PROJECT SUMMARY REPORT

By: W. P. Klugescheid July 12, 1955

1. Docket No. DMEA-2560 (Copper)
   Contract No. Idm-K385
   Property: Copper King Prospect
   Nye County, Nevada

   Operator: Harold P. Newman
   Ione, Nevada

   Operator's Property Rights: Owner of "Copper King" and "Copper King No. 1" lode claims in Sec. 10, T12N, R39E, about 2 miles south of Ione at an elevation of 7,500 feet.

2. Contract dated August 12, 1952.

   Work Authorized

100 feet of crosscutting @ $27.00/ft.	$2,700.00
40 feet of drifting @ $27.00/ft.	1,080.00
Total estimated cost	$3,780.00
Government's participation 50%	$1,890.00

   Amendments

   No. 1 Dated November 12, 1952

   Extends completion time to January 12, 1953.

   Work Completed

131 feet of crosscutting @ $27.00/ft.	$3,537.00
Government's participation @ 50%	$1,768.50

   Work was terminated January 12, 1953.

3. Audit - Report of Review dated April 7, 1953.

Total cost as billed by the contractor	$3,537.00
No exceptions	
Total accepted cost	$3,537.00
Government's participation @ 50%	$1,768.50

4. Certification of Discovery - none issued.

5. Comments

The progress of the project was delayed due to lack of sufficient labor, however, the quality of the work was satisfactory.

A shaft, presently inaccessible, had been sunk to a depth of 110 feet on a 3 foot gouge zone that forms the contact between andesitic and rhyolitic rocks. A grab sample from a small pile of ore on the shaft dump assayed 14.22% copper, o.015 oz. gold, and 1.20 oz. silver. The source of this ore is unknown but the Operator believed it to be from a winze that was sunk below the bottom of the shaft. A 120 foot crosscut from the surface to the shaft was considered a better method of reaching the winze than the rehabilitation of the shaft.

The most conspicuous structure is the gouge zone on which the shaft was sunk. The dip is uniformly 70° to the southwest, with andesitic rock on the footwall side and rhyolite on the hanging wall side. At the collar of the shaft the fault strikes N 50° W. Down the dip the fault plane curves more to the north so that at a depth of 50 feet it strikes N 10° W. From this point to the bottom of the shaft the strike remains the same.

At the bottom of the shaft this thick fault zone is intersected by another fault that strikes N 20° E and dips 40° west. It is not possible to determine which fault displaces the other.

Evidence of copper mineralization at the Copper King prospect consists of, (1) very thin crusts and stains of malachite along the southeast trending fault exposed on the surface above the adit, (2) copper minerals scattered in the southeast trending drift along the fracture, and (3) a pile of rock agregating about 100 pounds lying on the dump near the shaft collar, containing appreciable chalcopyrite and malachite.

In the fault zone exposed in the shaft, the sheared and brecciated rock contains calcite, barite, and silica that suggest some possible hydrothermal alteration. No primary mineralization was observed, and secondary limonite stains are slight and copper stains are absent. No indication of a mineralized zone could be found in the winze.

The Field Team does not believe that further expenditure of Government money on this project is warranted. A request for further assistance from the Operator was denied.

W.P. Klugescheid

W. P. Klugescheid

WPK/er

Copy to: Docket
Base Metals
Chron.

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

August 24, 1953.

SUMMARY

Rare and Misc. Metals Division

DMEA

Docket No. DMEA-2560
Contract No. Idm-E385
Contract date: August 12, 1952
Commodity: Copper
Contractor: Harold P. Newman
Location of property: Nye County, Old Union Mining District, Nevada
Contract amount: $3,780.00
Government participation $1,890.00 (50%)

Audit Certificate: Dated April 7, 1953
Total cost - $ 3,537.00
Govt.share - $ 1,768.50

Work preparatory to beginning the actual exploration project was started August 28, 1952, and a crosscut from the main drift adit to intersect an abandoned shaft southwest of the adit was begun on September 5, 1952.

The work performed in connection with this exploration project consisted of a single crosscut (approximately 5 x 7 feet in cross-section) driven in a general southwesterly direction from a point 25 feet from the portal of an existing adit to intersect with the abandoned shaft, a distance of 131 feet. No drifting work was performed as provided in the contract. The progress of this project was delayed due to lack of sufficient labor and an extension of 60 days' time (from November 12, 1952, to January 12, 1953) was granted to the Operator by Amendment No. 1 to allow completion of the project.

As no mineralization was shown in the vicinity of the shaft near its intersection with the crosscut, the entire 140 feet of cross-cutting and drifting allowed by the contract was not expended.

On January 16, Mr. Newman made verbal request that the exploration project be terminated, as the date for completing the project had already expired as of January 12, 1953. However, in the narrative report accompanying the Operator's final report (attached to December 1952 MF-104 Progress report) Mr. Newman requested that the contract be amended to allow an additional 50 feet to explore in the hanging wall of the shaft (i.e. increasing the length of the crosscut from 131 to 181 feet). It was recommended by the examining geologist that this request be denied and concurred in by the Bureau of Mines engineer. This request was denied by a letter to the Operator by the Washington Office under date of April 23, 1953.

Accordingly, on May 4, 1953, a "completion" letter was mailed to the Operator on the basis of the Field Team's recommendation that no further exploration work, financed with Government assistance, was warranted.

MAY 4 1953

[illegible]
[illegible]

Re: Docket No. [illegible] (Copper)
Contract No. [illegible]
Copper [illegible]
Nye County, Nevada

[illegible]:

[illegible] with reference to the subject exploration contract between [illegible] and the Government.

The final audit of the contract expenditures and the final reports of the Operator and of the Field Team have been received and accepted by this Administration. Of the total amount of [illegible] approved under the contract, the sum of [illegible] was expended, [illegible] percent of which, or [illegible], represents [illegible]. Since this was a unit cost contract there were no excess materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government. The exploration work was concluded in a satisfactory manner.

[illegible] of the exploration [illegible], it is not our intention to make a certification of [illegible] or [illegible] which [illegible] 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 [illegible] of the contract which requires the Operator to "keep [illegible] and accounts for at least [illegible] years after the completion of the project or the termination of this contract."

[illegible]

[illegible]

C. O. Mittendorff

Administrator

[illegible]

cc: [illegible]
[illegible]
[illegible]
[illegible]
[illegible] Johnson, [illegible]
[illegible]
[illegible] Field Team, Region [illegible] (2)

4/17/53 gla

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Harold P. Newman
Ione, Nevada

pertaining to Exploration Project Contract No. Ion-2385 and Amendment No. 1, Docket No. DMA-2560, for the period August 25, 1952, to January 11, 1953, covering a project of exploration for copper.

My review included an examination of the Monthly Reports (Form DF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the 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 reason:

The contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by contractor	$ 3,537.00
Exceptions	None
Total Accepted Cost	$ 3,537.00

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 One Thousand, Seven Hundred Sixty-Eight and 50/100 Dollars

- $ 1,768.50

is considered valid and proper.

April 7, 1953

George Mayor
George Mayor
Auditor

Mayor:hid

AUDIT CERTIFICATE

3/11/53 gla

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, Calif.

March 3, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Final Report

Attached are four copies of Final Report on -

Docket DMEA 2560

Contract Idm-E 385

Commodity Copper

Operator - Harold P. Newman

Property - Copper King Prospect
Nye County, Nevada

By John D. Warne, Mining Engr. & Jacque Robertson, Geologist

Dated February 13, 1953

H. C. MILLER

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

Attachment

Copy to: E. H. Bailey, USGS (With one copy of report)
George Mavor

see marginal to for Dec. MF 104 for Copies. Find & ref. reports & memos Miller's memos attached by ac Jefferson

Reviewed by
DMEA OPERATING COMMITTEE
3-11-53
(Date)

DEPARTMENT OF THE INTERIOR
Release Approved by Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

FINAL REPORT

Contract: Idm-E585

DMEA-2560, Copper King Prospect

Nye County, Nev.

John D. Warne, Mining Engineer
U. S. Bureau of Mines

Jacque Robertson, Geologist
U. S. Geological Survey

February 13, 1953

Reviewed by
DMEA OPERATING COMMITTEE
3-11-53
(date)

FINAL REPORT

Docket No.: DMEA-2560

Name and address of operator: Harold P. Newman
Ione, Nevada

Name and location of property: Copper King Prospect, 2 miles south of Ione, in sec. 10, T. 12 N., R. 39 E., Nye County, Nev. (See fig. 1)

Contract No.: Idm-E385 dated August 12, 1952

SUMMARY

Final inspection and examination of this property was made by a mining engineer[1] of the Bureau of Mines, Region III, and a geologist[2] of the U. S. Geological Survey on January 22, 1953.

A total of 151 feet of crosscutting work was performed in connection with this exploration project (fig. 2) during a five month period. The total cost of the project, based on a unit allowable cost of $27.00 per foot of crosscutting, was $3,537.00, with 50% Government participation of $1,768.50.

No ore reserves are estimated and production is not economically feasible as a result of the exploration work done to date. Analysis of samples taken in place do not indicate a mineable grade of copper ore in the vicinity of the objective shaft which was made accessible by means of the crosscutting work performed.

The operator requested a final examination by a Government mining engineer and geologist to inspect the work done and old workings which

1/ John D. Warne.
2/ Jacque Robertson.

are now accessible. He verbally requested termination of this exploration contract; however, he plans to apply for additional exploration assistance.

CONCLUSIONS

The exposed portion of the abandoned shaft which was made accessible by the exploration crosscut does not show sufficient copper mineralization to be classed as ore.

The source of the small quantity of high-grade copper ore piled on the shaft dump is unknown and work performed in connection with this exploration project did not disclose ore in place of this tenure (sample No. 3 - fig. 2).

The geology and analysis of samples taken from present exposed workings do not warrant further expenditures of Government funds for exploration.

RECOMMENDATIONS

1. No additional exploration work, financed with Government assistance, is warranted. Private exploration to determine the source of high grade copper ore on the shaft dump (the objective of this project, Idm-E385) should be done before further consideration is given to this property.

2. This project should be classed as unsuccessful; and no royalties from production should be claimed by the Government.

3. Production of copper ore as a result of this exploration project is not economically feasible.

DESCRIPTION OF WORK COMPLETED

Work preparatory to beginning the actual exploration project was started August 25, 1952, and a crosscut from the main drift adit to intersect an abandoned shaft southwest of the adit was begun on September 5, 1952.

The work performed in connection with this exploration project consisted of a single crosscut (approximately 5- by 7-feet in cross-section) driven in a general southwesterly direction from a point 25 feet from the portal of an existing adit to intersect with the abandoned shaft, a distance of 151 feet (see fig. 2). No drifting work was performed as provided in the contract. The progress and quantity of work performed is as follows:

Period (Dates)	Progress (feet) From	To	Total
Sept. 5 - Sept. 30	0.0	38.0	38.0
Oct. 1 - Nov. 6	38.0	70.0	32.0
Nov. 8 - Dec. 14	70.0	97.0	27.0
Dec. 14 - Jan. 11	97.0	131.0	34.0
Total footage			131.0

The progress of this project was delayed due to lack of sufficient labor and an extension of 60 days time (from Nov. 12 to Jan. 12, 1953) was granted to the operator by amendment No. 1 to the contract to allow completion of the project.

As no mineralization was shown in the vicinity of the shaft near its intersection with the crosscut, the entire 140 feet of crosscutting and drifting allowed by the contract was not expended.

GEOLOGY

General Statement

The prospect is located 2 miles due south of Ione, Nye County, Nevada on the west slope of Shoshone Mountains at an altitude of roughly 7500 feet.

It is in an area of slightly metamorphosed andesites, tuffs, and rhyolites of Permian age. Probable bedding or flow layering strikes northwest and dips moderately to steeply southwest, as exposed in weathered outcrops. In the underground workings, the rocks appear massive except for numerous joints and tight fractures. A well-defined shear zone has been explored down dip for 110 feet by a shaft, and the adit has exposed minor copper mineralization along another zone of fracture. A crosscut, driven under IM a contract, between the adit and the shaft passed through barren rock.

Lithology

The workings are almost entirely in greenstone, recognizable as mafic flow rock and tuff of probable andesitic composition. Plagioclase phenocrysts up to 3 mm in size and altered mafic minerals are sparsely distributed in an aphanitic groundmass that in a few places is amygdaloidal. Interbedded tuffaceous rocks contain abundant altered lapilli fragments and mafic minerals.

On the hanging wall side of a northwest trending shear zone, down which the shaft was sunk, is a siliceous aphanitic rhyolite, referred to as "porphyry" by the operator. Along the shear zone the rock is brecciated, carbonitized and silicified, and the sheared material also

contains some barite, and clay minerals. A trench on the surface one foot deep and extending 18 feet southwest from the shaft exposes the rhyolitic rock across the strike, but the total thickness and extent of this rock was not determined.

Structure

The most conspicuous structure is a three foot thick gouge zone that forms the contact between andesitic and rhyolitic rocks. The dip is uniformly 70 degrees to Southwest, with andesitic rock on the footwall side and rhyolite on the hanging wall side. The shaft was sunk to a depth of 110 feet on this structure, in sheared, silicified, and otherwise altered rock. At the collar of the shaft the fault strikes N. 50° W. Down the dip the fault plane curves more to north; at a depth of 50 feet it strikes N. 10° W. From this point to the bottom of the shaft the strike remains the same.

At the bottom of the shaft this thick fault zone is intersected by another fault that strikes N. 20° E. and dips 40 degrees west. It was not possible to determine which fault displaces the other. The second fault has been explored down dip for about 16 feet by a small inclined winze that exposes 6 to 8 inches of limonite, manganese stained gouge, and open seams lined with calcite. The hanging wall side of the second fault consist of rhyolitic rock, but the country rock on the footwall side is unknown as it is covered by debris.

Several minor shear zones are exposed in the adit. One, striking N. 65° E. and dipping 70° S, the operator chose to follow for 41 feet before crosscutting to the shaft. This fault contains gouge not

more than two inches thick. A fault was explored in earlier work along the southeast trending drift. On the surface above the adit a lime fault, exposed for roughly 10 feet, contains some malachite stains and is probably the same one as in the drift.

MINERALIZATION

Evidence of copper mineralization at the Copper King prospect consist of (1) very thin crusts and stains of malachite along the southeast trending fault exposed on the surface above the adit (2) copper minerals scattered in the southeast trending drift along a fracture, and (3) a pile of rock aggregating about 100 pounds lying on the dump near the shaft collar, containing appreciable chalcopyrite and malachite. The operator believes that the small pile of mineralized rock on the dump was mined by early day prospectors from the small winze below the bottom of the shaft. Entry down the winze was limited by its small cross-section to a distance of 6 feet, but from this point the bottom and sides could be observed. No evidence to support the operator's contention was found, and no traces of malachite, azurite, or chalcocite were seen. Limonite staining is slight, along with some sooty manganese oxides in the fault gouge exposed in the winze.

In the fault zone exposed in the shaft the sheared and brecciated rock contains calcite, barite, and silica that suggest some possible hydrothermal alteration. No primary mineralization was observed, however, and secondary limonitic stains are slight and copper stains are absent.

The only sign of copper mineralization in the prospect is along the fracture in the southeast trending drift where malachite and azurite are locally concentrated. A lime fault exposed on the surface 20 feet above the drift contains thin crusts and stains of malachite. The downward projection of this fault coincides with the mineralized fracture in the drift. This fault is cut at the north end by another fault striking N. 65° E, exposed in the southwest trending drift.

ORE DEPOSIT

Samples of mineralized rock along the southeast trending drift were taken and assayed by the Bureau of Mines when the property was first examined for a DMEA loan. Below are listed the samples with their assays and distances from the portal.

No.	Width(ft.)	Distance from Portal	% Cu	Oz/T/Au	Oz/T/Ag
1	3.0	38 (ft.)	3.37	.006	3.50
2	2.5	44	4.48	Tr	.65
3	4.0	66	1.46	Tr	Tr
4	2.5	88 (face of drift)	1.10	Tr	Tr

Although the copper assays appear high in samples 1 and 2, the value drops below ore grade at greater distances from the portal in samples 3 and 4. The trend does not look encouraging. Copper carbonate minerals, limited as they seem to be in their distribution in the prospect, do not permit reliable evaluation of the deposit.

EXPLORATION ACCOMPLISHED

The original proposal for exploration was to crosscut 100 feet in a direct line to the shaft with the object of crosscutting possible mineralized structures similar to that encountered in the southeast

trending drift. An additional forty feet was included to drift on possible mineralized zones encountered.

Exploration work under DMEA contract [illegible]-355 began on August 28, 1952. The operator deviated somewhat from the original proposal by electing to drift along a fault structure bearing S. 64° W. in hopes of finding the faulted footwall section of the mineralized fracture. At 41 feet of advance on this heading, J. [illegible] Karns of the Bureau of Mines recommended that the operator crosscut directly to the shaft and gave him a heading of S. 24° W. As a consequence of the operator's deviation, 131 feet of working was spent to reach the shaft.

Straight line measurement between the point of departure of new workings, under DMEA contract, and the shaft is approximately 120 feet. No mineralized rock was encountered in the new workings nor was mineralized rock exposed in the shaft fault zone.

PROPOSED ADDITIONAL EXPLORATION

The operator, Mr. Newman, desires to apply for more DMEA funds for further exploration. In discussion he proposed driving a crosscut, from a point in the adit close to the shaft, into the hanging wall of the shaft fault zone. The crosscut would have a bearing of N. to [illegible], and would explore the possibility of a mineralized zone in rhyolite. Mr. Newman did not settle on any definite footage at the time of inspection as he was interested primarily in the feasibility of such a program. He implied that the amount of additional workings would be small, on the order of 50 to 100 feet.

Mr. Newman believes that the pile of sorted ore on the dump near the shaft must have come from the winze below the bottom of the shaft. This belief is based on the facts that (1) the ore consists predominantly of chalcopyrite, and (2) there is little evidence of primary ore at the adit level. The proposed crosscut into rhyolite, it is suggested, would intersect the upward projection of the mineralized zone represented by this ore.

GEOLOGIST'S OWN CONCLUSIONS

Work accomplished under DMEA contract 1dm-7385 did not find any trace of additional mineralized zone, only barren rock. Therefore, no certificate of discovery is warranted. It is recommended that the Government not participate in any further exploration at the Copper King prospect unless the operator uncovers, through further work of his own, considerable evidence of mineralization. In that event, the property should be re-examined to ascertain whether or not further government participation in an exploration program is warranted.

No indication of a mineralized zone could be found in the winze. The small cross-section of the winze prevented close inspection, and conceivably, caving and sluffing? of material into the winze could obscure some mineralized rock. Cleaning out and enlarging the winze might be advantageous in finding mineralization, but the government should not participate in this work.

Exploration by crosscutting, as suggested by the operator, has no merit other than that it would be in rhyolitic rock, different in composition than the andesitic rock in the present workings. This difference in composition by itself does not imply favorable prospect-

ing, and no evidence was observed to suggest copper mineralization in the rhyolite.

SAMPLING AND ANALYSIS

The locations of three samples taken in connection with this examination are shown in figure 2. Descriptions of the samples and analysis by the Hydrometallurgical and Ore Dressing Branch of the Bureau of Mines of Region III are as follows:

Sample No.	% Cu	Oz Au/T	Oz Ag/T	Description
1	0.05	0.006	0.40	Grab sample from fault zone, 8-inch width (manganese stained material mostly, no copper mineralization).
2	0.12	0.05	0.30	Grab sample across 1.5 feet width from fault zone at the intersection of shaft and crosscut.
3	14.23	0.015	1.30	Grab sample of small high-grade copper ore pile on shaft dump. (Source unknown).

EXPENDITURES

Total expenditures for this exploration project are as follows:

Total approved	$5,780.00
Total cost of project	3,537.00
Government's share of cost	1,768.50
Government's share (unexpended) . .	121.50
Value of production during operations and Government's royalty	None

Units of work performed:

131 feet of crosscutting @ $27.00/ft	$3,537.00
Government participation @ 50%	1,768.50

EFFICIENCY OF OPERATIONS

Progress of the work was slow; however, the quality of the crosscutting accomplished was satisfactory.

The first 41 feet of the crosscut diverged from the straight line course outlined in the contract by approximately 30 degrees resulting in increasing the length of crosscut by about six feet. Extra excavation, rehabilitation work, and timbering at the objective shaft (about 6 feet) to allow inspection of the shaft would more than compensate for the increased footage incurred due to diverting the line of the crosscut. Therefore, the length of crosscut as shown in fig. 2 is considered satisfactory, and a total of 131 feet of crosscut are the actual units of work performed in connection with this contract.

The operator is considered competent and experienced in mining; but it is doubtful whether he would undertake this type of exploration work to be completely financed with his own funds.

GENERAL INFORMATION

1. The estimated quantity of work provided by the contract included 100 feet of crosscutting and 40 feet of drifting at a unit cost of $27.00 per foot, or a total cost of $3,780.00. Due to the dip of the formation followed by the abandoned shaft, 131 feet of crosscutting work was necessary to reach the objective; no drifting work was performed. Therefore, the total quantity of work done under the contract was 131 feet of crosscutting at a total cost of $3,537.00.

2. The operator visited the Mining Division Office, Region III, on January 16, 1953 and requested an examination of the shaft which he

had intercepted by means of the crosscut driven in connection with the exploration project by a Government mining engineer and a geologist. As a result of this request, the final inspection of the project was made by John D. Warne, mining engineer of Region III and Jacques Robertson of the U. S. Geological Survey on January 22.

A very small opening existed near the bottom of the shaft which appeared to lead into the hanging wall of the shaft, and Mr. Newman desired that representatives of the Government inspect the copper mineralization beyond this opening before further work prevented access to the opening. Mr. Robertson inspected and sampled the formation beyond this opening (see foregoing description of geology); and further inspection of the project work and sampling was also done at that time.

3. On January 16, Mr. Newman made verbal request that the exploration project (Idm-E385) be terminated, as the date for completing the project had already expired as of January 12, 1953. No mineralization had been encountered near the shaft which was the objective and terminal of the crosscut driven in connection with the project; and only 9 feet remained to complete the total work allowable under the contract. However, within the narrative report accompanying the operator's final report, Mr. Newman requests that the contract be amended to allow an additional 50 feet to explore in the hanging wall of the shaft (i.e. increasing the length of the crosscut from 131 to 181 feet). It is recommended by the geologist that this re-

quest be denied. No evidence can be seen in the shaft indicating the source of the small quantity of "sorted" copper ore lying on the shaft dump. Sample No. 3 (see fig. 2) was taken to determine the tenure of this ore. Mr. Newman stated that he intended to explore the footwall zone of the shaft without Government assistance; however, he stated that he plans to apply for further financial assistance from the Government to conduct exploration work.

4. The Operator had excavated a shallow trench on the surface adjacent to the collar of the abandoned shaft to prospect the hanging wall zone of the shaft; however, no copper ore is present at this location.

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MAR 5 PM 3:22
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REGION III
RECEIVED

1955 MAR 2 PM 7:55

SAN FRANCISCO, CALIFORNIA

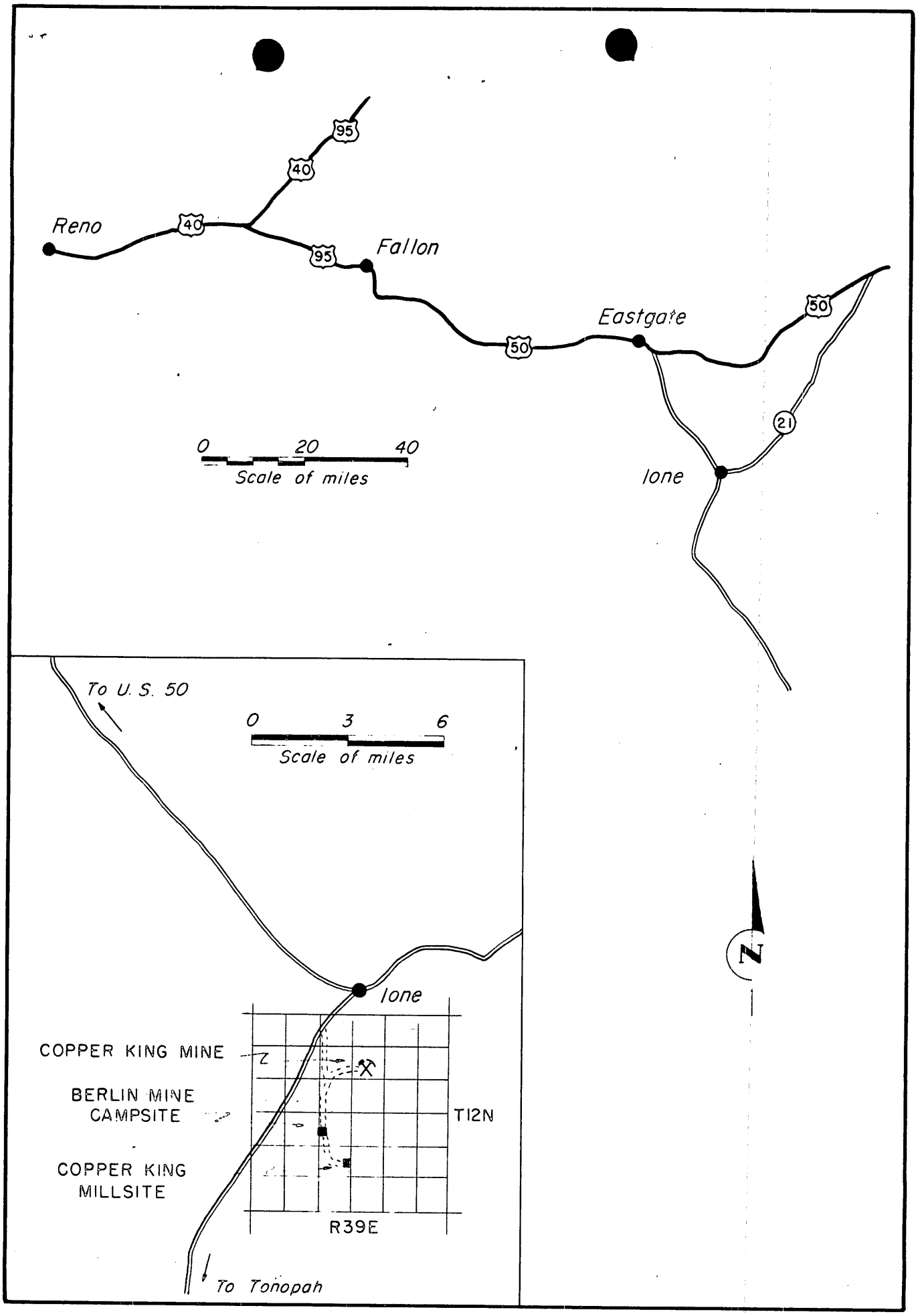
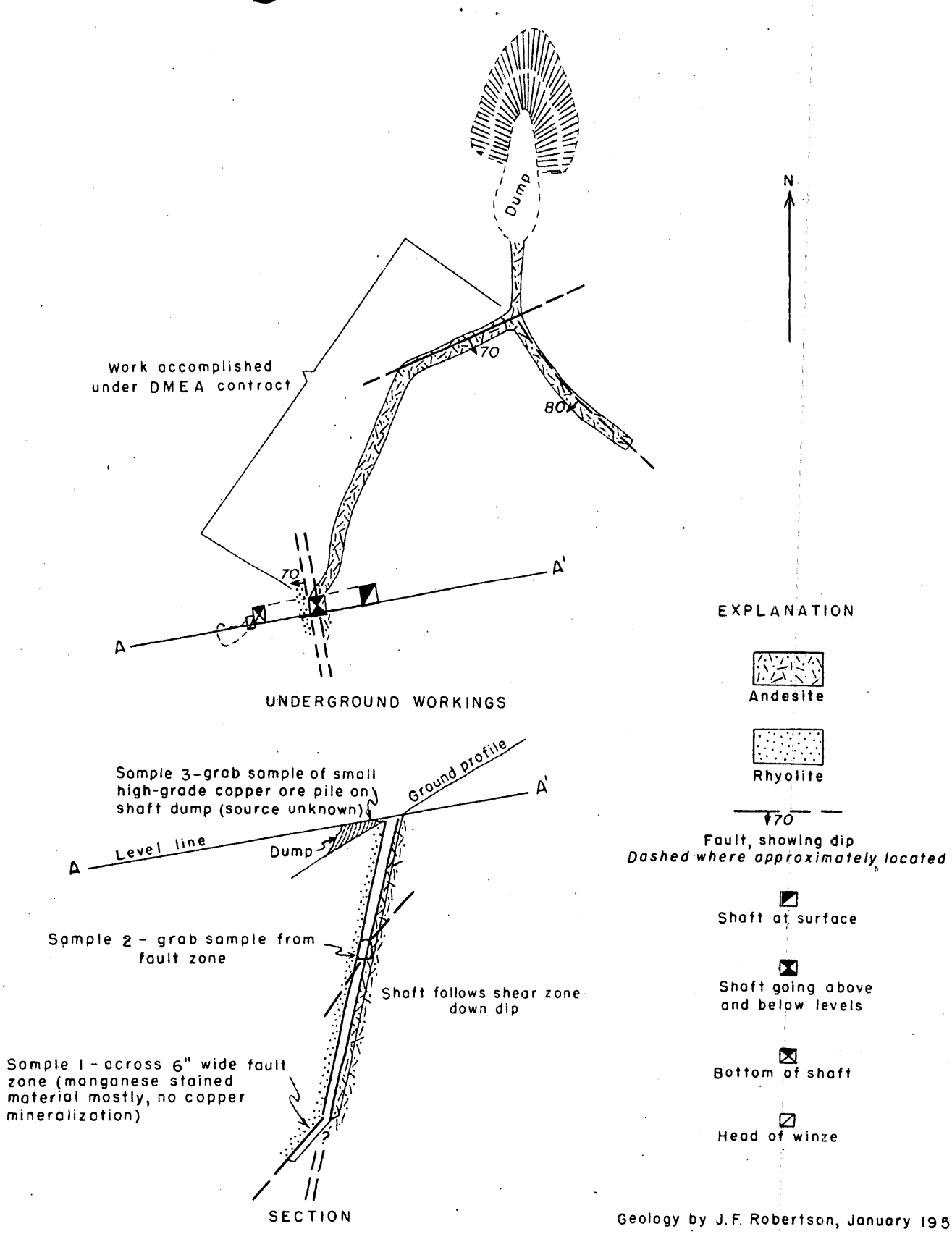


Figure 1–Location map, Copper King group, Nye County, Nevada



Geology by J.F. Robertson, January 1953

LEVEL MAP AND SECTION OF COPPER KING PROSPECT
NYE COUNTY, NEVADA

50 0 50 100 Feet

FIG. 2

Contract File

700

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

December 10, 1952

MEMORANDUM

To: Hazel Berry
Operating Committee

From: Grace L. Ault
Rare and Misc. Metals Division

Subject: Docket DMEA-2560
Contract Idm-E385
Amendment No. 1

Mr. Knouse has reviewed Amendment No. 1 dated November 12, 1952, on the above-captioned contract and has approved it.

Grace L. Ault

12/10/52 gla

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

Office of
Executive Officer
DMEA Field Team
Region III

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

December 4, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Contract Idm-2385 - Docket DMEA-2560 (Copper)
Harold P. Newman - Copper King Prospect, Nye County, Nevada
Amendment No. 1

Attached are the original and two copies of Amendment No. 1, dated November 12, 1952, made in connection with subject contract.

A justification sheet is attached to each copy of the amendment.

Proper distribution has been made of the remaining copies.

N. 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

HAROLD P. NEWMAN
CONTRACT Idm-E385
DOCKET NO. DMEA-2560

AMENDMENT NO. 1

Article 3 of the Defense Minerals Exploration Project Contract Idm-E385, dated August 12, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Harold P. Newman, is hereby amended by extending the time for completion of the project from -

three (3) months to five (5) months from the date of the contract.

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 November 12 1952.

UNITED STATES OF AMERICA

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

By Harold P. Newman
Harold P. Newman

DEC 8 1955
RECEIVED
DEFENSE MINERALS ADMINISTRATION
CHAIRMAN OF THE DIRECTOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

AMENDMENT NO. 1

Docket No. 2560 Mineral Copper

Exploration Project Contract Idm-E 303

Date of Contract August 12, 1952

Date of Amendment December 12, 1952

Operator Harold P. Herman

JUSTIFICATION

Due to inability to hire satisfactory laborers to carry out the exploration project, progress under the contract has been slow and at times entirely suspended. During the last half of October no labor of any kind could be hired. The contractor estimates that he still has 30 feet to go to reach the ore and believes he can accomplish the work plan the 40 feet of drilling within the extended time period as he has some men to put on the job within a few days.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

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 Street
San Francisco 2, Calif.

November 21, 1952

Mr. Harold P. Newman
Ione
Nevada

Re: Contract Idm-8385
Docket DMEA-2560 (Copper)
Copper King Prospect
Amendment No. 1

Dear Mr. Newman:

As requested in your letter of November 9, we have prepared Amendment No. 1, dated November 12, 1952, extending your contract from three months to five months from the date of your contract, or to January 12, 1953.

Six copies of the amendment are attached for your signature. After you have signed all six copies, please return the original and four carbon copies to this office.

Sincerely yours,

H. C. MILLER

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

Enclosure

Copy to: Operating Committee, DMEA, Washington (2)
E. H. Bailey, USGS
George Mavor
A. C. Johnson, Reno

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 28 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1952

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2560

COMMODITY Copper

Idm-E-385

Division Copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 12th day of August, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Harold P. Newman
Ione
Nevada

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Nevada, County of Nye, Old Union Mining District described as follows:[3] Unpatented Copper King and Copper King No. 1 mining claims located in Section 28, T. 12, R39E, and known as Copper King Prospect and recorded at Tonopah, Nye County, Nevada, in Labor Claim File No. 7395, Vol. 106 of Mining Locations, Page 454.

the Operator represents and undertakes:[4]

(*a*) That the Operator is the 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: None

(*b*) [redacted]
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.

ARTICLE 3. *Exploration project.*—The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for[5] Copper

in or upon the described land; and shall bring the project to completion within a period of three months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $1,890.00, which is 50 percent of $3,780.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Harold P. Newman
(Operator)

By Harold P. Newman

By C. O. Mitteldorf
Acting Administrator
Defense Minerals Exploratio
Administration

Hotflund
Chamberlain

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

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
HAROLD P. NEWMAN
COPPER KING PROSPECT
DOCKET NO. DMEA-2560

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore for copper mineralization, the area shown on the map attached hereto and made a part hereof and entitled "Fig. 1 - Newman Copper Prospect, Location - Nye County, Nevada."

The work to be done consists of the following: Crosscut 100 feet in a cross-section of approximately 5' by 7' from the first bend in the adit to the shaft as shown on the aforesaid map.

Drift 40 feet in a cross-section of approximately 5' x 7' from the aforementioned crosscut. The location of the drift is to have the approval of the DMEA Government engineers.

As the work of crosscutting and drifting progresses, it is to be mapped, samples taken and analyzed.

Cost of the Project

The Government will contribute to the cost of crosscutting and drifting on the basis of the agreed estimated unit costs per foot indicated below as they accrue for units of work actually performed in lieu of actual costs. These costs include all costs of the work including costs of mapping, taking samples and sample analyses.

Crosscutting 100 feet @ $27/ft.	$ 2,700.00	
Drifting 40 feet @ $27/ft.	1,080.00	
Total Estimated Cost of Project		$3,780.00
Government participation @ 50%		1,890.00

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

Department of the Interior
Defense Minerals Administration
RECEIVED
AUG 26 1952

Office of
Executive Officer
DMEA Field Team
Region III

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

August 21, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-2560 (Copper); Contract Idm-E385
Harold P. Newman, Copper King Prospect, Nye County, Nev.

Reference is made to Mr. Frank E. Johnson's letter of August 12, transmitting to this office the original and five copies of captioned contract.

The contract has been executed on the part of the Operator and one copy retained by him. Proper distribution has been made of the Field Team and Finance Office copies, and the original and two remaining copies are returned herewith.

H. C. MILLER

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

Attachment

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno (With Field Team's copy of contract)
L. L. Norvell (With Finance Office's copy of contract)

ROUGH DRAFT-FLKnouse-8/1/52

EXPLORATION PROJECT CONTRACT
HAROLD P. NEWMAN
COPPER KING PROSPECT
NYE COUNTY, NEVADA

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore for copper mineralization. The area ~~to be explored is~~ shown on the ~~attached~~ map, attached hereto and which is part hereof and outlines:

"Fig. 1. Newman Copper Prospect, Nye County, Nevada" ~~by A. Mastrovich~~

~~Fig. 2~~

The work to be done consists of the following:

Cross cutting in a cross-section ~~Drive~~ 100 feet ~~of crosscut~~ of approximately 5' x 7' ~~cross-section~~ from the first bend in the adit to the old shaft as shown on the ~~attached map Fig. 1 and map, crosscut and sample,~~ analyze ~~samples~~.

Drift 40 feet ~~of drift~~ in a cross-section of approximately 5' x 7' ~~in cross-section~~ from the crosscut, ~~and map, sample, and map drift, and sample~~ and drift, ~~and analyze samples~~. The location of the drift is to have the approval of the Government Engineer.

[redacted] Cost of the Project

The Government will contribute to the cost of crosscutting and drifting on the basis of the agreed estimated unit cost per foot in lieu of actual costs, ~~and to the cost of sample analysis on the basis of actual cost as below indicated~~: these costs include all costs of the work including sample analysis. ~~to which the Government will contribute~~

[redacted] Cross cutting 100 feet ~~of approximately 5' x 7' cross-section~~ @ $27/foot ~~(including engineering, sampling and sample analysis)~~.	$2,700.00
Drifting 40 feet ~~of approximately 5' x 7' cross-section~~ @ $27 ~~(including engineering, sampling and sample analysis.~~	$1,080.00
Total Estimated Cost of Project	$3,780.00
Government participation @ 50%	$1,870.00

Costs including sampling and analysis

(x)

As the work of crosscutting and ~~analyzing~~ analyzing programs, also to ~~should~~ be mapped, a complete pattern is analyzed.

MF-200 (A)
(February 1952)

ROUGH DRAFT

DOCKET NO. DMEA 2560

COMMODITY Copper

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Harold P. Newman ~~An individual~~
Ione
Nevada

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Nevada, County of Nye, Old Union Mining District, described as follows:[3] ~~Nevada~~ Copper King prospect located in Section 28, T.RN., R39E, and ~~consisting of the~~ unpatented Copper King and Copper King No. 1 mining claims. ~~on file in~~ and known as and recorded in Lodes Claim File No. 7895 Vol. 104 Mining Records pg 454 in Tonopah, Nye County, Nevada

the Operator represents and undertakes:[4]

(*a*) That the Operator is the 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:
none

(*b*) ~~That the Operator is a lessee in possession and entitled to possession, and the Owner's Consent to Lien is attached.~~
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.

ARTICLE 3. *Exploration project.*—The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for[5] _____

in or upon the described land; and shall bring the project to completion within a period of three months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $1,890.00, which is 50 percent of $3,780.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Name, address, and nature of organization if any.
[3] Description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach, which is not to be subject to the Government's percentage royalty.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Harold P. Newman
(Operator)

By _____
Acting Administrator, DMEA

By _____

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2560

COMMODITY copper

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Harold P. Newman An individual
Ely, Nevada
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Nevada, County of Nye, described as follows:[3] known as the Copper King Prospect located in Section 28, T. 12 N, R. 39 E, and consisting of the Copper King and Copper King No 1 mining claims.

the Operator represents and undertakes:[4]

(*a*) That the Operator is the 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: None

~~(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.~~

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.

ARTICLE 3. *Exploration project.*—The Operator, within _____ days from the date of this contract shall commence work on a project of exploration for[5] _____ in or upon the described land; and shall bring the project to completion within a period of Three months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $1890.00, which is 50 percent of $3780.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Harold P. Newman
_____
(Operator)

By _____
Acting Adm DMEA

By _____

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

ROUGH DRAFT-F[illegible]ouse-8/1/52

EXPLORATION PROJECT CONTRACT
HAROLD P. NEWMAN
COPPER KING PROSPECT
NYE COUNTY, NEVADA

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore for copper mineralization. The area to be explored is shown on the attached map, "Newman Copper Prospect, Nye County, Nevada, by A. Mastrovich Fig. 1".

The work to be done consists of the following:

Drive 100 feet of crosscut of (approximately) 5' x 7' in cross-section from the first bend in the adit to the old shaft as shown on the attached map Fig. 1 and map and sample crosscut ~~and sample~~, and analyze samples.

Drive 40 feet of drift of (approximately) 5' x 7' in cross-section from the crosscut, and map and sample, drift ~~and map drift, sanc sample~~, and analyze samples, The location of the drift is to have the approval of the Government.

Estimated Cost of the Project
(*indicated allowable maximum)

The Government will contribute to the cost of crosscutting and drifting on the basis of unit cost in lieu of actual cost, ~~and to the cost of sample analysis on the basis of actual cost as below indicated:~~

Cross cutting 100 feet of approximately 5' x 7' cross-section @ $27/foot (including engineering, sampling and sample analysis).	$2,700.00
Drifting 40 feet of approximately 5' x 7' cross-section @ $27 (including eningeering, sampling and sample analysis.	$1,080.00
Total Estimated Cost of Project	$3,780.00
Government participation @ 50%	$1,870.00

JUL 28 1952

Hon. Jesse M. Bolcott
House of Representatives
Washington 25, D. C.

Re: Docket No. DMA-2560 (Copper)
Harold E. Newman
Copper King Prospect
Nye County, Nevada

My dear Mr. Bolcott:

Further reference is made to your inquiry of July 15, 1952, and our reply of July 18, advising that the report of the Field Team was expected to be in our hands for review last week.

This is to advise you that a report has been received from our Regional Office at San Francisco. However, some additional information which was not included in the engineer's report, has been requested by that office and will be forwarded as soon as it is received. Upon receipt of this information, a final review and determination will be made.

Sincerely yours,

C. O. Mittendorf

Acting Administrator

GLAult/EWEllis/gla
7-28-52

cc to: Adm. Reading File
Docket
Messrs. C.H.Johnson, Rm. 3621
Ned Nelson, Rm. 4216 GSA
Ellis
Knouse
DMEA Field Team, Region III (2)

7

APR 2 3 1953

[illegible]

[illegible]

[illegible] to the narrative attached to the [illegible] for [illegible], 1952, [illegible] request additional Government aid on the captioned project [illegible] drifting [illegible] feet.

[illegible] yielding [illegible] quantities that will [illegible]

[illegible] revealed [illegible] sufficiently [illegible] to justify additional Government participation. Under these circumstances, we regret to advise that your application for additional aid is [illegible].

[illegible] reveals evidence [illegible], please be assured we will [illegible] a new application.

[illegible]

C. O. Mittendorf

[illegible]

[illegible]/eef/[illegible]
[illegible]-55
cc to: [illegible] files
Docket
Messrs. [illegible]inkel, [illegible]
[illegible]Johns[illegible], [illegible] 5621
[illegible]lls
[illegible]
Operating Committee
[illegible] (2)

Request for additional
funds to drift another 50
ft. denied April 23, 1953.

April 2, 1953.

Memorandum

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

From: Chief, Mining Division, Region III

Subject: Docket DMEA-2560 (Copper)
Harold P. Newman, Copper King Group, Nye County, Nevada
Contract Idm-E385

Reference is made to your memorandum of April 1, under the above captioned subject.

I have checked back on the last MF-104 form that was submitted by Mr. Newman, which was dated December, 1952. Attached to my copy of the MF-104 form is a report of operations for the month of December by Mr. Newman, that I presume is meant to be his final report. Copies of this report are probably attached to the copies of MF-104 forms that were sent to your office under date of February 11, 1953.

The report by Mr. Newman is not adequate but it is likely the only report that he will submit. As you will note from this report, it is more or less a request for an amendment to the contract for an additional 50 feet of work to be used in crosscutting into the hanging wall of the shaft.

The examining engineer and geologist were in agreement that this work was not warranted. I concur in their conclusions.

A. C. Johnson

Copy to: E. H. Bailey, USGS

original to docket file.

4/15/53

Mr. Knouse

Is it up to us to notify the Operator that his request for an amendment to do the additional work? Mr. Miller says "we did not cover the small amount of extra cross-cutting, in lieu of drifting, by an amendment" The Final report of the FT recommends that the request be denied, but apparently it is up to us to notify the Operator as well as Mr. Miller. Will that denial be incorporated in a "completion" letter?

Mrs.Ault

4/15/53 gla

Originals to docket file.

Office of
Executive Officer
DMEA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

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

April 8, 1953

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 DMEA-2560 (Copper)
Harold P. Newman, Copper King Group, Nye County, Nevada
Contract Idm-E385

Reference is made to your subject letter, dated March 24, 1953, asking us to advise you if the Operator plans to submit a final report. Your request was submitted to Mr. A. C. Johnson who answered my April 1 memorandum by one dated April 2, of which two copies are attached. Two copies of the MF-104 forms, together with copies of Mr. Newman's report of operations for December, mentioned in Mr. Johnson's memorandum, were mailed to your office on February 25, 1953, in the usual manner.

Mr. Newman found that 100 feet of crosscutting was not sufficient to reach the objective and on the strength of our examining engineer's recommendation ran an additional 31 feet to intersect the shaft where mineralization was supposed to be. This crosscutting was done at the expense of an equivalent amount of drifting. As the contract expired on January 12, 1953, and no additional work is being approved, and due to the fact Mr. Newman did not spend all the money allowed by the contract, we did not cover the small amount of extra crosscutting, in lieu of drifting, by an amendment. We would have done so if the additional work he requested had been approved, but since it is not being granted we see no need for amending the contract at this late date to take care of 31 extra feet of crosscutting. If you disagree with me, I will gladly try to get Mr. Newman to sign such an amendment.

H. C. MILLER

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

Attachment

Copy to: E. H. Bailey, USGS
A. C. Johnson, Reno

April 2, 1953.

Memorandum

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

From: Chief, Mining Division, Region III

Subject: Docket DMEA-2560 (Copper)
Harold P. Newman, Copper King Group, Nye County, Nevada
Contract Ion-2385

Reference is made to your memorandum of April 1, under the above captioned subject.

I have checked back on the last MF-104 form that was submitted by Mr. Newman, which was dated December, 1952. Attached to my copy of the MF-104 form is a report of operations for the month of December by Mr. Newman, that I presume is meant to be his final report. Copies of this report are probably attached to the copies of MF-104 forms that were sent to your office under date of February 11, 1953.

The report by Mr. Newman is not adequate but it is likely the only report that he will submit. As you will note from this report, it is more or less a request for an amendment to the contract for an additional 50 feet of work to be used in crosscutting into the hanging wall of the shaft.

The examining engineer and geologist were in agreement that this work was not warranted. I concur in their conclusions.

A. G. Johnson

Copy to: E. H. Dailey, USGS

Mr. [illegible] Miller
Executive Officer
GSA Field Team, Region III
1 17 [illegible] Building
[illegible] Street
San Francisco 2, California

MAR 2 4 1953

Re: Docket No. [illegible]-256[illegible] (Copper)
Contract No. [illegible]-385
Harold P. [illegible]
Copper King Group
[illegible] County, Nevada

Dear Mr. Miller:

This is with reference to your memorandum dated March 3, 1953, transmitting the final field team report on the capitalized project.

Please advise if the operator plans to submit a final report. Also kindly instruct the operator to submit the final Field Progress Report.

It is noted that the field team representatives recommend that no additional exploration work at Government expense is warranted at this time.

When the above information is received we will then be able to write the usual completion letter.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

FLKnouse/gla/eef 3/20/53

Copy to:

J. H. Hodges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

cc to: Adm. Reading File
Operating Committee
Docket
Messrs. JRKinkle, Jr. Room 4234 GSA
CHJohnson, Room 3621
Ellis
Knouse

DMEA-2560 3/16/5[illegible]
Harold P.Newman
Contract No. Idm-E385

Mr. Knouse
Mr. Ellis

(1) Herewith is Field Team Final Report on above contract project dated Feb. 13, 1953. (FT covering memo March 3, 1953).

Work on the project is completed and final examination was made on Jan. 22, 1953.

Project should be classified as unsuccessful.

No additional exploration work is recommended.

(2) I have no record of the Operator's final report having been received, although Mr. Miller's letter of February, wrote about theOperator's request for an amendment to permit an additional 50 feet of drilling.

(3) Mr. Waugh of DMPA is interested in seeing this final report and knows it is in, but I told him you had not seen it (that was Friday of last week) so I didn't let him haveit.

(4) I am still checking with Mails & Files for our copy of the December progress report. Contract & Audit Division has their copy. A payment was made in Feb. of $459.00, bringing the total cumulative payment to $1,768.50.

in file
copied from Cont. & Aud.

(5) "Completion" letter to be written at this time? Or will we require the Operator's final report first?

Mrs.Ault

2/18/53 gla

Office of
Executive Officer
DMEA Field Team
Region III

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 17 1953

1012 Flood Building
870 Market Street
San Francisco 3, Calif.

February 13, 1953

Mr. Harold P. Newman
Ione
Nevada

Re: DMEA-3560 (Copper)
Copper King Group
Nye County, Nevada
Contract Idm-2585

Dear Mr. Newman:

We acknowledge your letter of February 2, 1953, informing us that you have completed your contract. We have checked your contract file and find that the two-months' extension granted by Amendment No. 1, dated November 13, 1952, expired on January 12, 1953. This checks your conclusion as stated in your operating report for December dated January 30, 1953.

In your February 2 letter you asked for an amendment to your contract to permit an additional 80 feet of drifting. Such an amendment would increase the estimated total cost of the project and the amount of the Government's contribution and, therefore, if looked upon favorably by our engineer and geologists would have to be drawn up in the Washington office of the Defense Minerals Exploration Administration. This would occasion an unavoidably delay which seems to us would make it inadvisable for you to retain your labor force on the property in the interim.

An engineer of the Bureau of Mines and a geologist of the U. S. Geological Survey have examined your property recently with the specific purpose in mind of determining whether the additional work requested by you should be recommended to our Washington office for favorable consideration. Their report has not yet reached this office, but it is my understanding that their examination did not demonstrate the advisability of driving into the hanging wall of your shaft. No final statement, however, can be made until we have had a chance to review and study the report.

Sincerely yours,

H. C. MILLER

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

Copy to: DMEA, Washington
E. H. Bailey, USGS
A. C. Johnson, Reno

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

3-10-5

Budget Bureau No. [illegible]3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ACCOUNTS FEB 13 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec, 1952 Docket No. DMEA 2560 Contract No. Idm-E-385
Operator's Name Harold P. Newman Minerals Copper
Address Jone Nevada
Contract Amount, $ 3780.00 Government Participation 50 % Amount, $ 1890.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	918.00	2619.00	3537.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	918.00	2619.00	3537.00			

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

Date Jan 30/53 *Payee Harold P. Newman

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 459.00

Signature _____
(Authorized Certifying Officer)

Date FEB 24 1953 Vou. No. SE-DmEA-34

(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-E385 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date February 11, 1953.
A. C. Johnson

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date February 12, 1953
H. C. Miller

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

ACCOUNTS FEB 13 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec 1952 Docket No. DMEA 2560 Contract No. Idm E 385
Operator's Name Harold P. Newman Minerals Copper
Address Lone Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	—	—	—	—	—	40	27.00
Crosscutting	Feet	918.00	34	3537.00	131	27.00	100	27.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		918.00	34	3537				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None						
Initial Rehabilitation and Repairs		None						
New Buildings, Improvements, etc.		None						
TOTAL COSTS		918.00	34	3537.00				

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

Date Jan 30/53 Operator Harold P. Newman

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

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Operators Name: Harold P. Newman Docket No. DL-A-2500

Address: Ione, Nevada. Mineral: Copper

Name of property: Copper King Prospect Contract No. Idm-E385

OPERATIONS REPORT FOR THE MONTH OF DECEMBER

My Contract was up January 12, 1953. Prior to that date I contacted the shaft, the distance to the shaft being 131 feet. The maps used to figure this distance were in error by 31 feet. Therefore, accordingly I used up 31 feet of my contract footage, allowed for drifting, in driving the cross cut to the shaft.

On January 15th. I asked for counsel from the Departments Geologist. The Geologist arrived on the property January 22nd. To date I have not received any word from him in respect to future work, therefore my report is somewhat late.

On contacting the shaft no ore was found and cant be found without going thru the hanging wall of the shaft. According to the map we worked from, the shaft was supposed to be only 40 feet in depth, but after we holed thru we found the shaft to be 120 feet plus in depth. We were able to clean out the bottom of the shaft enough to get a look into the hanging wall and found a large room or opening where the ore found on surface must have come from, because there is no sign of ore in the shaft. There are indications on surface on hanging wall side of shaft to indicate the possibility of Copper ore to be found in that direction.

The only solution to this problem is to get an amendment to my contract and secure another 50 feet of work to be used in cross cutting into the hanging wall of the shaft.

Date: January 30, 1953 Operator: Harold P. Newman

Harold P. Newman

Signed-

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

COPY

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec., 1952 Docket No. DMEA 2560 Contract No. Idm-E385
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada
Contract Amount, $ 3780.00 Government Participation: 50 % Amount, $ 1890.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	918.00	2619.00	3537.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	918.00	2619.00	3537.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan 30/53 *Payee /s/ Harold P. Newman

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 459.00

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

Date Feb. 24, 1953 Vou. No. SF-DMEA-34

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

C O P Y

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 195 2 Docket No. DMEA 2560 Contract No. Idm-E385
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	-	-	-	-	-	40	27.00
Crosscutting	Feet	918.00	34	3537.00	131	27	100	27.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		918.00	34	3537.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None						
Initial Rehabilitation and Repairs		"						
New Buildings, Improvements, etc.		"						
TOTAL COSTS		918.00	34	3537.00				

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

Date Jan 30/53 Operator /s/ Harold P. Newman

Per Title

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

C O P Y

Operators Name: Harold P. Newman Docket No. DMEA-2560

Address: Ione, Nevada Mineral: Copper

Names of property: Copper King Prospect Contract No. Idm-E385

OPERATIONS REPORT FOR THE MONTH OF DECEMBER

My Contract was up January 12, 1953. Prior to that date I contacted the shaft, the distance to the shaft being 131 feet. The maps used to figure this distance were in error by 31 feet. Therefore, accordingly I used up 31 feet of my contract footage, allowed for drifting, in driving the cross cut to the shaft.

On January 15th. I asked for counsel from the Departments Geologist. The Geologist arrived on the property January 22nd. To date I have not received any word from him in respect to future work, therefore my report is somewhat late.

On contacting the shaft no ore was found and cant be found without going thru the hanging wall of the shaft. According to the map we worked from, the shaft was supposed to be only 40 feet in depth, but after we holed thru we found the shaft to be 120 feet plus in depth. We were able to clean out the bottom of the shaft enough to get a look into the hanging wall and found a large room or opening where the ore found on surface must have come from, becausd there is no sign of ore in the shaft. There are indications on surface on hanging wall side of shaft to indicate the possibility of Copper ore to be found in that direction.

The only solution to this problem is to get an amendment to my contract and secure another 50 feet of work to be used in cross cutting into the hanging wall of the shaft.

Date: January 30, 1953

Operator: Harold P. Newman

Signed- /s/ Harold P. Newman

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

ACCOUNTS DEC 30 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 2560 Contract No. Kdm-5385
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada
Contract Amount, $ 3780.00 Government Participation: 50 % Amount, $ 1890.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	729.00	1890.00	2619.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	729.00	1890.00	2619.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec. 15, 1952 *Payee Harold P. Newman
Per _____ Title Owner

*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:
$ 364.50
A. J. Renner
Authorized Certifying Officer
Signature _____
(Authorized Certifying Officer)
Date JAN 13 1953 Vou. No. SF-DMEA-31
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E585 in accordance with the terms of the contract.

Signature [illegible] Title Mining Methods Research Engineer Date Dec. 16, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. C. Miller Title Executive Officer DMEA Field Team Region III Date December 30, 1952

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1181
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1953

ACCOUNTS DEC 30 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 195 2 Docket No. DMEA 2560 Contract No. Idm-E585
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	-	-	-	-	-	40	27.00
Crosscutting	Feet	729.00	27	2619.00	97	27.00	100	27.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		729.00	27	2619.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		none						
Initial Rehabilitation and Repairs		none						
New Buildings, Improvements, etc.		none						
TOTAL COSTS		729.00	27	2619.00				

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

Date Dec. 15, 1952 Operator

Per H P Newman Title owner

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

Operator's Name: Harold P. Newman

Address: Ione, Nevada

Name of Property: Copper King Prospect

Docket No. DMA-2560

Mineral: Copper

Contract No.: Idm-2585

Operations Report for month of November

After considerable delay, due to lack of labor, I have started operations. Crosscutting to the shaft is beginning to show signs of ore. I expect to intersect the ore before the first of the year.

Date: December 16, 1952

Operator: Harold P. Newman

Harold P. Newman

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 24 1952

INTERIM REPORT

Docket No.: DMEA-2560 November 12, 1952

Name and address of operator: Harold P. Newman
Ione, Nevada

Name and location of property: Copper King Prospect, 3 miles south of Ione, in sec. 10, T. 12 N., R. 39 E., Nye County, Nevada.

Contract No.: Idm-E365

SUMMARY AND CONCLUSIONS

The property was visited on November 6, 1952 by John D. Warne, mining engineer, in company with Harold P. Newman, the operator.

A total of 70 feet of crosscutting has been performed to date and 30 feet additional crosscutting and 40 feet of drifting will complete the exploration contract work.

The operator was forced to temporarily discontinue work on this project as the two miners employed on the work quit. He is now attempting to recruit new miners.

The crosscutting work performed to date is satisfactory and has been done in a workmanship like manner.

RECOMMENDATIONS

The operator's request for a 60 day extension in time for completing the project should be granted.

A slusher has been installed in the crosscut to assist in the muking operation; only one miner will be necessary to enable Mr. Newman to complete the project.

WORK COMPLETED

Crosscutting progress of 44 feet were accomplished during the period September 25 to November 6, 1952. This crosscut was driven through the interval 26 feet to 70 feet toward the objective shaft.

GENERAL COMMENTS

The operator was forced to close down the exploration project operations during the latter part of October as the two miners employed on the work quit. The operator is now attempting to recruit one or two miners to complete the project. It is difficult to hire miners and to keep them employed at this isolated mine.

The operator proposes to request an extension of 60 days time to complete the project. This request for an extension in time to complete the work should be granted.

CHECK SAMPLING

No mineralization has been encountered in the crosscut to warrant sampling or analysis.

John D. Warne

John D. Warne
Mining Engineer.

(Rev.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1030.3.
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

NOV 2 - 1952

Month of October, 1952 Docket No. DMEA 2500 Contract No. Idm E305
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada
Contract Amount, $ 3780.00 Government Participation: 50 % Amount, $ 1890.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting	$864.00	$1026.00	$1890.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$864.00	$1026.00	$1890.00			

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

Date Nov. 7 *Payee Harold P. Newman

Per Harold P. Newman Title Owner

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

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

(Instructions on reverse)

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

$ 432.00

A. L. Renner
Authorized Certifying Officer

Signature
(Authorized Certifying Officer)

Date NOV 20 1952 Vou. No. SF-DMEA-27

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature A. C. Johnson Title [illegible] Date Nov. 13, 1952.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. O. Miller Title Executive Officer DMEA Field Team Region III Date Nov. 18, 1952

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

)4A

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
[illegible] 2 - 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct 195 2 Docket No. DMEA 2568 Contract No. Idm E385
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	—	—	—	—	—	40	27.00
Crosscutting	Feet	$864.00	32	$1890.00	70	$27.00	100	$27.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$864.00	32	$1890.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None						
Initial Rehabilitation and Repairs		None						
New Buildings, Improvements, etc.		None						
TOTAL COSTS		$864.00	32	$1890.00				

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

Date Nov. 7 Operator Harold P. Newman

Per Harold P. Newman Title Owner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Operators Name: Harold P. Newman Docket No. DMA 2560

Address: Ione, Nevada Mineral: Copper

Name of Property: Copper King Prospect Contract: No. Idm E385

Operations Report for month of October

Work was slowed up a great deal because of lack of labor. However I did manage to advance (32) thirty-two feet directly toward the shaft.

The rock formation has been very hard and blocky but there is a change in the formation at present which should make for easier drilling operation.

Date: November 2 1952 Operator: Harold P. Newman

Harold P. Newman

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No.
Approval Expires
Defense Minerals Administration
RECEIVED
OCT 17 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 2560 Contract No. Idm-E385
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada
Contract Amount, $3,780.00 Government Participation: 50 % Amount, $1,890.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 38' @ $27.	1026.00	0.00	$1026.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1026.00	0.00	$1026.00			

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

Date Oct. 1, 1952 *Payee Harold P. Newman

Per Harold P. Newman Title Owner

*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:

$ 513.00

Signature A. V. BENNETT
(Authorized Certifying Officer)

Date 1952 Vou. No. SF-DMEA-19

(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-E385 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Date October 2, 1952.

A. C. Johnson

Region III

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer & Field Team Date October 6, 1952

T. C. Miller

Region III

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau [illegible]
Approval expires [illegible]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 17 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 195 2 Docket No. DMEA 2560 Contract No. Idm-2588
Operator's Name Harold P. Newman Minerals Copper
Address Ione, Nevada

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Feet	-	-	-	-	-	40	27.00
Crosscutting	Feet	$1,026.00	38	$1,026.00	38	$27.00	100	27.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,026.00	38	$1,026.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None						
Initial Rehabilitation and Repairs		None						
New Buildings, Improvements, etc.		None						
TOTAL COSTS		$1,026.00	38	$1,026.00				

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

Date Oct. 1, 1952 Operator Harold P. Newman

Per Harold P. Newman Title Owner

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 7 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

Operator's Name: Harold P. Newman | Docket No. DMEA-2560

Address: Ione, Nevada | Mineral: Copper

Name of property: Copper King Prospect | Contract No.: Idm-E385

OPERATIONS REPORT FOR MONTH OF SEPTEMBER

Work was started on the above contract August 25 laying track and preliminary operations preparatory to actual mining. Actual mining started September 5, crosscutting in general direction of the shaft following the fault to contact segment of ore. After 26 feet turned directly for the shaft. This operation put me off line slightly but the difference in footage will be less than 5 feet.

Date: Oct. 1, 1952 Operator: Harold P. Newman

Per Harold P. Newman Title: Owner

OCT 8 1952

Hon. Jesse P. Wolcott
House of Representatives
Washington 25, D. C.

Re: Docket No. DMLA-2560 (Copper)
Exploration Project Contract Idm-[illegible]
Copper King Prospect
Lyon County, Nevada

Dear Mr. Wolcott:

Acknowledgment is made of your letter dated October [illegible], 1952, enclosing copy of inquiry received by you from Mr. Edw. H. Moore of Port Huron, Michigan.

Since this Agency does not handle the subsidy prices for metals, we are referring your letter and enclosure to the Defense Materials Procurement Agency for reply.

Sincerely yours,

C. O. Mittendorf

Administrator

GLAult/FLKnouse/gla
10-7-52
cc to: Adm. Reading File
Mr. Jess Larson, GSA
Docket
Mr. Ellis
Mr. Knouse

OCT 8 1952

File reference: DMEA-2560

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Building
F Street, between 18th and 19th, N. W.
Washington 25, D. C.

Dear Mr. Larson:

Enclosed herewith is an inquiry received from Hon. Jesse P. Wolcott, together with copy of letter enclosed from Mr. Edw. R. Moore, Port Huron, Michigan, and copy of my reply which is self-explanatory.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures 3

GLAult/FLKnouse/gla
10-7-52
cc to: Adm. Reading File
Docket
Mr. Ellis
Mr. Knouse

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: October 6, 1952

Memorandum

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

From: Executive Officer, DMEA Field Team, Region III

Subject: Interim Inspection Report

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 1 0 1952

Attached are four copies of Interim Report on -

Docket DMEA 2560

Contract Idm-E 385

Commodity Copper

Operator - Harold P. Newman
Copper King Prospect

Property - Nye County, Nevada

By John D. Warne

Dated September 26, 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-2560 September 26, 1952

NAME AND ADDRESS OF OPERATOR: Harold P. Newman
Ione, Nevada

NAME AND LOCATION OF PROPERTY: Copper King Prospect, 3 miles south of Ione, in sec. 10, T. 12 N., R. 39 E., Nye County, Nevada

CONTRACT NO.: 1dm-2386

SUMMARY AND CONCLUSIONS

The property was visited on September 25, 1952 by John D. Warne, mining engineer. Preliminary work began on August 25, 1952; and actual crosscutting work began September 5, 1952. A total of 26 feet of crosscut was driven at the time of this initial inspection.

The first 26 feet of crosscut as driven diverged 50 degrees from the direction outlined in Fig. 1 of the contract; thus only 22.5 feet of progress toward the objective shaft was actually accomplished. The line followed effected greater progress and served as additional exploration for the operator. The total increase in length of crosscut will be only 4.6 feet (as shown by Fig. 1 attached). This divergence from the straight line course outlined in the contract should be disregarded, as the operator has agreed to drive an additional 4.6 feet without charge to the contract - thus the equivalent crosscut footage will be accomplished.

The operations are being conducted in an efficient and workmanship like manner.

RECOMMENDATIONS

No recommendations for improving the operations are made.

A change in the bearing of the crosscut to adhere more closely to the contract was recommended to the operator.

Although the crosscutting operations will require 4.6 feet additional progress to reach the objective shaft, no amendment to the contract is recommended as the same exploration features will be accomplished without increasing the costs of the project.

Another inspection at an early date is recommended to check the final direction of the crosscut.

WORK COMPLETED

Preliminary preparations and installation of equipment was done by Mr. Harold P. Newman during the period August 25 to September 5, 1952. Actual crosscutting work was begun on September 5, 1952, and 26 feet had been driven by September 25 (see Fig. 1).

GENERAL COMMENTS

The operator drove the initial 26 feet of crosscut on a bearing of S. 64° W., approximately 30 degrees off the line of the crosscut as outlined in Fig. 1 of the contract (see Fig. 1 attached); thus a progress of only 22.5 feet toward the shaft was accomplished. Upon my suggestion, he turned the line of crosscut to S. 24° W. in a direct line toward the objective shaft. The total length of the crosscut, as it is being driven, will be 100 feet, rather than 95.4 feet had a straight line been followed:

26' x cos 30 deg. (.866) =	22.5'
74' x cos 10 deg. (.985) =	72.9'
100' (as driven)	95.4 (shortest distance)

The operator's decision to follow a narrow fault zone, which bore an occasional slight copper mineralization was logical and effected greater progress. He also hoped to encounter a continuation (northward) of the copper deposit developed by the drift-adit. This deposit may, or may not, have been offset by the fault which he followed.

Only seven blast holes were necessary per drill round to advance the crosscut, an average of 3.7 feet daily.

The operations are efficient and being performed in a workmanship like manner. Two miners are employed by the operator.

CHECK SAMPLING

Insufficient mineralization has been encountered to date to warrant sampling or analysis.

John D. Warne

John D. Warne
Mining Engineer

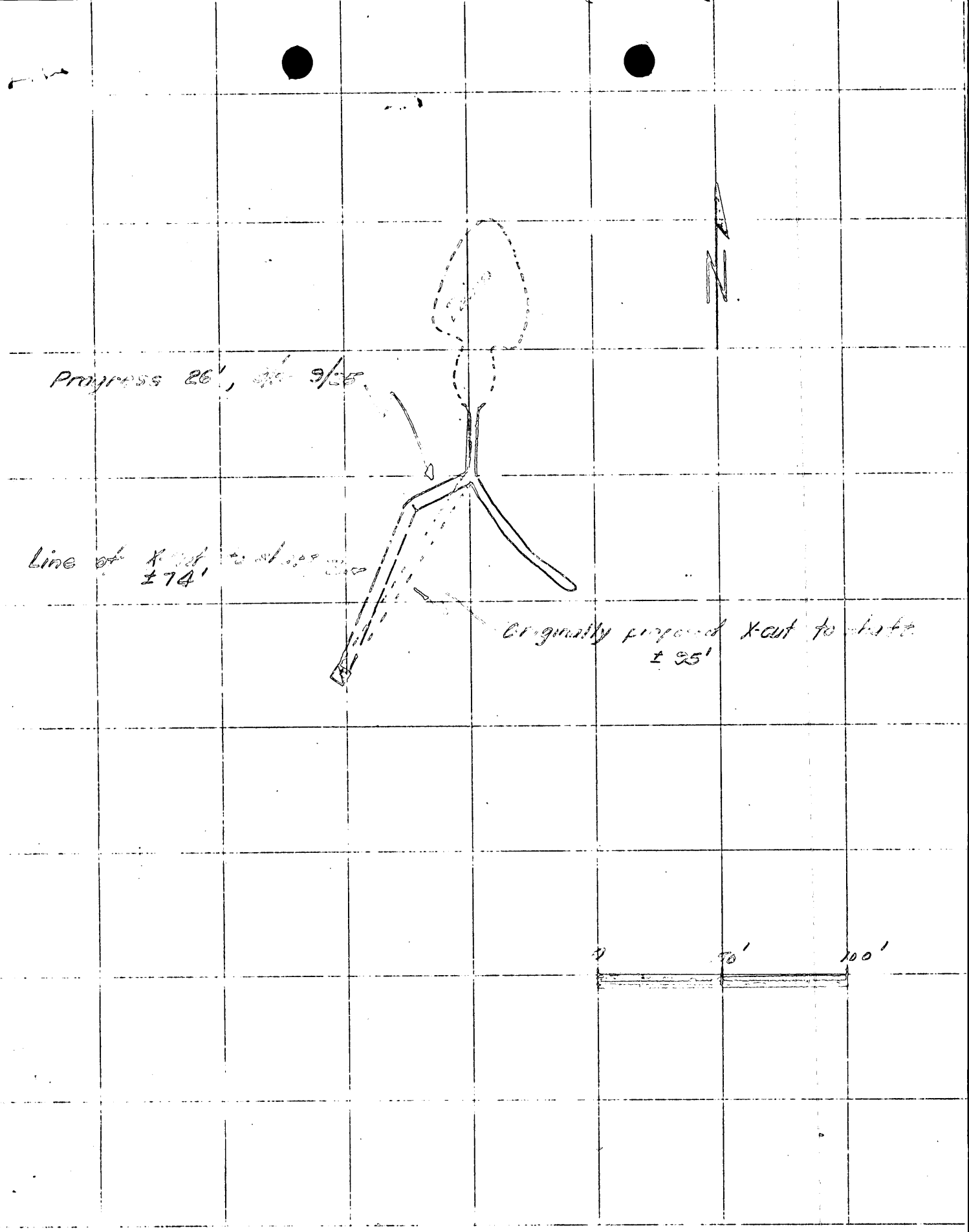

Fig 1 Copper King Prospect - Contact John E 365 - Nye Co, Nevada

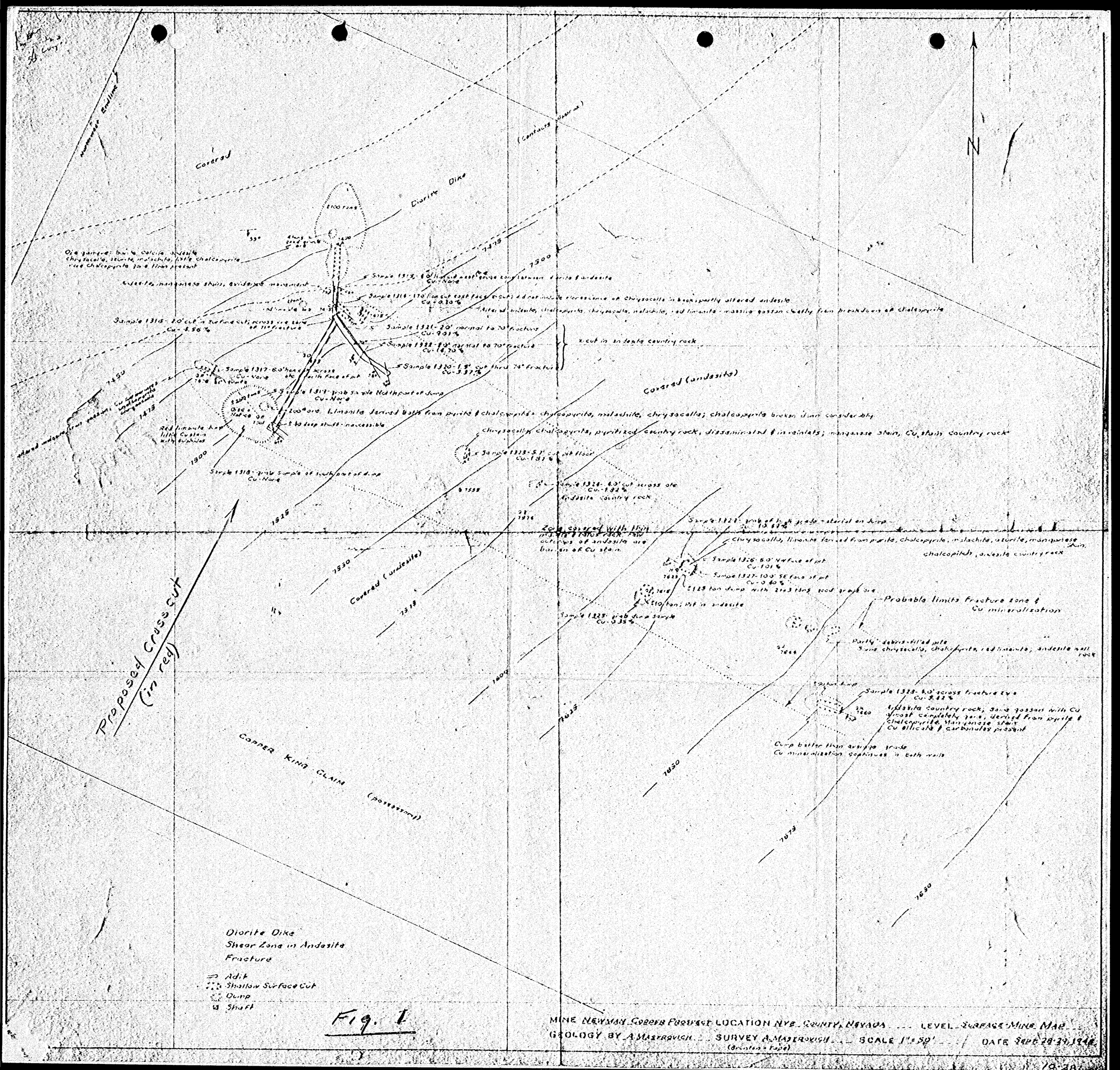

Fig. 1

MINE NEWMAN COPPER PROSPECT LOCATION NYE COUNTY, NEVADA LEVEL SURFACE MINE MAP

GEOLOGY BY A. MASTROVICH SURVEY A. MASTROVICH (Brunton & tape) SCALE 1" = 50' DATE SEPT 28-29, 1946

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