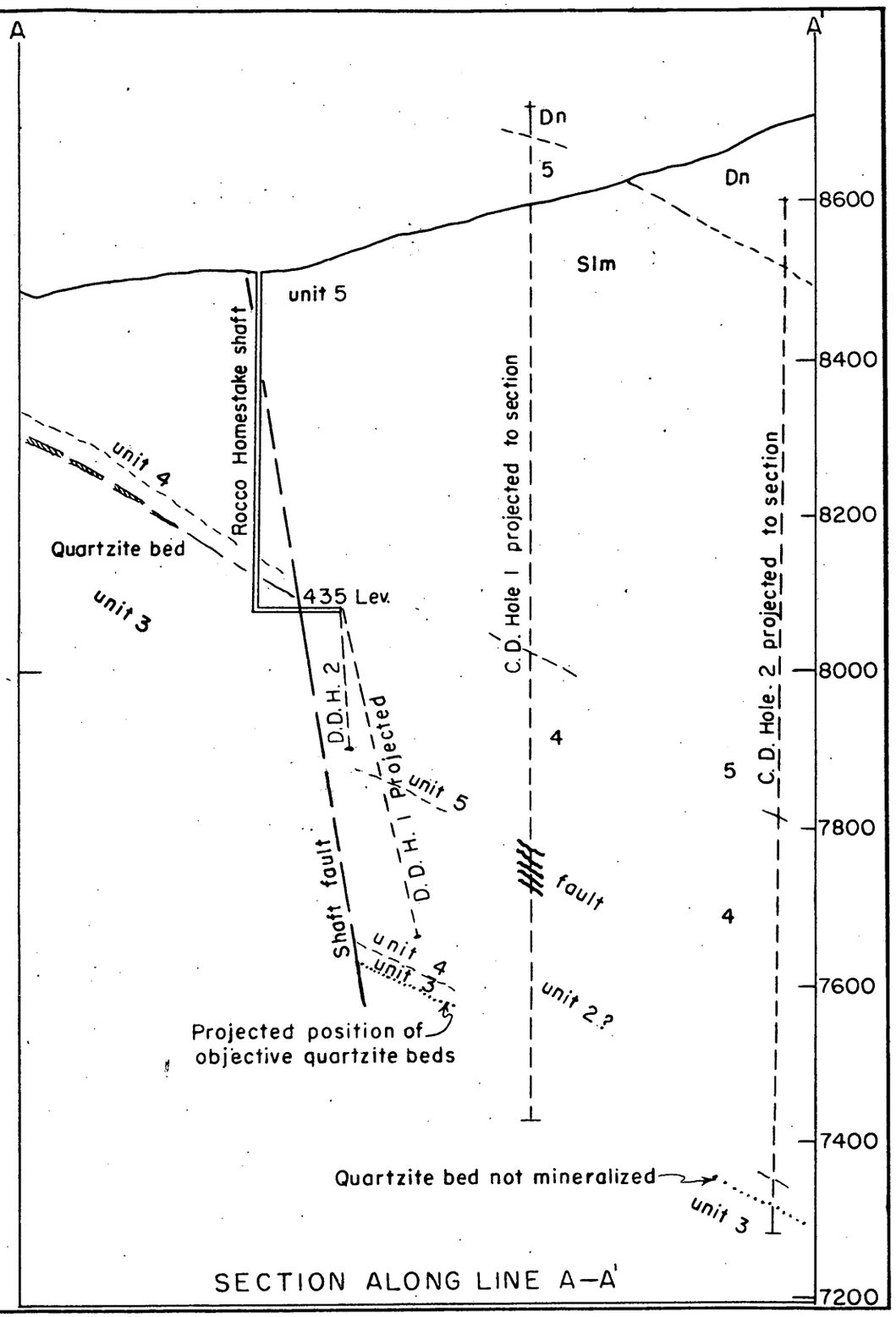


FIG. 6

MAP SHOWING ROCCO HOMESTAKE SHAFT
DIAMOND-DRILL HOLES NO. 1 AND NO. 2
CHURN-DRILL HOLES NO. 1 AND NO. 2

0 100 200 400 600 ft
Scale

OPERATORS FINAL REPORT

DMEA 866--Rocco-Homestake Mine
Hamilton Consolidated Mines Corporation
White Pine County, Nevada

by

Fred L. Humphrey

January 15, 1954

ROCCO-HOMESTAKE MINE

The Rocco-Homestake Mine is in the White Pine Mining District, Nevada, about 40 miles west of Ely, Nevada. It is in Rocco Canyon, approximately two miles southwest of the old mining town of Hamilton. The elevation is about 8500 feet.

The mine produced a total of $349,000 worth of lead-silver ore between 1887 and 1905 (B. F. Couch: Univ. of Nev. Bull. XXXVII, No. 4). This production was from high grade ore which was transported by mule pack to Hamilton and freighted from there to the railroad either at Eureka or Ely. The average price of lead during this period was between two and three cents per pound.

General Geology

The lead-silver mineralization occurred as a blanket, or bedded deposit, in the Lone Mountain dolomite. The dolomite is Silurian and Lower Devonian in age. More specifically, the mineralization occurred in dolomite beds adjacent to one or more of three thin quartzite beds that are near the top of member three of the Lone Mountain dolomite.

Five members of the Lone Mountain dolomite were differentiated in this district. The basal unit, member 1, consists of about 450 feet of light gray, coarse-grained dolomite overlying the Hanson Creek dolomite. Member 2, which is between 300 and 400 feet thick, consists of a lower dark, fine-grained dolomite that weathers with a faint reddish tinge, overlain by 200 feet of mostly light gray, coarse-grained dolomite. These were included as one member because there are beds of the dark dolomite in the light gray dolomite. Member 3, about 300 feet thick, is a very fine-grained, white, porcelaneous dolomite. The significant quartzite beds are in the upper part of this member. Member 4 consists of approximately 300 feet of coarse-grained, sugary, alternating medium and light gray beds.

of dolomite that contain a few dark gray beds, particularly in the upper part. Member 5 is dominantly a dark and medium gray, mottled dolomite between 600 and 800 feet thick. It is gradational upward from member 4, through a distance in excess of 100 feet, with alternating beds of coarse-grained, light gray dolomite and mottled gray dolomite. The mottling of this member shows distinctly on weathered surfaces with small, medium to light gray lenses one-half to one inch long in a matrix of dark gray, fine-to medium-grained dolomite.

The exposures of Lone Mountain dolomite in the Rocco Canyon area include only rocks of the upper three members and the upper part of member 4.

The rocks in the Rocco Canyon area have been intensely faulted and fractured. There is both pre-mineral and post-mineral faulting.

Rocco Homestake Mine

The map of the old mine (plate 8) was taken from an old mine map loaned by Mr. Carl Muir, owner of the claims. Portions of this area were made accessible when the Hamilton Consolidated Mining Company opened the Jackson shaft down to the 340 level. The old incline shaft is caved and inaccessible south of the marked drill hole, and so is most of the area that has been stoped.

The west stope apparently continued from the collar of the incline shaft, about 200 feet south of the marked drill hole, to the north extremity of the stoped area. It also extended westward into the Ne-Plus-Ultra mine and that portion was mined by the latter company. Probably it extended over to the Comanche fault on the east side, at least from the drill hole northward.

The Rocco stope is about 40 feet higher than the 300 level crosscut which, in turn, is at the same level as the stoped area at the intersection of the 300 level crosscut and the incline shaft. The Rocco stope appears to be a triangle

shaped block with all three sides being fault surfaces.

The quartzite horizon in the small graben between the Canyon and Rocco faults is approximately 60-80 feet lower than in the Rocco stope, and about 20-40 feet lower than in the west stope.

The Jackson fault shown near the Jackson shaft on the 340 level is post-mineral and cuts the mineralized rock. From evidence obtained by surface mapping, the vertical displacement on the Jackson fault, 1500 feet west of the Jackson shaft, is between 500 and 600 feet.

The exploration work carried on by the Hamilton Consolidated Mining Company had as its primary objective the determination of whether or not the rocks of the quartzite horizon are mineralized on the hanging wall side of the Jackson fault, as they are on the foot wall side.

Since it was known that the Jackson shaft continued to the 440 level, it was considered advisable to open the shaft to that depth for drilling purposes in order to reduce the depth of hole required to reach the estimated quartzite horizon in the hanging wall of the Jackson fault.

The mine map (plate 8A) shows the mine workings on the 440 level of the Jackson shaft. In addition, it shows the calculated position of the Jackson fault at the 840 level and the probable actual position of this fault as determined from churn drill hole #1. This map shows the positions of the two diamond drill holes drilled from the 440 level and the two churn drill holes drilled from the surface.

On the 440 level the rocks in the foot wall of the Jackson fault are member 3 of the Lone Mountain dolomite and those on the hanging wall side are member 5.

The cross sections A-A' and B-B' show the structure and the position of the dolomite members in so far as they are known.

Drilling

The two diamond drill holes were drilled in the summer of 1951. Churn drill hole #1 was drilled in the summer of 1952 and churn drill hole #2 in the summer of 1953. Churn drilling was resorted to in lieu of further diamond drilling for two reasons: (1) the Jackson shaft was considered unsafe and there was no other means of escape from the 440 level, and (2) the uncertainty of gaining the desired depth by diamond drilling after ascertaining the very difficult drilling conditions in the intensely fractured rock.

Diamond drill hole #1 was drilled from the hanging wall of the Jackson fault at an angle of -70° to reach the quartzite horizon. Increasing difficulties forced the driller to abandon the hole after attaining a depth of 437 feet. Very little core was recovered but the drill cuttings indicated that the bottom of the hole was probably within 50-100 feet of the quartzite horizon.

Log of Diamond Drill Hole #1

0 - 85 feet	Dark gray, medium grained dolomite. This is member 5 of the Lone Mountain dolomite (upper member).
85 - 144 feet	Medium and light gray, medium-grained dolomite. Few dark gray beds.
144 - 206 feet	Dark gray dolomite with light gray beds. This zone, from 85 to 206 feet, resembles the transition zone between members 5 and 4 of the Lone Mountain dolomite.
206 - 412 feet	Light gray, medium and coarse-grained dolomite. Sugary texture. This is characteristic of member 4.
412 - 437 feet	Light gray dolomite with few thin beds of dark gray dolomite. This is characteristic of the lower 50 feet of member 4.

The thin quartzite beds occur in member 3 within 10 to 50 feet of the top; thus they should have been cut within 50 to 100 feet below the bottom of the hole unless some other fault or faults have further complicated the structure.

Diamond drill hole #2 was drilled in a southeast direction to cut any possible mineralized faults in the hanging wall of the Jackson fault. A mineralized fault zone was cut between 88 and 104 feet. This may well be the faulted extension of the Rocco fault. Fault material was again encountered at the 350 depth but no mineralization was noted. This may be the fault that forms the south boundary of the Rocco stope.

Log of Diamond Drill Hole #2

0 - 88 feet	Dark gray medium-grained dolomite. Member 5 of Lone Mountain dolomite.
88 - 104 feet	Probable fault. Reddish brown sludge. Qualitative spectrographic analysis indicates approximately 1% lead in this material.
104 - 140 feet	Dark gray dolomite sludge with brown iron oxide. Also runs about 1% lead. May be due to salting
140 - 250 feet	Mostly dark gray dolomite.
250 - 349 feet	Dark gray dolomite with beds of light gray. Probably approaching the base of member 5.
349 - 355 feet	Fault material.

Churn drill hole #1 encountered a very brecciated fault zone between 950 and 1000 feet. The rock above the fault was member 4 dolomite but that below resembled the dolomite of lower member 2. It is assumed that this fault is the Jackson fault and thus the hole cut the fault before reaching the quartzite horizon. Apparently the Jackson fault at depth dips flatter than it did on the 340 and 440 levels of the mine.

Log of Churn Drill Hole #1 (elev. +150 feet)

0 - 40	Limestone. Basal beds of Nevada limestone.
40 - 650	Dolomite - Member 5 - dark gray.

650 - 750	Dolomite - alternating dark and light beds. Transition between members 5 and 4.
750 - 950	Dolomite - mostly light gray coarse-grained with few beds of dark gray dolomite. Member 4.
950 - 1000	Fault zone.
1000 - 1300	Light gray and dark gray bands. Resembles member 2.

Churn drill hole #2 was placed sufficiently far from the outcrop of the Jackson fault to insure attaining a depth of at least 1400 feet before encountering the fault. The purpose was to finally and surely encounter the quartzite horizon.

Log of Churn Drill Hole #2 (elev. +85 feet)

0 - 125	Limestone - Basal beds of Nevada limestone.
125 - 710	Dolomite - Dark gray, fine- to medium-grained, some mottling. Mmember 5.
710 - 840	Dolomite - Transition zone member 5 to member 4.
840 - 1250	Dolomite. Light gray coarse-grained, sugary texture. Scattered beds of dark gray dolomite. Member 4.
1250 - 1260	Dolomite - Mostly light gray to white, very fine-grained dolomite. Top of member 3.
1260 - 1290	White, fine-grained dolomite with sandy dolomite cuttings. On solution in hot acid the rock contained about 15% quartz grains. This is the quartzite horizon.
1290 - 1320	Dolomite, white, very fine-grained. 1 to 5% quartz grains when dissolved in acid.

The elevations of the churn drill holes are relative to the collar of the Jackson shaft.

Conclusions

1. The dip of the Jackson fault is somewhat flatter than was anticipated.

2. The vertical displacement on the Jackson fault is about 700 feet, or

about 150 feet more than was measured one quarter mile to the west.

3. There is a mineralized fault in the hanging wall of the Jackson fault that could be the faulted extension of the Rocco fault.

4. The dolomite adjacent to the quartzite beds in churn drill hole #2 is not mineralized.

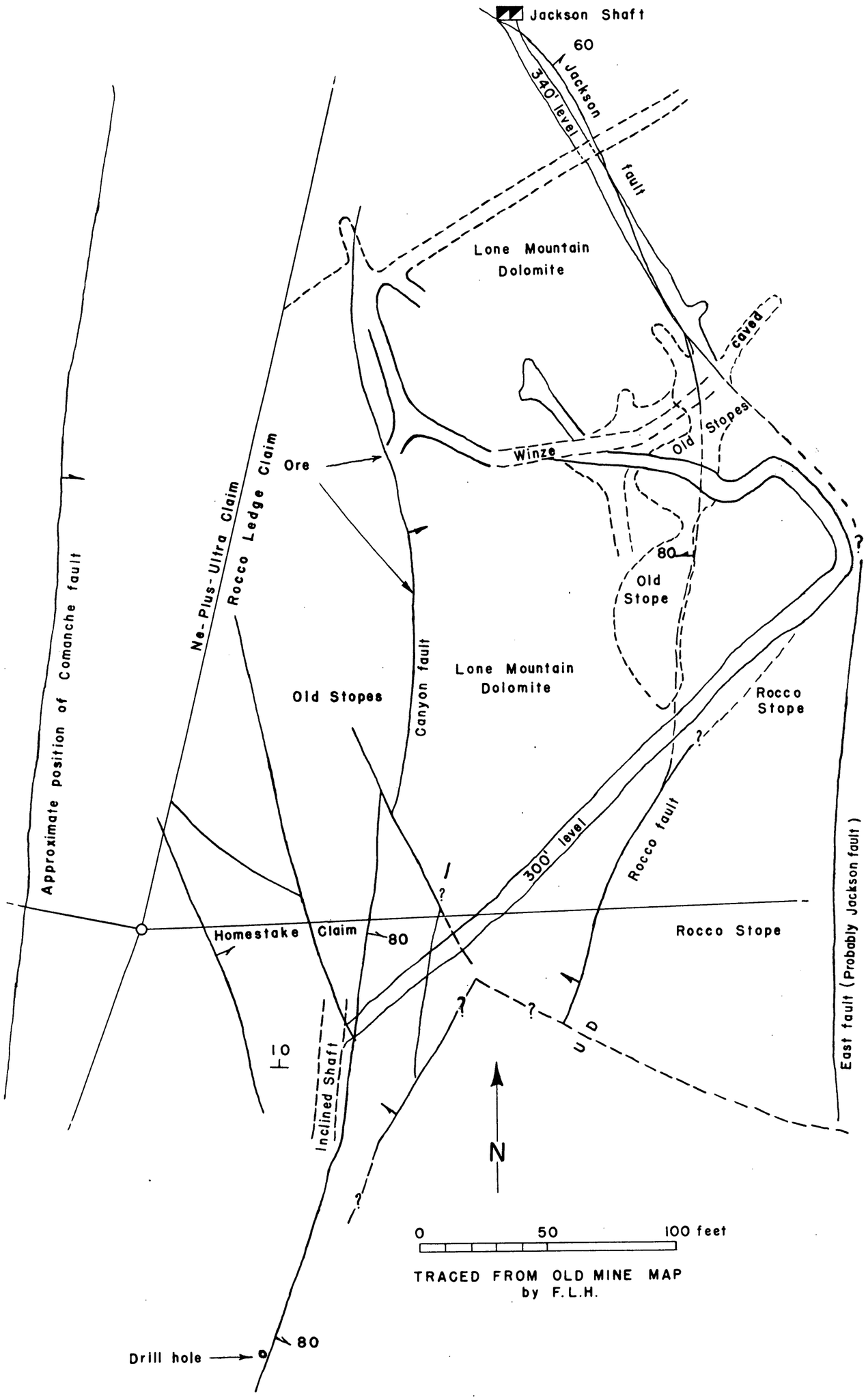
5. If ore is found by future drilling, development costs to the depth indicated will be high.

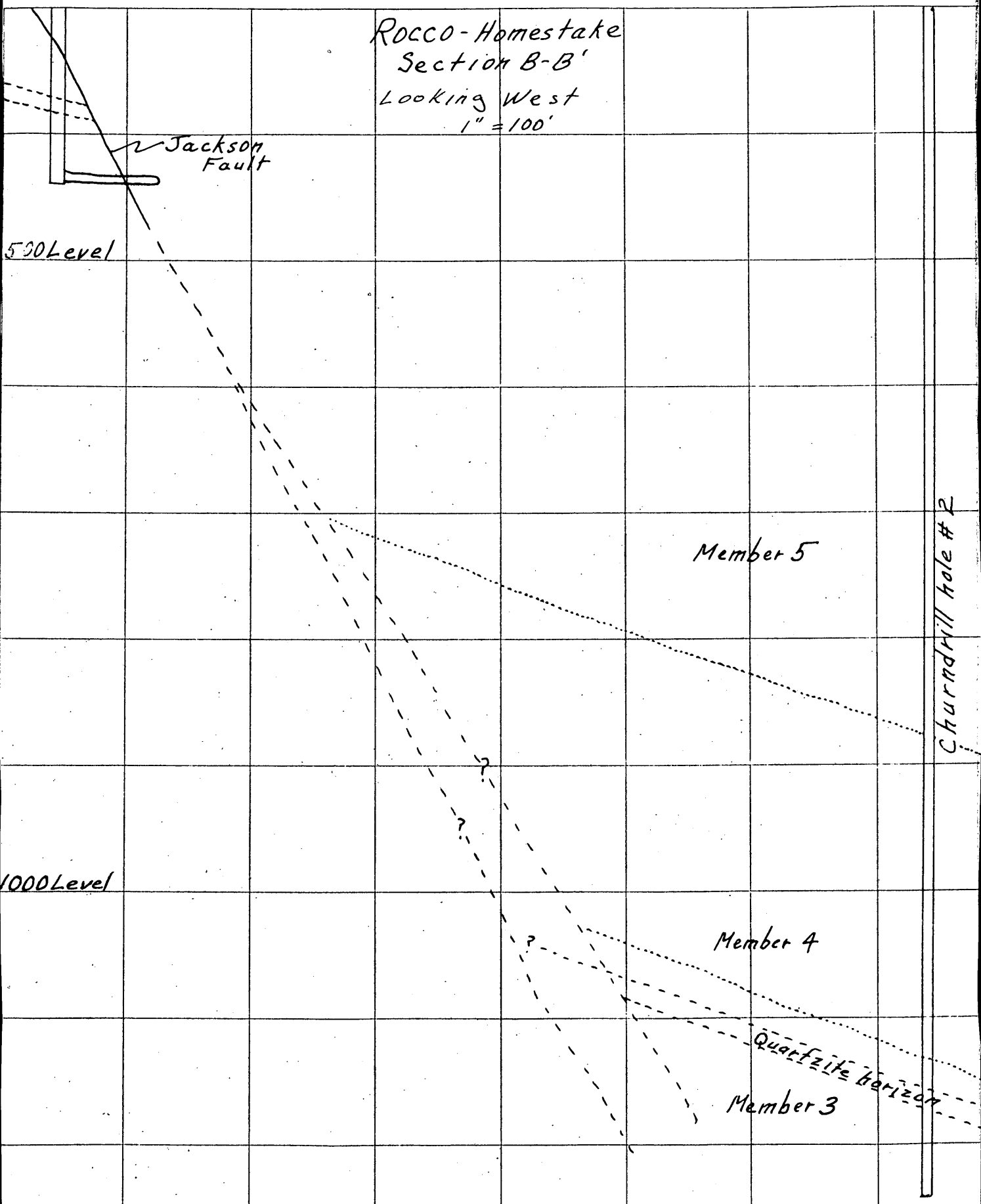
6. The southward extension of any ore might be limited by the fault encountered in the bottom of Diamond Drill Hole #2.

(Signed) Fred L. Humphrey

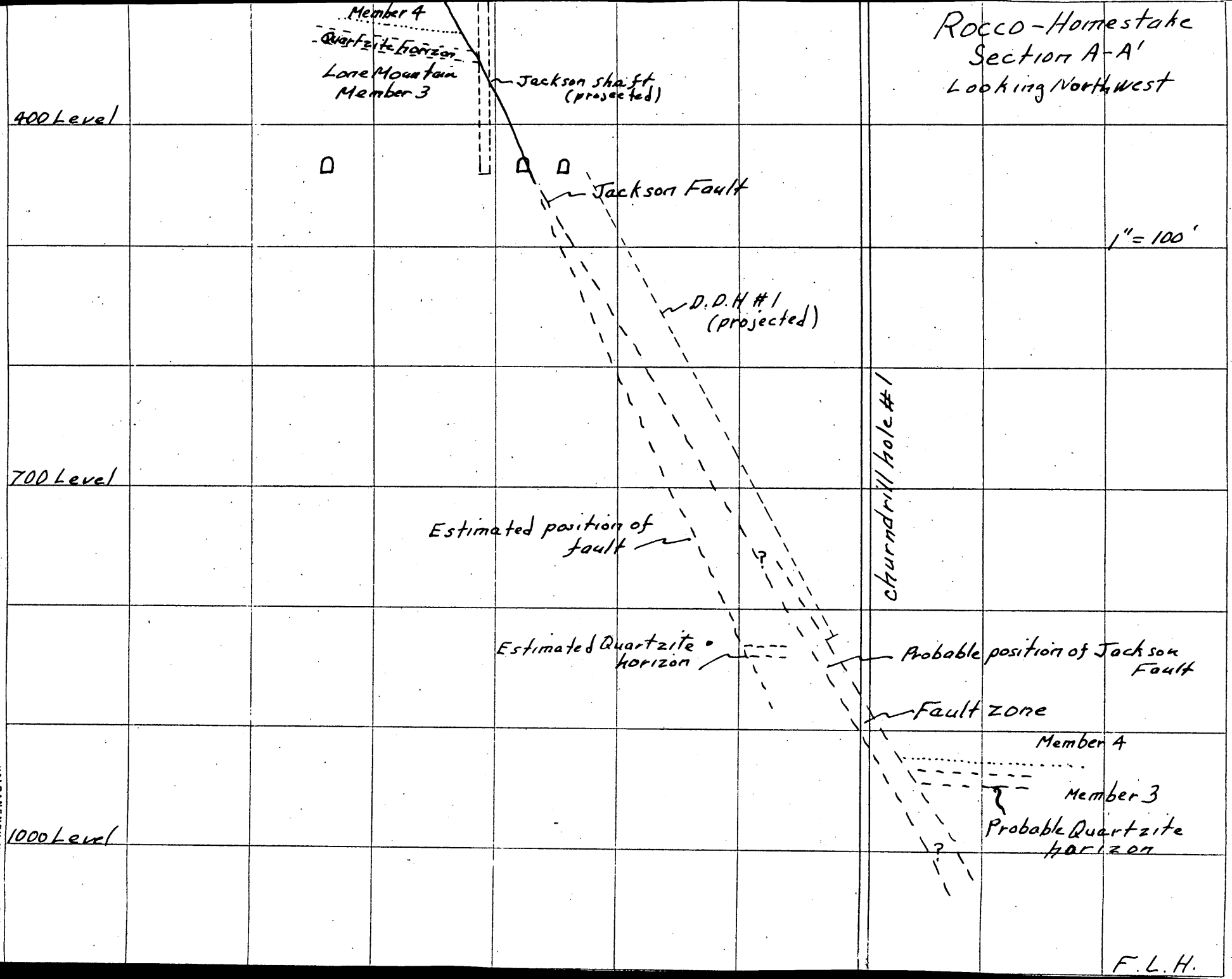
Fred L. Humphrey

ROCCO-HOMESTAKE MINE




Rocco-Homestake
Section B-B'
Looking West
1" = 100'
Jackson Fault
500 Level
1000 Level
Member 5
Member 4
Member 3
Quartzite horizon
Churndrill hole #2
?
?
?

F.L.H.



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

FILE COPY
SURNAME:

500

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

FEB 17 1954

J. W. Alt
Jerome
Selfridge
Attorney

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA-866 (Lead-Zinc)
Hamilton Consolidated Mines Corp.
Rocco-Homestake Mine
White Pine County, Nevada
Contract No. Idm-E185

Dear Mr. Miller:

Will you please advise us as to when we may expect to receive the final Field Team report and the final audit for the above contract.

As the work of this contract was completed in September 1953, we are concerned as to a certification of this property and would appreciate your recommendation concerning this matter.

In your memorandum of December 22, 1953, you state that the Operator's final report as submitted by Mr. Simrak was not very complete and that on December 4 you wrote to him requesting maps showing the location and indication of all holes drilled, geologic logs, and daily drill logs.

We would appreciate an early reply from you regarding these reports.

Sincerely yours,

George C. Selfridge (245)
Chairman, Operating Committee
JWAlt/bjl (2/15/54)

APPROVED:

J. H. Hedges
Member, Bureau of Mines (245)

Philip W. Guild
Member, Geological Survey (245)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kinkel
Mr. Bishop
Chron.

R.C.S.
2-19-54

FILE COPY
500 SURNAME:

J.W. Alt.
Larrabee
McBride
Mathews

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

DEC 30 1953

Mr. R. D. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA 866 (Lead-Zinc)
Hamilton Consolidated Mines Corp.
Rocco-Homestake Mine
White Pine County, Nevada
Contract No. Idm-E185

Dear Mr. Miller:

We have received your memorandum dated December 3, 1953, with which were enclosed the above Operator's Form MF-104A and narrative report for the month of September.

In regard to the Operator's MF-104A report, you of course realize that the operator cannot be paid in excess of the funds allowed by the contract.

In your memorandum you call our attention to the last paragraph of Mr. Simrak's narrative. From the information we have here, we can see no reason to do additional work on this property, but will be interested in your recommendations and in the final report of the Field Team.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

JWAlt/hmj (12-28-53)

CC to: Docket
Adm. R. File
Op. Committee
Mr. Kinkel
Mr. Bishop
Base Metals Division
Chron.

Concurred:

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

D. M. Larrabee (JHB)
Member, Geological Survey

R.C.G. 12-30-53

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

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

Betty

December 22, 1953

Memorandum

To: Ernest Wm. Ellis, Acting Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-866X (Lead-Zinc)
Hamilton Consolidated Mines Corp.
Rocco-Homestake Mine Property
White Pine County, Nevada
Contract Idm-E185

Reference is made to your letter dated December 14, 1953, requesting advice as to the status of the subject contract.

Our files indicate that we sent the Operating Committee on December 3 one copy of Form MF-104A, together with one copy of the narrative report which Mr. Albert S. Simrak, General Manager, submitted as his final report. This report was not very complete, and on December 4 I wrote Mr. Simrak, requesting maps showing the location and inclination of all holes drilled, geologic logs, and daily drill logs. To date this information has not been received.

Under the heading "Conclusions and Recommendations" in Mr. Simrak's report, he indicates his company's desire to do additional exploratory work at a cost of $25,000 and infers that another DMEA loan would be acceptable. Mr. Jacques Robertson, Geologist, U.S.Geological Survey, visited the property recently in connection with our final report and told me last week that he learned that the company's lease expires January 1, 1954, and that the company does not plan to renew it. Therefore, it seems that we need give no further consideration to Mr. Simrak's request for additional funds.

H. C. MILLER

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

Copy to: E.H.Bailey, USGS

FILE COPY
SURNAME:

500

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

DEC 14 1953

Mr. H. C. Miller, Executive Officer
DMEA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA-866 (Lead-Zinc)
Hamilton Consolidated Mines Corp.
Reeco-Homestake Mine Property
White Pine County, Nevada
Contract No. Idm-E185

Dear Mr. Miller:

Will you please advise us regarding the status of the above contract. The last information that we have is a copy of your letter of October 2, 1953, to Mr. Albert S. Simrak, General Manager, Hamilton Consolidated Mines. The last Operator's Monthly Report (MF-104) in our files is for the month of August 1953.

From your letter to Mr. Simrak, we are assuming that the work of the contract has been completed and that the funds have been expended.

We would appreciate hearing from you at your earliest convenience regarding this contract.

Sincerely yours,

Ernest Wm. Ellis
by ESF
ACTING Chairman, Operating Committee

JWAlt/bjl (12/9/53)

APPROVED:

J. H. Hedges by ESF
Member, Bureau of Mines

T. P. Thayer by ESF
Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Chron.

R.C.G. 12-14-53

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

RECEIVED

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

October 2, 1953

Mr. Albert S. Simrak, General Manager
Hamilton Consolidated Mines
200 Davis Street
San Francisco 11, California

Re: Docket DMSA-866 (Lead-Zinc)
Hamilton Consolidated Mines
Corporation
White Pine County, Nevada
Contract Ida-2185

Dear Mr. Simrak:

I have just completed reading the report by Mr. Henry W. Jones, Mining Engineer, Bureau of Mines, on his inspection of your Rocco-Homestake Mine on September 1 and 12, and am somewhat concerned about certain statements he made therein.

Mr. Jones states in one part of his report that: "Drilling was progressing satisfactorily and a measured depth of 1,277 feet of No. 2 hole had been attained during the latter visit. Interval sludge samples were taken to a depth of 1,150 feet, at which point the operator refused to divulge further information."

In another part of the report he states: "Interval sludge samples were obtained for the Bureau of Mines' Reno Core Library to a depth of 1,150 feet. At this point the operator refused to divulge further information or submit further samples, stating the Government's portion of the funds had been used up and therefore was not entitled to additional information."

Mr. Jones does not state who it was that refused to give him the information other than that it was "the operator." I cannot believe that any such orders were given by you, as our dealings have always been of a most cooperative nature.

It is difficult to understand why the information was refused our engineer, as the information sought is mainly to make our records pertaining to the churn and diamond drilling done on your property complete.

The information is needed, so our engineer reports, because "Narrative reports and submitted information have been inadequate for the purpose of determining both the depth of the drill holes and balance of DMEA funds available for completing the drilling program."

I would sincerely like to discuss this matter with you at your convenience.

Sincerely yours,

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

Copy to: DMEA, Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

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-866

Contract Idm-E185

Commodity Lead-zinc

Operator - Hamilton Consolidated Mines Corporation

Property - Rocc-Homestake Mine, White Pine County, Nevada

By Henry W. Jones

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-866 (Lead - zinc) Sept. 23, 1953

Name and address of operator: Hamilton Consol. Mines Corp.
Albert S. Simrak, Gen. Mgr.
200 Davis Street
San Francisco 11, Calif.

Name and location of property: Rocco-Homestake Mine property, located 5.3 miles northeast of Hamilton, Hamilton Mining Dist., White Pine County, Nev.

Contract No.: Idm-E185 dated Oct. 17, 1951

SUMMARY

The project was inspected on Sept. 1 and again on Sept. 12, 1953 to check the churn drilling progress applicable to the DMEA program. Drilling was progressing satisfactorily and a measured depth of 1,277 feet on No. 2 hole had been attained during the latter visit. Interval sludge samples were taken to a depth of 1,150 feet at which point the operator refused to divulge further information. There was no mineralization reported by the driller or by the operator.

Hole No. 2 is being advanced by the operator beyond a depth of 1,277 feet in an attempt to locate a quartzite zone associated with mineralization in the Rocco-Homestake mine. Unexpended project funds are insufficient to complete churn drill hole No. 2 to the depth desired by the operator; however, he intends to complete the hole on company account.

RECOMMENDATIONS

Due to the lack of available information, maps, daily records, and logs of the holes, the following recommendations are submitted:

1. Payment on the final voucher be withheld until the operator conforms to the terms of the contract and submits satisfactory drill logs and maps of all holes and straightens out the discrepancy found in the MF-104 forms.

2. Complete information pertaining to churn drill Hole No. 2, including logs, samples, and drilling records, should be supplied by the operator, whether or not DMEA funds are depleted before completion of the hole.

STATEMENT OF WORK COMPLETED

Churn drill hole No. 1 was completed in the early part of June 1953 to a reported depth of 1,470 feet. Hole No. 2 was started soon thereafter (middle of June) and had reached a measured depth of 1,277 feet by Sept. 12, 1953, the date of the inspection.

Total work completed to date on this project and costs reported by the operator are as follows:

Work Completed	Feet	Cost/ft.	Total Cost
Diamond drilling	792	$7.76	$ 6,148.36
Churn drilling	2,512	$7.75	19,483.41

Total cost reported in August 1953 voucher $25,631.77

COMMENTS ON PROGRESS

In checking through the vouchers submitted by the operator, a 48-foot discrepancy was found. The depths of the holes were reported as follows:

Diamond drilling	792 feet reported
No. 1 churn drill hole	1,470 feet reported
No. 2 churn drill hole	1,090 feet reported (August voucher)
Total	3,352 feet

	3,352
MF-104 forms for August 1953 (total reported footage to 8/31/53	3,304
	48 feet

It has been suggested to the operator that he clear up this discrepancy prior to the submission of the final report.

Interval sludge samples were obtained for the Bureau of Mines, Reno Core Library to a depth of 1,150 feet. At this point the operator refused to divulge further information or submit further samples, stating the Government's portion of the funds had been used up and therefore was not entitled to additional information.

Incomplete monthly reports as submitted to date, in addition to the operator's uncooperative attitude, have resulted in records pertaining to churn and diamond drilling being decidedly incomplete. Narrative reports and submitted information have been inadequate for the purpose of determining both the depths of drill holes and balance of DMEA funds available for completing the drilling program.

The following items (which have been requested and promised by the operator) will be necessary in order to prepare a final report on this project:

1. Complete daily logs, which are furnished the operator by the contractor (Aubrey Lyon), be submitted to this office. Daily drill logs covering a part of hole No. 1 were received but none on hole No. 2. These logs are necessary to check footages on all holes.

2. The logs of each hole and assays, if any, are to be submitted (as required by the contract). A generalized geologic section pertaining to churn drill hole No. 2 was sent in with the August voucher and narrative report, which is too incomplete to be used as a log of this hole.

3. Maps showing the location and inclination of all holes drilled (required by contract).

Henry W. Jones

Henry W. Jones
Mining Engineer

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

9-14

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

September 8, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-866X (Lead-Zinc)
Hamilton Consolidated Mines Corporation
White Pine County, Nevada
Contract Idm-E185
Amendment No. 5

Attached are the original and two copies of Amendment No. 5, dated September 3, 1953, extending the time of completion of subject contract.

A justification sheet is attached to each copy of the amendment.

Proper distribution has been made of the remaining copies.

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

Attachments

Copy to: A. C. Johnson, Reno (with copy of amendment)
Finance Officer, Region III (with copy of amendment)
E. H. Bailey, USGS
George Mavor

RECEIVED
OCT 6 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

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

September 3, 1953

Mr. A. S. Simrak
Hamilton Consolidated Mines
200 Davis Street
San Francisco 11, California

Re: Docket DMEA-866 (Lead-Zinc)
Hamilton Consolidated Mines Corporation
White Pine County, Nevada
Contract Idm-E185
Amendment No. 5

Dear Mr. Simrak:

In accordance with our telephone conversation today, we have prepared Amendment No. 5 to the subject contract, extending the completion date to October 1, 1953.

If you are in accord with the amendment as we have drawn it up, will you kindly sign all of the six copies enclosed, returning the original and four carbon copies to this office, retaining the remaining copy marked "Operator's Copy" for your records.

Sincerely yours,

H. C. MILLER

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

Enclosure

Copy to: DMEA, Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

FILE COPY
SURNAME:

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

AUG 27 1953

Mr. H. C. Miller, Executive Officer
DMA Field Team, Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMA-866 (Lead-Zinc)
Hamilton Consolidated Mines Corp.
White Pine County, Nevada
Contract No. Idm-2185

Dear Mr. Miller:

A review of the above contract indicates that the Operator will need an extension of time to complete the work of the project.

Amendment No. 4, dated January 2, 1953, extended the date of completion of the project to August 1, 1953.

The interim report by Mr. John D. Warne, Mining Engineer, of August 11, 1953, states that at the time of the inspection on August 4, 1953, drilling operations were shut down due to breaking the drill stem; however, operations were expected to be resumed on August 5, 1953.

If you have not already done so, and if you approve of it, you are hereby authorized to enter into an amendment of the contract, extending the date for completion for the length of time which you deem necessary, even though this might increase the time for performance for a period of over two years. However, in this agreement, if the completion time is over two years from the date of the contract, you should provide that wherever in Article 15 of the contract, the words "ten years" appear, they shall be changed to read "eleven years". The Operator should make every effort to complete this work within the next few months.

Sincerely yours,

Ernest Wm. Ellis
ES7

ACTING Chairman, Operating Committee

JWAlt/hmj (8/24/53)

CC to: Docket
Adm. R. File
Op. Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Chron.

APPROVED:

M. H. Kline ES7
Member, Bureau of Mines

D. M. Larrabee ES7
Member, Geological Survey

HHK 8-27-53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 24 1953

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

August 19, 1953

Mr. A. S. Simrak
Hamilton Consolidated Mines
200 Davis Street
San Francisco 11, California

Re: Docket DMEA-866 (Lead-Zinc)
Hamilton Consolidated Mines
Corporation
White Pine County, Nevada
Contract Idm-E185

Dear Mr. Simrak:

In transmitting your MF-104 and MF-104A vouchers covering expenses incurred at the Hamilton Consolidated Mine in July, Mr. A. C. Johnson brought out that the narrative report submitted by you consists of only a few lines typed on the MF-104A form.

This narrative, he wrote, is too incomplete to ascertain the depth of churn hole No. 2. He suggests also that copies of the daily driller's log should be requested in connection with monthly reports.

With future vouchers kindly furnish a complete narrative report on a separate sheet.

Sincerely yours,

H. C. MILLER

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

Copy to: DMEA, Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

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 -866

Contract Idm-E 185

Commodity Lead-Zinc

Operator - Hamilton Consolidated Mines Corp.

Property - White Pine County, Nevada

By John D. Warne

Dated August 11, 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-866 (lead-zinc) August 11, 1953

Name and address of operator: Hamilton Consolidated Mines Corp.,
Albert S. Simrak, Gen. Mgr.
200 Davis Street
San Francisco 11, Calif.

Name and location of property: Rocco-Homestake Mine property,
located 5.3 miles southeast of
Hamilton, Hamilton Mining Dist.,
White Pine County, Nevada.

Contract No.: Idm-E185, dated October 17, 1951

SUMMARY

This exploration project was inspected on August 4, 1953, by John D. Warne.

At the time of the inspection drilling operations were shut-down due to a drill breakdown. Churn drill hole No. 2 had reached a depth of 765 feet at that time.

No mineralization has been reported by the operator or drillers.

Drilling operations were expected to be resumed by August 5, 1953; and a progress of about 20 feet daily is expected.

RECOMMENDATIONS

The operator should be requested to submit a more complete narrative report giving dates and depth data on churn drilling operations. Apparently hole measurements and sampling is done by the contract drillers. Copies of drillers logs and daily reports should be requested in connection with the operator's monthly reports in the future.

Recent maps and reports by the Geological Survey may be helpful in connection with inspecting this project.

STATEMENT OF WORK COMPLETED

Churn drill hole No. 1 was completed during the latter part of June 1953 at a final depth of 1470 feet. Hole No. 2, which was begun on July 31, 1953, had reached a depth of 765 feet by August 4, 1953 - the time of this inspection.

Total work completed to date on this project and costs as reported by the operator are as follows:

Work Completed	Feet	Cost/ft.	Total Cost
Diamond drilling	792	$ 7.76	$ 6,148.36
Churn drilling	2082	8.02	16,688.41
Churn drilling	153	(Not yet reported)	
Total cost reported by 7/31/53:			$22,836.77

GENERAL COMMENTS

At the time of this inspection churn drilling operations were shutdown due to breaking the drill stem; however, operations were expected to be resumed on August 5, 1953.

Mr. G. Rimbey represents the operator at the project site; however, he has had no previous mining experience, and he states that he is not interested in the work. Sampling is done by the Aubrey Lyon Drilling Company men.

CHECK SAMPLING AND ASSAYING

Five samples of drill sludge from the 740 to 765 foot interval of churn drill hole No. 2 were taken for examination and analysis - results will be reported in the next interim report.

OTHER INFORMATION

Monthly progress reports submitted by the operator are incomplete. Narrative reports have not supplied complete information regarding the depth or progress of the drill hole; and no logs or maps pertaining to

the drilling have been prepared by him. Charges for supervision, engineering, and a consulting geologist were made against churn drill hole No. 1; but no such charges have been made against churn drill hole No. 2.

Drillers daily reports and logs were examined during the inspection. The operator should furnish a copy of these along with his monthly reports as his narrative reports do not supply sufficient data regarding the depths and dates of drilling.

A survey to determine the location of churn drill hole No. 2 with respect to the Rocco-Homestake shaft was made during the inspection. Copies of recent reports and maps by the Geological Survey may be helpful in connection with the inspections of this project.

John D. Warne

John D. Warne
Mining Engineer.

FILE COPY
SURNAME:
800

Talbot
Chamberlin
Pl

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

JUL 3 1953

Mr. George Mavor
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Idm-E185, DMA-866
Hamilton Consolidated
Mines Company

Dear Mr. Mavor:

The purpose of this letter is merely to put you on notice to certain statements, contained in an interim inspection report, which may be of some concern in your next audit of the referenced project.

In an interim report dated June 16, 1953, submitted by Mr. John D. Warne, Mining Engineer, covering his inspection of the project on June 3, 1953, there appear the following statements:

(a) "Some of the project expenditures are considered unnecessary; and the supervision and planning of this project is poor",

(b) "Charges made covering travel costs for project supervision should be disallowed for the duration of the project",

(c) "No satisfactory engineering or geological map has been prepared by the operator illustrating the locations and exploration features of the churn drilling project; however considerable expenses for supervision, engineering, and for a consulting geologist have been charged", and

(d) "Costs for gasoline, oil, repairs, mileage, etc. which have previously been used for numerous trips between the project site and Eureka, Nevada, and other points by the project supervisors are not considered reasonable or necessary ****".

It is noted that in your interim audit, performed on December 19, 1952, and covering the period of October 17, 1951 to November 30, 1952, you have allowed the full amounts claimed of:

R.C.J.
7-3-53

(a) $2400.00 for engineering and supervisory salaries;

(b) $976.80 for gasoline, oil, etc., "used principally for operation of auto and trucks between Eureka, Nevada and mine site", and

(c) $415.80 for "mileage paid to M. E. Bohannan, Supervisor for the use of his personal automobile".

In view of the above statements it occurred to me you would want to give especial attention to all claims of this operator, and to require full justification for any expenditures allowed, particularly on those questioned by Mr. Warne, in your future audits of the project.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
July 3, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

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: June 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 866

Contract Idm-E 185

Commodity Lead-Zinc

Operator - Hamilton Consolidated Mines Corp., Albert S. Simrak, Gen. Mgr.
200 Davis Street, San Francisco 11, California

Property - Rocco-Homestake Mine Property
White Pine County, Nevada

By John D. Warne, Mining Engineer

Dated June 16, 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-866 (lead-zinc) June 16, 1953

Name and address of operator: Hamilton Consolidated Mines Corp.,
Albert S. Simrak, Gen. Mgr.
200 Davis Street,
San Francisco 11, Calif.

Name and location of property: Rocco-Homestake Mine property, located 5.3 miles southeast of Hamilton, Hamilton Mining Dist., White Pine Co., Nev.

Contract No.: IdmE-185, dated October 17, 1951

SUMMARY

This exploration project was inspected on June 3, 1953 by John D. Warne.

Work on this project was resumed on May 26, 1953 and churn drill hole No. 1 had been deepened from 1320 feet to 1435 feet. The operator plans to terminate drilling of this hole at 1468 feet, according to the driller.

No significant mineralization has been reported to have been encountered in this hole by the operator.

Some of the project expenditures are considered unnecessary; and the supervision and planning of this project is poor.

RECOMMENDATIONS

1. The Geological Survey should be requested to prepare (or obtain from the operator) proper geologic maps illustrating the exploration features of the churn drilling operations. Geologic logs should also be prepared or obtained from the operator. And the location of churn drill hole No. 2 (to be drilled) should be approved

by the Geological Survey.

2. Closer supervision and sampling of the churn drilling by the operator is recommended.

3. Charges made covering travel costs for project supervisors should be disallowed for the duration of the project.

STATEMENT OF WORK COMPLETED

Work on this project was resumed on May 26, 1953. Churn drill hole No. 1 was deepened from 1320 feet to 1435 feet by June 3, 1953, when this project was inspected.

Total work completed to date on this project and costs as reported by the operator are as follows:

Work completed	Feet	Cost/ft.	Total cost
Diamond drilling	792	$7.76	$ 6,148.36
Churn drilling	1320	$8.89	11,735.41
" "	115	(Not yet reported)	
Total cost reported by 11/30/52			$17,883.77

GENERAL COMMENTS

The driller reports some difficulty and delays in drilling have recently occurred near the present bottom of churn drill hole No. 1 due to crooked hole and caving near the bottom of the hole.

The operator should supply a map showing the proposed location of Churn drill hole No. 2 prior to beginning drilling operations on this hole. No satisfactory engineering or geological map has been prepared by the operator illustrating the locations and exploration features of the churn drilling project; however considerable expenses for supervision, engineering, and for a consulting geologist have been charged.

The driller (for Aubrey Lyons - drilling contractor) informed the inspecting engineer that churn drilling on hole No. 1 was resumed at a depth of 1368 feet (1320 feet was previously reported as the depth of hole in the project reports covering November 1952). He also stated that he had instructions to terminate drilling on this hole at approximately 1468 feet.

Neither Mr. A. S. Simrak (the operator), his project supervisor, or a drill sampler were present at the project site at the time of this inspection for consultations regarding the project plans or progress. The writer is of the opinion that this project has been poorly planned and supervised.

Costs for gasoline, oil, repairs, mileage, etc. which have previously been used for numerous trips between the project site and Eureka, Nevada and other points by the project supervisors are not considered reasonable or necessary in connection with this project. An adequate camp for housing project officials is available at the Rocco-Homestake mine.

CHECK SAMPLING AND ASSAYING

No check samples were taken for analysis during this inspection. The operator has not reported any significant mineralization in churn drill hole No. 1.

OTHER INFORMATION

The operator has not previously submitted his monthly project reports on a monthly basis; and the cost and narrative reports have not supplied complete information regarding the project in the past.

John D. Warne

John D. Warne
Mining Engineer

Docket Copy

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

Office of
Executive Officer
DMEA Field Team
Region III

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

January 13, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Contract Idm-E185 - Docket DMEA-866 (Lead-Zinc), Hamilton Consolidated Mines Corporation, White Pine County, Nevada
Amendment No. 4

Attached are the original and two copies of Amendment No. 4, dated January 2, 1953, extending the time of completion of subject contract.

A justification sheet is attached to each copy of the amendment.

Proper distribution has been made of the remaining copies.

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

Attachments

Copy to: A. C. Johnson, Reno (With copy of amendment)
Finance Officer, Region III (With copy of amendment)
E. H. Bailey, USGS
George Mavor

RECEIVED
JAN 30 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Case 2/3

BUREAU OF MINES
WASHINGTON, D. C.
JAN 19 10 14 AM '53

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

Keating
Bitty

Office of
Executive Officer
DMEA Field Team
Region III

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

December 24, 1952

Mr. Albert S. Simrak, Secretary
Hamilton Consolidated Mines Corp.
200 Davis Street
San Francisco 11, California

Re: Docket DMEA-866(Lead-Zinc)
Hamilton Consolidated Mines
Corporation
Contract Idm-E185

Dear Mr. Simrak:

We acknowledge your letter of December 16 informing us that you will not be able to complete your exploration project as of December 1, 1952, as provided for in Amendment 2 to your contract and requesting an extension to December 1, 1953.

Before giving further consideration to your request, I will have to have further justification as to the need for an additional twelve months' extension on a contract originally scheduled for completion within six months which already has been in force approximately fourteen months.

Will you kindly call at the office at an early date to discuss your request with me.

Sincerely yours,

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

Copy to: DMEA, Washington, D. C.
E. H. Bailey, USGS
A. C. Johnson, Reno

H.C.Miller:MPP
Files
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1012 Flood Building
870 Market Street
San Francisco 2, California

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 3 1952

November 30, 1952

Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

DMA-866, Idm-E185
Hamilton Consol. Mines Corp.
and
DMEA-2044, Idm-E279
Harry Briggs

Dear Mr. Talbert:

I wish to acknowledge receipt of your letter dated November 19, 1952 in connection with subject interim Audit Reports.

To begin with I appreciated the comments set forth in your letter as it was well written and set me straight for the preparation of future Audit Reports.

In connection with the return of Audit Reports and Audit Certificates for Hamilton Consolidated Mines Corp., Contract Idm-E185. I believe it advisable to retractall copies from the Finance Officer and Mr. H. W. Miller, due to the fact that Amendment No. 2 of the Contract extended the completion date to December 1, 1952 and as the final MF-104 will be submitted in a week or two a final audit could be made at that time, taking into consideration the possible reinstatement of costs which were disallowed as of August 31, 1952. As Mr. Albert S. Simrak the general manager is out of town I was unable to come to a decision as to whither all or part of the disallowances should be reinstated until I discussed the items further with Mr. Simrak. Therefore under the circumstances I believe it would be more advantageous to make a final audit on this project.

Sincerely yours

G Mavor

George Mavor
Auditor

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

NOV 20 1952

Air Mail

Mr. George Mavor
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket DMA-866, Contract Idm-E185
Hamilton Consolidated Mines Corp.
and
Docket DMEA-2044, Idm-E279
Harry Briggs

Dear George:

Returned herewith are two copies of the Audit Report and three copies of the Audit Certificate covering your interim audit of the Hamilton project, Contract Idm-E185. These are being returned for clarification or correction as required.

It is realized that you are working at a considerable disadvantage without having had the benefit of an indoctrination in the interpretation of our several forms of exploration contracts and the methods of reporting costs thereunder. I do believe that it would be helpful for you to give further study to the various Operating Committee Memorandums, DMEA Circulars and the several contract forms in order to obtain a better understanding of the intent as to what is meant by the "allowable costs" of a project. It should be borne in mind that the exhibits attached to a contract are generally estimates only. Under the old form contract unless the exhibit specifically mentions an item as being a maximum amount allowable, for example Item 5 in the referenced contract, ordinarily the only items that are maximums are the rates of wages and salaries. Under the new form contract, that is the revision of February 1952, Article 6 definitely explains which items are always "allowable maximums" and in addition the exhibits usually indicate these and any additional items by an asterisk (*). All other items are therefore merely estimates. The total costs of the projects are limited to the "necessary, reasonable, direct costs of performing the exploration work, **** whether or not included in any schedule of costs in Exhibit A". See Article 6 (a) (8) of the new form of contract and Article 10 of the old form.

With these thoughts in mind I believe some correction or clarification is necessary in the following items shown on your Audit Report for Idm-E185:

(1) Under Item (3) Operating Mat'ls. and Supplies, you have allowed expenses at the rate of $150.00 per month. This appears to be incorrect as the allowances should be on the basis of actual costs, regardless of whether more or less, since the $150.00 per month is strictly an estimate.

(2) Since the contract included an estimate of $1400 for rehabilitation of a shaft collar the disallowance of $322.23 is not understood. If this expense actually covered the rehabilitation of the collar, it appears allowable; if it did not cover the collar, then there should have been a statement in your Audit Report to that effect. Also, the question arises as to why you redistribute this amount from Item (5) Initial Rehabilitation and Repairs, where it was apparently properly shown by the Operator, to Item (3) Operating Mat'ls. and Supplies.

(3) Your redistribution of repairs to equipment from Item (7) Miscellaneous, which appears to be the proper item, to Item (3) Operating Mat'ls. and Supplies is not understood.

(4) Your disallowance of the item of $83.73 for cement also should be explained, and if it is possibly a part of the rehabilitation of the collar it may be allowable.

(5) Under this contract there are several "allowable maximums", namely:

Rehabilitation of shaft collar	$1400
Engineering, supervision & office expense	600
Allowance for use of equipment	840

therefore Section II Conclusions and Recommendations of your Report should include a statement of the status of "allowable maximums". See Exhibit "F" of Mr. Chambers' memorandum of October 7, 1952, on the subject of "Audit Reports and Certificates".

Some of the foregoing comments apply also to your Report on the Briggs Contract, Idm-E279. However, as this is an interim audit and any changes would not effect the amount certified for payment, it is being accepted and distributed. Necessary corrections should be effected on your final audit of this project.

The following comments are rather minor criticisms of these as well as other audit reports which you have recently submitted:

(1) The Audit Certificate should not be considered a part of the Audit Report. You apparently have been considering it page 1 of the Report and the Report itself starts off with page 2. The first page of the Report should be number 1.

(2) The summary of your adjustments and disallowances has been attached as Exhibit "A". This designation of Exhibit "A" should be eliminated from the last page and the last page numbered as a part of the report. If you prefer, however, the first and last paragraphs of the exhibit may be included in the report with a reference in the first paragraph to an attached Exhibit "A". In this case the Exhibit "A" would be a summarized statement headed by a title, such as "Audit Summary".

It is hoped that you do not consider these comments as being unduly critical. They have been intended to be "constructive criticisms". Mr. Chambers and I both realize the difficulties under which you are working and are quite pleased with the thoroughness of your audits as indicated by the Reports. I plan to visit all of our auditors during January and February for the purpose of discussing audit methods, procedures and problems. I shall be looking forward to visiting you and giving you some assistance on your questions and problems.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration and
Audit Division

Enclosure

EDTalbert/wb
November 18, 1952

Copy to: Docket
Admr. Reading File
Mr. Talbert

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. 17, 1952

Memorandum

To: Operating Committee, DMEA, Interior Building, 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 866

Contract Idm-E 185

Commodity Lead-Zinc

Operator - Hamilton Consolidated Mines Corp.

Property - Rocco Homestake Mine Property
Hamilton Mining Dist., White Pine County, Nev.

By John D. Warne

Dated Sept. 11, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 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)

INTERIM REPORT

Docket No.: DMEA-866 (lead-zinc) September 11, 1952

Name and address of operator: Hamilton Consolidated Mines Corp.,
Albert S. Simrak, General Manager,
200 Davis Street,
San Francisco 11, Calif.

Name and location of property: Rocco Homestake mine property,
located 5.3 miles southeast of Hamilton,
Hamilton Mining District, White Pine Co.,
Nev.

Contract No.: Idm-E185 dated October 17, 1951.

SUMMARY

This exploration project was inspected on Sept. 4, 1952 by John D. Warne.

Churn drill hole No. 1 had been drilled to a depth of 922 feet and was still in progress at the time of the inspection.

A location for churn drill hole No. 2 was chosen and laid out by Mr. Fred L. Humphry, consulting geologist for the operator, at 350 feet, N. 55° E. of the Rocco Homestake shaft.

No mineralization has been encountered in hole No. 1 to date.

RECOMMENDATIONS

No recommendations are made at this time relative to this exploration project. Insofar as the operator employs a consulting geologist and a civil engineer to perform some work in connection with the project, it was suggested to him that a composite map be compiled from existing maps showing the locations of churn drill holes, underground workings, and the Rocco Homestake shaft. This map should have been prepared to show the locations of proposed work previous to beginning churn drilling operations.

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 22 1952

STATEMENT OF WORK COMPLETED

Churn drill hole No. 1 was advanced to a depth of 922 feet by Sept. 4, 1952.

GENERAL COMMENTS

Churn drill hole No. 1 caved near the 900 foot depth level and cementing was required from the 900 to 922 foot interval. At the time of the inspection, drilling operations had just been resumed after drilling cement out of the hole.

A location for churn drill Hole No. 2 was chosen by Fred L. Humphrey, consulting geologist for the operator. This hole was located 350 feet, N. 55° E. of the Rocco Homestake shaft.

Mr. Humphry estimated that hole No. 1 would require about 200 feet additional depth (or about 1,100 feet total depth) to explore the desired formation.

CHECK SAMPLING AND ASSAYING

No mineralization has been encountered to date in churn drill hole No. 1, however, samples from the hole interval 817 to 840 feet were supplied by the operator covering a change in formation which will be checked for mineral content.

OTHER INFORMATION

No MF-104 Operators Monthly Report for August 1952, covering the initial churn drilling work performed on hole No. 1, had been prepared by the operator at the time of the inspection.

John D. Warne

John D. Warne
Mining Engineer

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

Sept. 16, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-866 (Lead-Zinc)
Contract Idm-E185
Hamilton Consolidated Mines Corp.

Attached are the original and two copies of Amendment No. 3, dated September 12, 1952, made in connection with subject contract.

A justification sheet is attached to each copy of the amendment.

Distribution has been made of the Field Engineer's and the Finance Officer's copies.

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

Attachments

SDS 9/23/53

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno (With Field Engr.'s copy of Amendment)
L. L. Norvell (With Finance Officer's copy of Amendment)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1952

FILE COPY
SURNAME:

200

Adams

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

JUL 29 1952

Mr. H. C. Miller
Executive Officer
Region III
1012 Flood Building
870 Market Street
San Francisco 2, California

Dear Mr. Miller:

There are enclosed herewith the Finance Office's copies of Amendments No. 1 and No. 2 to Contract Idm-E185, Docket No. DMEA-866, on the Hamilton Consolidated Mines Corporation.

Ordinarily these copies of contract amendments would be transmitted by the Bureau of Mines Fiscal Office, however, in accordance with a new Operating Committee Memorandum, the copy for the Finance Officer will be distributed by the Executive Officer at the time a copy is retained for his files, and a copy forwarded to the Operator.

The Operating Committee Memorandum covering this change will be issued shortly.

Sincerely yours,

C. O. Mittendorf (for) 7/29

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

READams/meb
7-28-52
cc to: Adm.Reading File
Mails & Files Br.

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Bldg.
870 Market St.
San Francisco 2, Calif.

July 16, 1952

Memorandum

To: Defense Minerals Exploration Administration,
Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-866 (Lead-Zinc), Contract Idm-E185,
Hamilton Consolidated Mines Corp.; Amendments No. 1 and 2

Attached are the original and three copies each of Amendment No. 1, dated June 27, 1952, and Amendment No. 2, dated July 10, 1952, made in connection with Contract Idm-E185.

A justification sheet is appended to each copy of the two amendments.

We have retained the Field Engineer's copies of the amendments, and shall expect to receive the Finance Officer's copies from you shortly.

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

Attachments

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno (With copies of amendments and justification sheets.)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 21 1952

SES
7-21-52

140

FILE COPY
SURNAME:

Moulds (rewritten by HCR/bjl
Rubin
Hoffmeister
Mitt

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

Air Mail

Mr. H. C. Miller
Executive Officer, Region III
DMEA Field Team
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA-866
Hamilton Consolidated Mines Corp.
Contract Idm-E185 (lead-zinc)

Dear Mr. Miller:

This responds to your memorandum dated May 29, concerning an amendment of the above described project.

It is our understanding that the Operator desires to modify the method of exploration from underground diamond drilling to surface churn drilling, on the ground that the results of underground drilling have been disappointing and that surface churn drilling now seems to be the better method of achieving the exploration objective in Block E.

Our review of a report dated December 3, 1951, by Mr. E. J. Matson indicates that diamond drilling has not been satisfactory due to caving difficulty and loss of equipment, and churn drilling was suggested at that time.

Under Section 3 of Departmental Order No. 2684, you are authorized, in part, to enter into amendments that effect changes in the description of the work within the limits of its original scope and purpose; the elimination of any part of the work originally described; and changes in any items of allowable costs in which the Government will participate and that are not expressly fixed as allowable maximums. Therefore, under this authority, you are authorized to delete items (2), (3), and (4) from Exhibit "A" and substitute for them a new item for surface churn drilling. You may provide for the allowable costs of this work by applying any balances of estimated allowable costs, so long as the amendment does not cause an increase in the estimated total cost of the contract, the aggregate total amount which the Government may pay, or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form. You may not, however, provide for payments of costs of any item in excess of the "allowable maximum" fixed for such item in the contract.

A suggested form of amendment for your use, is attached.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosure

APPROVED:

Charles N. Miller
Member, Bureau of Mines

D. M. Lemmon
Member, Geological Survey

HCRubin/bjl (written 6/11/52)

Copy to: Mails & Files
Admin. Reading File
Operating Committee
Mr. Bishop
Mr. McKnight
Mr. Moulds
Region III
J. L. Hofflund
H. C. Rubin
Chron.
Pending

HAMILTON CONSOLIDATED MINES CORPORATION
CONTRACT Idm-E185
DOCKET NO. DMEA-866

AMENDMENT NO. 1

Contract Docket No. DMEA-866, dated October 17, 1951, between the United States of America, acting through the Department of the Interior, DMEA, and the Hamilton Consolidated Mines Corporation, is amended as follows, effective _____, 1952: In Exhibit "A",

1. Delete items (2), (3), and (4).

2. Add item (7), reading as follows:

Churn drilling from surface locations. The maximum cost of this work, to which the Government will contribute, shall not exceed the total of the unexpended balances of the estimated costs for items (2), (3), and (4).

The churn drilling shall be done by an independent contract, approved by the Government.

The location, direction and depth of all drilling is subject to the approval of the Government.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated _____, 195__.

UNITED STATES OF AMERICA

By _____
H. V. Miller, Executive Officer
DMEA Field Team, Region III

HAMILTON CONSOLIDATED MINES CORPORATION

By _____
Albert [illegible]. Slunrak (General Manager)

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, California

Air Mail

May 29, 1952

Ans. 6/11/52
HC Reply

Memorandum

To: Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-866, Exploration Project Contract Idm-E185, Hamilton Consolidated Mines Corporation - (Lead-Zinc).

A copy of a letter dated May 28 from Mr. Albert S. Simrak, General Manager, Hamilton Consolidated Mines Corporation, 200 Davis Street, San Francisco 11, California, requesting an amendment to the subject contract is attached.

The purpose of this memorandum is to find out if an amendment such as is requested can be drawn legally by me. My main concern is whether or not balances remaining from such items as engineering and supervision, operating expenses, etc., can be applied to other purposes, such as churn drilling.

Although not mentioned in Mr. Simrak's letter, he told me the other day that the cost of churn drilling would be no greater than the cost of diamond drilling. He understands, also, that we are to be furnished with a copy of his churn drilling contract for approval.

A speedy reply to this memorandum will be appreciated.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 2 1952

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

Attachment

Copy to E. H. Bailey, USGS

C
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Y

DOUBLE O TIMBER & MINING COMPANY

Affiliated Companies
Nevada Rosegold Placers, Inc.
Hamilton Consolidated Mines Corp.
Gold Zone Mining Corporation

Room 200, 200 Davis Street
Telephone YUkon 6-4892
San Francisco 11, Calif.

May 28, 1952

Mr. H. C. Miller
Executive Officer, DMEA Field Team,
1012 Flood Building
San Francisco, 2, California

Dear Mr. Miller:

In line with the resumption of our exploration program, Contract DMA-866, which will be undertaken shortly after June 1st of this year, I wish to advise that after much careful consideration of the results that have been accomplished and found of negligible value for the past season of operations, we have determined that the best interest of this company and the participation of the Defense Minerals Administration can be better served by changing our drilling program from our original application of "diamond drilling" to "churn drilling" which in our opinion and the opinion of Mr. A. C. Johnson of your Reno office, has a far better chance of reaching our objective, and thus determining the merits or failure of this exploration program.

The total "credit" of unexpended funds remaining as a balance in this contract is $20,591.64 according to my figures, which is allocated to various expendable accounts covering the exploration work under-taken under the above numbered contract. We would like to have our contract amended to utilize the following balances for churn drilling----

(1) Rehabilitation of shaft collar, balance remaining----	$ 945.64
(2) Crosscutting, 100 feet, etc. etc. " "	3000.
(3) Diamond drilling, 2000 feet, etc. etc. "	13121.
(4) Operating expenses, balance remaining $1905, transfer or amend for churn drilling purposes.....	1305.
Total for churn drilling	$18371.64

(5) Engineering and supervision, balance remaining.....	$ 1200.
(4) Operating expenses, balance remaining.....	$ 600.
(6) Equipment furnished, balance remaining $420. transfer to tractor rental for levelling churn drill station	$ 420.

It should be here noted that there is no change in our drilling objective from the original projected in our application. Our churn drill will be directed to the same immediate area, properly surveyed and projected, which would be reached by diamond drilling at angles stated.

We trust you will be able to prepare the proper amendments to conform to our requirements, and we wish to assure you there isno change in the area or objective of our original efforts, but on the contrary feel reasonably sure that "churn drilling" will be more satisfactory.

Yours very truly,

/s/ Albert S. Simrak

(In Haste)

FILE COPY 500
SURNAME:

Moulds

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

FEB 12 1952

Mr. H. C. Miller
Executive Officer, Region III
DMEA Field Team
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket DMA 866
Contract IdM-4185
Hamilton Consolidated Mines

Dear Mr. Miller:

With reference to your memorandum of January 30, 1952 and the diamond drilling procedure incorporated within the contract for the Ancco-Homestake Mine.

This contract states: "The proposed program is to explore Block E, shown on attached maps, by two crosscuts into the hanging wall block and diamond drilling from stations established in the crosscuts to explore for ore below the crosscut level". The objective thus expressed is the exploration of Block E by crosscutting and diamond drilling below the crosscut level. The map indicated the proposed method in which the drilling was to be done. The contract, however, does not specifically state that the individual holes are approved only if drilled as shown on the map.

Your discussion of this contract indicates that you believe the #5 hole at a 30° inclination has merit and evidently the information gained has required further revision of other proposed holes. It appears from your discussion that the hole in question comes within the flexibility of adherence to contract provisions to gain the objective of the project, as discussed in our letter of February 4, 1952. It also appears that an amendment will not be required in this instance as long as you approve the modified drilling as exploration of Block E below the crosscut level.

Sincerely yours,

C. O. Mittendorf (fw)

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

L. P. Thayer (fb)
Member, Geological Survey

DMoulds/mcb/hmj
2-6-52
cc to: ADM. Reading File Docket File Copy
Mr. Bishop Mr. McKnight Mr. Moulds
Region III

OFFICE OF THE ADMINISTRATOR

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

Office of
Executive Officer
DMEA Field Team
Region III

Air Mail

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

January 30, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-866 (Lead-Zinc) - Hamilton Consolidated Mines Corporation - Exploration Project Contract Idm-E185

I have another nut to crack on which I need advice from Washington. The matter again pertains to how closely an operator should be compelled to follow the terms of this contract.

In the present case, the subject company signed its exploration project contract without noting that the inclinations of the drill holes were designated on the map attached as an exhibit to the contract.

The company's first drill hole (Hole No. 3 on the map attached to the contract) was drilled at an angle of -70° as indicated on the map, so there is no issue there. The company's No. 2 drill hole (Hole No. 5 on the map), however, was drilled at an angle of -30° whereas the map indicates it should have been drilled at an angle of -70°.

Mr. Simrak, general manager of the company, called at the office yesterday and told me that it had never occurred to him to check the inclinations on the map, as when Mr. Roscoe Smith, geologist, U. S. Geological Survey, and Mr. Fred L. Humphrey, consulting geologist, Stanford University, discussed the inclination of the hole on June 12, both Mr. Humphrey and Mr. Simrak thought it was agreed to drill the hole at a -30° angle. Nevertheless, the maps accompanying the report on the property by Roscoe Smith and David C. Arnold of the Geological Survey, dated June 13, were not changed to conform to the program which Mr. Simrak thought was agreed upon by the three geologists.

Mr. Simrak admits that when he signed the contract he did not notice that the inclinations of the holes were specified on the map. I know Mr. Simrak well, and I am certain that if he had known that he was violating the terms of the contract he would have asked for an amendment to the contract.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
FEB 22 1952

Mr. A. C. Johnson is holding up his approval of the company's vouchers for drilling the second hole. I have been backing his stand and will continue to do so until I hear what I can do about it from your office.

Mr. Humphrey is a capable geologist and is following the work closely. He no doubt knows more about the geology of the applicant's mine than anyone else, and if he recommends drilling a hole at a certain angle, I would think it very unwise to dispute him.

Information obtained from the drilling of the first two holes is going to make it advisable, according to Mr. Humphrey, to drill the third hole (No. 4 Hole on the map accompanying the contract) also at a slightly different angle than is indicated on the map. The company, however, is preparing a request for an amendment to take care of this situation so that matters can be handled in a satisfactory manner.

What to do about the second hole drilled by the company, however, has me stumped and your advice truly will be appreciated.

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

Copy to A. C. Johnson, Reno
E. H. Bailey, USGS

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
JAN 32 8 22 AM '52

FILE COPY
SURNAME:

Moulds
Mittendorf

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

Defense Minerals Exploration Administration
Mr. Moulds
5369 4070
1420137 Salaries and Expenses, Defense Production Activities, Interior, 1952
"100.0000(400)" December 4, 1951

Mr. H. C. Miller, 1012 Flood Building, 870 Market Street, San Francisco, Calif.

DMA 866 Hamilton Consolidated Mines Corporation

Re Docket 866, Hamilton Consolidated Mines Corp. Original and 3 copies of contract received ~~today~~ yesterday. Will forward to Washington fiscal. Do not need other copies now.

C. O. Mittendorf (fw)

C. O. Mittendorf
Acting Administrator

DEMoulds/jem
cc to: Reports & Records
Mr. Moulds
Docket
Mr. Mittendorf
Adm. Reading File

R & R

BL

2061

RECEIVED
Nov 28 1 42 PM '51
GENERAL SERVICES ADMIN.
PUBLIC BLDGS. SERVICE
BMD - COMMUNICATIONS

-,K

27 WA SFS /I-BCN/

SAN FRANCISCO 11-28-51 1017AM

C O MITTENDORF, ACTG ADMINISTRATOR

DEFENSE MINERALS ADMINISTRATION INTERIOR BLDG WA

REURTT TODAY DOCKET DMA-866 HAMILTON CONSOLIDATED MINES CORP EXPLORATION CONTRACT IDM-E185. FURTHER CHECK HERE SHOWS THAT ORIGINAL AND THREE CARBONS OF CONTRACT SIGNED BY ALBERT S. SIMRAK, GENERAL MANAGER, WERE MAILED TO YOU ATTACHED TO A MEMORANDUM FROM ME TO YOU ON OCTOBER 30.

H C MILLER EXE OFFICER DMA FIELD TEAM REGION III

DMA-866 IDM-E185 30

EA 1020AM

RECEIVED Bu. Mines
NOV 28 3 06 PM '51
GENERAL SERVICES ADMIN.
PUBLIC BLDGS. SERVICE
BMD – COMMUNICATIONS

FILE COPY
SURNAME:

Moulds
Mittendorf

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

not stripped in R.J.R.

Defense Minerals Exploration Administration

5369 4070

1420137 Salaries and Expenses, Defense Production Activities, Interior, 1952
"100.0000(400)" November 27, 1951

Mr. H. C. Miller, 1012 Flood Building, 870 Market Street, San Francisco, Calif.

Docket DMA 866 Hamilton Consolidated Mines Corporation

Re your letter of November 23rd Docket DMA 866 Hamilton Consolidated Mines Corporation. No record of receipt of contracts by this office to date. Please check further and advise.

DEMoulds/meh
cc to: Reports and Records
Mr. Moulds
Docket
Mr. Mittendorf

C. O. Mittendorf (MEH)

C. O. Mittendorf
Acting Administrator

BL

2061

OFFICE OF THE ADMINISTRATOR

Mr. Flood

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

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 27 1951
Defense Minerals Administration,
Production Expansion Division.

Office of
Executive Officer
DMA Field Team
Region III

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

November 23, 1951

Air Mail

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket No. DMA-866, Contract Idm-E185
Hamilton Consolidated Mines Corp.

Dear Mr. O,

On October 30, we forwarded the original and three copies of subject contract, duly executed on the part of the Operator. To date the Regional Finance Office copy has not been returned to us. Will you kindly have this copy mailed to us at once, so that it will be available to our finance officer when he audits the Operator's Monthly Progress Reports.

S. Ricker, Acting for
H. C. Miller, Executive Officer
DMA Field Team, Region III

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 3 1951
Defense Minerals Administration,
Production Expansion Division.

1012 Flood Bldg.
870 Market Street
San Francisco 2, Cal.

Office of
Executive Officer
DMA Field Team
Region III

October 30, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket No. DMA-866, Contract Idm-E185
Hamilton Consolidated Mines Corp.

Reference is made to your October 23 subject letter, signed by Mr. Frank E. Johnson, which was incorrectly addressed and sent to Mr. A. E. Weissenborn, Spokane, Washington, who forwarded it to this office along with the six copies of subject contract.

Mr. Simrak, General Manager, Hamilton Consolidated Mines Corp. signed the copies of the contract on October 29. He was furnished with one copy of the executed contract and one copy is being retained in this office. The original and three remaining copies are being sent to you, attached herewith.

We will expect the Regional Finance Office copy shortly.

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

Attachment

DOCUMENT CONTROL
RECEIVED
NOV 5 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

October 25, 1951

Re: Docket No. DMA 866
Contract Idm-E 185
Hamilton Consolidated Mines Corp.
200 Davis Street
San Francisco 11, California

Mr. H. C. Miller
Defense Minerals Administration
1415 Appraisers Building
San Francisco, California

Dear Mr. Miller:

Enclosed you will find original and carbon copy of letter to Mr. A. E. Weissenborn from Mr. C. O. Mittendorf (by Frank E. Johnson) concerning the above mentioned docket and contract; also enclosed is Exploration Project Contract in quintuplicate.

It is apparent that Region III rather than Region II has jurisdiction over this project.

Very truly yours,

(Mrs.) Relda R. Carlson
Secretary, A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

cc: C. O. Mittendorf
Director, Production Expansion Div.

OCT 29 9 25 AM '51
DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.

FILE COPY
SURNAME:

Moulds

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

Mr. A. E. Weissenborn
Executive Officer, Region II
Defense Minerals Administration
South 157 Howard Street
Spokane 8, Washington

OCT 23 1951

Re: Docket No. DMA 866
Contract Idm-E 185
Hamilton Consolidated Mines Corp.

Dear Mr. Weissenborn:

Please find herewith the original and five copies of the contract for the subject exploration project. The contract has been signed by the Government and bears the register number and effective date as shown.

The contract is to be signed by a duly authorized officer of the Company without any changes to its contents. If any provisions are unsatisfactory, the contracts are to be returned to this office along with the proposed changes for consideration.

After signing the contract, one copy is to be given to the operator and one copy retained by your office. The remaining copies, including the original, are to be sent to this office as soon as possible.

A copy required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

(signed) FRANK E. JOHNSON ACTING
(for)
C. O. Mittendorf, Director
Production Expansion Division

Enclosures-6
APPROVED:

Chairman, Coordinating Committee

Member, Bureau of Mines

Member, Geological Survey

DEMoulds/hmj
Typed 10-17-51
cc to: Reports and Records
Adm. Reading File
Mr. Mittendorf, Olund
Mr. Moon
Mr. Moulds
Mr. Billings
Mr. Mote
Mr. McKnight Docket
Region II

FILE COPY
DMA-866

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

October 16, 1951

Memorandum

To: Director. Production Expansion Division

From: General Counsel

Subject: Hamilton Consolidated Mines Corporation, Exploration Project Contract -- Docket No. DMA-866

The proposed exploration contract in this case, as resubmitted to us on October 16, 1951, pursuant to my memorandum to you of October 11, is approved as to legal form and sufficiency subject to:

1. The attachment of a copy of the lease as stated in Article 2 of the contract form.

2. Proper signature by the applicant.

3. Proper dating prior to delivery.

4. Government approval of any subcontract under which work upon the project is to be performed.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/ema

Copy to: Reports & Records
J. L. Hofflund
R. R. Guthrie
Chron.

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

140
DMA-866

October 11, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: Hamilton Consolidated Mines Corporation, Exploration Project Contract, Docket No. DMA-866

I am unable to approve the proposed exploration contract, submitted to this office on October 8, because of uncertainties in the description of the land.

The applicant holds the property under a lease and option which includes two claims, the Protection and Rex, in which the lessor, and consequently the applicant, has only a one-half interest. If these claims would be benefited by the exploration project, they should be included in the description of the property, and subordination agreement of the owner of the other one-half interest procured and attached to the contract. If you have determined that these two claims are not necessarily a part of the exploration project, that is a matter for your administrative determination in which this office would have no concern.

Some part of the claims now listed in Article 2 of the contract form are subject to a prior lease to one Angelo Reck, as indicated in the lease and option. Therefore, the description in the contract form as it now stands is defective and includes property in which the applicant has only a contingent interest, which matures only if Angelo Reck loses his lease. Therefore, it is necessary either to reform the description to eliminate the property held by Angelo Reck, or to procure the subordination agreement of Angelo Reck.

Your file in this case is returned herewith.

J. L. Hoffland
General Counsel

Attachment

October 5, 1951

Mr. Albert S. Simrak
Double O. Mining Corporation
200 Davis Street, Room 201
San Francisco 11, California

Re: DMA 866

My dear Mr. Simrak:

Reference is made to your application for a loan under Section 302 of the Defense Production Act of 1950, filed with the Defense Minerals Administration on March 12, 1951. The proper loan application forms NSRB-146, MF-101, or MF-102 have not been filed by you as a part of your application.

This Administration will accept properly completed loan application forms NSRB-146, MF-101 or MF-102 on your present application up to October 12, 1951. Unless properly completed forms are filed with this Administration on or before that date your application will be considered withdrawn.

If you wish to make application for a loan under Section 302 of the Defense Production Act subsequent to October 12, 1951, your application should be filed with the Reconstruction Finance Corporation in accordance with Executive Order 10281, dated August 28, 1951.

This letter supersedes any previous instructions you may have received regarding the filing of loan application forms with this Administration.

Sincerely yours,

Tom Lyon, Director
Supply Division

cmb
cc: Lead-Zinc Br.
tickler

5904

DOUBLE O MINING CORPORATION

• • Telephone SUtter 2321 • •
RO~~OM 265, 268 MARKET~~ STREET 200 DAVIS ST. ROOM 201
San Francisco 11, California

October 3, 1951

Defense Minerals Administration
Production Expansion Division,
Washington, 25, D. C.

Attention D.E. Moulds Re: DMA 866

Gentlemen:

There is enclosed herewith a copy of LEASE AND OPTION AGREEMENT together with an ASSIGNMENT of the same to Hamilton Consolidated Mines Corporation, these two documents being a part of the above captioned subject.

With reference to phone conversation of this date with your Mr. Moulds, it is necessary to add the following description of the property covered by the LEASE and not definitely described as to exact location, as follows; with the exception of Patented claim named REX, all of the property that is enumerated in the Lease is located in the S.E. ¼ of Section 23, Twp 16North, R.57East, as designated in the official map of White Pine Mining District, of White Pine County, State of Nevada.

I trust the above information will provide the necessary details that yet remain to permit your department to complete the contract forms that will cover and put into execution the above captioned subject matter application.

Yours very truly,

Double O Timber & Mining Company,

Albert S. Simrak

Albert S. Simrak, Secretary

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
OCT 5 8 56 AM '51

Mr. Mittendorf

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D.C.
OCT 1 1 51 PM '51

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 2 1951
Defense Minerals Administration,
Production Expansion Division.

DEFENSE MINERALS ADMINISTRATION

OFFICE OF
~~REGIONAL DIRECTOR~~
Executive Officer
DMA Field Team
Region III

1012 FLOOD BUILDING
870 MARKET STREET
SAN FRANCISCO 2, CALIFORNIA

September 25, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-866 - Application of the Double O Mining Corporation, 200 Davis Street, San Francisco 11, Calif.

Reference is made to correspondence between this office and the Defense Minerals Administration concerning subject loan application.

Attached are six copies of a "Landlord's Subordination Agreement" which is in lieu of form MF-202. Mr. Simrak has signed the agreement as General Manager of the Hamilton Consolidated Mines Corporation and as Secretary of the Double O Timber and Mining Corporation. Mr. Simrak is also General Manager of the latter corporation. He signed the agreement yesterday afternoon so I dated it September 24, 1951.

In reply to your teletype dated September 10, the value of the compressor, according to Ingersoll-Rand Company, is $9,575 at the mine. The compressor is new. Ingersoll-Rand quoted their rental value for it as being $315 per month.

The hoist which virtually is new is valued at $3,000.

If you feel the applicant's estimate of rental for both pieces of equipment is out of line, you should change it. The operator is agreeable to such a change and it seems to me that on the basis of $315 per months rental for the compressor (I-R figure) against applicant's proposed $250 per month, the possible slight over-estimate for rental of the hoist is not material. It seems, therefore, that the operator's estimate is not out of line.

One hoistman is to be employed on the project at $350 per month, or $14 per day. He is now on the job getting that salary. The one bucketman who will be employed on the project will get $275 per month.

In my memorandum to Donald E. Moulds dated September 5, concerning subject docket, the fourth item "operating expenses, gas, oil, labor (in addition to that included in drifting) for hoistman, bucketman, etc." should be amended as follows:

One hoistman, $350 per month for 4 months....	$1400
One bucketman, $275 per month for 4 months...	1100
Diesel oil, gasoline and lubricating oil to operate compressor and hoist, $150 per month for 4 months.....	600
	$3100

The amended figure increases the overall cost of the project by $700, making the applicant's cost estimate $27,200 (provided his rental cost remains unchanged) in place of $26,500.

I trust that you will now have all the information you need for speedy preparation of applicant's contract. If not, teletype me and I will attempt to get it for you.

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

Attachment

Copy to: E. H. Bailey, USGS

FILE COPY
SURNAME:

Mr. Mittendorf

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

Double O. Mining Corp

Defense Minerals Administration
Donald E. Moulds
5369 4070

1420137 "100 (400)"
Salaries & Expenses, Defense Production Activities, Dept. of Int. 1952
September 7, 1951

H. C. Miller, Executive Officer, Region III
Defense Minerals Administration, San Francisco, California

Advise if compressor and hoist shown on rental on DMA-866 Rocco-Homestake are to be rented by the operator or furnished by the operator on depreciation basis. If latter, must know value of each unit. Also wages per shift and number of hoistman, bucketman, etc.

C. O. Mittendorf (J.H.) not stripped in R.&R.

C. O. Mittendorf, Director
Production Expansion Division

DEMoulds/jem
9/7/51

cc to: Reports & Records
Messrs. Mittendorf, Olund
Mr. Moulds
Docket

Mr. Thomas d

UNITED STATES
DEPARTMENT OF THE INTERIOR

~~BUREAU OF MINES~~
~~REGION III~~

DEFENSE MINERALS ADMINISTRATION

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

~~1030 SANSOME STREET~~
~~SAN FRANCISCO 11, CALIF.~~

OFFICE OF
~~REGIONAL DIRECTOR~~
Executive Officer
DMA FieldTeam
Region III

Air Mail

September 5, 1951

Memorandum

DEPARTMENT OF THE INTERIOR
RECEIVED
SEPT. 7 1951
Defense Minerals Administration,
Production Expansion Division.

To: Donald E. Moulds, Production Expansion Division, Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-866 - Application of the Double O Mining Corp., 200 Davis Street, San Francisco 11, California.

Reference is made to your telephone call last week concerning subject application for an exploration loan costing in the neighborhood of $25,000. (See also my subject memorandum to Tom Lyon dated June 20).

A teletype proposing action by the applicant went forward to you yesterday. Other questions asked by you over the phone are answered below.

Applicant's cost estimate for doing the proposed exploratory work is:

Rehabilitate shaft collar (contract job)	$ 1,400
Diamond drilling 2000 ft. at $8 (contract job)	16,000
Drifting 100 ft. at $30 per foot	3,000
Operating expenses, gas, oil, labor (in addition to that included in drifting) for hoistman, bucketman, etc.	2,400
Engineering and supervision 4 mos. at $600	2,400
Rental of compressor $250 per mo. for 4 mos.	1,000
Rental of hoist $75 per mo. for 4 mos.	300
Total	$26,500

The total is slightly greater than the cost indicated in my June 20 memorandum to Tom Lyon, but less than the applicant's original estimate of $30,000.

SEP 7 8 52 AM '51
DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

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

Copy by regular mail

47, WA OFL /E-707/

SAN FRANCISCO 9-4-34 3472

DONALD E POULSS, PRODUCTION EXPANSION DIV, DEPT OF RESEARCH AND

INTERIOR BLDG, WA

IN OUR TELEPHONE CONVERSATION TOMORROW DIA-403 RUTTO-HILLSBANK MINE OPERATION. SEMPAK, ROBINSON AND I DISCUSSED MATTER TODAY. THE OWNER OF PROPERTY BEING OPERATED BY HILLSBANK CONSOLIDATED MINING COMPANY IS UNABLE TO SUBORDINATE HIS INTERESTS REQUIRED TO OBTAIN LOAN. HOWEVER THE DOUBLE O TITLE AND MINING COMPANY, FINANCIALLY RESPONSIBLE, SUGGESTS IT WILL GIVE A BOND OR GUARANTEE TO PERFORM ANY ACTION WHICH WOULD BE REQUIRED OF THE OWNER OF THE PROPERTY IN THE ABSENCE OF HIS SIGNATURE. THE HILLSBANK CONSOLIDATED COMPANY IS A SUBSIDIARY OF THE DOUBLE O COMPANY. IF SUCH AN ARRANGEMENT BE WORKED OUT/OK/ OTHER QUESTIONS YOU MAKE WILL BE ANSWERED TOMORROW IN A LETTER

H C MILLER ENES OTCL DIA TLD TEAM REPT EEE

JO 3450P

TOTT SRD EN TEM TTT ATTA MINN WD TRSMIT O SHLD BE DOUBLE O COMPANY

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

SEP 5 1 21 PM '51

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~BUREAU OF MINES~~
~~REGION III~~

DEFENSE MINERALS ADMINISTRATION

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

~~BUREAU OF MINES~~
~~830 SANSOME STREET~~
~~SAN FRANCISCO 11, CALIF.~~

OFFICE OF
~~REGIONAL DIRECTOR~~
Executive Officer
DMA Field Team
Region III

Air Mail

August 29, 1951

Memorandum

To: Donald E. Moulds, Production Expansion Division, Defense Minerals Administration, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Your telephonic request of today for additional information on DMA Docket 866 - Homestake Mine, Nevada.

Attempted to get in touch with Mr. Simarack, General Manager, Double O Mining Corporation, San Francisco, but found out that he is out of town and will not return until sometime next week. Have asked his office to call me when he returns at which time I will call your request to his attention.

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

Copy by regular mail

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 31 1951
Defense Minerals Administration,
Production Expansion Division.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
AUG 31 8 46 AM '51

FILE COPY 350
SURNAME:

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

Billings
McKnight
O'Leary
(Geo. Mitre)
Nelson

AUG 17 1951

DMA 866
Rosco Homestake Mine
White Pine County, Nevada

Double O Mining Co.
C.E.C.

Mr. H. C. Miller
Executive Officer, Reg. III
1012 Flood Building
870 Market Street
San Francisco 2, California

Dear Mr. Miller:

This is to acknowledge your letter of August 7 regarding the subordination agreement which Mr. A. S. Simrak, General Manager, feels that he will be unable to obtain.

I have discussed this with our Mr. Koontz, our attorney, and he feels that the Government would likely go along with Mr. Simrak's request that in the event he was unable to obtain a Landlord's Subordination Agreement his company could pay off its obligation to the Government in full if and when the proposed exploration work resulted in a discovery. However, the details of such an arrangement would have to be worked out between the Production Expansion Division and the legal department when drawing up a contract.

I suggest that you advise Mr. Simrak to make further effort to obtain a Landlord's Subordination Agreement but inform him there is a good possibility that the Government will go along with his request in case he fails in his efforts.

Very truly yours,

Tom Lyon

BJ 8/17

Tom Lyon, Chairman
Coordinating Committee

Approved:

Lowell B. Moon

For Bureau of Mines

Olaf N. Rove

For Geological Survey

TPBillings:lm
8/13/51

cc: Reports and Records
Mote
McKnight
Moon
DMA Docket File

L

350

UNITED STATES
DEPARTMENT OF THE INTERIOR

~~BUREAU OF MINES~~
~~REGION XIX~~

DEFENSE MINERALS ADMINISTRATION

OFFICE OF
~~REGIONAL DIRECTOR~~

Executive Officer
DMA Field Team
Region III

1012 Flood Bldg.
870 Market St.
~~MEXARRAS BLDG.~~
~~SAN FRANCISCO 2~~
SAN FRANCISCO ~~11~~ 2, CALIF.

August 7, 1951

Air Mail

Memorandum

To: T. P. Billings, Chief, Lead-Zinc Branch, DMA, Washington, D.C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-866--Rocco Homestake Mine, White Pine County, Nev.

Reference is to the letter you wrote on July 24 to Hamilton Consolidated Mines Corporation, Room 201, 200 Davis Street, San Francisco 11, California, requesting Landlord's Subordination Agreement.

Mr. A. S. Simrak, General Manager, phoned me that he is having, or anticipates having, some difficulty getting the subordination agreement signed. The owner, he said, is not favorably disposed toward tying up the property for the length of time it normally would take to pay back the money advanced by the Government, and Mr. Simrak, therefore, would like to know if his company could pay off its obligation to the Government in full after we indicate that his exploration program has resulted in a "discovery."

Mr

but discuss with Lawyer

An air-mail reply will be appreciated.

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

AUG 10 1951

1 35

FILE COPY
SURNAME:
Lyons (ETM)
McKnight
O'Leary
(FOR MOTE)
Billings

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

not stripped in DLR.

August 2, 1951

Memorandum

Re: DMA-866X
Hamilton Consolidated Mines Corporation
Lead
Exploration loan

To: Production Expansion Division

From: Chief, Lead-Zinc Branch

Subject: Application DMA-866X submitted by the Hamilton Consolidated Mines Corporation
Room 201, 200 Davis Street
San Francisco, California - not on Form MF-103.

The attached application in the form of a letter with an accompanying report was submitted by the above company March 6, 1951, in response to a press release issued by the Department of the Interior Information Service, February 20, 1951.

At the time the application was submitted Form MF-103, "Application for Aid for an Exploration Project", had not yet been issued. Furthermore, Form MO-5 issued April 6, 1951, states under Section 3 "Applications filed prior to the effective date of this regulation, if sufficient, will be treated as though filed on the prescribed form".

The information submitted by the applicant, together with that contained in the field team report is sufficient to complete the contract. It is, therefore, recommended that this application be approved without requiring the company to resubmit its application on Form MF-103.

T. P. Billings, Chief
Lead-Zinc Branch

Attachment

Approved:

Director, Supply Division

EJLyons:emp
G 8-1-51
Copies t;: H. C. Miller, Region III (2)
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

FILE COPY
SURNAME:

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

Lyons (E. TM)
McKnight
Billings
O'Leary
(F. R. Mote)

July 24, 1951

Re: Docket DMA-666
Rocco Homestake Mine
White Pine County, Nevada

Hamilton Consolidated Mines Corporation
Room 201
200 Davis Street
San Francisco 11, California

Gentlemen:

Before the consideration of your application can be completed, some further information is necessary.

Six copies of existing lease agreements are required in order to show the right of the applicant to hold and use the property concerned in the application.

Also, six copies of "Landlord's Subordination Agreement" are required for which seven copies of Form MF-202 are enclosed. Please have these agreements executed, send six to this office and keep one for your files.

Upon receipt of the required documents, the consideration of your application will go forward.

Very truly yours,

T. P. Billings, Chief
Lead-Zinc Branch

Enclosures 7
EJLyons:emp
G 7-24-51
Copies to: H. C. Miller, Region III (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records Unit
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

McKinney
O'LEARY (FOR MORE)
6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-866X

To: Production-Expansion Division

Commodity Lead

From: Director, Supply Division

Total Amount $25,000

Govt. Participation 50% ($12,500)

1. Name and Address of Applicant (Hamilton Consolidated Mines Corporation, Hamilton Consolidated Mines Corporation

Room 201, 200 Davis Street, San Francisco 11, California

2. Location of Property Rocco Homestake mine about 45 miles east of Eureka, White Pine County, Nevada

3. Mineral or metal Lead-silver Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See report by field team

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? (question 5, 6, 7)* Yes (see field team report, p. 2)

6. If applicant is a lessee, is a copy of the lease attached? No - has been requested

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Has been requested of applicant

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Very little manpower required for the program as proposed by field team

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* See attached

e) Power (question 13)* See attached

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? See report of field team, page 2

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes, (see pp.6-7, field team report)

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes (see Figs. 4 and 5, field team report

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

8. (d) Information is not given by either applicant or field team as to the source and quantity of water available for operations, but from supporting data accompanying applicant's statements it appears that during the most recent operation, water for diamond drilling was hauled to the mine opening by truck tank. Since there was at a much earlier date, a sizeable town called Hamilton, there must have been some nearby source of water for the residents.

(e) The source of power is not stated, but for the small-scale operation herein proposed, it can readily be supplied by Diesel engine.

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes, in field team proposal

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? see field ~~team report~~ If so, attach a draft.

e) Are the cost estimates reasonable? See ~~reverse side~~ attached comment

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? Done

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? No

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

10. (e) Estimates of applicant are $7,000.00 higher than the proposal by the field team. The opinion of this reviewer, who has knowledge of mining conditions in the area, is that a slight revision upward is in order, as follows:

1.	Crosscutting on 435 level, 100 ft. at $22/ft..	$ 2,200.00
2.	Preparation, two drill stations.....	500.00
3.	Diamond drilling 2000 ft. at $8.00/ft.....	16,000.00
4.	Supervision and engineering.....	1,500.00
5.	Shaft repair.....	1,400.00
6.	Operating labor and supplies,.....	2,300.00
7.	Clerical expense.....	500.00
		$ 24,400.00

This approximates the figure proposed by the Executive Officer of the DMA Field Team, namely..... $ 25,000.00

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes, repair of shaft only

b) Sufficient data? _____

c) Reasonable? _____

d) Field check needed? Field team has reported

15. In your judgment, can the proposed work be done in the proposed time? Yes, if done before winter

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.
See report of field team

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? _____

Reviewed by: Erwin J. Lyons, - GS

Reviewed as to questions 8, 10 (c-g), 11 - 16, by F. W. Hanson, DMA 7-19-51

Date 7-20-51

Approved Ian Lyon

INT.-DUP. SEC., WASH., D.C. 99009

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

Office of
Executive Officer
DMA Field Team
Region III

1415 Appraisers Bldg.
630 Sansome Street
San Francisco 11, Calif.

June 20, 1951

Air Mail

Memorandum

To: Tom Lyon, Director, Supply Division,
Defense Minerals Administration, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: Docket DMA-866--Application of the Double O Mining Corp.,
200 Davis Street, San Francisco 11, Calif.

Reference is to your subject memorandum dated March 30, requesting an examination be made of subject property to determine if the exploration project has merit.

Attached are four copies of a report entitled "DMA-866, Rocco-Homestake Mine, White Pine County, Nevada, (Lead)," by Roscoe M. Smith and David C. Arnold, Geologists, U. S. Geological Survey, dated June 13, 1951.

The applicant proposes in his application that six holes be drilled to explore the ore possibilities in blocks D and E. The examining geologists do not feel that block D is promising for exploration because the ore in that block has been largely stoped out. On the other hand, the geologists recommend that five drill holes be put down in block E, and this will necessitate the driving of two short crosscuts to provide drill stations. The original cost estimate made by the applicant was $30,000, and the examining geologists believe the alternative exploration can be accomplished for about $23,000. They recommend that the Defense Minerals Administration enter into a contract with the applicant on a matching fund basis for that amount to cover the cost of the exploration of block E as they propose.

This afternoon Mr. Albert S. Simrak, General Manager of the Double O Mining Corp., and Mr. Thos. S. Robinson called at the office, and I discussed the geologists' proposal with them. Although they seemed fairly well satisfied with the results of the examination and the geologists' conclusions, it was their thought that the geologists' cost estimate was a bit on the conservative side. For example, Item 4 of Cost (page 7), Supervision and engineering, Mr. Simrak estimates a

reliable engineer will cost $600 a month, or $1800 for three months. This is $700 more than the geologists estimated. As for Item 6, Operating labor and supplies--3 months, it was estimated that Diesel oil to run the compressors will cost $25 per week; gasoline to operate two trucks and the hoist $18 per week, and lubricating oil $2.00 a week, or a total of $45 per week. There will also be some other incidentals and supplies.

From our discussion it was concluded that if possible an offer should be made to boost the geologists' estimate to about $25,000. Mr. Simrak assures me that he is not interested in trying to spend more than is absolutely needed to do the work outlined by the geologists, and if the work can be done for less than $25,000, he will do it. He would like, however, to have his contract made out for $25,000.

The company is prepared to start work immediately.

Docket DMA-866 is being returned herewith.

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

Attachments (Docket file)

Copy to: Ward Smith, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

ON-SITE RPT.

DMA-866, Rocco-Homestake Mine, White Pine County, Nevada

(Lead)

Roscoe M. Smith and David C. Arnold, Geologists
U. S. Geological Survey

June 13, 1951

CONTENTS

	Page
Introduction	1
Location and accessibility	2
History and ownership	2
Geology	3
Ore deposits	4
Proposed exploration	6
Costs	7
Conclusions and recommendations	7

ILLUSTRATIONS

Figure 1. Index map of Nevada showing location of White Pine district, Nevada.

Figure 2. Geologic map of the White Pine district, White Pine County, Nevada.

Figure 3. Geologic sketch map of the 300 level, Rocco-Homestake mine.

Figure 4. Geologic sketch map of the 400 level, Rocco-Homestake mine.

Figure 5. Section along line A-A', Rocco-Homestake mine.

DMA-866, Rocco-Homestake Mine, White Pine County, Nevada

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The Hamilton Consolidated Mining Corporation of San Francisco has applied for an exploration loan of $30,000 to be used for a drilling program at the Rocco-Homestake mine, White Pine district, Nevada, Docket DMA-866. The objective of the drilling program is to explore faulted blocks of ground that may contain continuations of ore bodies stoped on the upper levels.

The Field Team, Region III, on April 12 referred the application to the field to determine if the exploration project has merit.

The ore deposits are in dolomite that strikes northwestward and dips 10°-35° NE in the mine area. The ore was localized along a favorable bed in the dolomite, and is commonly associated with thin, persistent quartzite members. The ore bodies mined on the upper levels were as much as 150 feet wide and one was mined for 400 feet down dip; the thickness of the ore stoped ranged from one foot to as much as 5 feet. By selective mining and careful sorting the grade was maintained at about 60 percent lead and 10 oz. silver to the ton. The total production is about 12,000 tons valued at about $600,000.

The applicant proposes that 6 holes be drilled to explore the ore possibilities in blocks D and E. The Geological Survey does not believe that block D south of the shaft between the Rocco and Canyon faults is a promising block for exploration, because the ore has been largely stoped from the block.

The ore layer is remarkably persistent through the stoped area, however, and it is felt that chances are good that it will extend down dip from the

present workings. It is accordingly suggested instead that drilling be done in the hangingwall of the Shaft fault in block E. Five drill holes are suggested to explore the block. Two crosscuts into the hangingwall of the Shaft fault will be required to provide for diamond drill stations.

The applicant originally estimated that $30,000 would be needed to accomplish the exploratory work. As the original exploratory program has been revised, the cost of the revised program was calculated; it is estimated that the proposed exploratory work can be done for about $23,000. It is accordingly recommended that the Defense Minerals Administration enter into a contract with the Hamilton Consolidated Mining Company on a matching-fund basis to do the proposed exploratory work at the Rocco-Homestake mine.

REPORT OF EXAMINATION BY FIELD TEAM

REGION III

DMA-866, Rocco-Homestake Mine, White Pine County, Nevada

INTRODUCTION

Docket DMA-866, Rocco-Homestake mine, White Pine County, Nevada proposes a drilling program to explore faulted blocks of ground that may contain continuations of ore bodies stoped on the upper levels.

In response to a request from the Lead-Zinc Branch, dated March 30, 1951, to determine if the exploration project had merit, Roscoe M. Smith, David C. Arnold, and Ralph J. Roberts visited the property on May 19-23. The geology in the mine area was studied with Fred Humphrey, consulting geologist for the company. Enough underground mapping was done to check the maps submitted with the docket, and the recent underground workings were sketched. Mr. Humphrey has recently completed an areal geologic study of the Hamilton area. A report and map on this area are scheduled for publication soon by the Nevada Bureau of Mines. Mr. Humphrey very kindly loaned his manuscript map to the Geological Survey; a tracing of the geology in the central part of the district was made and is reproduced as figure 2 of this report. The authors wish to acknowledge his wholehearted cooperation and their debt to him for many constructive ideas. In addition, Mr. Simrak and Mr. Anderson did much to aid field work.

Reports by Mr. Humphrey and Thos. S. Robinson submitted with the docket were used in preparation of this report.

Location and accessibility

The Rocco-Homestake mine is in White Pine County, Nevada in the White Pine district about 45 miles from Eureka, Nevada (fig. 1). Except during the winter and during wet months, the property is easily accessible and can be reached by partly graded dirt roads from Highway 50.

History and ownership

The White Pine district, White Pine County, Nevada was one of the noteworthy bonanza camps of the West. From 1867 to 1887 the production is estimated to have been as much as $22,000,000. The production of silver from argentite ores on Treasure Hill at times was so large that it affected world markets, but the ore deposits were shallow and were quickly exhausted. West of Treasure Hill a series of lead deposits were found. These became known as the "lead belt"; the Rocco-Homestake mine is in this belt and is reported to be the most productive property; from 1898 to 1905 the property yielded about 12,000 tons of lead carbonate ore valued at about $600,000.

The Rocco-Homestake property is owned by Carl F. Muir of Ely, Nevada. It is leased to Fred E. Anderson of Ely, Nevada who has assigned his lease to the Hamilton Consolidated Mining Company, 200 Davis Street, San Francisco, California, A. S. Simrak, General Manager. This company has several other mining properties, but no operating mines. The company plans to retain Fred L. Humphrey of Stanford University as consulting geologist, and Robert Prince of Reno, Nevada as engineer. Both men are well known and have good reputations. Mr. Simrak plans to put Mr. Humphrey and Mr. Prince in charge of the proposed exploration program.

GEOLOGY

The ore deposits of the Rocco-Homestake mine are in the Lone Mountain dolomite of Silurian age. In the mine area this formation has been divided into 5 units by Fred Humphrey:

Section of Lone Mountain dolomite in Hamilton district

		Approx. thickness in feet
Top Nevada limestone		
Lone Mountain dolomite		
Unit 5	dolomite, dark and light gray, thin bedded and locally mottled	350
Unit 4	dolomite, light gray, coarse grained	200
Unit 3	dolomite, upper 30 feet light to dark gray, fine to medium grained; 8 inch quartzite bed 20 feet below top. Lower 300 feet porcellaneous, fine grained, light gray dolomite	330
Unit 2	dolomite, medium to dark gray, fine grained	500
Unit 1	dolomite, light gray, coarsely crystalline	500

The ore bodies that have been mined are closely associated with the quartzite layers at the top of unit 3. The quartzite layers are thin, but remarkably persistent, and one or the other could be found in most of the stopes examined. The quartzites are therefore most important marker beds and will be helpful during drilling to assist in determination of the boundary between units 3 and 4.

The rocks in the mine area have been complexly faulted and tilted. The average strike in blocks A and B (fig. 3) is N. 60° W. and dip is 15°-25° NE; locally near the bottom of the incline in block A the strike is northeastward and the dip is northwestward. In block D in the stopes the strike is N. 20°-40° W. and the dip is 30°-35° NE; on the 340 level the strike is N. 20° E. and dip 10°-20° NW. These differences in dip appear to be largely due to tilting on faults.

Two main sets of steeply dipping faults were mapped underground: a northward-trending set and a northwestward-trending set. The Canyon and Rocco faults belong to the northward-trending set. The Canyon fault at the bottom of the main incline dips steeply westward, but is reported to dip eastward in the north part of block A. The Rocco fault dips westward where seen in the Rocco stope. Blocks C and D between these faults are graben, but probably they are dropped only 30 to 50 feet judging from the amount of displacement of the ore bed in adjoining stopes. The Muir and Shaft faults belong to the northwestward-trending set; the Shaft fault dips 50° NE on the 340 level; it appears to be a spur off a steeper fault or to steepen downward (fig. 5). From surface exposures, the movement on the Shaft fault is estimated to be about 200 feet of normal displacement. The faulting appears to be pre-mineral, but there is post-mineral movement on most structures.

Ore deposits

The ore bodies that have been mined follow bedding for the most part but locally extend out along steep faults (fig. 3). The ore along bedding is generally associated with the thin quartzite beds near the top of unit 3 and replaces a favorable dolomite bed.

The ore bodies were stoped for a strike length of 150 feet and down dip for 400 feet. The average thickness of the stoped bodies ranged from 1 to 5 feet. Galena, anglesite, and cerrusite are the ore minerals. The grade of the ore was reported to be high, and was selectively mined and sorted to give a product containing about 60 percent lead and 10 oz. silver to the ton.

As indicated on figure 3, the ore has been stoped from blocks A, B, and C. The stopes are by no means as continuous as is indicated, but possibly 60 to 70 percent of the ruled area has been stoped, and 30 to 40 percent of the ground left as pillars.

The ore in blocks C and D was stoped upward from the 340 level. At several places in the stopes the quartzite at the top of Unit 3 can be found, indicating that the ore was at the same stratigraphic position as the ore in stopes A and B [1/]. The ore in blocks C and D has been stoped more extensively

---

1/ Note: Robinson (see report accompanying Docket DMA-866, p. 8) mentions that "block C . . . is composed of segments of ore dragged down from the 300 foot horizon . . ." On page 9 he quotes Humphrey and states that "block D is . . . dropped several hundred feet from its original position." In our opinion there is no evidence for this conclusion; blocks C and D are parts of the same structural unit.

---

than indicated in the maps accompanying the application and possibly most of the minable ore shown as present in the block has been stoped. At any rate, the block has been explored by many raises and cross cuts, and it is unlikely that sizeable ore bodies exist in the block.

No ore was seen on the 400 level and it is fairly certain that the area southwest of the shaft fault is below the quartzite marker bed and in the lower part of unit 3.

PROPOSED EXPLORATION

The applicant proposes that 6 holes be drilled in block D south of the shaft to explore a block of ore believed to be downdropped between the Canyon and Rocco faults. As previously mentioned, the Geological Survey geologists do not agree that block D has been downdropped very far, and consider that most of the minable ore has already been stoped. If ore is still present in the block, it can easily be explored and mined from existing openings. A short segment of the ore bed may be present below the 335 level crosscut (fig. 5), but it is inferred that it would be cut off by the spur of the Shaft fault shown east of the 335 level crosscut; the ore bed is not likely to be present east of the fault in the hangingwall block.

Although the exploration of block D does not seem promising, exploration in another area is suggested. The most promising area underground for future exploration is considered to be block E in the hangingwall of the Shaft fault, (figs. 3, 4). The position of the ore layer in this block is not definitely known, but may be from 150 to 400 feet below the 435 level. On section A-A' (fig. 4) the layer is indicated at a depth of 250 feet.

In order to explore block E, it is suggested that two crosscuts be extended into the hangingwall block, one from the shaft 50 feet N. 30° E., and another 50 feet S. 70° E. from a point 140 feet east of the shaft (fig. 5).

From these crosscuts diamond drill holes could be put down to determine whether the ore layer is present in the block, and how far the layer is below the surface. It is suggested that 5 holes be drilled to cut the ore layer at various places northeast of the fault. The suggested locations of the holes are indicated on figure 5. To insure adequate exploration of block E, 2,000

feet of diamond drilling is planned; this will allow 400 feet per hole if required. The program is subject to modification in case new information is obtained while driving the crosscuts and during drilling.

Costs

The following costs of the exploratory program were estimated after consultation with contractors familiar with the Rocco-Homestake ground:

1.	Crosscutting on 435 level, 100 feet @ $20.00 a foot	$2,000
2.	Preparation of 2 drill stations	400
3.	Diamond drilling 2,000 feet @ $8.00 a foot	16,000
4.	Supervision and engineering	1,100
5.	Shaft repair	1,400
6.	Operating labor and supplies - 3 months	2,100
		$23,000

CONCLUSIONS AND RECOMMENDATIONS

After study of the underground and surface geology at the Rocco-Homestake, it is concluded that the ore bed has been downfaulted north of the shaft. The bed is believed to be between 150 and 400 feet below the 435 level on the hangingwall of the Shaft fault. Diamond drilling seems to be the most logical way to test block E and determine if the ore bed is present and the extent of the ore.

As it is considered that the drilling project in block E at the Rocco-Homestake mine has merit, and that there is hope of discovery of new, high grade lead ore bodies, it is recommended that the Defense Minerals Administration enter into an exploration contract with the Hamilton Consolidated Mining Company. It is recommended that the DMA advance $11,500 as its share of the money needed to do the proposed exploratory work.

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS ADMINISTRATION
NO. 866

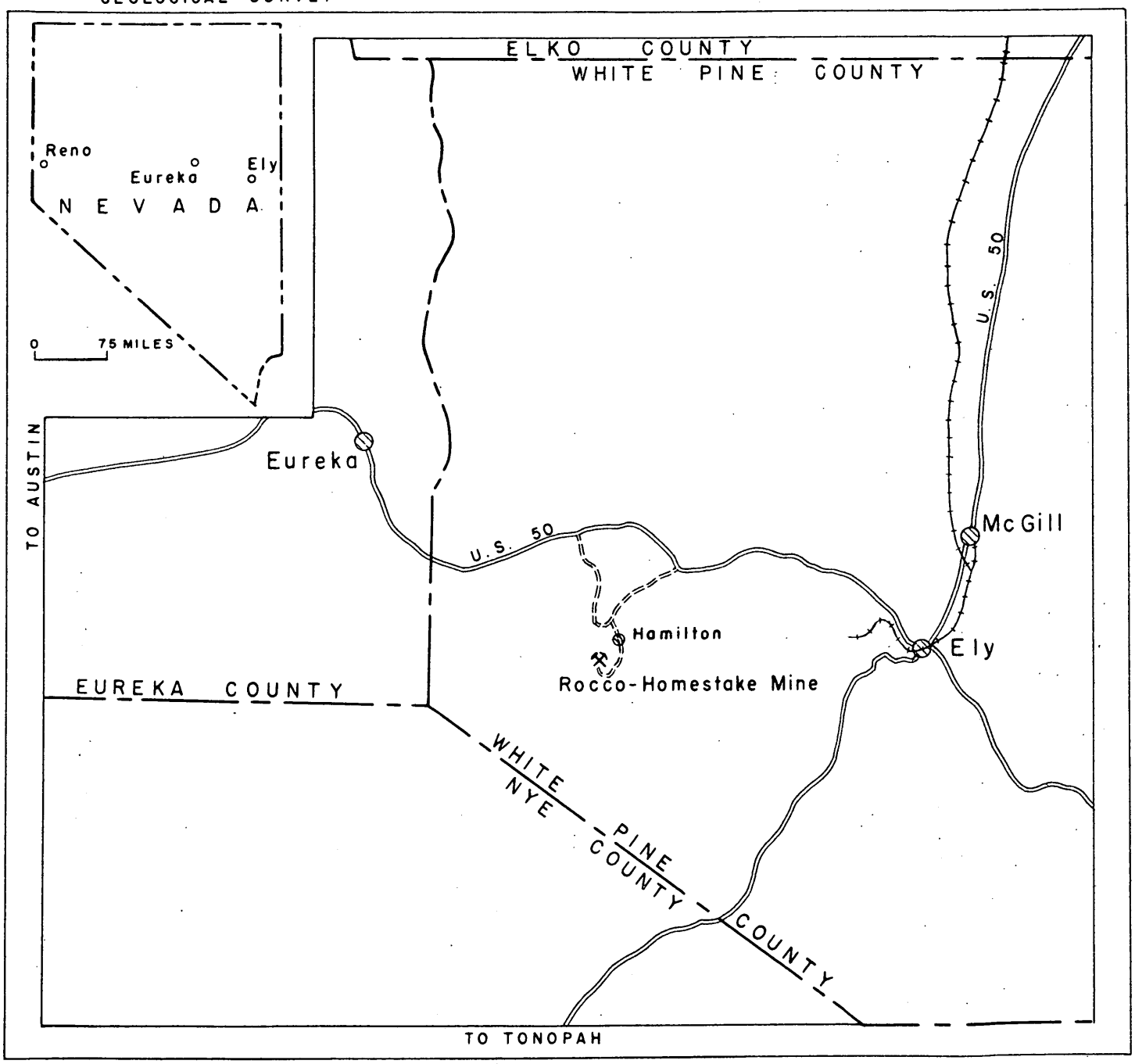
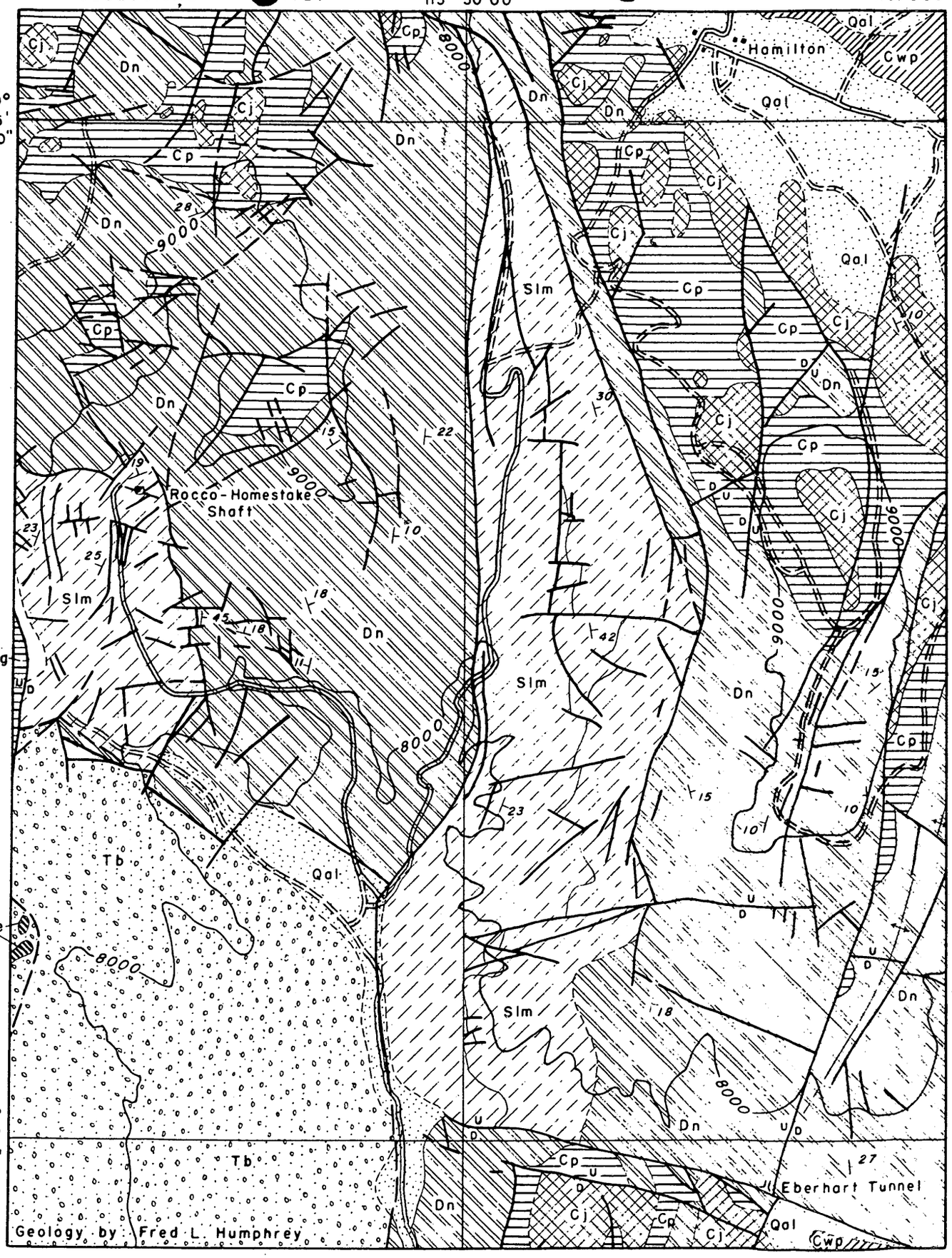


FIG. 1 - INDEX MAP OF NEVADA

0 10 20 30 MILES



EXPLANATION

QUATERNARY
- Qal — Alluvium

TERTIARY
- Tb — Belmont fanglomerate

CARBONIFEROUS (Mississippian)
- Cwp — White Pine formation
- Cj — Joana limestone
- Cp — Pilot shale

DEVONIAN
- Dn — Nevada limestone

SILURIAN
- Slm — Lone Mountain dolomite

ORDOVICIAN
- Oe — Eureka quartzite

CAMBRIAN
- Cg — Goodwin formation

Contact, dashed where approximately located

Fault, dashed where approximately located (U, upthrown side; D, downthrown side)

Anticline

Strike and dip of beds

FIG. 2 - GEOLOGIC MAP OF PART OF THE WHITE PINE DISTRICT, NEVADA

0 1000 2000 3000 4000 FEET

Contour interval 1000 feet

TRUE NORTH
MAG NORTH
18°

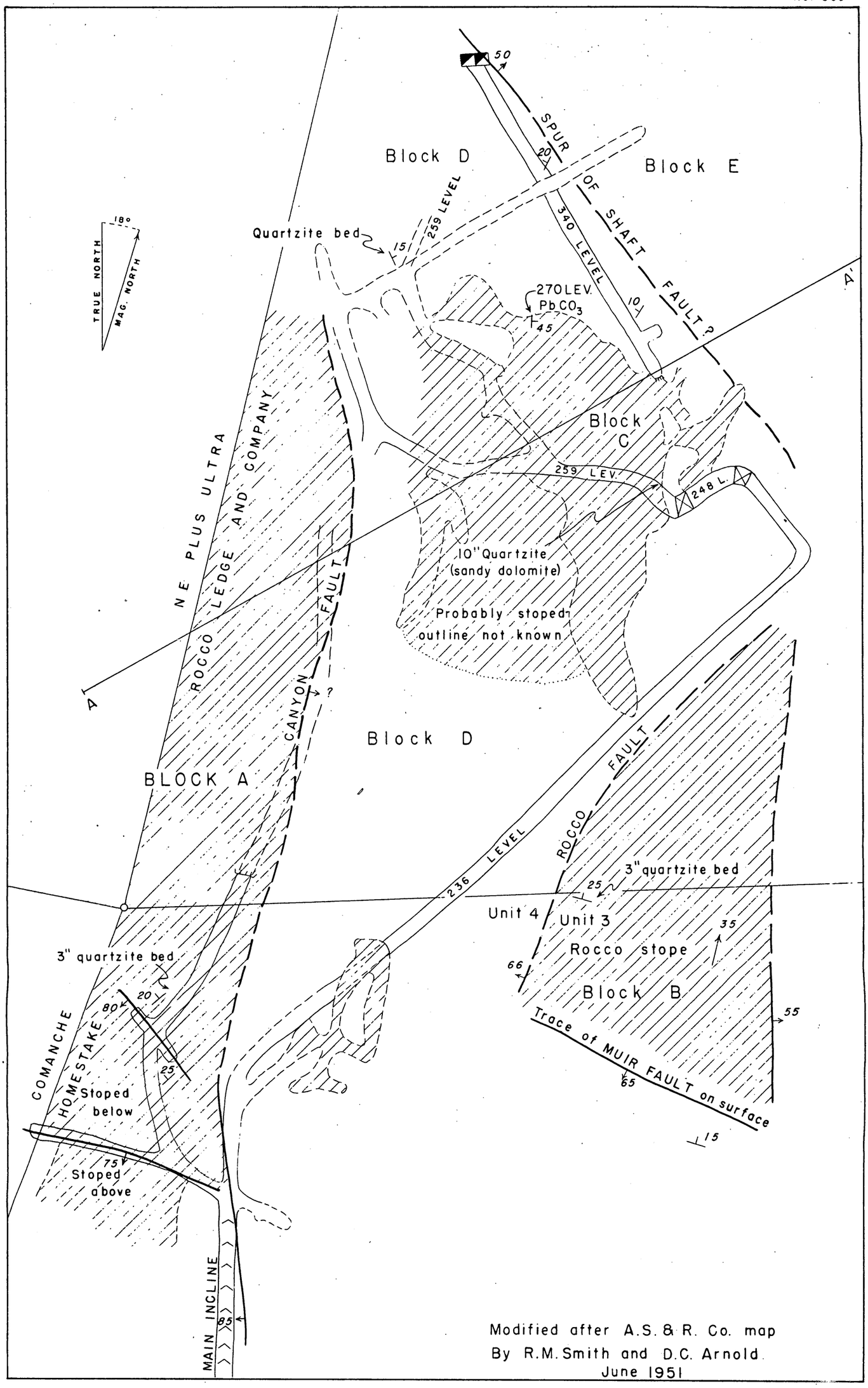


FIG. 3 - GEOLOGIC SKETCH MAP OF THE 300 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

0 20 40 60 80 100 FEET
Scale

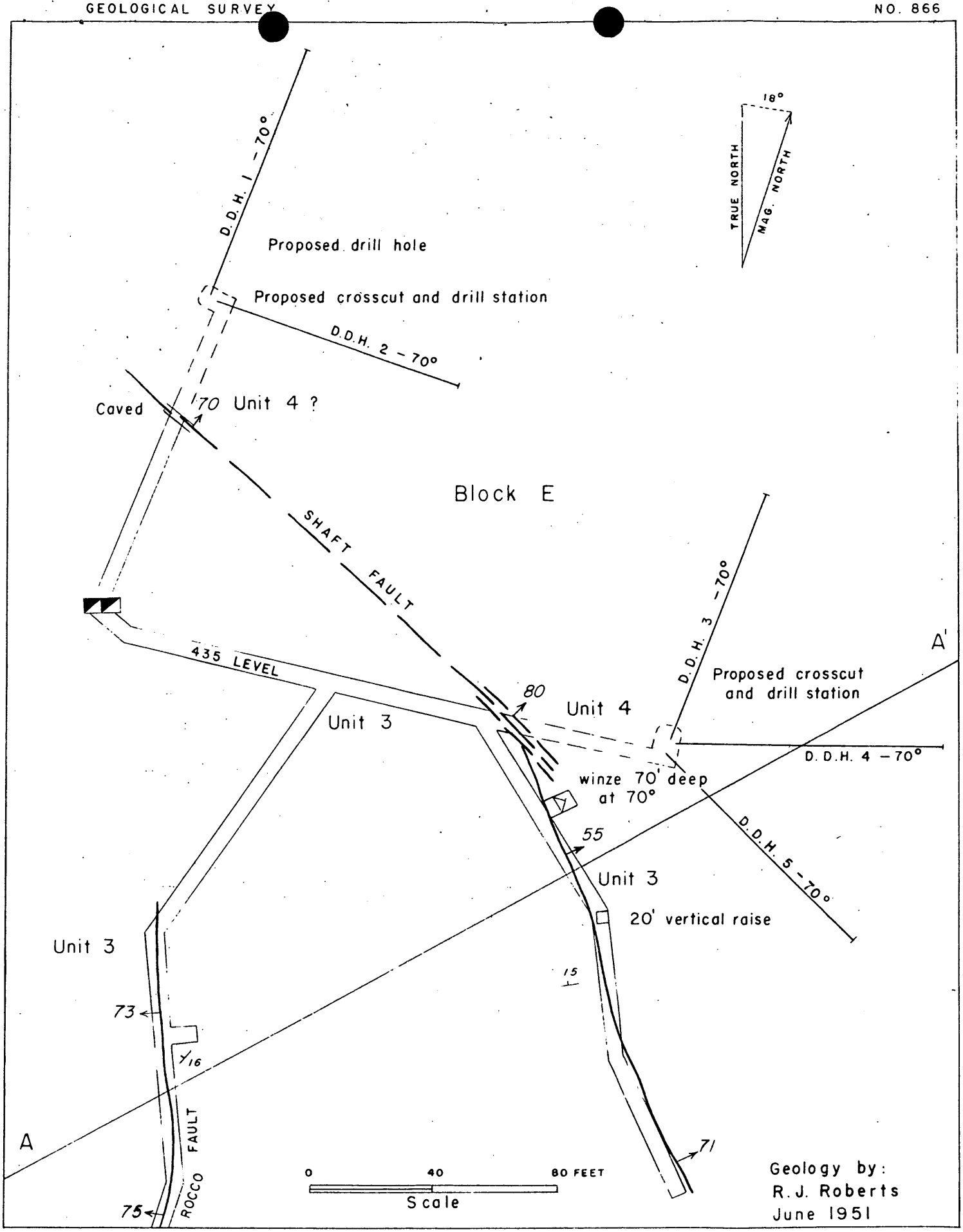


FIG. 4 - GEOLOGIC SKETCH MAP OF THE 400 LEVEL, ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEVADA

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION APR 12 1951
WASHINGTON 25, D. C.

ALBrokaw
McKnight
Herres
Mote

In reply please refer to DMA-866

Mr. Albert S. Simrak, General Manager
Double O Mining Corporation
200 Davis Street, Room 201
San Francisco 11, California

Dear Mr. Simrak:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development and mining of strategic minerals and metals. Where an applicant has proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc, lead and copper deposits it will be necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be canceled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (DMA-866) for financial aid indicates that your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal, we believe that the program will apply to the total amount of your application, $30,000.00.

Before we can proceed further with consideration of your proposal, which may or may not require a field examination, please complete the formal application forms and return them to the Defense Minerals Administration. Any modification of your original proposal that you may wish to make will be considered, but you should be specific concerning the work you wish to undertake.

Very truly yours,

ALBrokaw:emp
G 3/30/51

Copies to: 2 copies to H.C.Miller
Region III

OTTO HERRES, Chief
Lead-Zinc Branch

Chief, Lead- Zinc Br
E.T. McKnight
L. B. Moon
R. H. Mote
L. F. Strobel

Enclosures

C. O. Mittendorf
Files

FILE COPY
SURNAME:

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

McKnight
Kerrs
Mayrell
Lyon
Moon

April 2, 1951

Re: Docket DMA-866

Mr. Albert S. Simrak, General Manager
Double O Mining Corporation
200 Davis Street, Room 201
San Francisco 11, California

Dear Mr. Simrak:

The application (DMA-866) submitted by you for Government assistance to explore the Rocco-Homestake Mine, White Pine County, Nevada, has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration and has been referred to Mr. Harold C. Miller, 1415 U. S. Appraiser's Building, San Francisco 11, California, for further information and advice.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

ETMcKnight:emp
G 4/2/51
Copies to: 2 copies to Exec. Officer,
H. C. Miller, Region III
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
C. O. Mittendorf
Files

FILE COPY
SURNAME:

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

H. C. Miller

March 30, 1951

Memorandum

To: Executive Officer Field Team, Region III
Through: Coordinating Committee and Director, Supply Division

From: Lead-Zinc Branch, D.M.A. Re: Docket DMA-866

Subject: Application of the
Double O Mining Corporation
200 Davis Street
San Francisco 11, California

The Double O Mining Corporation has signified that the corporation is prepared to undertake immediately, with the Government participating on an equal basis, an exploration program at the Rocco-Homestake mine, White Pine County, Nevada. The tentative cost of the program is $30,000.

Various reports on the property are included with the docket. The Hamilton Consolidated Mines Corporation has spent over $10,000 during 1950 for equipment, repairs and preliminary drilling.

The Lead-Zinc Branch recommends that an examination be made of the property to determine if the exploration project has merit.

OTTO HERRES, Chief
Lead-Zinc Branch

Approved:
DMA Coordinating Committee

Tom Lyon
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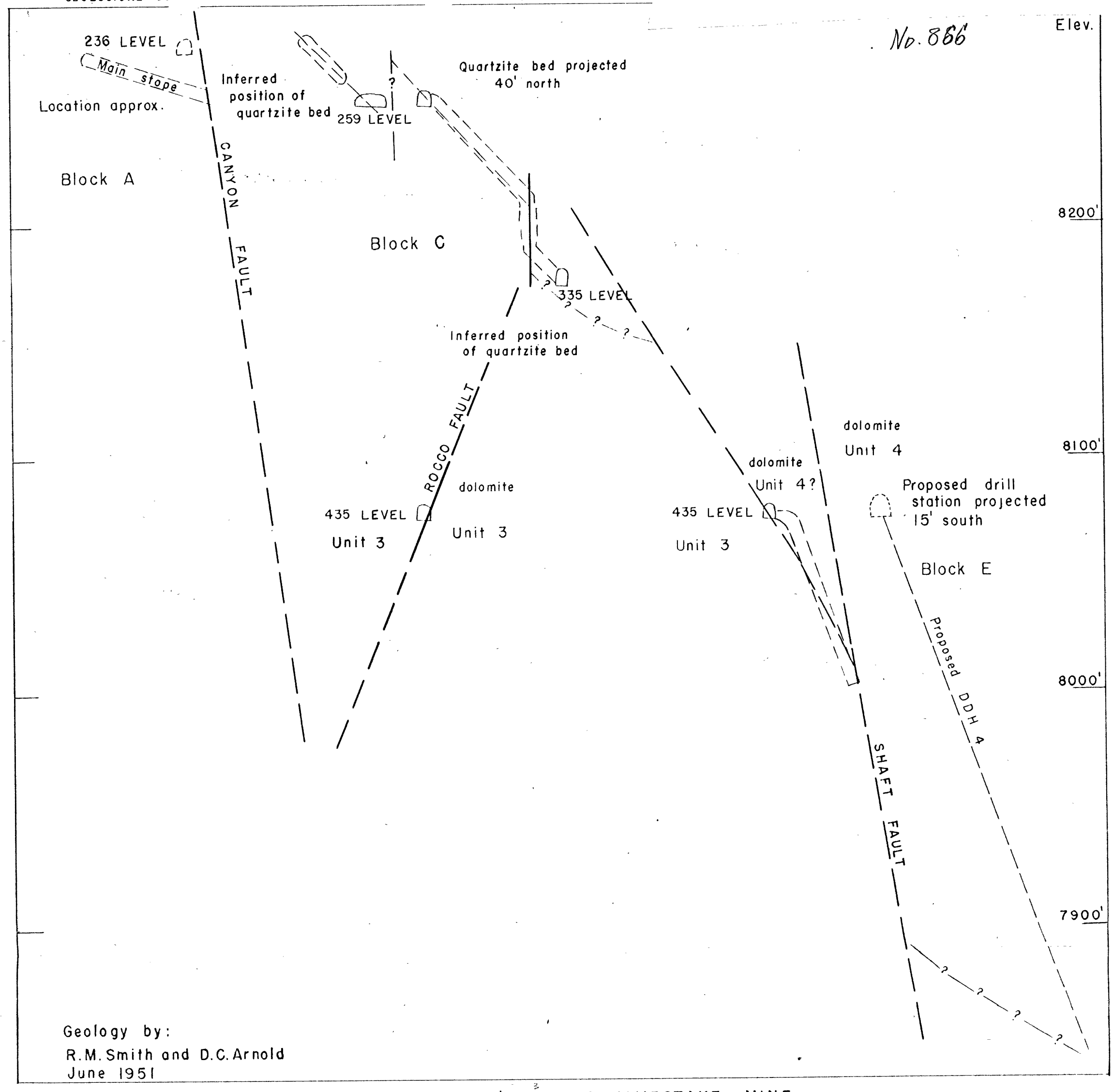
6

No. 866



Geology by:
R.M. Smith and D.C. Arnold
June 1951

FIG. 5 - SECTION ALONG LINE A-A', ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEV.

0 20 40 60 80 100 FEET
Scale

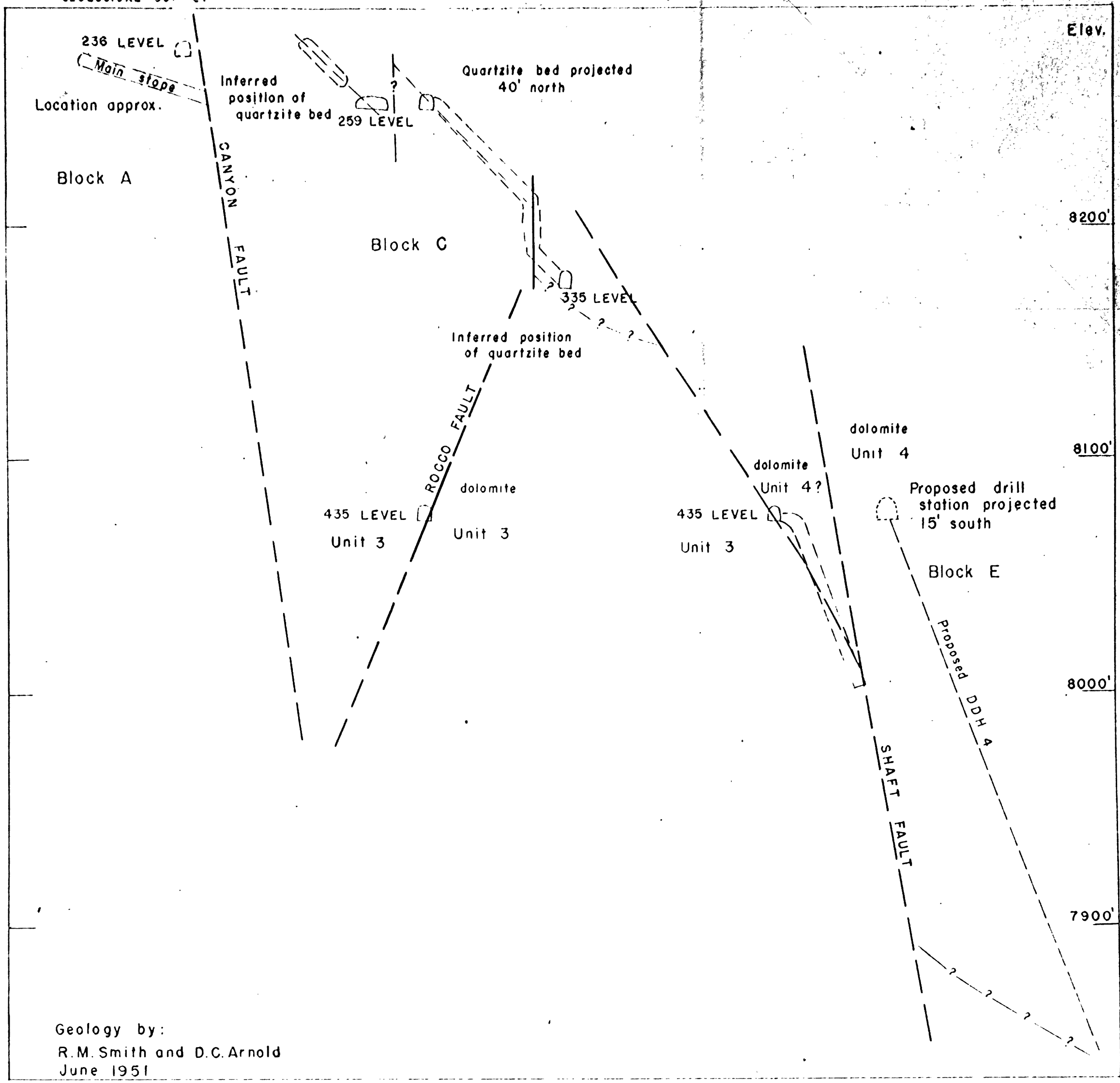


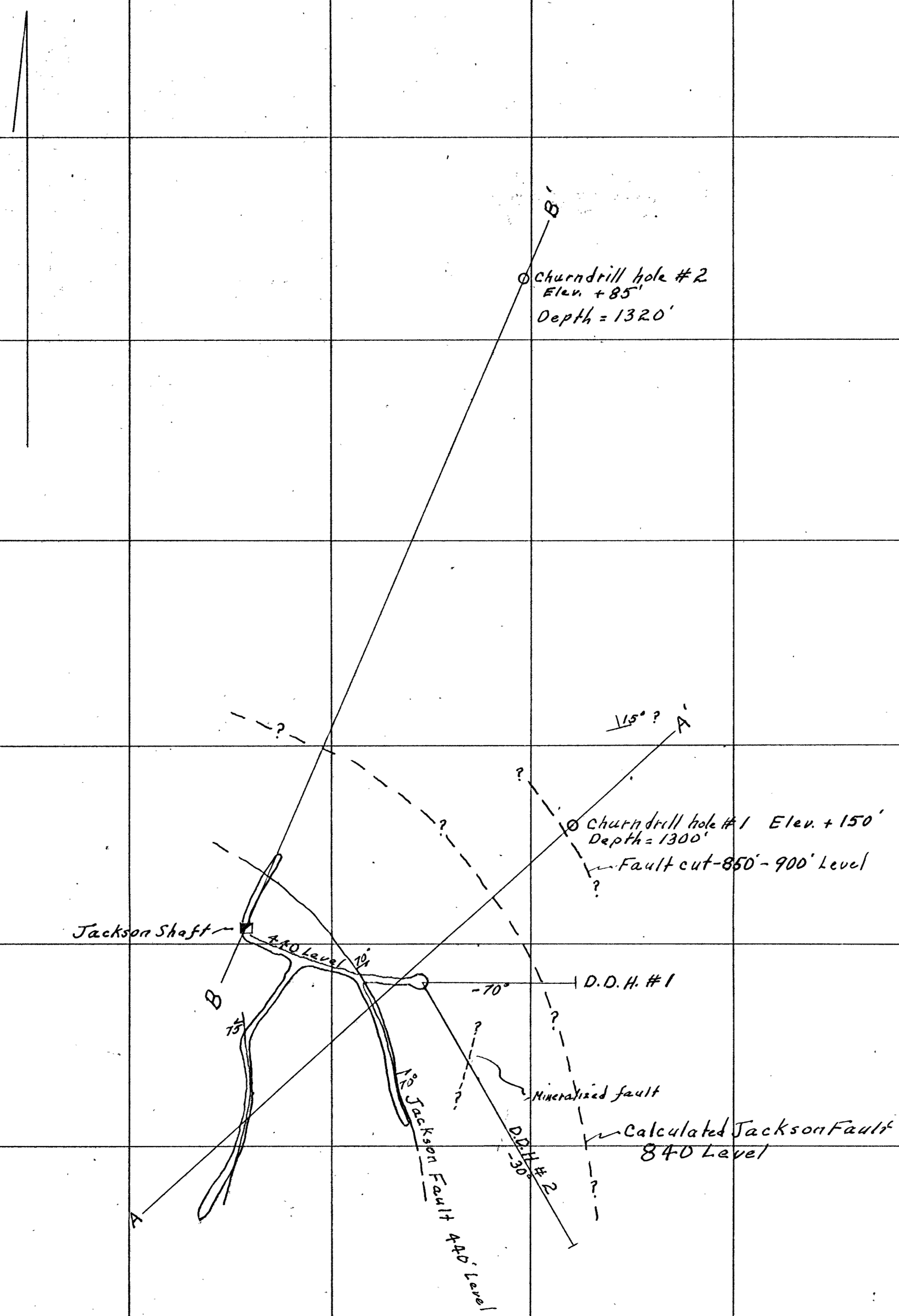
FIG. 5 - SECTION ALONG LINE A-A', ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEV.

0 20 40 60 80 100 FEET
Scale

Rocco - Homestake
Plate 8A

1" = 100'

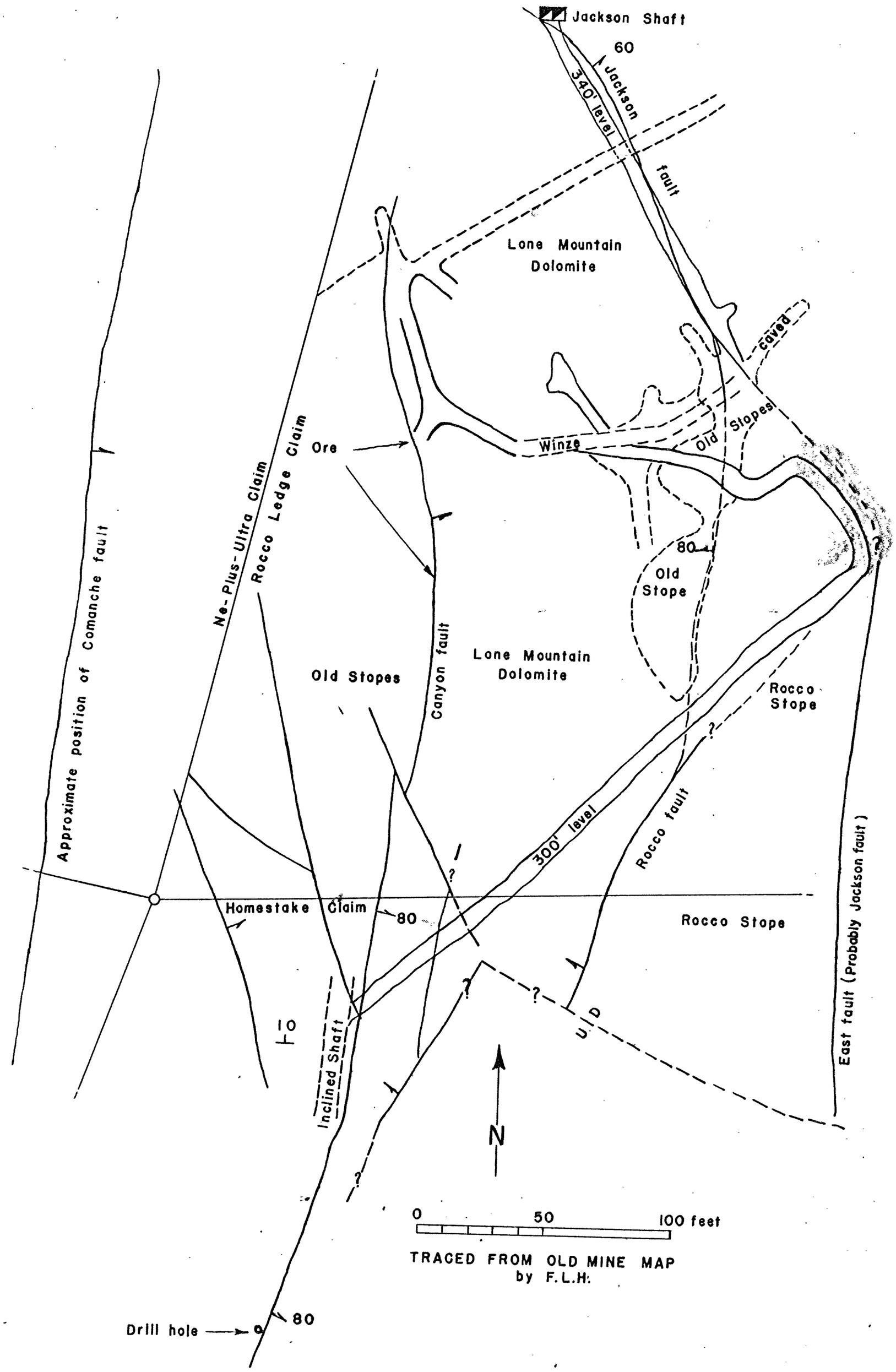
Elevations relative to collar of Jackson shaft



Jan. 6 1954 F.L.H

PLATE 8

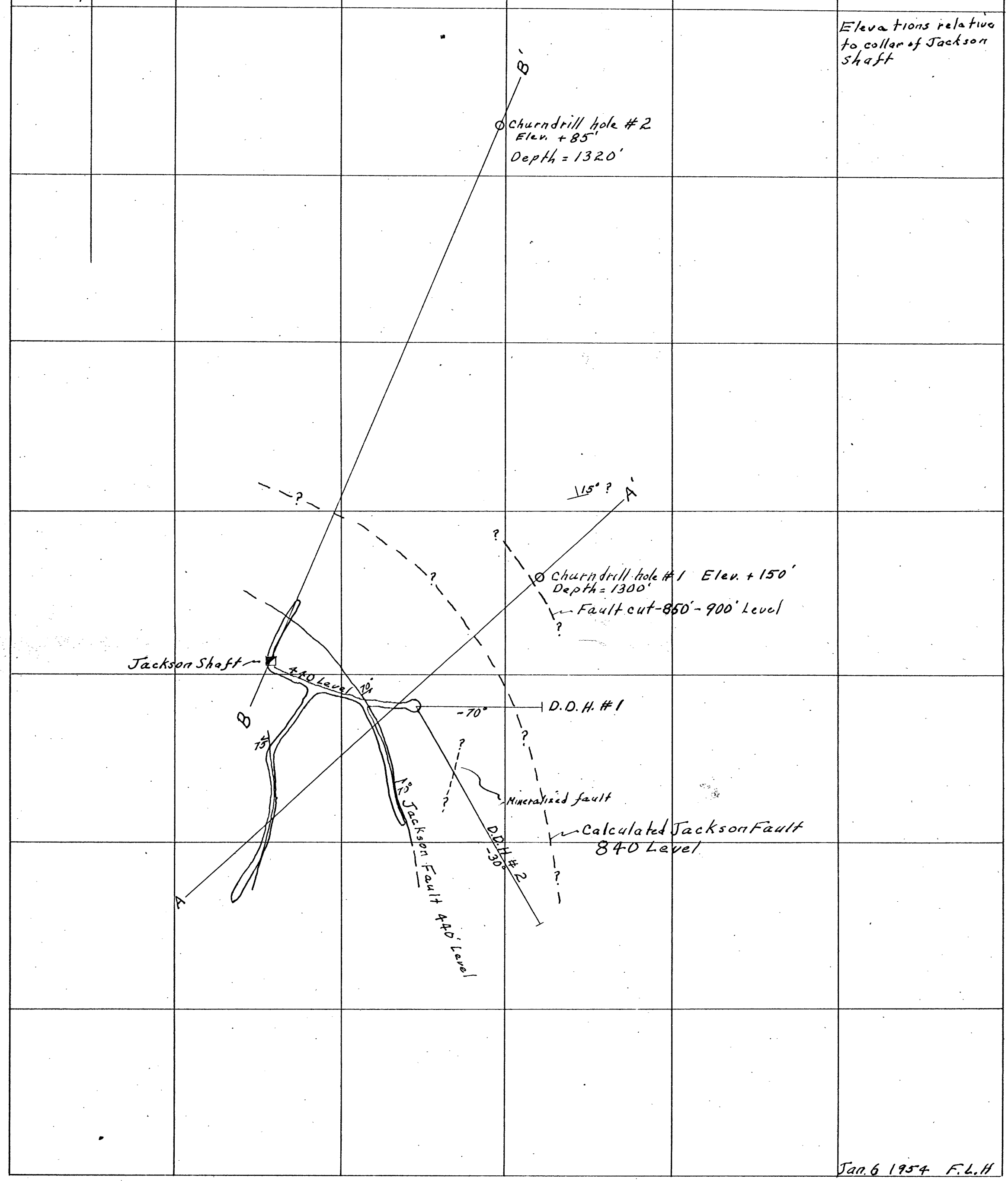
ROCCO-HOMESTAKE MINE



Rocco-Homestake
Plate 8A

1" = 100'

Elevations relative to collar of Jackson shaft



Jan. 6 1954 F.L.H

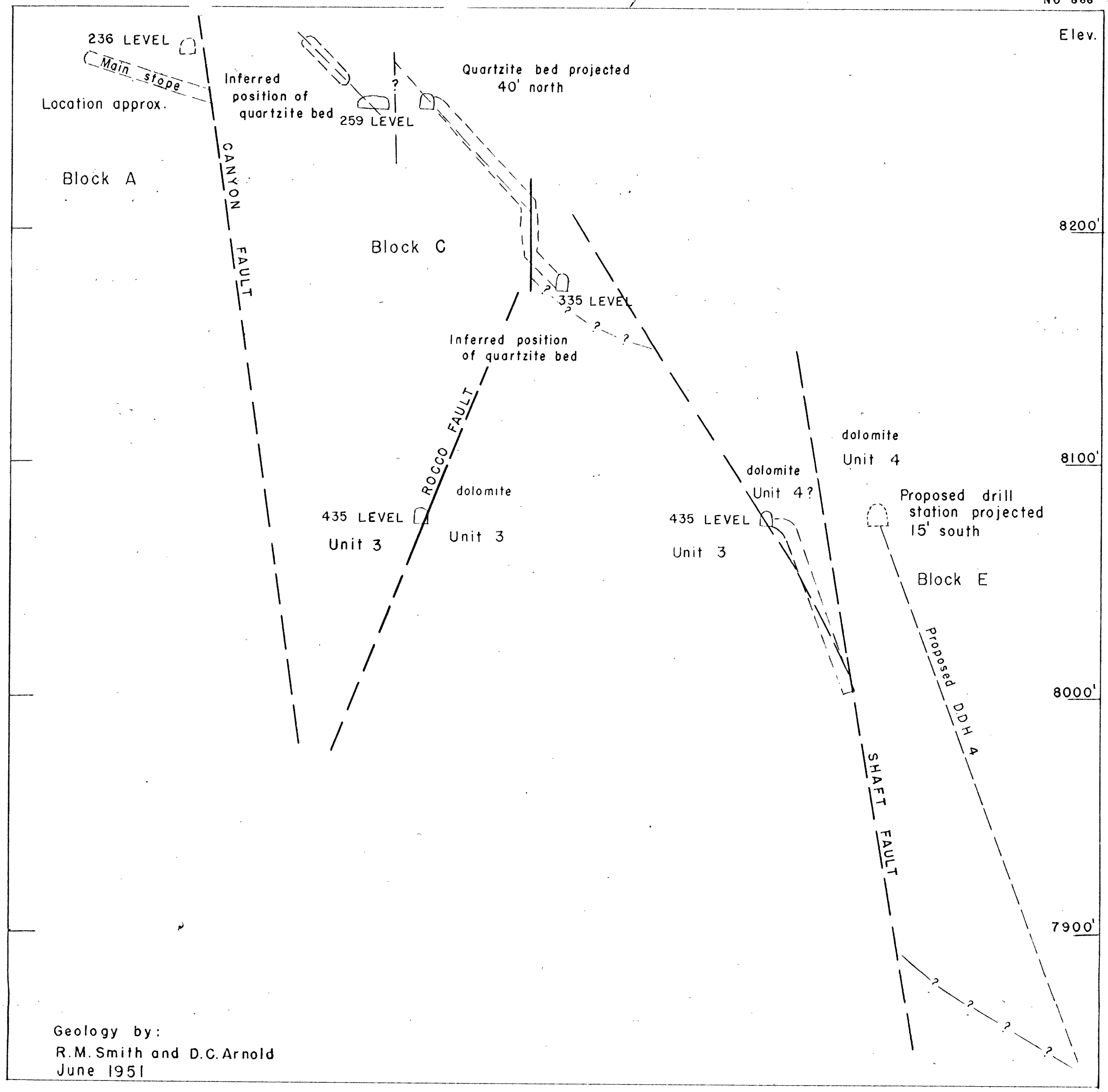


FIG. 5 - SECTION ALONG LINE A-A', ROCCO-HOMESTAKE MINE
WHITE PINE MINING DISTRICT, WHITE PINE COUNTY, NEV.

0 20 40 60 80 100 FEET
Scale