JUN 2 9 1965

Claims Division
General Accounting Office
Washington, D. C.

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Gentlemen:

In accordance with 4 GAO 5000 and Comptroller General's decision B-136448, there is referred to you the matter of royalty amounting to $2,783.69 due to the Government under provisions of Defense Minerals Exploration Administration Contract No. Idm-E1158, Docket No. DMEA-4795 (Tungsten), dated December 3, 1957. The facts pertinent to this matter and the efforts of this office, as successor to Defense Minerals Exploration Administration, to effect collection of this amount follow.

The referenced contract provided for certain exploration for tungsten to be performed by Tungsten Mountain Mining Company, a Nevada Corporation, hereinafter referred to as the Operator, on certain mining property located in Churchill County, Nevada, as more fully described in the contract. This contract provided for Government participation to the extent of 75 percent of accepted exploration costs subject to refund to the Government through payment of royalty on the value of any production from the property during a period of eleven years from the date of the contract.

The exploration was completed in January 1959 with the Government's participation being $23,413.87. In addition, an amount of $432.00 contributed by the Government toward exploration costs under Contract No. Idm-E707, Docket No. DMEA-3160, was made subject to repayment by the Operator under provisions of Article 10 of Contract No. Idm-E1158, making a total amount repayable of $23,845.87. A certification of discovery or development was issued on July 31, 1959, and the Government is entitled to royalty on the value of production from the property for a period of eleven years from the date of the contract or until the amount of $23,845.87 is repaid without interest whichever occurs first.

On November 19, 1962, a registered letter was sent to the Operator at his Seattle, Washington, address requesting information as to the current ownership status of the property and whether there had been any production from the land subject to the contract. Although the Post Office Department return receipt indicated delivery of the letter to Mr. B. W. Porter, the Operator's President, reply was not received to the letter.

Effort was then made to have Mr. E. A. Magill, supervisory mining engineer, U. S. Bureau of Mines, Seattle, Washington, attempt to contact Mr. Porter and to secure the desired information. Under dates of February 7, 1963, and October 22, 1963, Mr. Magill stated that he had been unable to contact Mr. Porter. Under date of April 20, 1964, Mr. Magill advised that he had contacted Mr. Fred Wettrick, Mr. Porter's attorney, from whom he learned that production had been made from the mine until about August 1961 when the property was shut down because of a flash flood and a break-down of certain mill machinery. He further advised that prior to this time concentrates had been shipped to Nevada Scheelite's plant in Fallon, Nevada.

By letter dated November 9, 1964, this office requested Nevada Scheelite Corporation to advise particulars with respect to any purchases they had made from the Operator applicable to Hilltop Mine during the period December 3, 1957, through August 1961. In a letter dated November 16, 1964, Nevada Scheelite advised that they had correspondence with the Operator during that month and suggested that the information be secured from that source.

On November 25, 1964, this office sent a registered letter to the Operator at the address furnished by Nevada Scheelite requesting an accounting for any production from the Hilltop Mine. Post Office Department return receipt indicated delivery of this letter on December 1, 1964. No reply was received to this letter and a follow-up letter was sent by registered mail on January 4, 1965.

A reply to the last mentioned letter was received from Mr. F. J. Wettrick, of the law firm Wettrick, Toulouse, Lirhus & Nova, Suite 805, Arctic Building, Seattle, Washington 98104, in a letter dated March 30, 1965. This letter set forth the difficulties being experienced by the Operator and requested that the collection of past due royalties be deferred until such time as mining operations were resumed.

By letter dated April 8, 1965, to Mr. Wettrick, this office requested production data by which the amount of the royalty obligation could be determined. With a letter dated May 6, 1965, Mr. Wettrick furnished a statement showing that sales aggregating $55,673.89 had been made by the Operator to Nevada Scheelite between November 25, 1960, and July 13, 1961.

By letter dated May 13, 1965, Mr. Wettrick was advised that the royalty due to the Government, at 5 percent of the sales value of the production sold, amounted to $2,783.69 and that unless such amount was paid, or an acceptable plan for the orderly liquidation of the obligation was received within 30 days, this office would have no alternative but to take what further action may be available for collection of amounts due to the Government.

In a letter dated June 19, 1965, Mr. Wettrick again discussed the financial condition of the Operator and the reasons therefor and asked for further indulgence by this Department. Under date of June 25, 1965, he was advised that we have no alternative but to refer the matter to your Division for further handling.

Two copies of each of the following documents, as referred to in the preceding paragraphs, are enclosed:

(1) Contract No. Idm-E1152, Docket No. DMEA-4795 (Tungsten), including Annex I, and Amendment No. 1, but excluding other attachments to the contract which are not pertinent to the matter of the indebtedness.

(2) Certification of discovery or development dated July 31, 1959.

(3) Letter to Operator dated November 19, 1962.

(4) Letter from Mr. E. A. Magill dated February 7, 1963.

(5) Memorandum from Mr. Magill dated October 22, 1963.

(6) Letter from Mr. Magill dated April 20, 1964.

(7) Letter to Nevada Scheelite dated November 9, 1964.

(8) Letter from Nevada Scheelite dated November 16, 1964.

(9) Letter to Operator dated November 25, 1964.

(10) Letter to Operator dated January 4, 1965.

(11) Letter from Mr. Wettrick dated March 30, 1965.

(12) Letter to Mr. Wettrick dated April 8, 1965.

(13) Letter from Mr. Wettrick dated May 6, 1965.

(14) Letter to Mr. Wettrick dated May 13, 1965.

(15) Letter from Mr. Wettrick dated June 15, 1965.

(16) Letter to Mr. Wettrick dated June 25, 1965.

Sincerely yours,

George Fumich, Jr.

Acting Director

Enclosures

CEFisher:fh
6/28/65

cc: Region II
Director's reading file
Docket
CA&A Division

JUN 2 5 1965

Mr. F. J. Wettrick
Wettrick, Toulouse, Lirhus & Hove
Suite 805, Arctic Building
Seattle, Washington 98104

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Dear Mr. Wettrick:

A review of our file relating to the subject contract has lead to the conclusion that nothing will be gained by further indulgence by this Department as requested in your letter dated June 15, 1965. We feel that we have no alternative, under effective Government regulations, but to refer this matter to the Claims Division of the General Accounting Office for further handling.

Copies of pertinent documents and correspondence, including your several letters outlining the financial conditions of the company, etc., will be furnished to the Claims Division for its information.

We trust that a mutually satisfactory arrangement may be reached between your client and the Claims Division.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher:fh
6/21/65

cc: Director's reading file
Region II, w/copy of incoming ltr of 6/15/65
CA&A Div.
Docket

MAY 1 3 1965

Mr. F. J. Wettrick
Wettrick, Toulouse, Lihrus & Hove
Suite 805, Arctic Building
Seattle, Washington 98104

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Dear Mr. Wettrick:

Thanks for your letter dated May 6, 1965, and the accompanying statement showing production and sales from Hilltop Mine during 1960 and 1961 amounting to $55,673.85. This would indicate that royalty due to the Government amounts to $2,783.69 which should have been paid approximately four years ago.

As stated in our letter dated April 8, 1965, we do not have authority to indefinitely postpone the collection of royalty due to the Government, but that we are willing to entertain a proposal from your client for a definite arrangement to liquidate its obligation.

Unless payment of the royalty long past due is made, or an acceptable proposal for the orderly liquidation of the obligation is received within 30 days, we have no alternative but to take what further action may be available for collection of amounts due to the Government.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher:fh/5/12/65
cc: Docket
Region II, w/copy of ltr of 5/6/65 & attachment
Director's reading file
CA&A Div.

APR 8 1965

Mr. F. J. Wettrick
Wettrick, Toulouse, Lirhus & Hova
Suite 805, Arctic Building
Seattle, Washington 98104

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Dear Mr. Wettrick:

This will acknowledge receipt of your letter of March 30, 1965, concerning royalties payable under the subject contract.

We deeply sympathize with your client in the losses incurred during the flash flood in August 1961 which caused the shutdown of its operations. However, we do not have authority to indefinitely postpone the payment of royalties due.

Your client has failed to cooperate with this office by not replying to our several letters or furnishing the information required under Article 5(d) "Report of Sales" of the exploration contract. If it has lost its production records, no doubt it could obtain copies of settlement sheets from the buyers of its concentrates. These should be furnished in duplicate to this office in accordance with the provisions of the contract.

Upon receipt of the settlement sheets copies, we would be in a position to entertain a proposal from your client for a definite arrangement to liquidate its royalty obligation to the Government.

Sincerely yours,

George Fumich, Jr.

Acting Director

FEJohnson/bih 4/8/65
cc to: Files
Dir. reading file
SOL
Region II w/cy inc.ltr.
120
800
FEJohnson

JAN 4 1965

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Tungsten Mountain Operating Corporation
214 Securities Building
Seattle, Washington 98101

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Gentlemen:

Reply has not been received to my registered letter dated November 25, 1964, wherein request was made for an accounting of any production and sales of minerals from the Hilltop Mine on which the Government is entitled to royalty under provisions of the subject contract since December 3, 1957.

Unless the requested information is received and an acceptable proposal is made for the orderly liquidation of the obligation to the Government within 10 days I will have no alternative other than to refer the matter to the proper authorities to take appropriate legal steps to protect the Government's interest.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

CEFisher/ama 12-28-64

cc:
Docket
Director's Reading File
CA & A Division
Region II

December 28, 1964

Memorandum

To: Files

From: Contract Administration and Audit Division /s/ C. E. Fisher

Subject: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

The matter of royalty due under this contract appears to be headed for the GAO Claims Division. Mr. Porter does not answer his mail and probably will ignore the now proposed letter.

In my opinion, the record of OME is not too good in this case and should be tidied up a bit before referral to the Claims Division. We can understand what has happened, but such understanding may not be so apparent to an outsider.

If Mr. Porter does not respond to our "last chance" letter we should again request the settlement sheets from Kennametal, Inc. If that company is still reluctant about furnishing the information, perhaps Mr. Fillo could obtain the information on an "off the record" basis. While these settlement sheets might include payments for some tungsten that was not subject to Government royalty, they would at least furnish a basis for computing a dollar demand and the burden of proving the exact amount due would then fall upon the Operator and we would be in position to present a much better case to the Claims Division.

CEFisher/ama 12-28-64

cc:
Director's Reading File
CA & A Division

NOV 25 1964

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Tungsten Mountain Operating Corporation
214 Securities Building
Seattle, Washington 98101

Re: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Gentlemen:

By the terms of a Certification of Discovery or Development dated July 31, 1959, issued by the Office of Minerals Exploration pursuant to the provisions of the referenced exploration project contract, the Government is entitled to a percentage royalty on the value of all mineral production from the land described in Article 2 of the contract from December 3, 1957, to December 3, 1968, or until the sum of $23,845.87 is repaid to the Government. No royalty payments have been received to this date.

The Operator's Final Report dated February 28, 1959, signed by Arthur Lakes, Consulting Engineer & Agent for Tungsten Mountain Mining Company, states that 1,050 tons (estimated) of ore containing 1,260 units of WO_3 on which the Government was entitled to royalty under provisions of this contract were stored on the No. 4 tunnel ore dump. The final report, under "Future Plans", stated that the company had acquired a gravity-flotation mill and was proceeding with mining operations.

We understand that your company was in operation and shipped concentrates to the Nevada Scheelite Division, Kennametal, Inc., Fallon, Nevada, at least until about August 1961 when a flash flood washed out large sections of road between the main highway and the mine and also filled part of the workings of the mine with debris.

This office is charged with the responsibility of collecting any royalty that may be due to the Government under provisions of Defense Minerals Exploration Administration contracts. Request is therefor made for an accounting of any production and sales of

minerals from the Hilltop Mine on which the Government is entitled to royalty since December 3, 1957. This accounting should include copies of settlement sheets issued by the purchaser of the mineral showing quantity and grade of the product sold together with price at which sold and any charges by the purchaser which are allowable deductions from the gross proceeds in computing the royalty payable.

Your early attention to this matter is requested.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher/ama 11-25-64

cc:
Docket
Director's Reading File
CA & A Division
Region II

Nevada Scheelite Corporation
430 South Maine Street
Fallon, Nevada

Re: DMEA-4798 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

Gentlemen:

Under provisions of the referenced exploration project contract the Government is entitled to a percentage royalty on the value of production from Hilltop Mine for a period of 11 years subsequent to December 3, 1957.

Our efforts to contact Tungsten Mountain Mining Company have proven unsuccessful; however, we have been informed that the company was in operation and shipped concentrates to your company at least until August 1961 when their mining property became inaccessible due to a flash flood which washed out large portions of the road between the main highway and the mine.

Please advise the quantities and settlement value of concentrates you may have purchased from Tungsten Mountain Mining Company since December 3, 1957, together with two copies of each of the pertinent settlement sheets, to assist this office in fulfilling its responsibility of determining what amount of royalty may be due to the Government.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher/ama 11-6-64

cc:
Docket
Director's Reading File
CA & A Division
Region II

November 6, 1964

Memorandum

To: Files

From: Auditor, Contract Admin. and Audit Division /s/ C. E. Fisher

Subject: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-E1158

A review of this docket file indicates the probability that a substantial amount of royalty may be due to the Government.

This contract covering an exploration for tungsten was entered into approximately one year after the Government's purchase program for tungsten was terminated so it is apparent that the Operator was not relying on Government purchases as a primary consideration for undertaking the work.

The Operator's Final Report dated February 28, 1959, mentions 958 tons of ore produced and sold, 750 tons stockpiled from No. 3 Tunnel, and 1,050 tons stockpiled from No. 4 Tunnel. Review of the data filed with the Application for Aid in an Exploration Project discloses that the 958 tons of ore were produced and sold prior to the date of the exploration contract and that ore produced from No. 3 Tunnel was stockpiled when the exploration contract was made. Thus, it is apparent that 1,050 tons of ore containing 1.20% WO_3 or 1,260 units were secured from the No. 4 Tunnel during the exploration and were stored there when the exploration contract was completed.

There is nothing in the docket file indicating that there has ever been an inspection of the property by a Government representative since the exploration was completed. This was undoubtedly due to the remoteness of the project and lack of personnel to properly police the matter.

MME Form 63 dated September 26, 1962, was not answered by the Operator. Another form dated November 19, 1962, was sent by registered

mail. The Post Office Department returned a receipt indicating that this communication was received by B. W. Porter, the Operator's president; however, no reply has been received to this date.

Effort was then made to contact the Operator through E. A. Magill, Supervisory Mining Engineer, USBM, at Seattle, Washington. In a letter dated April 20, 1964, Mr. Magill stated that he had not been able to contact Mr. Porter but that he had contacted Mr. Fred Wettrick, Mr. Porter's attorney, who informed him that a flash flood in August 1961 had washed out a large section of the road between the main highway and the mine. This, coupled with a breakdown in the Operator's mill, caused a cessation of operations and shipping of concentrates to the Nevada-Scheelite plant in Fallon, Nevada.

On May 15, 1964, a copy of Mr. Magill's letter was sent to the Field Officer, OME Region II, with the suggestion that copies of settlements for the period December 3, 1957, to August 1961 be secured from Nevada-Scheelite. By letter dated May 26, 1964, the Acting Field Officer requested the Operator to furnish two copies of each settlement sheet subsequent to December 3, 1957. No reply has been received to the latter letter and there is no evidence in the docket indicating that the settlement sheets have ever been requested from Nevada-Scheelite.

While it is admitted that we have only hearsay evidence that there has been any production and sales on which the Government would be entitled to royalty, the inference is strong that there have been such sales. If the Operator worked the property for a year or more after the completion of the exploration project, possessed facilities for milling the ore, and was located only approximately 100 miles from a point where he had a market for his production, it would seem that he would have made sales to get funds for further exploration if for no other purpose. It would further appear to be natural that the stockpile would be disposed of as the mining costs for that ore had been previously incurred.

The 1,260 units WO_3 stockpiled at the No. 4 Tunnel might produce as much as $18,000 when sold depending, of course, upon the mill recovery rate and the market at the time of sale.

CEFisher/ama 11-6-64

cc:
Docket
Director's Reading File
CA & A Division

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

Memorandum

To: Acting Field Officer, Region II

From: Chief, Division of Field Operations

Subject: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada
Contract Idm-81158

Enclosed is a copy of a self-explanatory letter of April 20, 1964, from E. A. Magill to Region I. The Porter referred to in the letter is B. W. Porter, president of the subject company, whose address is 511 Securities Building, Seattle 1, Washington.

We have received no reports of production nor royalty payments from the Operator; hence, in view of Mr. Magill's letter, it is suggested that you request copies of settlements starting December 3, 1957, the date of the contract and also the date the contract work started, to August 1961, from Nevada-Scheelite.

Enclosure

[illegible]
5/15/64
cc: Director's [illegible] File
Review Committee
Docket
Code [illegible]

63683

800

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region VII
Mineral Resource
Office

Seattle Nonmetallics Laboratory
215 Roberts Hall
University Campus
Seattle, Washington 98105

April 20, 1964

E1158

Mr. Don MacLaren
Office of Minerals Exploration
S. 157 Howard Street
Spokane, Washington

Dear Don:

Here is the latest information I have been able to find out in regard to Mr. Porter and the tungsten property in Nevada which you called about. I wasn't able to contact Porter, but I did contact Fred Wettrick, his attorney, here in town and whom I've known for many years. Here's what Fred had to tell me:

The last production from the property was in August 1961 when a flash flood washed out large sections of the road between the main highway and the mine. At about the same time the cone crusher in the mill broke and added to their problems. The flood also filled part of the upper workings of the mine with debris.

Prior to the flood they were shipping their concentrates to Nevada--Scheelite's plant in Fallon, Nevada.

Fred said that at present Porter is trying to raise sufficient money to extend No. 5 adit about 200 feet to intersect the downward extension of the orebody.

So if the OME records extend through August 1961 you have the production picture, if not there may be some unreported. Incidentally I was able to get Porter's home phone number, which is: Seattle AT 3-1055; you already have his office phone (MA 3-4435).

Let me know the outcome of this information, Don, and if necessary I will try further to run Porter down.

Yours truly,

E. A. Magill
Supervisory Physical Scientist

So. 157 Howard Street
Spokane, Washington 99204
March 24, 1964

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Churchill County, Nevada
Contract Idm-E1158

This is in further reference to our March 11, 1964 memorandum.

Juan Munoz visited this office today to discuss the Pacific Minerals (OME-6141) project. I asked if he knew of any production from the subject property within the last few years. He did not know exactly when production ceased but is sure that there has been none since the big decline in the price of tungsten. For the last year or so work at the property has been limited to exploration, more of which is planned for next summer.

D. R. MacLaren

EXTRA COPY
O. M. E
RECEIVED MAR 964
DATE
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800

No. 157 Howard Street
Spokane, Washington 99204
March 11, 1964

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Churchill County, Nevada
Contract Idm-E1158

Upon receipt of your March 5th memorandum I tried to telephone B. W. Porter at the Seattle office of the above-cited company but could get no answer. I then telephoned Magill who has still been unable to get in touch with Porter or anyone at his office. However, he has been able to get from Juan Munoz some evidence that no work has been done at this property for some time.

Last summer Juan Munoz was in charge of the OME project at Lookout Mountain, Crook County, Oregon, OME-6141, Pacific Minerals & Chemical Co., Inc., Contract 2132. Porter has been trying to get Munoz to take a contract for drifting on a tungsten property in Nevada. Magill does not know the name or precise location of the property except that it is about 50 miles from Fallon. Munoz is certain that the property has been idle several years. The question is, of course, is this the property that was the subject of DMEA-4795?

All we really know is that Porter is or was contemplating work on a tungsten property 50 miles or so from Fallon. Possibly, with this as a start, Fillo may be able to find out something the next time he is in that area. I do not believe Munoz should be put on the spot by mail. However, Pacific Minerals people were in Spokane about a month ago and said they hope to have Munoz run things next summer. If so, I will get what I can from him orally.

D. R. MacLaren

OFFICIAL FILE COPY
O.M.E.
RECEIVED 1964
800

So. 157 Howard Street
Spokane, Washington 99204
January 14, 1964

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMRA-5180 and DMRA-4795 (Tungsten)
Tungsten Mountain Mining Company
Churchill County, Nevada
Contracts Idm-E707 and Idm-E1158

In reference to your memorandum of October 16, 1963, I talked with Magill during the Northwest Mining Association Convention early in December.

He has continued at intervals to try and telephone Mr. Porter of the subject company and has called several times at the office but has been unable to get an answer or find anyone at the office. He will continue his efforts and will advise us immediately.

D. R. MacLaren

So. 157 Howard Street
Spokane 4, Washington
January 28, 1963

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 30 1963

DATE	INITIALS	CODE
		800

Mr. E. A. Magill
U. S. Department of the Interior
Bureau of Mines
University Campus
Seattle 5, Washington

Re: DMMA-3180 and DMMA-4795 (Tungsten)
Tungsten Mountain Mining Company
Churchill County, Nevada
Contracts Idm-E707 and Idm-E1158

Dear Mac:

Enclosed is a copy of a self-explaining memorandum from Chief, Division of Field Operations. Any information you can secure regarding possible recent activity and the present status of the property and whether Porter or Tungsten Mining Company is still the owner will be greatly appreciated.

Regards,

D. E. MacLaren
Acting Field Officer, OME
Region I

Enclosure

DEMacLaren:my

cc: OME(2)
Reading copies to:
Mahan
McKelvey

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C. and the Acting Field Officer, OME Region II, San Francisco, California, pertaining to Contract No. Idm-E1158, Docket No. DMEA-4795 (Tungsten), dated December 3, 1957, with

Tungsten Mountain Mining Company
511 Securities Building
Seattle 1, Washington

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Hilltop Mine located in Churchill County, Nevada, during the period December 3, 1957, through April 21, 1960.

A certification of discovery or development was issued on July 31, 1959, and, in accordance with Article 6 and Amendment No. 1 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 11 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review in lieu of final audit dated March 5, 1959, indicated accepted costs under the exploration contract amounting to $31,218.50 with the Government's contribution, on a 75 percent basis, being $23,413.87. In addition, an amount of $432.00 contributed by the Government toward exploration costs under Contract No. Idm-E707, Docket No. 3180, is subject to repayment in accordance with Article 10 of Contract No. Idm-E1158, making a total amount repayable of $23,845.87.

This review was made in lieu of an on-site audit of the Operator's accounts and records for the following reasons:

(1) Inspection reports by representatives of the Field Team, Region II, and other documents in the files do not indicate that any minerals were mined or produced from the land described in Article 2 of the contract on which royalty would be payable to the Government during the progress of the exploration work or subsequent thereto; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher

C. E. Fisher, OME Auditor

April 22, 1960

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
555 Battery Street
San Francisco 11, California

office

~~EXTRA~~ COPY
O. M. E.
RECEIVED JUN 24 1960

DATE	INITIALS	CODE
6/24	Coe	210
		800
June 22, 1960		

Memorandum

To: Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.

From: Acting Field Officer, OME, Region II

Subject: Report of Royalty Review
Docket No. IMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Hilltop mine
Churchill County, Nevada
Contract No. Idm-3 1158

Enclosed is the original of the Report of Royalty Review, dated April 22, 1960, pertaining to the cited contract.

I have reviewed the documents in this office which relate to this contract and therefore concur with the facts as stated in the Royalty Review.

Glenn G. Gentry

Attachment

Copy to: Contract Administration and Audit Division
OME File

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

MAR 9 1959
O.M.E

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Tungsten Mountain Mining Company
511 Securities Building
Seattle 1, Washington

pertaining to Exploration Project Contract No. Idm-E1158, Docket No. DMEA-4795, dated December 3, 1957, including Amendment No. 1, for the months of December 1957 to January 1959, inclusive, covering a project for the exploration of Tungsten, on property known as the Hilltop Mine, located in Churchill County, Nevada.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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:

All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs 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		$31,218.50
Exceptions:		
Prior to this review	$-0-	
Herewith	-0-	
Total accepted Cost		$31,218.50

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Twenty Three Thousand Four Hundred Thirteen and 87/100 Dollars is valid and proper, provided that the Regional Executive Officer, The Director, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

Amount payable to Operator	$23,413.87
Amount paid to date	22,913.87
Balance due Operator	500.00

March 5, 1959

George Mavor
George Mavor, OME Auditor

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
420 Custom House, 555 Battery Street
San Francisco 11, California

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 20 1959

DATE	INITIALS	CODE
3/20	C	220
		800
March 18, 1959		

Tungsten Mountain Mining Company
511 Securities Building
Seattle 1, Washington

Re: ~~Docket No. IMGA~~
4795 (Tungsten)
Tungsten Mountain Mining Company
Contract No. Idm-E1158

Gentlemen:

Attached hereto for your information and files, is a copy of Report of Review, which covers the operating period for the months of December 1957 to January 1959, inclusive. The balance due you in amount of $500.00 is now being processed for payment.

Sincerely yours,

(Signed) George Mavor

George Mavor, OME Auditor

Attachment

Copy to: Jay L. Chambers

Via Air Mail

Memorandum

To: George Mooney, GSE Auditor

From: Jay L. Chambers
Contract Administration and Audit Division

Subject: Docket No. DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Contract No. [illegible]

Your Report of Review on the above referenced contract is acceptable and normal distribution is authorized.

(Signed) J. L. Chambers

GMcCarthy/DMoC
March 16, 1959

cc: Docket
Director's Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
420 Custom House
555 Battery Street
San Francisco 11, California

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 16 1959

DATE	INITIALS	CODE
3/16	C	220
		800

Via Air Mail

Memorandum

To: Jay L. Chambers
Contract Administration and Audit Division

From: George Mavor, OME Auditor

Subject: Docket No. DMEA-4795 (Tungsten)
Tungsten Mountain Mining Company
Contract No. Idm-E1158

March 13, 1959

Reference is made to your letter dated March 9, 1959, in which you returned 3 copies of Report of Review for subject project for further review or revision.

Due to sickness in Mr. Sjolander's office, there was some delay in processing payments, and I am attaching hereto a copy of Voucher and Schedule of Payments No. SF-OME-23, dated March 2, 1959, which shows the amount of $931.00 paid to subject Operator. After taking into consideration this payment, I believe my Report of Review will be acceptable, therefore I am returning the 3 copies of the Report of Review to your office for approval.

Enclosures

George Mavor

Standard Form No. 1166
Form prescribed by
Comptroller General, U. S.
September 18, 1952
(7 GAO 5040)

VOUCHER AND SCHEDULE OF PAYMENTS

Sheet 1 of 1

U. S. DEPARTMENT OF THE INTERIOR
(DEPARTMENT OR ESTABLISHMENT)

BUREAU OR OFFICE: Bureau of Mines, Office of Minerals Exploration

LOCATION OF TRANSMITTING OFFICE: San Francisco, California

STATION NO.: 14-23-030

D. O. SYMBOL: 9012

D. O. Voucher No.

Bu. Schedule No. SF-OME-23

APPROPRIATION SUMMARY: (SYMBOL AND AMOUNT)

14X4401 $7,329.25

1401

PAID BY

Treasury Department
Division of Disbursement
MAR 4 1959
San Francisco, California

BUREAU VOUCHER NO. (1)	PAYEE, AND IF NECESSARY, ADDRESS, INVOICE NO. OR OTHER IDENTIFICATION (2)	AMOUNT (3)	D. O. CHECK NO. (4)
	California Limestone Products P. O. Box 1064 Blythe, California Contract IDME-1159, DMEA 4785 - Dec.	1,383.25	1648863
	Tungsten Mountain Mining Company 511 Securities Bldg. Seattle 1, Washington Contract IDM E-1158, DMEA 4795 - Jan.	931.00	
	Hamilton Corporation Collins Bldg. Ely, Nevada Contract IDM E-1212 DMEA 4924 - Jan.	1,045.00	
	New Idria Mining and Chemical Company IDRIA, San Benito County, California Contract IDM E-1137, DMEA 4654 - Jan	2,970.00	1648866
	(14X6875(023) $1,000.00)	1,000.00	NO CHECK ISSUED
	To effect holdback of $500.00 on Contract IDM E-1159 and $500.00 on Contract IDM E-1158.		
	GRAND TOTAL	$7,329.25	

4

Pursuant to authority vested in me, I certify that the items listed herein are correct and proper for payment from the appropriation(s) designated

March 2, 1959
(Date)

Floyd H. Gottander
(Authorized certifying officer)

Floyd H. Gottander
Authorized Certifying Officer

Via Air Mail

Memorandum

To: George Hever, DMS Auditor

From: Jay L. Chambers (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Docket No. DMSA-4795 (Tungsten)
Tungsten Mountain Mining Company
Contract No. [illegible]

The three copies of your March 5, 1959, Report of Review on the subject project are returned herewith for further review and revision as may be required.

The last paragraph of your report states that $22,913.87 had been paid to the Operator. Our records indicate that only $21,982.87 has been paid.

By memorandum dated February 12, 1959, Mr. Ricker forwarded the Operator's final MF-104 to Mr. Sjalander with a request that $500.00 be withheld from payment pending release of your report of review. However, payment of this voucher, exclusive of the $500.00 withheld, is not listed in the Region II Finance Officer's February "Supporting Schedule for Monthly Reports" submitted to the Bureau of Mines.

Accordingly, if the accepted costs of the project are correctly stated in your report, the amount paid to date and the balance due the Operator apparently should be $21,982.87 and $1,430.00, respectively.

Enclosures

EDTalbert/sma
March 9, 1959

Copy to: Docket
Director's Reading File
Mr. Chambers
Mr. Spangler Ricker

[illegible]

[illegible]

To: [illegible]

From: [illegible] (Signed) J. L. Clarke
Contract Negotiations and Data Division

Subject: [illegible] Contract
[illegible] Company
Contract No. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

JLC:Ilbert/cm
March 9, 1955

Copy to: Pooles
Director [illegible] File
Mr. [illegible]
Mr. [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

EXTRA COPY
O. R. E.
RECEIVED N. 6 1959
800

March 3, 1959

Memorandum

To: George Mavor, OME Auditor, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4795 (Tungsten)
Contract No. Idm-E 1158
Tungsten Mountain Mining Company
Hilltop Mine
Churchill County, Nevada

Exploration authorized under the contract was completed in January, 1959. The contract expired February 3, 1959.

A final examination of the project will be scheduled as soon as weather and road conditions permit. A final report by B. H. Sheahan, Bureau of Mines, and Roscoe Smith, Geological Survey, is now in process and certification of discovery will be recommended.

Payment of $500.00 has been withheld from the Operator's vouchers of January 1959 until audit confirms allowable expenditures.

The Operator's final report was received and forwarded to the Operating Committee on February 3, 1959.

Work completed in accordance with terms of the contract is:

Stage I:

Item	Authorized	Completed
Drifting-size 5 ft. x 7 ft.	600 ft.	600 ft.
Timbering	200 ft.	189.5 ft.
Long hole drilling	600 ft.	600 ft.
Assays for tungsten	60	48

Stage II:

Item	Authorized	Completed
Drifting and crosscutting	300 ft.	300 ft.
Timbering	100 ft.	0 ft.
Assays for tungsten	40	0

Work under the contract, not done by the Operator, consists of 110.5 ft. of timbering and 52 assays. This work was not considered essential by the Operator or the Field Team. The purpose of the project was achieved.

Under the prior contract, Idm-E 707, Docket No. DMEA-3180, 550 linear feet of surface trenches were excavated.

It is now in order for you to issue your Report of Review.

S. RICKER

S. Ricker

cc: Opr. Com., OME, Wash., D.C.
Finance Office, Reg. II
RMSmith
File
Chron

BUREAU OF MINES
WASHINGTON, D. C.

MAR 5 9 49 AM '59

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

MAR 6 1959 O.M.E. FEB 13 1959

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1959 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash.
Contract Amount, $ 32,200 Government Participation: 75% Amount, $ 24,150

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 Longhole	$48	$852	$900			
Bulldozing						
Crosscutting 57½'	1840	6,384	8,224			
Drifting		20,576	20,576			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering		1,326.50	1,326.50			
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	20	172	192			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1908	$29,310.50	$31,218.50			

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

Date Feb. 6 '59 Payee Tungsten Mountain M. Co

Per Arthur Lakes Title Eng. & Agent

*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:

1431.00
500.00 HOLDBACK
$ 931.00

Signature Lloyd R. Solander
Authorized Certifying Officer

Date FEB 27 1959 Vou. No. SF-OMS-23

(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. 14m-E1158 accordance with the terms of the contract.

Signature B. H. Sheahan Title Mining Engineer Date Febr. 12, 1959

B. H. Sheahan

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date Febr. 12, 1959

S. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

FEB 13 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1959 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft			$20,576		$32		
Crosscutting	Ft	$1840	57½	8,224	900	32	900	$28,800
Raising								
Shafts								
Winzes								
~~Drilling: Core~~ Longhole	Ft	48	32	900	600	$1.50	600	900
Churn								
Auger								
~~Stripping~~ Assaying		20	5	192	48	$4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft			1,326.50	189½	$7.00	300	2,100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1908	94½	$31,218.50				

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

REMARKS:

Date Feb. 6, 1959 Operator Tungsten Mountain Mining Co

Per Arthur Labeo Title Eng. & Agent

→ 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) B. H. Shahan

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

January 1st. through January 31st. 1959

EXPLORATION CONTRACT PROJECT Idm E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

Twenty three days work was performed from January 1st. through 31st. Tungsten Mountain's No. 4 Tunnel advanced 61-feet along 45-X Crosscut which advance exhausted the 57½-feet balance on DMEA authorization. Hole #46-W was drilled 32-feet SW from point 40-feet past sta. 45, thereby completing full longhole authorization.

The total authorized 900-feet tunnel footage and total authorized 600-feet longhole drilling was completed in January. Fifty two assays and 110½-feet of timbering were unused. These total $773.50 which deducted from authorized $32,200 leaves $31,218.50 total expended under Contract No. Idm E-1158. Full details will be included in Final report to DMEA which follows in a few days.

The 45-X Crosscut was driven under Hole #45-W to varify findings by cuttings from 36-ft. to 55-feet hole depth. The crosscut proved non-existence of WO3 rich structure in locality indicated by the hole cuttings. Sprinklings of WO3 (non commercial) were found in granodiorite under the hole. The following was disclosed by crosscut 45-X:

From	To	Disclosures
0-ft	6-ft	Tactite with some WO3 at 3 to 6-ft.
6	24	Black hornfels with few sprinklings of WO3, particularly at 14 to 16-ft. on west side of strong fault shearage striking S 30° E across crosscut at 10-ft. to 14-ft.
24	58	Granodiorite across the crosscut as shown on map Some sprinklings of WO3 in softened oxidized granodiorite from 53-ft. to 58-ft.
58	61	Black, massive hornfels, barren of WO3, strike S 30° E with 70° dip east.

The 45-X Crosscut results prove:

(1) That Structure "A" does not exist in ore in this vicinity despite assay returns from 0.3% to 0.9% by 45-W Hole cuttings. The sides and roof of crosscut and main tunnel in this vicinity show some flat lying WO3 rich veinlets. It is probable that Hole 45-W may have encountered and followed one of these (presently unexposed above crosscut roof) and that this veinlet salted the hole cuttings giving misleading results.

(2) However, the WO3 disclosures encountered in first 6-feet of 45-X crosscut and again west side of the strong fault at 14-foot point, provide important indications for continuation of Structure "B" that subsequent work described here has already proven important additions to Structure "B's" ore extensions and contents averaging 1.03% WO3.

(3) Indications are that Structure "A" possibly junctured Structure "B" between sta. 41 and 42. In this event the WO3 cuttings

obtained from 44 to 48-feet points of Hole 43-W may represent an isolated WO3 occurrence of may also be "salted" by flat lying WO3 rich veinlets similar to those exposed in vicinity of 45-X and sta. 45.

The WO3 exposures at beginning of 45-X crosscut and just west of the fault that crosses this tunnel warranted further work by the company comprising (1) slabbing off the right hand wall of the tunnel from sta. 45 towards sta. 46 (see map). (2) driving a 9-foot crosscut across good ore opposite sta. 45 with following results:

Assays of ore exposures southerly from 45-x Crosscut

Width	WO3	Multiplied	
3-ft	1.6%	4.8	at sta. 45-X plus 5-ft southerly
6-ft.	1.5	9.0	Sta. 45-X plus 10-ft. southerly
8-ft.	1.2	9.6	Crosscut opposite 45 sta.
4-ft	0.25	1.0	27-ft. southerly from 45-X
3-ft	0.15	0.45	34-feet southerly from sta. 45-X

$\frac{24\text{-ft}}{5}$ equals 5-ft. $\frac{24.85}{24}$ equals 1.03%

This gives an average about 5-feet width @ 1.03% WO3

Hole 46-W located 38-feet southerly from sta. 45 was drilled 32-feet: 0 to 4-ft. tactite, very hard, 4-12 ft. tactite with cuttings good in WO3 (assays not yet received); 12-ft. to 21-ft. hornfels; 21-ft. contact with granodiorite which extends to 32-ft. end of hole.

The tunnel exposures and Hole 46-W prove previous suggestion that WO3 ore clusters along the strong fault that leads through 45-X Crosscut to and beyond vicinity of sta. 47 where strong ore was encountered in crosscut #47 and extends 55-feet along right side of the tunnel drift to faulted area shown on the map.

Full details of Project Idm E-1158 follow in Final Report which will follow in a few days and will include Maps, sections, ore estimates, and other pertinent data disclosed by the project.

Reno, Nevada
February 6, 1959

Arthur Lakes

Consulting Engineer for Tungsten Mtn.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1605 Evans Avenue
Reno, Nevada

EXTRA COPY
O. M. E.
RECEIVED FEB 16 1959

DATE	INITIALS	CODE
		800

February 12, 1959

Memorandum

To: Lloyd Sjolander, Finance Officer, Region II

From: Executive Officer, OME Field Team, Region II

Subject: Docket No. DMEA-4795 (Tungsten)
Tungsten Mountain Mining Co.
Hilltop Mine
Churchill County, Nevada
Contract No. Ldm-E 1158

Enclosed are the final MF-104-MF-104A vouchers on subject contract. Please withhold $500.00 from payment until you are advised that the Operator's final report has been received and final audit report of review has been released.

S. Ricker

Attachments

SRicker:ft
cc: Opr. Com., OME, Wash., D.C.
GeoMavor
RMSmith
File
Chron

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

JAN 23 1959
O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1958 Docket No. DMEA 4715 Contract No. Idm 3-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington
Contract Amount, $ 832,200 Government Participation: 75 % Amount, $ 24,150

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 Longhole	0	0852.00	0852.00			
Bulldozing						
Crosscutting	1216.00	5168.00	6,384.00			
Drifting	128.00	20448.00	20,576.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	98.00	1228.50	1,326.50			
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		172.00	172.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	01,442.00	27,868.50	029,310.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 8, '59 *Payee Tungsten Mountain Mng. Co.,
Per Arthur Lakes Title Mng. & Agent

*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:

$ 1081.50

Frances S. Horton
Authorized Certifying Officer
Signature (Authorized Certifying Officer)

Date JAN 19 1959 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-E1158 in accordance with the terms of the contract.

Signature B. H. Sheahan Title Mining Engineer Date Jan. 8, 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Weber Title Executive Officer Date Jan. 8, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1958 Docket No. DMEA 4795 Contract No. Idm E-1150
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft	$128	4	$20,576	842½	$32		
Crosscutting	Ft	1216	38	6,384	"	32	900	$28,800
Raising								
Shafts								
Winzes								
Drilling: ~~XXX~~ Longhole	Ft		0	852	568	$1.50	600	900
Churn								
Auger								
~~XXXXXX~~ Assays			0	172	43	$4	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	98	14	1,326.50	189½	$7	300	2,100
TOTAL DISTRIBUTED COSTS		$1,442	56	$29,310.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date January 8 '59 Operator Tungsten Mountain M. Co

Per Arthur Lake Title Eng. & Agt.

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) B. H. Sheehan

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

December 1st. through December 31st. 1958

EXPLORATION CONTRACT PROJECT Idm E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

Fifteen days work was performed from December 1st. through December 31st. because the mine was closed down December 19th. for the Holidays. Tungsten Mountain's No. 4 Tunnel advanced 42-feet along #49-54 drift-crosscut as shown on accompanying map. Fourteen feet of timbering, no drilling, no assays.

Total tunnel footage under DMEA Project was 842½-feet at end of December. Of this footage, 600-feet comprises drift sequence of Stage I and 242½-feet applies to drift and crosscut sequence of Stage II. This leaves for future exploration to be terminated February 3, 1959:

	Units	Dollars
Drilling	32	$48.00
Drift & crosscut	57½	1840.00
Timbering	110½	773.50
Assays	57	228.00
	257	$2,889.50

The 57½-ft. crosscut-drift balance is being applied to crosscut SW at Sta. 45 to test WO3 disclosures of Drillhole #45-W. This will extend 50-feet or more. If any balance left over, will apply to proposed 20-feet extension of crosscut #45-E to permit longhole drilling to the granodiorite contact which objective was out of reach of Drillhole #45 E. It is proposed to use the 32-feet Longhole drilling balance to short test holes into the NE wall of ore between sta. 43 and sta. 44, where very rich ore extends out into the drift wall.

The No. 49-54 crosscut advanced 38-feet past December 1st. face through hornfels, lily, and faulted rock, cutting across 12-feet of WO3 ore which is southerly extension of the WO3 disclosures of holes #53-A and #53-B as shown on the accompanying map. The significance and importance of these disclosures was fully detailed in November report. They promise important WO3 additions by future development in No. 4 Tunnel and are, therefore, important for the future of this mine.

Reno, Nevada
January 8, 1959

Arthur Lakes
Consulting Eng. for Tungsten Mtn. M. Co.

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

Budget Bureau No. 42-R1036.5

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

RECEIVED DEC 16 1958 D.M.E.

DEC 12 - 8 1958

Month of November, 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington
Contract Amount, $32,200 Government Participation: 75 % Amount, $24,150

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	$129	$723	$852			
Bulldozing						
Crosscutting	1,328	3,840	5,168			
Drifting		20,448	20,448			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Ing	175	1,053.50	1,228.50			
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	24	148	172			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,656	$26,212.50	$27,868.50			

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

Date December 4, '58 *Payee Tungsten Mountain M. Co.

Per Arthur Lakes Title Mng. & Agt.

*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:

$1242.00

Frances S. Horton
Signature Authorized Certifying Officer
(Authorized Certifying Officer)

Date DEC 11 1958 Vou. No. SF-DMEA-17

(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. Mm-E1156 in accordance with the terms of the contract.

Signature B. H. Sheahan Title Mining Engineer Date Dec. 4, 1958

B. H. Sheahan

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Wicker Title Executive Officer Date Dec. 4, 1958

S. Wicker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-101A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 10 1958 O.M.E.

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

Month of November 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft			$20,448	639	$32		
Crosscutting	Ft	$1,328	41.5	5,168	161.5	32	900	$28,800
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ Longhole	Ft	129	86	852	568	$1.50	600	900
Churn								
Auger								
~~Sampling~~ Assays		24	6	172	43	4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	175	25	1,228.50	175½	7.00	300	2,100
TOTAL DISTRIBUTED COSTS		$1,656	158.5	$27,868.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date Dec. 4, 1958 Operator Tungsten Mountain M Co

Per Arthur Lakes Title Eng. & Agt

→ 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) B. H. Shahan, Mining Engineer

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

November 1st. through November 30th. 1958

EXPLORATION PROJECT CONTRACT Idm. E - 1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From November 1st. through November 30th. in 18-days work Tungsten Mountain's No. 4 Tunnel advanced 41½-feet along 49-53 drift-crosscut. Twentyfive feet were timbered and 86-feet drilled in two holes (53-E for 38-feet, and 53-A for 48-feet) at south end of the drift-crosscut as shown on accompanying map. Six assays were made.

Total footage under DMEA project was 800.5-feet as of November 30th., of which 600-feet drift sequence of Stage I and 200.5 feet applies to drift and crosscut sequence of Stage II. This leaves for future exploration allocated by Project Idm E-1158:

	Units	Dollars
Drilling	32-ft.	$48.00
Crosscutting & drift	99½-ft	3,184.00
Timbering	124½-ft	871.00
Assays	57	228.00
Total	313	$4,331.00

No. 49-53 drift-crosscut was advanced 41½-feet in mudstones striking generally S 45° E and dipping 65-70° NE apparently starting into south arm of the syncline that bends to S 65° E as shown at surface and No. 1 Tunnel (see map). At No. 1 tunnel this southern arm held much of the highest grade ore included in the 958-dry tons produced therefrom. As previously reported this section of the 49-53 working is on under (south) side of a cross fault "C" and the tunnel advanced in barren ground, mostly mudstone with two thin beds of limy rock.

Two drillholes were run easterly from the tunnel to test the possible extension of ore zone on the underside of Fault "C". Results were as follows: (See map for location of holes)

Hole No. 53-E advanced 38-feet to fault (?) gouge:

0-4-ft.	Fine grey, some LS	no WO3
4-8	Coarse dark mudstone	"
8-12	" " "	"
12-16	" " "	"
16-20	Dark Limy rock,	some indication WO3
20-24	" " hard	0.3% WO3
24-28	" " "	0.5% WO3
28-32	" " "	0.25% WO3
32-36	" " "	0.25% WO3
36-38	Soft gougy material could not drill farther.	

WO3 average from drill duttings 16-feet @ 0.33% WO3

Hole 53-A drilled alternately for farther test advanced 48-feet.

0-4-ft.	Coarse grey, chalky rock no WO3
4-8	Coarse black, slightly limy no ore
8-12	" " " " " "
12-16	Coarse grey rock
16-20	" " "
20-24	Fine grey somewhat limy rock
24-28	" " " " " specks WO3 0.35% WO3
28-32	" " " " " 0.45% WO3
32-36	" " " " " some WO3 (to be sampled)
36-40	" " " " " " " "
40-44	" " " " " specks WO3 (to be sampled)
44-48	" " " " " fair WO3 indications to be sampled.

Eight feet thickness (24-32) averaged 0.4% WO3.

The drill holes indicate wider scheelite coursing about S 35° E on under side of Fault "C" about the same course as at southern part of No. 3 ore showing. These hole results fully warrant extending the crosscut into the ore to make it accessible for view and for further development. As previously reported there is strong reason for belief that the sludge samples from the drill holes reflect lower ore tenor than probably occurring in the ore beds but they are important in proving the existence of ore encouraging further exploration and development. The above results, subject to the previously described limitations, are considered highly important for the future of this No. 4 Tunnel level, as they have proven expetancies included in the October 1958 report.

Reno, Nevada
December 4, 1958

Arthur Lakes.
Consulting Eng. for Tungsten Mtn. Co.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED NOV 20 1958 O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash.
Contract Amount, $ 32,200 Government Participation: 75% Amount, $ 24,150

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 Longhole		$723	$723			
Bulldozing						
Crosscutting	$1664	2176	3840			
Drifting	768	19680	20,448			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering		1953.50	1053.50			
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		148	148			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2432.00	$23,780.50	$26,212.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov. 6 '58 *Payee Tungsten Mountain Mining Co
Per Arthur Lakes Title Eng & Agt.

*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:

$1824.00

Frances S. Horton
Authorized Certifying Officer
Signature
(Authorized Certifying Officer)

Date NOV 14 1958 Vou. No. SF-DMEA-13

(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-E1158 in accordance with the terms of the contract.

Signature B. H. Sheahan Title Mining Engineer Date Nov. 10, 1958

APPROVAL BY DMEA EXECUTIVE/ OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date Nov. 10, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

RECEIVED NOV 20 1958 O.M.E.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1958 Docket No. DMEA 4795 Contract No. Idm E-1158

Operator's Name Tungsten Mountain Mining Company Minerals Tungsten

Address 511 Securities Bldg. Seattle 1, Washington

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	768	24	20,448	639	$32		
Crosscutting	Ft	1664	52	3,840	120	32	900	$28,800
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ Longhole	Ft			723	482	$1.50	600	900
Churn								
Auger								
~~Stope~~ Assays				148	37	4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft			1,053-50	150½	300		2,100
TOTAL DISTRIBUTED COSTS		$2432	76	$26,212.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

REMARKS:

Date Nov. 6 1958 Operator Tungsten Mountain M. Co.,

Per Arthur Lekes Title Eng. & Agt.

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) B. H. Shahan, Mining Engineer

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

October 1st. through October 31st. 1953

EXPLORATION PROJECT CONTRACT Idn. E-1153

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMA 4795

From October 1st. through October 31st. Tungsten Mountain's No. 4 Tunnel advanced 76-feet, divided (1) 52-feet in crosscut No. 42-East and (2) 24-feet advance of Drift No. 49-50 (see Map). No samples were taken, no timbering and no longhole drilling.

Total tunnel footage under DMA project was 759-feet to October 31st. of which 600-feet drift sequence of Stage I and 159-feet applies to drift & crosscut sequence of Stage II. This leaves for future exploration allocated by Project Idn E-1153:

141-feet of crosscut & drift
118-feet of longhole drilling
150½-feet of timbering if required
63 samples if required.

No. 42-East Crosscut This was extended 52-feet with following showings: 0-ft. to 10-ft. WO3 ore (to be sampled): 10-ft. to 18-ft. barren hornfels on left (north) with granodiorite on right (south): 18-ft. to 24-ft. WO3 on left (north) in sedimentary rock contacting granodiorite. The WO3 streak extends S 60° E across crosscut narrowing down to about 2½-feet in the granodiorite into which it extends. This ore extends NW in the sedimentary rock-granodiorite contact. From 24-ft. to face @ 52-ft. the tunnel is entirely enclosed in granodiorite in which occur some bunches of WO3 ore that lack indication of sufficient continuity for commercial possibilities. The tunnel was continued to the 52-foot length in chance that the granodiorite might be a dike with some sedimentary rock between it and main granodiorite mass. The indications are that the granodiorite showing in the tunnel represents downward continuation of the main mass exposed at surface.

The 32-44-foot points of Hole 42-E were not cut by the crosscut and the WO3 shown therein would be about 7-feet north and 4-5 feet higher than the crosscut roof as shown on Map. As stated this locality in the crosscut is entirely granodiorite hence the drill hole showing may be (1) one of the WO3 bunches noted in granodiorite or (2) it may represent contact of sedimentary "nose" obtruding into the granodiorite. A test hole will be run to prove whether this may be southerly end of a WO3 ore body of commercial possibilities in its northerly extension.

No. 42-East Crosscut has proven up about 15-feet ore thickness at vicinity of # 42 station. It has also proven that the granodiorite's downward extension from surface protrudes westerly nearly to the main tunnel. A short drill hole should be run easterly from Sample # 7 locality to test (1) locality of contact with reference to the wide crossing granodiorite at sta. 44 (2) possibility that ore may here also widen. Conditions may prove that the ore showing from sta. 41 to sta. 44 is considerably wider than indicated by the drift where the NE wall shows WO3.

No. 49-50 Drift This advanced 24-feet from September 30th. face. Ore with limy east wall extends 6-feet to where cut off by a cross fault ("C") striking S 50° E and dipping 55° in NE direction. Thence under this fault for 18-feet to the face the ground comprises blocky black hornfels heavily mineralized by iron pyrites but devoid of WO3. The ore-favorable limy rocks extend along the east wall of drift to Fault "C" then give way to the hornfels. This, together with additional occurrence of Fault "B", suggests a shift to the east of the under side or southerly extension beyond the Fault "C". The hornfels have partings coursing S 30° E with dips 65° to NE. Work has not yet progressed far enough to determine if this course represents true bedding which could be turning towards the S 60° E course of southern synclinal arm at surface (see Map).

At 15-feet a strong fault gouge courses S 6° E and dips 40-50° easterly through the tunnel face. It is believed to be southerly extension of Fault "D" followed by main drift through sta. 49 and also coursing southerly about 20-feet west from ore drift 49-50 (see map). Its occurrence in the drift is believed to represent Fault "D" segment shifted about 9-feet easterly by Fault "C". If the Fault "D" relation to the ore showings from sta. 49 to Fault "C" the area about 20-feet east from the tunnel face should provide ore-favorable limy rock and WO3. The tunnel is turning easterly and a short drill hole will be driven to test the locality. Drillhole # 50-E continued in limy rock its entire 50-feet length hence is is probable that proposed exploration will encounter limy rock and hoped for WO3.

Reno, Nevada.
November 6, 1953

Arthur Lakes.

Consulting Eng. for Tungsten Mountain Co.

Form MF-194 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

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

RECEIVED OCT 27 1958

Month of September, 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Mineral Tungsten
Address 511 Securities Bldg. Seattle 1, Wash
Contract Amount, $ 32,200 Government Participation: 75 % Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		$723	$723			
Bulldozing						
Crosscutting	$1536	640	2,176			
Drifting	128	19,552	19,680			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber-ing	35	1,918.50	1,053.50			
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	32	116	148			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,731	$22,049.50	$23,780.50			

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

Date Oct. 6 '58 *Payee Tungsten Mountain Mining Co.

Per Arthur Lapes Title Eng. & Agt.

*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:

$ 1298.25

Authorized Certifying Officer

Signature
(Authorized Certifying Officer)

Date Vou. No. SF-DMEA-10

(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-E 1158 in accordance with the terms of the contract.

Signature Benjamin H. Sheahan Title Mining Engineer Date October 6, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date October 6, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept 8 195 Docket No. DMEA 4795 Contract No. Idm E-1158

Operator's Name Tungsten Mountain Mining Company Minerals Tungsten

Address 511 Securities Bldg., Seattle 1, Washington

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		$128	4	$19,680	615	$32	900	$28,800
Crosscutting		1,536	48	2,176	68	32		
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ xxx Longhole				723	482	1.50	600	900
Churn		32	8	148	37	4.00	100	400
Auger								
~~Stripping~~ xxxxx Assaying								
Trenching								
Test Pits								
~~Roads and Trails~~ Timbering		35	5	1,053.50	150½	7.00	300	2,100
TOTAL DISTRIBUTED COSTS		$1,731	65	$23,780.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date October 6 '58 Operator Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agt.

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) Benjamin H. Shelton, Mining Engineer

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

September 1st. through September 30th. 1958

EXPLORATION PROJECT CONTRACT No. A-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. RMFA 4795

From September 1st. through September 30th. Tungsten Mountain's No. 4 Tunnel advanced 52-feet: (1) 48-feet in westerly Crosscut #48-32 and (2) 4-feet southerly extension of Drift #49-50 in continuation of good WO_3 ore. Eight samples were taken on the ore showing in this drift as detailed below. One timber set was put in at Crosscut #48-32.

Total tunnel footage under RMFA project was 682-feet up to September 30th., of which 600-feet completed drift sequence of Stage I and 82-feet applies to drift, crosscut & raising sequences of Stage II.

In accord with stipulations of Stage II an easterly crosscut has been started between sts. 42 & 43 to expose the ore shown by Longhole #43-E at two places: (1) 12-feet additional width of ore opened in the main tunnel drift and (2) an additional 12-feet of ore 20-feet farther in, presumed to be southerly extension of structure "C" as shown on map. The crosscut will approximate 50-feet length and the first "slab off" showed good ore considerably richer in WO_3 than drillhole cuttings.

Work in #49-50 drift, along downward extension of No. 3 Tunnel structure, was temporarily interrupted in order to extend Crosscut #48-32 which was run to explore possible northerly extension of the ore vein as indicated by downward extension of the strong No. 3 Tunnel structure. Two granodiorite masses were encountered about where this structure should be and possibly obscured it because only small low grade WO_3 was found, none of which would be commercial. Further exploration will be conducted later but it was thought more important to resume drifting along the good ore at #49-50 drift where the following assays were gotten:

Sample #	Location	Width	WO_3 %	Multiplied
491	sta 49 plus 28'	2.5 ft.	0.30	.75
492	32'	5.0	0.30	1.50
493	38	6.0	1.75	10.50
494	43	4.0	2.00	8.00
495-6	50	4.0	1.25	5.00
497	56	2.0	1.40	2.80
498	60 (L)	3.0	1.00	3.00
499	80	4.0	0.90	3.60
		30.5 / 8		35.15

3.8-feet width @ 1.15% WO_3

The face continues in good ore.

Reno, Nevada
October 6, 1958

Arthur Lakes.
Consulting Engineer

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

Budget Bureau No. 42-R1036.5

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

RECEIVED SEP 30 1958 D.M.E.

Month of August 1958 Docket No. DMEA 4795 Contract No. Idn B-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511-Securities Bldg. Seattle 1, Wash.
Contract Amount, $32,200 Government Participation: 75% Amount, $24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling 71-ft	$106.50	$616.50	$723.00			
Bulldozing						
Crosscutting 23-ft	640.00		640.00			
Drifting 40	1200.00	18,272.00	19,552.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Inc 10-ft	70.00	948.50	1,018.50			
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	28.00	88.00	116.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2124.50	$19,925	$22,049.50			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 5 '58 *Payee Tungsten Mountain Mining Co.
Per Arthur Lakes Title Engineer & Agent

*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:

$1593.37

Frances S. Horton
Authorized Certifying Officer
Signature (Authorized Certifying Officer)
Date SEP 25 1958 Vou. No. SF-DMEA-8
(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-E1158 in accordance with the terms of the contract.

Signature Henry W. Jones Henry W. Jones Title Mining Engineer Date Sept. 5, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date Sept. 5, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-106A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED SEP 30 1958 DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1958 Docket No. DMEA 4795 Contract No. Idn-R-1193
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 711 Securities Bldg., Seattle 1, Wash.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft	$1,280	40	$19,552	611	$32	900	$28,800
Crosscutting	Ft	640	20	640	20	32		
Raising								
Shafts								
Winzes								
Drilling: Core	Ft	165.50	71	723	482	$1.50	600	900
Churn								
Auger								
Stripping		28.00	7	116	29	$4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation	Ft	70.00	10	1,013.50	145½	$7.00	300	2,100
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$2,124.50	148	$22,047.50				

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

Date Sept. 5, 1958 Operator Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

August 1st. through August 31st. 1958

EXPLORATION PROJECT CONTRACT Ident 8-1153

Docket No. DMEA 4795

TUNGSTEN MOUNTAIN MINING COMPANY

From August 1st. through August 31st. Tungsten Mountain's No. 4 Tunnel advanced 60-feet, 40-feet southerly along drift #49-50 in rich WO_3 ore, and 20-feet westerly in crosscut at sta. 48 plus 33-ft. as shown on accompanying map. Seventyone feet of longhole drilling, 10-feet of timbering and 7-samples complete DMEA project work for the month.

The total tunnel footage under DMEA project was 631-feet up to August 31st. of which 600-feet completed drift sequence of Stage I and 31-feet applies to drift, crosscut, upraise sequence of Stage II.

DMEA Team inspected the mine August 5th. and confirmed disclosure of downward ore extension in No. 4 Tunnel's #49-50 drift. At that time the drift was mostly in the hangingwall (east) of the vein and subsequent work provided additional ore to that shown in the face August 5th. Since then the tunnel has advanced along an average 4½-feet width of rich WO_3 ore that lamps similarly to the high grade southerly part of No. 3 ore showing. A sample taken across 2-feet at July 31st. face assayed 4.7% WO_3 with lower grade extension to 4½-feet vein width. Eleven samples along the drift have not yet been assayed and will be included in September Progress report. Obviously it remains for the assay results to confirm the No. 4 tunnel ore grade.

As previously reported, the most important exploration comprises determination of downward extension of the important No. 3 Tunnel ore structure at No. 4 Tunnel. The Drift #49-50 has so far disclosed about 65-feet ore length in downward projection of southerly part of No. 3 ore structure. These showings fall very close to locality projected down the observed dips at No. 3 Tunnel and it is indicated that the northerly ore extension beyond Fault "C" may occur in close vicinity of projected position.

On the above premise and in order to get away from disruptive conditions along Fault "C" a crosscut was driven westerly at 33-feet south from sta. 48 (see map) This is between cross fault "X" and cross dyke "Y" hence any mineralization encountered will represent downward extension of ore disclosed at north end of No. 3 Tunnel where high grade was encountered. The crosscut progressed in sheared mudstone, barren of iron or WO_3 mineralization. It encountered northerly extension of cross dyke "Y" where some limy rock at August 31st. face shows FeS and specks of WO_3, previously missing in the tunnelled formation. Whilst the showing is far from commercial possibilities, it is the first indication of WO_3 in this vicinity and may indicate that the tunnel face is nearing downward extension of No. 3 Tunnel's northerly ore exposure. If and when the ore structure may be encountered it should be drifted NW and SE.

Fault "C", which is so strongly represented at No. 4 Tunnel, is apparently represented at No. 3 Tunnel by a narrow fault shearage

cutting obliquely across No. 3 Tunnel's strong high grade ore at sta. 104 (see map) This appears to offset the ore's northerly extension about 4 or 5-feet easterly but does not disrupt ore or rock in contrast with conditions at No. 4 Tunnel, if it is the same structure as indicated by its dip position.

Then more data has been provided by extensions of No. 49-50 drift along southerly continuation of the ore, possibly into turn to the SE as at No. 1 Level (see map) and Crosscut #48 plus 33, an unraise should be started to connect No. 4 with No. 3 Tunnel. This raise will extend 165-feet up vein slope from No. 4 roof to No. 3 floor. It will serve four important benefits (1) Provide much needed ventillation to expedite work in No. 4 Level presently constricted by air blown in by vent fan, insufficient for adequately serving 2-shift operations at tunnel ends. (2) provide main access and passageway from No. 1 and No. 3 tunnels down to No. 4. (3) Importantly add to ore tonnage estimate. (4) Drift sublevel along the ore structure at 85-feet above No. 4 tunnel to facilitate subsequent stoping operations. Obviously wish to locate this upraise as near center of ore shoot as possible so as to run drifts both ways.

In addition to the above described work the following longhole drilling would be advantageous. (1) Two or more short holes westerly between sta. 45 and sta. 47 to test ore extension possibilities between drillhole #45-W and sta. 47, dotted on the map. (2) Drillhole No from sta. 43 and possibly another from Sample #7 locality to test extension possibilities of ore encountered in NE part of Drillhole #43 E, indicated to be thick SE extension of weak "C" surface showing. Other work would comprise crosscut testing ore showings of Drillholes #43-W and #45-W as previously recommended.

Work precedence should be given to the two projects now underway by extending Drift #49-50 southerly to full limits of ore showing and by exploring the conditions west of main tunnel for ore occurrence and extensions NW and SE of crosscut #48 plus 33.

The success of Stage I fully justifies proceeding with Stage II with expectancy that the program will prove highly successful fully justifying the project.

Reno, Nevada
September 5, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mtn.

COPY

NEVADA MINERAL LABORATORIES

336 Merrill Phone Reno 21001
Reno, Nevada
ASSAY CERTIFICATE

Tungsten Mountain Mining Company
By Arthur Lakes

August 28, 1958

No. Mark	WO_3 Percent
8/7/58	
50	4.70%
8/22/58	
51-E 16-20	None
50.D.D. 1-4	None
51-E 1-4	None
51-E 8-12	Trace
51-E 4-8	Trace
51-W 1-28	Trace.

Charges $47.00

Charles H. Young

Note By Arthur Lakes- The sampled parts of both drillholes were entirely in limey rock. Holes drilled to test thickness anf possible ore content of limey rock. No samples yet of 51-E between 20 and 43-feet where indicated another contact.

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

Budget Bureau No. 42-R1036.5

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

Month of July, 1958 Docket No. DMEA 4795 Contract No. Idm E-1153
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash.
Contract Amount, $ 32,200 Government Participation: 75% Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	none	$616.50	$616.50			
Bulldozing						
Crosscutting						
Drifting 73½-ft	$2352.00	$15,920	$18,272			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering 40-ft.	280.00	668.50	948.50			
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	none	88.00	88.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2632.00	$17,293.00	$19,925.00			

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

Date August 5 '58 Payee Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

*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:

$ 1974.00

Signature
(Authorized Certifying Officer)

Date AUG 14 1958 Vou. No. SF-DMCA-2

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E1158 in accordance with the terms of the contract.

Signature Glenn C. Gentry Title Mining Engineer Date Aug. 5, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date Aug. 5, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1958 Docket No. DMEA 4795 Contract No. Idn. E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft	$2352	73½	$18,272	571	$32	900	$28,800
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Cny~~ Longhole	Ft	none	none	616.50	411	$1.50	600	900
Churn								
Auger								
~~Stripping~~ Assays		none	none	88.00	22	$4	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	$280	40	948.50	135½	$7	300	2100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2632	113½	$19,925				

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

Date August 5 '58 Operator Tungsten Mountain M Co

Per Arthur Lake Title Eng. & Agent

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)

Helen F. Hartley

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

July 1st. through July 31st. 1958

EXPLORATION PROJECT CONTRACT Idm E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From July 1st. through July 31st. Tungsten Mountain's No. 4 Tunnel advanced 73½-feet of drift, 40-feet of which had to be timbered. The drift extended 33½-feet along strong N-S, 64° east dipping fault and 40-feet along S 32° E, 50° easterly dipping ore structure as shown on accompanying Map and Cross Section. This ore, starting as small patches near the fault, progressively improved to 5-feet width of good WO3 ore at July 31st. face. It is too soon to get assay result but our lamping experience indicates that this ore will exceed 1% with about 1-foot that should exceed 3% WO3. The ore is very hard-tough tactite heavy in iron sulphide. Tactite is listed under "limy rocks" in our various reports and on the maps and sections though it has been so much altered that it no longer gives reaction to acid. The ore occurs along contact of mudstone with overlying limestone, typical of the ore occurrences at No. 1, No. 3, and No. 4 (north) tunnels.

This disclosure is most important because it is the first exposure of No. 4 Tunnel's main objective into downward extension of the strong-rich No. 3 Tunnel ore structure. This No. 4 Tunnel ore falls within a few feet of where No. 3 Tunnels ore structure was projected on previous maps (shown in yellow on accompanying Plan map).

The tunnel has advanced a total of 571-feet nder DMEA Stage I, therefore has 29-feet to go before Stage II. This should be reached the first week of August. The July 31st. ore face is 617½-feet from No. 4 Tunnel portal @ 170-slope feet depth below No. 3 Tunnel's ore.

The ore occurrence at, or in immediate locality of, contact between mudstone and overlying limy rock suggests that other known limy beds may have WO3 ore. This is indicated by occurrence of WO3 ore in longholes drilled into "A" and "C" structures (see Plat). As previously reported it is strongly indicated that WO3 ore widens and enriches within strata bends and particularly where the ore structure approaches granodiorite dikes extending up from and westerly from the main granodiorite mass (see Plat).

It is suggested that Stage II permit (1) drift extension along the recently exposed ore at south end of No. 4 Tunnel, both to the SE on presently exposed showings and to contact and drift on the NW ore extension in downward projection from No. 3 Tunnel ore body. (2) The NW extension possibly has been faulted somewhat from the SE showing hence it is recommended that (3) a westerly crosscut be run about midway May 31 and June 30 faces to get away from the disturbed fault zone followed in the main drift. Then longhole drill to the SW to cut the probable NW extension of the ore structure followed SE from sta. 49. It is believed that this work will be in more competent ground and expedite future exploration of the NW ore extension. (4) That crosscuts be run into the ore showings of longholes #43- and #43W to disclose the good ore indications and possibly considerably expand the ore showings of

No. 4 Tunnel (north). (5) Drill two or three holes westerly into ore indications suggested between Longhole #45W and station 47.

Reno, Nevada.
August 5, 1958

Arthur Lakes

Consulting Engineer for Tungsten Mtn.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1958 Docket No. DMEA 4795 Contract No. Idm. E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Washington
Contract Amount, $ 32,300 Government Participation: 75% Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling 100-ft	$150	$466.50	$616.50			
Bulldozing						
Crosscutting						
Drifting 50-ft.	1600	14,320.00	$15,920.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber ing 45-ft.	315	353.50	668.50			
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 4	$16	$72.00	$88.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2081.00	$15,212	$17,293			

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

Date July 5 *Payee Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

*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:

$ 1560 25

Signature (Authorized Certifying Officer)

Date JUL 17 1958 Vou. No. SF-DMEA-1

(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-E1158 in accordance with the terms of the contract.

Signature Henry W. Jones Henry W. Jones Title Mining Engineer Date July 9, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date July 9, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-54A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 5 195 8 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft	$1600	50	$15,920	497½	$32	900	$28,800
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Cut~~ Longhole	Ft	150	100	616.50	411	$1.50	600	900
Churn								
Auger								
~~Stripping~~ Assays	1	16	4	88.00	22	$4	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	315	45	668.50	95½	$7	300	2,100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								~~$32,000~~
Initial Rehabilitation and Repairs								$32,200
New Buildings, Improvements, etc.								
TOTAL COSTS		$2081.00	199	$17,293.00				

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.

REMARKS:

Date July 5, 1958 Operator Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

June 1st. through June 30th. 1958

EXPLORATION PROJECT CONTRACT Idm E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From June 1st. through June 30th. Tungsten Mountain's No. 4 Tunnel advanced 50-feet of drift along limy-argillite formation. Fortyfive (45) feet had to be timbered and roof lagged due to west dipping slips abutting into east dipping structure thereby forming an inverted "V" requiring timber support. Some water seeping down the structure added to cavy condition. June 30th. conditions showed improvement.

The tunnel has advanced 497½-feet under DMEA Stage I, therefore has 102½-feet to go before Stage II. The June 30th. face is 567½-feet from tunnel portal and is about center of downward projection of area containing No. 3 ore structure about 170-slope feet below No. 3 Level.

Longhole drilling totalled 100-feet in Holes #48-East and #48-West. Both holes progressed through shattered mudstone with some limy elements but failed to disclose observable WO3.

Showings The drift followed southerly along limy argillite and at 5-feet south of June 1st. face encountered a crossing granitic dyke about 8-feet wide, thence came in a strong sath striking, east dipping fault structure with some water but, to June 30th., no WO3. Branching out from this fault are SW striking, west dipping slips through blocky argillite. The inverted "V" juncture of these slips with the fault provided conditions requiring timbering as outlined.

During the month No. 3 Tunnel was mapped in detail and sampled at 15-foot intervals. Whilst this does not come under DMEA project the findings are contributory to conditions at DMEA project at No. 4 Tunnel as follows:

The assays showed: 215-feet length, 5-feet width @ 1.75% WO3 of which the northerly 145-feet by 4-feet width averaged 0.95% WO3 and southerly 70-feet by 6-feet average width returned 2.25% WO3. Whilst company funds permitted sampling only at 15-foot intervals, the results give a fair idea of ore at this No. 3 Level. Tungsten Mountain samples compare closely with results of the few samples taken by DMEA team last fall.

The mapping (@ 20-ft. per inch) showed: (1) That the ore occurs in tactite and altered limy rock overlying contact with softer mudstone (argillite and hornfels). The contact varies from N 25° W to North and is generally about 20° W. Contact dip varies from 45° to 55° in easterly direction, averaging 50°. Formational strike turns to about S 45-50° E at southern tunnel exposure thereby forming a synclinal fold similar to that prominently displayed at and over No. 1 Tunnel above the

flat Fault "A" that separates No. 1 Tunnel horizon from No. 3 Tunnel horizon. This southern arm dips about 70° northerly. (2) The north end of No. 3 Tunnel is crossed by an east-west granitic dike (marked "Y" on map) that fingered westerly off from the main granodiorite mass coursing SE through vicinity of No. 4 Tunnel horizon (see map). At 15-feet north from dike "Y" occurs the first (southernmost) of a series of east-west cross faults dipping from 65° to 85° in southerly direction. The series continues for 30-feet to tunnel face and indications at No. 4 level suggest that the series maintains an additional 40-feet or so crossing unexplored ground beyond the tunnel face. The faulting appears to premineral because good ore occurring between various fault members is firm and undisturbed. However the faulting would have offset the ore-favorable limy rocks. On presumption that the faulting is normal, the offset of ore and ore-favorable belt would be to the right or to west on the faults' upper sides. On this basis the ore extending 50-feet southerly from No. 4 Tunnel's sta. 47 (apparently top of rich ore lense) would be offset progressively to the west (right) as it progresses southerly between the various fault members. This would put the looked for ore farther to the right of tunnel face.

Fault "X" at No. 3 Tunnel falls exactly into position of the southernmost cross fault at No. 4 Tunnel also marked "X". The granitic dike at No. 3 level is 15-feet south of this fault and at No. 4 level is 25-feet south of this fault "X". I tentatively connect these dike structures into the same. On this basis the 215-feet length of ore at No. 3 Tunnel is bordered on the north (so far as exposed) by Fault "X" and presumably associated with dike "Y". The relative position of these structures at No. 3 and No. 4 tunnels gives a down ore rake to the south, whereby the downward projection of No. 3 ore structure would lie ahead to the south of Fault "X" at No. 4.

As noted the strata at No. 3 Tunnel averages 50° dip to the east. As previously noted, the strata and ore dips at No. 4 tunnel are from 70° to 85° in easterly direction. This would indicate a slight arch roll between the two levels. Average of 50° No. 3 dip with 70° No. 4 dip gives 60° downward projection of No. 3 ore structure to locality marked in red on accompanying map which would bring it west of June 30th. face. Obviously the dip down from No. 3 tunnel could roll steeper, in which case the vein at No. 4 would be farther to the west. On the other hand (in view of the marked horizontal folding of strata) the dip might roll flatter and thereby the vein projection would be east of June 30th. face.

Longhole drilling was designated to test the country each side of the tunnel. This has proven less than satisfactory despite that Tungsten Mountain got good WO_3 disclosure in 3 out of 8 holes drilled. The difficulty of recognizing WO_3 in the cuttings, its sliming characteristics accenuated by the hard enclosing tactite, etc. handicap sampling. Obviously crosscut tunneling would be much more favorable and provide data needed at this stage of ore search in the unexplored horizon.

Tungsten Mountain has about 100-feet of "drift" left under Stage I. Stage II calls for 300-feet of crosscut, drift, raise. Present conditions obviously call for east-west crosscuts across bedding and across strike of ore favorable structure. Whilst it is possible, of course, that southerly continuance of the drift would bring it into ore on basis of the down projection @ 60° dip, any steepening would lengthen the distance. It would better serve the exploration purpose if Tungsten Mountain could arrange to drive cross-cut tunnels at, or near, the next longhole locality 100-feet south of #48 drill holes or about 15-feet past June 30th. face.

Reno, Nevada
July 5, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mtn. Co.

Form MF-10a (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUN 19 1958 D.M.E.A.

JUL 13 1958

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1958 Docket No. DMEA 4795 Contract No. Idm. E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Washington
Contract Amount, $ 32,000 Government Participation: 75% Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Longhole	$316.50	$150	$466.50			
Bulldozing						
Crosscutting						
Drifting 50-ft.	$1600	$12,720	$14,320			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering	$56	$297.50	$353.50			
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 6	$24	$48	$72			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1996.50	$13,215.50	$15,212.00			

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

Date June 5 1958 *Payee Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

*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:

$ 1497 38

Thomas E. Morton
Authorized Certifying Officer

Signature
(Authorized Certifying Officer)

Date JUN 13 1958 Vou. No. SF-DMEA-30

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMA-1158 in accordance with the terms of the contract.

Signature John A. Mann for Henry W. Jones Title Mining Engineer Date June 11, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] E. Hickey Title Executive Officer Date June 11, 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington

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	Ft	$1600	50	$14,320	447½	$32	900	$28,000
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Exp~~ Longhole	Ft	$316.50	211	466.50	311	$1.50	600	900
Churn								
Auger								
~~Stripping~~ ~~XXXX~~ Assays	1	$24.00	6	$72.00	18	$4	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	~~$52~~ $56.00	8	$353.50	50½	$7	300	2,100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1996.50	275	$15,212.00				

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.

REMARKS:

Date June 5 '58 Operator Tungsten Mountain Mining Co

Per Arthur Larsen Title Eng. & Agent

→ 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)

John D. Haine

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

May 1st. through May 31st. 1958

EXPLORATION PROJECT CONTRACT Idm E01158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From May 1st. through May 31st., Tungsten Mountain No. 4 Tunnel advanced 50-feet of drift, 8-feet of which had to be timbered and roof lagged due to loose ground by cross faulting. It is planned to advance 20-feet farther into more stable rock, then resume long hole drilling which amounted to 211-feet during May.

The tunnel has advanced 447½-feet under Stage I of DMEA Contract to total 517½-feet from tunnel portal. Tunnel advanced 50-feet in 12-shifts inclusive of 2-timber sets.

Longhole drilling totalled 211-feet as follows:

Holes	#3 East	53-feet in mudstones, limy rock, granodiorite
	#3 West	32-feet, lost
	#3 West	52-feet redrilled in mudstone & limy rocks
	#7 East	22-feet lost in very hard rock
	#7 West	52-feet in soft mudsontes.
		211-feet total

Showings The drift advanced through limy rock and mudstones. The first 30-feet was disrupted by cross faulting, last 20-feet the rocks are more stable and getting herder. The cross faulting is downward continuation of extensive fault zone occurring in, and beyond, northerly part of No. 3 Tunnel as shown on accompanying Map. Thus the ore bearing area presently opened in No. 4 Tunnel represents unexplored ground in sloped ground ahead of No. 3 Tunnel. A strong fault, 27-feet back from No. 4 tunnel's May 31st. face is parallel to and falls into position of downward extension of strong fault encountered between stas. 106 and 107 at No. 3 tunnel. The fault is marked "X" on the map and is indicative that No. 4 tunnel may have finally penetrated through the fault zone. Longhole drilling will start June 9th. to aid in determining position of expected downward continuation of No. 3 Tunnel's very good ore structure into No. 4 Tunnel horizon.

Longhole drilling @ 12° up slope has been limited to about 54-feet. The steel weighs 3.35# per foot length hence 54-feet would weigh about 180# which weight with friction of revolving sleeves against rock puts too much load on the drill ratchet to per mit farther advance.

The longhole drilling produced following gratifying results:

Hole #3-East drilled 52-feet, provided results as follows: first 12-feet extended "B" structure an additional 12-feet to total 16-feet width; drill results averaging 12-feet @ 0.18% WO3 which averaged with average 4-feet width of Samples #4 and #5 @ 1.77% WO3 gives 16-feet @ o.86% WO3 indicated average. The surprising 12-foot width of

ore averaging 0.38% WO3 from 32-44-feet hole length shows rapid and important thickening of "C" structure from 1-foot surface exposure 70-feet to the north into 12-feet of ore. Obviously another hole should be drilled easterly from vicinity of Sample #7 to test "C" structure in its SE extension near the large granodiorite cross dyke found at sta. 44 (See Map).

Hole #43 West passed through soft mudstones. The first hole was lost (with bit and drill rods) at 32-feet. A second hole advanced 52-feet, mostly through mudstone, encountering some limy rock with 0.58% WO3 from 40-44-feet, indicating southerly extension of "A" structure between surface exposure 210-feet north and indicated "A" structure encountered in #45 West hole, 90-feet southerly from #43 W hole.

Hole #47 East was lost at 22-feet in very hard rock. Bit and drill rods are still in hole. Another attempt will be made later but more important drill localities took precedence for time being.

Hole #47 West was drilled 52-feet through soft mudstone with no limy indications and no WO3 showings. This hole extended from face of No. 47 crosscut hence penetrated 70-feet westerly from ore believed to be in "B" structure. The negative limy rock and WO3 occurrences would indicate (a) lack of "A" structure in this vicinity but (b) the hole might have crossed through a pinch of ore-favorable limy rock (by pinch of lenticular limestone occurrences described in previous report) or (c) might have passed through a soft barren structure along "A" structure course which would only be evidenced by color change of discharge water, not noted by drillers.

The lack of WO3 showings or ore favorable limy rock in Hole #47 W poses presumption that the southeasterly extension of "B" structure (on which tunnel was driven from portal to granodiorite cross dike at sta. 44) might have been offset southerly at vicinity of the dike and that "B" structure's continuation southerly from the dike may be represented by (a) WO3 showings at 36 to 55-feet of #45 West drillhole, previously allocated to "A" structure, and (b) its farther SE extension from #45-W be allocated into the WO3 ore streaks encountered in No. 47 crosscut and thence by good ore grades disclosed along the west wall of No. 4 Tunnel for 40-feet south from sta. 47 to cross fault zone. This presumption is feasible except for the ore showing at 40-44-feet of #43 W hole. Another hole should be drilled westerly between #43-W and the dike's SW extension and still another drilled SW midway between sta. 45 and sta. 47.

Sampling As a commentary to sampling discussion of April report a sample of slime mud contained in water decanted from drill cuttings was assayed @ 0.15% WO3. It is the contention that the cutting assays fall short of the actual ore grades penetrated by the respective holes.

FURTHER PROCEDURE Primary attention during first part of June will apply to longhole drilling in endeavor to locate downward extension of No. 3 Tunnel ore structure. Good ore showings of No. 4 Tunnel and drill holes therefrom, and extension of high grade ore to cross fault zone all give reasonable expectancy that downward continuation of No. 3 Tunnel very good ore structure will be encountered, probably before the date of next report.

Reno, Nevada
June 5, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mtn.

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

Budget Bureau No. 42-R1036.5

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

RECEIVED MAY 26 1958 D.M.E.A.

Month of April, 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash
Contract Amount, $ 32,000 Government Participation: 75 % Amount, $ 24,150

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 Longhole	$150	None	$150.00			
Bulldozing						
Crosscutting						
Drifting 47-feet	$1504	$11,216	$12,720			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timbering 42½-ft	297.50	None	297.50			
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 4	16.00	32.00	48.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1967.50	$11,248	$13,215.50			

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

Date May 6, 1958 *Payee Tungsten Mountain M. Co.,

Per Arthur Lake Title Eng. & Agent

*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:

$ 1475.62

Frances S. Norton
Signature Authorized Certifying Officer
(Authorized Certifying Officer)

Date MAY 21 1958 Vou. No. SF-Dmca-28

(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 E1158 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date May 9, 1958

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date May 9-1958

S. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAY 26 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1958 Docket No. DMEA 4795 Contract No. Idm. E-1158

Operator's Name Tungsten Mountain Mining Company Minerals Tungsten

Address 511 Securities Bldg., Seattle 1, Wash.

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 47-ft	Ft	$1504	47	$12,720	397½	$32	900	$28,000
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~XXX~~ Longhole	Ft	$150	100	150	100	$1.50	600	900
Churn								
Auger								
~~Sampling~~ Assays	1	$16	4	48	12	$4	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering	Ft	$297.50	42½	297.50	42½	$7	300	2,100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$32,000
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$ 1967.50	193½	$13,215.50				

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

REMARKS:

Date May 6 '58 Operator Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

April 1st. through April 30th. 1958

EXPLORATION PROJECT CONTRACT Idm. E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From April 1st. through April 30th. Tungsten Mountain's No. 4 Tunnel advanced 47-feet of drift; 45-feet of which had to be timbered and roof lagged due to cross faulting. In addition 100-feet of Longhole drilling was accomplished in two holes: #45-E and #45-W shown on the accompanying Map together with results thereof.

The tunnel has advanced 397½-feet under DMEA contract to a total of 467½-feet from tunnel portal.

Thaw conditions and compressor repairs interferred with continuous underground operations hence only 12-rounds were blasted at average 4-feet per round in hornfels and limy rocks disrupted by a series of cross faults (shown on Map and accompanying Sections). Ground disturbance by the faulting necessitated 45-feet length of timbering from which we have deducted 2½-feet and put in for 42½-feet for DMEA participation because the first set is a stull with no posts and second set has only 1-post.

The longhole drilling average 50-feet per 8-hour shift but was interrupted April 30th. by drill failure requiring replacement of minor parts before work resumption. The drilling is by a DB-30 piston drill for 1-1/8-inch steel.

SHOWINGS The drift was advanced in hornfels and limy rock. Thirtyfive feet drift length shows WO3 at floor and up for about 2-feet as dotted on the Map. A sample to show better ore was taken at sta. 47 plus 54-feet. This assayed 2½% WO3 which is probably above the average at this section. The cross faulting in southerly continuation of the drift is downward extension of faults found at northerly face of No. 3 Tunnel as shown on accompanying Sections. Face is in disturbed limy rock that presently shows no WO3.

The April 20th. face is still 20-feet short of the 100-foot hole interval stipulated by Stage I of DMEA contract. It is further desirable to advance the tunnel past the ravelly ground of fault zone and thereby insure better longhole drilling. As previously noted, and depicted on accompanying Map, the downward dip extension of No. 3 Tunnel's ore structure would be from 35 to 40-feet west from No. 4 Tunnel's present face. This will be tested by longhole drilling and if found, the tunnel will be swung into the projected position, leaving "B" structure which thereafter will be tested by long hole drilling east from "A" structure. As previously stated, there is possibility that presently undisclosed faulting between No. 3 and No. 4 levels might have offset No. 3 Tunnel ore structure into locality of "B" structure. However, results of #45-W hole suggest liklihood that No. 3's downward extension will be in southerly extension of "A" structure.

Longhole Drilling @ 12° upwards provided the following results:

Hole #45-E drilled 56-feet easterly from sta. 45 penetrated quartzitic rock with slight limy reaction for 15-feet; thence to 28-feet limy rock, thence 28-35-ft. mudstone and from 35 to 55-feet grey to white limestone. At 55-ft. yellowish gouge encountered and drill would not advance farther, believed to be at contact with granodiorite that extends to east. At 27-28-ft. some specks of WO3 indicate an ore streak. Not sampled for assay.

Hole #45-W drilled 55-feet westerly from sta. 45 towards projection of "A" structure. From 0-4-ft. some low grade WO3 part of thinly disseminated ore in tunnel. At 7-ft. soft gougy material. From 7-32-ft. mudstones with slight limy reaction. From 32-36-ft. much iron sulphides and specks of WO3 in limy mudstone. From 36-40-ft. limy mudstone, considerable iron sulphide and cuttings glow slightly under UV lamp (assay 0.35% WO3). From 40-44-ft. limy rock with specks of WO3 and considerable iron sulphide (not assayed). From 44-48-ft. much iron sulphide and cuttings glow slightly under UV lamp (assay 0,30% WO3) in limy rock. From 48-52-ft. harder rock brownish color with limy reaction much iron sulphide and specks of WO3 (not sampled for assay). From 52-55-ft. (where lost water and drill failed to advance farther) redish brown cuttings, limy reaction, much iron sulphide, and glows under UV lamp. (assay 0.90% WO3). The WO3 showings of Hole #45-W fall within the southerly projection of "A" structure which will be further tested by holes from sta. 43; from near sta. 41; and from end of crosscut 47, and ahead of April 30th. face as described. The assays are considered highly encouraging as all indications are that the assays of drill cuttings will fall short of true WO3 content of material intersected which should run from one half more to twice the assay.

Sampling Longhole cuttings In order to catch all cuttings a drain hole is drilled up into the test hole and a hose therefrom directs all cuttings into catch basin. Obviously the cuttings are chief objective of the drilling, hence speed is made secondary to uninterrupted hole progress, proper collection of cuttings, etc. The drill changes are 4-feet lengths, hence sampling etc. is divided into 4-foot sections and so reported. This is not absolutely accurate but it is best procedure commensurate with expediency and it is held that 4-foot widths show workable size.

WO3 saving is deficient to an amount that cannot presently be calculated but could exceed 25% and might reach 50%. The following are reasons for this deficiency: (1) The tactite enclosing much of the better ore is quite hard and tough, requiring a lot of drilling to make advance. The enclosed scheelite is much softer, very friable and disintegrates into powder form quite readily by abrasion. Thus the following product is made up of coarser rock cuttings accompanied by much finer powdery WO3 cuttings @ 100-mesh or finer compared with possibly 15 to 30-mesch enclosing rock. The tendency is for the scheelite to slime into a "milk" of WO3 particles @ 200-mesh or less held in suspension in water and lost by decanting the water from the solids. Some coarser WO3 might remain in the hole and not be washed out to sample.

The above explains failure of panning to determine possible WO3 content of cuttings. The samp cuttings glow faintly under UV lamp where

WO_3 is present and samples dumped on drain board sometimes show a thin white halo around their base (under UV lamp). Whether this is indicative of WO_3 content partially steeled from water, has not yet been determined because of time delay in getting assay returns.

FURTHER PROCEDURE Longhole drilling will continue at the 100-foot interval stipulated under Stage I of DMEA contract. The southerly face of No. 4 Tunnel will be advanced until well out of the disruptive influences of the cross faults. Tehn long hole drilling will be conducted to the west to search out downward extension of No. 3 Tunnel ore structure as described.

The longhole drilling is essentially to determine locality and existence of ore bearing structure. Similarly to most exploratory drilling it is not a sampling device and it is quite possible that holes might reasonably locate structure without providing any assayable WO_3 in view of the variability of ore disseminations even in the best showings.

The assay returns from #5-W Hole are considered very encouraging as indicative of ore that contains good commercial grade, probably exceeding the assay results.

Reno, Nevada
May 7, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mountain Co.

Form MF-[redacted] (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

APR - 8 1958

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

Month of March, 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash.
Contract Amount, $ 32,000 Government Participation: 75% Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Longhole @$1.50	none	none	none			
Bulldozing						
Crosscutting						
Drifting 75-feet	$2,400	$8,816	$11,216			
(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	none	$32	$32			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,400	$8,848	$11,248			

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

Date April 4 '58 Payee Tungsten Mountain M. Co.,

Per Arthur Lakes Title Eng. & Agent

*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:

$ 1800.00

Frances S. Horton
Signature Authorized Certifying Officer
(Authorized Certifying Officer)

Date APR - 9 1958 Vou. No. SF-DMEA-23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMA-1158 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date April 7, 1958

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date April 7, 1958

B. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

RECEIVED APR 1 1958 D.M.E.A.

Month of March 1958 Docket No. DMEA 4795 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Wash.

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 75-ft.	Ft	$2,400	75	$11,216	350½	$32	900	$28,000
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Longhole	Ft	none	none	none	none	$1.50	600	900
Churn								
Auger								
Stripping Assaying	1	none	none	$32	8	$4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering						$7.00	300	2,100
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$32,000
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,400	75	$11,248				

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

REMARKS:

Date April 4 '58 Operator Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent

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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

March 1st. through March 31st. 1958
EXPLORATION PROJECT CONTRACT Idm. E-1158
TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

From March 1st. through March 31st. Tungsten Mountain's No. 4 Tunnel advanced 108-feet, comprising: (1) 75-feet of drift allowable by DMEA contract, plus (2) 33-feet crosscutting, not allowable under DMEA contract. Thus the attached Forms 104 & 104A call for DMEA participation in only the 75-feet of drift.

The tunnel face has advanced 350½-feet under DMEA contract to a total of 420½-feet from No. 4 Tunnel portal as shown on Maps 1 & 2 herewith which have been corrected by transit survey check made in March.

Twentyseven rounds were blasted @ average 4-ft. per round. Of this 19-rounds were in the drift, about half of which was in very hard silicified limy rock, the last half in softer limy rock and hornfels encountered on west side of strong southerly striking, steeply easterly dipping gouge as shown on Maps 1 and 2. The hard limy rock provided a few scattered WO3 disseminations between sta. 45 and 46 from which 12-cars of ore were put in ore dump. The softer limy rock west of the gouge (encountered and crossed 33-feet by crosscut) exposed two scheelite strands, 3 and 2½-feet respectively, from which 24-cars of ore were put on ore dump. Traversing this crosscut is a series of scheelite rich quartz veinlets up to 4-inches thick that dip flatly west, indicating possibility that their source may be in that direction toward projected extension of "A" structure. Pending arrival of longhole equipment, a 12-foot hole had been drilled as of March 31st., the cuttings being dried for lamping on next inspection trip. This hole will be extended to 20-feet which is limit of the presently provided sectional steel and capacity of Jackleg.

Maps 1 & 2 show strike attitude of bedding as determined along "B" structure at No. 4 Tunnel. From No. 4 portal to March 31st. face that strata formed (1) a synclinal roll from sta. 40 to sta. 44, thence (2) apparently folded back into an anticlinal fold from sta. 44 to March 31st. face where the indicated strata strike is about due south. The strata dip throughout is between 70 and 80° easterly as compared with an average 55° of No. 3 Tunnel ore structure.

The March 31st. face is 130-horizontal feet due west, and 147-vertical feet below the north face of No. 3 Tunnel (see Map 1). Projecting No. 3 Tunnel ore structure @ average 55° easterly dip would bring it to No. 4 Leval at about 100-feet easterly from No. 3 Tunnel showings at about locality of southerly projection of structure "A" on Map 1. The No. 4 Tunnel's steeper dips would put the downward extension of No. 3 ore structure farther to the west. These downward projections do not take into account (1) possibility of flat fault offset between No. 3 and No. 4 levels, (2) the probability of dip divergences to be expected similarly to those indicated along the strike.

The above indicates that structure "A" may be downward extension of No. 3 Tunnel ore structure and that No. 4 Tunnel has followed previously undisclosed "B" structure (found WO3 rich where followed in the tunnel). If this proves to be the case, the lack of disclosure of "B" structure, and also of "C" structure farther east, at No. 3 Tunnel is explainable by the possibile strike swing to the SE which would take their upward extensions away from No. 3 crosscut into unexplored surface of that vicinity.

Map 2 indicates that No. 4 tunnel from sta. 45 to 46 plus 20-ft. may be from 5 to 15-feet east of possible ore extension of "B" structure. This condition can be tested by short drill holes into the tunnel's west wall. Similarly a possible ore zone following along easterly side of the hard limy rock has not been explored between these stations. These conditions emphasize necessity for long hole drilling equipment which Tungsten Mountain is making definite effort to procure.

The No. 4 Tunnel showings that where the ore structure folds into a syncline the ore widens and is enriched to noticeable degree as shown by sample resulted noted on Map 2. Whether this will also occur along anticlinal fold remains for further exploration to prove. There is possibility that the straighter strikes will provide smaller and lesser ore showings. These conditions are illustrated at No. 1 Tunnel and, to lesser degree, at No. 3 Tunnel as previously described.

Reno, Nevada
April 4, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mtn.

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

Budget Bureau No. 42-R1036.5

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

RECEIVED MAR 17 1958

Month of February, 1958 Docket No. DMEA 4759 Contract No. Idm E-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Wash.
Contract Amount, $ 32,000 Government Participation: 75% Amount, $ 24,150

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 Longhole $1.50	none	none	none	-0-	-0-	-0-
Bulldozing						
Crosscutting 8-ft @$32	$256		$256.00	-0-	-0-	-0- *
Drifting 99-ft "	3,168	$5,646	8,816.00	3,168.00	5,648.00	8,816.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis @ $4	32		32.00	32.00	-0-	32.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$3456.00	$5,648.00	$9,104.00	3200.00	5648.00	8848.00

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

Date March 5 1958 Payee Tungsten Mountain M. Co.

Per Arthur Lakes Title Eng. & Agent.

*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)

* See Notice of Suspension attached.

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

$ 2400 00

Frances S. Horton
Authorized Certifying Officer

Signature
(Authorized Certifying Officer)

Date MAR 20 1958 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-E1158 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date March 7, 1958

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date March 7, 1958

S. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED MAR 13 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1958 Docket No. DMEA 4795 Contract No. Ion P-1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Wash

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 99-ft @ $32	Ft	$3,168	99	$8,816	275½	$32	900	$28,000
Crosscutting	Ft	256	8	256	8	$32		
Raising								
Shafts								
Winzes								
Drilling: Core Longhole	Ft	none	none	none	none	$1.50	600	900
Churn								
Auger								
Stripping Assaying	$4/1	$32	8	32	8	$4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering						$7.00	300	2,100
Less 8' Crosscutting		-256.00		-256.00				TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS		3200.00		8848.00				
Operating Equipment Purchased								$32,000
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3200.00		$8848.00				

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.

REMARKS:

Date March 5 '58 Operator Tungsten Mountain M Co

Per Arthur Lakes Title Eng. & Agent

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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

Administrative Audit Difference Statement

Date: March 12, 1958
Payee's Reference: Contract Idm E-1158
Docket DMEA 4759[75]
February MF-104

Tungsten Mountain Mining Company
511 Securities Bldg.
Seattle 1, Washington

Gentlemen:

Upon examination of the above Payee's Reference, a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed	$ 3456.00	(Feb. MF-104)
Difference	$ 256.00	
Amount Approved	$ 3200.00	

The reason for the difference was due to: Crosscutting is not an allowable cost under Stage I of Contract Idm E-1158. Any change in work performed not in accordance with the contract must have prior approval of the Government before payment can be made. It is necessary for this Office to suspend 8 feet of crosscutting at $32.00 a foot or $256.00 claimed on your MF-104 (Operator's Monthly Report and Voucher) for the Month of February.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

L. H. Sjolander
Chief, Budget and Finance Branch
Region III

PROGRESS REPORT

February 1st. through February 28th. 1958

EXPLORATION PROJECT CONTRACT Idm. E-1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 47~~59~~75

From February 1st. through February 28th. the No. 4 Tunnel (Expl. Project Contract E-1158) advanced 99-feet drifting and 8-feet cross-cutting, making 107-feet on contract to face 345½-feet from tunnel portal or 275½-feet advance under DMEA contract as shown on the accompanying Map 1 and Map 2.

Thirtytwo rounds were blasted @ average 3.35-feet per round through exceptionally hard and tough rock. Time comprised 80-men shifts (2-men per drill shift) with 16-men shifts lost by sickness and labor turnover.

January 31st. face was in granodiorite that crosses tunnel course. This granodiorite continued 10-feet past the January 31st. face to a total 20-feet width. Thence the tunnel progresses 88-feet in very hard, tough, silicified limestone with thin bands of quartzite, which wore down the gauge of carbon bits and made throw away bits useless. This effect on the tungsten carbon bits makes long hole drilling impossible in this rock character, hence the obvious desirability for crosscut drilling into parallel structures "A" and "C" makes it important to get satisfactory drilling equipment. For this reason Tungsten Mountain Co. is making effort to secure a small underground diamond drilling machine in order to perform the highly, money saving, test drilling outlined in the DMEA contract.

The hard, silicified limestone contains scattered disseminations of scheelite but insufficient for economic exploitation. The best ore at No. 1, No. 3, and No. 4 tunnels occurs not entirely enclosed in the limestone but along the more sheared and penetrable structure at and near contact of limestone with hornfels. A "doghole" was driven 3-feet west at "S7". This encounters the contact striking S 35° E with 80° dip to the east as shown on Map 2. The contact's SE projection brings it near to the February 28th. face. At time of examination (March 3rd.) a 5-ft. hole was drilled ahead from the face's SW corner (See Map 2) where WO3 appeared. This hole started in whitish cuttings and at 3-feet changed to black with showings of WO3. This indicates that the face is near the contact zone and directions were given to turn the tunnel to left to test contact and its WO3 content.

Eight chipped samples were taken in February with results shown on Map 2. At sample location "S7" the SE striking vein is crossed by seams of high grade. It is possible that the 5.25% WO3 assay at this point includes some of the high grade cross veining material. Whilst it is probable that sampling would be improved by use of an air chipper to cut uniform groove across the vein, it is believed that the chipped samples give fiar representation.

Map #1 shows location of downward projection of No. 3 ore @ average dip therein. The average formation and structural dips at No. 4 level are between 75 and 80° east which mean s that the formation has steepened in depth into an anticlinal roll and that the downward continuation of No.

3 ore would be farther west than its marked No. 4 level position @ 53° dip. This brings up the question whether the tunnel on middle structure "B" is locality of downward extension of No. 3 tunnel ore, or whether this downward extension may be structure "A". No. 4 Tunnel face is in line with NW end of No. 4 tunnel and is 45-feet farther east than the downward projection of No. 3 ore @ 53° east dip into this lower level. The projected position (eliminating the fact that formation has steepened in depth) would line exactly with SE extension of structure "A" whose SE extension would have to swing westerly to enter into the steepened dip of No. 3 ore.

The question comes up "what has happened to structure "B" that it does not cross No. 3 crosscut tunnel"? It is to be born in mind that that limestone rock and structure at No. 1 and surface turns into a syncliral which applied to structure "B" would turn it away from No. 3 tunnel before it reached that locality.

With the above question in mind, the company is making effort to secure immeidate delivery of a small diamond drill to perform the important drill exploration. The conditions found in southerly part of No. 4 tunnel preclude possibility that long hole drilling with carbon bits will work.

Reno, Nevada
March 5, 1958

Arthur Lakes
Consulting Engineer for Tungsten Mtn. Co.,

COPY

NEVADA MINERAL LABORATORIES
336 Morrill Phone FA 2-1001

Reno, Nevada.

ASSAY CERTIFICATE

Tungsten Mountain Mining Co., 2-28-58

We have assayed your samples and find they contain (Per ton of 2000#)

	WO_3 Per cent
No. 1	2.50
2	0.25
3	0.75
4	0.65
5	2.92
6	2.64
7	5.25
8	1.25

Charges $60.00

(Signed) J. Benj. Parker

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

FEB - 4 1958

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1958 Docket No. DMEA ~~4759~~ 95 Contract No. Idm B 1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg., Seattle 1, Washington
Contract Amount, $ 32,300 Government Participation: 75 % Amount, $ 24,150

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Longhole @ .50	none	none	none			
Bulldozing						
Crosscutting						
Drifting 139½ ft @ $32 per foot	$4,464	$1,184	$5,648			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber @ .07 per ft.	none	none	none			
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 @ 4/1	none	none	none			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$4,464	$1,184	$5,648			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Feb. 3 1958 *Payee Tungsten Mountain M. Co.
Per Arthur Lakes Title Cons. Eng & Agent

*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:

$ 3348.00

Signature Francis S. Horton
Authorized Certifying Officer
(Authorized Certifying Officer)
Date FEB 13 1958 Vou. No. SF-DMEA-16
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E1158 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date Febr. 3, 1958

Henry W. Jones

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S. Ricker Title Executive Officer Date Febr. 3, 1958

S. Ricker

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 58 Docket No. DMEA 4759 Contract No. Idm E 1158

Operator's Name Tungsten Mountain Mining Company Minerals Tungsten

Address 511 Securities Bldg. Seattle 1, Washington

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	Ft	$4,464	139½	$5,648	176½	$32	900	$28,800
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Open~~ Longhole						$1.50	600	900
Churn								
Auger								
~~Shipping~~ Assaying						$4.00	100	400
Trenching								
Test Pits								
Roads and Trails								
Timbering						$7.00	300	2,100
TOTAL DISTRIBUTED COSTS		$4,464	139½	$5,648				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$32,200
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$4,464		$5,648				

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

REMARKS:

Date Feb. 3, 1958 Operator Tungsten Mountain M. Co

Per Arthur Lakes Title Cons. Eng & Agent

→ 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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

January 1st. through January 31st. 1958

EXPLORATION PROJECT CONTRACT Idn-E 1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4759

From January 1st. through January 31st. the No. 4 Tunnel (Project Contract Idn. E-1158) advanced 139½-feet, making total of 176½ feet on DMEA contract which starts 70-feet in from Tunnel portal, thus the face January 31st. was 246½-feet from portal as shown on accompanying Maps.

As previously reported January 6th. the tunnel progressed 107-feet of WO3 disseminations and high blobs in a limy bed striking S 11° E dipping very steeply easterly. (This direction was previously reported S 16° E by compass survey but is here corrected by transit survey of January 20th. tying in the upper tunnels with this No. 4 tunnel). This showing courses under a 10-foot width of low grade WO3 opened at the road, 15-feet higher than the tunnel floor.

At the 107-foot point a strong fault shearage, barren of WO3, comes in from the NW and the tunnel turns S 25° E for 50-feet along it. From here the tunnel and fault turn in general S 48° E direction to face. From station 41 (See map 2) to station 42 the tunnel appears to be in the footwall (SW) side of limy rock that contains disseminations of WO3, whereas the tunnel is mostly in barren footwall hornfels. At sta. 42 plus 25-feet a 6 to 8-inch vein crosses S 50° W dipping 23° NW. From this cross vein the tunnel continues an average S 48° E in a hangingwall and a separate footwall streak with some very good WO3, both indicated to be in limy rocks.

It will be noted that the limy rock bed and its contained ore parallels the projected strike of granodiorite mass 65 to 70-80 feet northeasterly from the tunnel. Continuation of this strike would take No. 4 ore showings and limy bed away from the general N 25° W course of the ore veins openedat No. 1 and No. 3 tunnels. There is possibility that the showings of SE part of No. 4 tunnel may swing back as a slight anticlinal nose as progress is made farther SE.

The DMEA contract calls for long hole drilling both ways from No. 4 tunnel to test possible SE extensions of the two surface showings one 40-feet along road to the NW and the other,near contact zone with granodiorite, 60-feet SE along the road from the showing followed by the tunnel. The proposal is for long hole drilling each way at not less than 100-foot intervals. So far Tungsten Mountain has been unable to acquire large drill and sectional steel to do this job but has made contact with J. H. Uhalde who is using equipment on a project but when he finishes will arrange for Tungsten Mountain to use it. Subject to DMEA agreement it is Tungsten Mountain's proposal to advance the tunnel about 300-feet from DMEA starting point, then set up and drill 6-holes (1 each way at each 100-foot point). When this drilling is underway the tunnel advance will cease because drill bar will block the tunnel.

Sampling the tunnel at 10-foot intervals will be undertaken next week and assay results reported to DMEA and in the next report.

Reno, Nevada
February 2, 1958

Arthur Lakes

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

FEB 10 1958

Month of December, 1957 Docket No. DMEA 4759 Contract No. Idm-E 1153
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Washington
Contract Amount, $ 32,200.00 Government Participation: 75 % Amount, $ 24,150.00

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 long hole	none	none	none			
Bulldozing						
Crosscutting						
Drifting 37-ft. @ $32/ft unit cost	$1184.	none	$1184.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	none	none	none			
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	none	none	none			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1184	none	$1184.00			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Jan. 6, '58 Payee Tungsten Mountain Mining Co
Per Arthur Lakes Title Cons Eng. & Agent

*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:

$ 888.00
Frances S. Horton
Authorized Certifying Officer
Signature
(Authorized Certifying Officer)

Date 2-1-1958 Vou. No. SF-DMEA-14

(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. DMEA 1158 in accordance with the terms of the contract.

Signature Henry W. Jones Title Mining Engineer Date Jan 8, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 1/8/58

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED FEB 10 1958 D.M.E.A.

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

Month of December 1957 Docket No. DMEA 4759 Contract No. Idm-E 1158
Operator's Name Tungsten Mountain Mining Company Minerals Tungsten
Address 511 Securities Bldg. Seattle 1, Washington

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
$32/ft unit cost Drifting	37-ft	$1184	37	$1184	37	$32	900	$28,800.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: ~~Core~~ Long hole							600'	900.00
Churn								
Auger							100	400.00
Stripping Assaying								
Trenching								
Test Pits								
Roads and Trails								
Timbering							300'	2,100.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT $32,200.00
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1184.00	37	$1184.00				

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.

REMARKS:

Date January 6 '58 Operator Tungsten Mountain M Co.,

Per Arthur Lakes Title Cons. Eng & Agent

→ 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)

Henry W. Jones

INSTRUCTIONS

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

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

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

GPO 872894

PROGRESS REPORT

December 3rd. through December 31st. 1957

EXPLORATION PROJECT CONTRACT Idm-E 1158

TUNGSTEN MOUNTAIN MINING COMPANY

Docket No. DMEA 4795

Up to December 31st., 1957 the No. 4 Tunnel, 147-vertical feet lower than the ore productive No. 3 Tunnel, had advanced 107-feet from timbered portal as shown on accompanying map. Exploration along No. 4 level constitutes the Project Contract Idm-E 1158.

This No. 4 Tunnel had advanced 70-feet at company expense prior to granting of DMEA loan, December 3, 1957. Therefore this 70-feet is eliminated from the loan and the starting point from which to measure tunnel advance under the loan has been established at the 70-foot point by an iron rod inserted into the east tunnel wall.

On basis of DMEA allowable advance, No. 4 tunnel drift was 37-feet (difference between the 107-feet total length less 70-feet starting locality). No other contractural expenditures were involved in this December 3-31 operation hence cost items refer only to the 37-feet drifting as follows:

37-feet at $32/ft unit cost by contract	$1184.00
DMEA's 75% participation	$888.00

Most of the month was expended in outside preparation and in building shelter for compressor, dry, etc. and the holiday season further delayed footage advance.

The tunnel courses S 17° E along steeply east dipping contact of limestone on the east (hangingwall) side with hornfels on the west (footwall) side. The limy rocks show disseminations of WO3 with blobs of more concentrated material. The first 46-feet of tunnel roof is timbered, hence not visible for check but is reported to have fair scheelite showings. From 45-ft. to 65-ft. in from portal some concentrate scheelite occurs up to 4-feet width. From 65-ft. to December 31st. face (107 feet) the limy rocks contain scattered WO3 disseminations. . In accord with ore occurrences at No. 1 and No. 3 levels (reported in the Loan Application) it is to be expected that ore occurrences along the structure's SE extension will be more or less intermittent until it nears the synclinal turn (shown on accompanying map) where the wider and higher grade ore concentrated.

As reported in Loan Application, there are three ore structures at No. 4 level's surface and it was decided to follow the strongest central structure by drift and test therefrom by drilling into the east and west structures. No holes were drilled in December.

Reno, Nevada

January 6, 1958

Arthur Lakes

Consulting Engineer & Agent

Contract Division

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT WORK
AS DETERMINED PRIMARY CONCERN

To: Tungsten Mountain Mining Company
511 Smithfield Building
Seattle 1, Washington

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated December 3, 1957, (Docket No. [illegible]), as amended, hereinafter called the "Contract," between Tungsten Mountain Mining Company (a Nevada corporation) and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and the lien thereon and on the land described in the contract, the Government considers and therefore certifies that a discovery or development from which production may be made has resulted from the exploration.

The nature of said discovery or development is described briefly or indicated as follows:

Drifting, crosscutting, and long-hole drilling on the No. 4 adit level of the Hilling mine have indicated an appreciable tonnage of tungsten ore, with scheelite occurring disseminated in quartzite, silicified limestone, and hornfels, and in thin veinlets along fractures and bedding planes in limited segments of a long member of a shale formation which has been silicified and intruded by granite and partly covered by volcanic rocks of probable Tertiary age.

Dated: JUL 31 1959

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Contract Adm. & Multiple Exploration

[illegible]/gla 7-29-59

cc to: Director's Dead File
Mr. Johnson
Operating Committee
Div. of Contract Adm. & Multiple Exploration
Field Team, Region II (2)
Finance Officer, Region II
R. W. Halliday, [illegible]
R. Kirkham, [illegible]
C. A. Fredell, GSA
Mr. Holt
Docket
Chron

[illegible]

[illegible]

[illegible]

JUL 31 1959

[redacted]
[redacted]
[redacted]

Re: [redacted]
[redacted]
[redacted]
[redacted]
[redacted]

Gentlemen:

Reference is a certification of discovery on development that covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and of the certification, all minerals mined or produced from December 3, 1957, or December 3, 1958, are subject to the Government's royalty or net profit in the contract until the sum of $[redacted].57 is repaid to the Government. This sum includes $[redacted] which was the Government's contribution under a previous contract, No. [redacted] (Contract No. [redacted]), and is as provided for in Article 10 of the subject contract.

Royalty payments should be made to the Executive Officer, [redacted] Field Term, Region [redacted], [redacted] Federal Plaza, [redacted] Denver Federal Center, [redacted] Denver 11, Colorado, by the producer [redacted] claim owner [redacted] the origin of [redacted] information [redacted] the Federal Uranium Exploration Administrator). The production should be reported on Form [redacted] from the [redacted] of the mine [redacted] and [redacted] the claim [redacted] in the Executive Officer. [redacted] should be accompanied by [redacted] such as copies of [redacted] showing the date of the production, the quantity and grade of the product sold, and the price and charges, certified to be correct by the producer.

You are requested to notify the Executive Officer of any changes in ownership or production rights that may have any effect on the Government's right to the royalty royalty. Your attention is called particularly to Article [redacted] of the contract relating to

JUL 31 1959

the Government's right to a percentage royalty on production. Also when production starts, please notify the Executive Officer. Alternative, if production ceases for any extended period, please notify him accordingly at eleventh hour.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

Submit/pln 7-23-59

cc to: Director's Reading File
Operating Committee
Division of Contract Adm. & Audit
GSE Field Team, Region II (2)
R. V. Bilisky, WSMS
R. Kirkham, WSMS
Mr. Bell
Docket [illegible]-[illegible]
Docket [illegible]-[illegible]
Chron

Mr Johnson

Contract Division

JUL 31 1959

Mr. C. A. Fredell, Director
Industrial Research and Development Division
Defense Materials Service
General Services Administration
[illegible] GSA Building
Washington 25, D. C.

Re: Contract No. [illegible]-4795 (Tungsten)
Tungsten Mountain Mining Company
Billing Mine
Churchill County, Nevada
Contract No. [illegible]-27150

Dear Mr. Fredell:

Enclosed is a copy of a certification of discovery or development issued under the subject contract.

Contract No. [illegible]-27150 for the exploration of the Billing Mine property was executed December 3, 1957. Expenditures of $[illegible] were authorized by the contract as amended, of which the Government's share, at 75 percent, was $[illegible]. Cost of the work completed was $[illegible], of which the Government's share was $[illegible]. Under a special provision of the contract, [illegible], the Government's share of the cost of work done under a previous contract, No. [illegible] ([illegible]), was added, making the total amount due the Government under the two contracts $[illegible].

The object of the exploration program was to test for possible tungsten occurrences of scheelite disseminated in limestone, hornfels, and silicified limestone, and in thin veinlets along fractures and bedding planes in faulted segments of a thick number of a shale formation which has been tilted and intruded by granite and partly covered by volcanic rocks of probable Tertiary age. The program included drilling, cross-cutting, and longhole drilling on the No. 4 adit level of the Billing mine to explore the mineralized zone.

The contract provided for 500 feet of drifting, cross-cutting, and raising, 500 feet of adit, crosscut, and raise timbering, 500 feet of longhole drilling, and sampling 100 samples for tungsten. Work completed included 500 feet of drifting and cross-cutting, 500.5 feet of adit and crosscut timbering, 500 feet of longhole drilling, and sampling 40 samples for W, Tungsten [illegible].

Tungsten ore discovered by project work is estimated as about 2,000 tons of measured and indicated ore averaging about 1 percent tungsten trioxide.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

[illegible]/gh 7-22-59

cc Det Director's Reading File
Mr. Johnson
Operating Committee
Div. of Contract Adm. & Audit
GSE Field Team, Region XI (3)
R. W. Hilliday, [illegible]
R. Kichner, [illegible]
Mr. Holt
Rocket
Chron

Audit's copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 10 1958

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
TUNGSTEN MOUNTAIN MINING COMPANY
DOCKET NO. DMEA-4(?)

AMENDMENT NO. 1

It is agreed this 30th day of ~~September~~, 1958, between the United States of America, ~~acting~~ through the Department of the Interior, Office of Minerals Exploration, and Tungsten Mountain Mining Company, that Exploration Project Contract No. Ion-E115? (Docket No. DMEA-4(?)), dated December 3, 1957, is amended, effective August 3, 1958, as follows:

1. In Article 1 of the Contract the time for completion of the work is extended from "within _ months from the date of the Contract" to "within 1½ months from the date of the Contract."

2. In Article (b) of the Contract the period for payment of royalty is changed from ten years from the date of the Contract to eleven years from the date of the Contract.

This amendment shall not be construed to increase the estimated total cost of the project, to increase the aggregate amount which the Government shall be required to contribute, nor to increase the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
ACTING Director, Office of Minerals Exploration

TUNGSTEN MOUNTAIN MINING COMPANY

By Arthur Lakes

Title Engineer & Agent.

MME Form 14
Sept. 1958

Contract No. Idm-E) 14-23) 1158

Docket No. DMEA) MME) 4795

Date of Action 3/18/59
Terminated Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Tungsten Mountain Mining Co.
511 Securities Building
Seattle 1, Washington

Date of Contract	Region	State	Commodity
December 3, 1957	II	Nevada	Tungsten

	Reserve	Obligation
Prior Amount	0	24,150.00
Increase	0	0
Decrease	0	736.13
Revised Amount	0	23,413.87

Remarks:

cc: 800
210

43244

DMEA Form 14

Contract No. Idm-E 1158

Docket No. 4795

DEPARTMENT OF THE INTERIOR

Executed contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
December 3, 1957	**II**	**Nevada**	**Tungsten**

Name and Address of Operator: **Tungsten Mountain Mining Co.**
511 Securities Buidling
Seattle 1, Washington

	Reserve	Obligation
Prior Amount	24,150.00	0
Increase	0	24,150.00
Decrease	24,150.00	0
Revised Amount	0	24,150.00

Remarks:

(Name)
Allen S. Daken, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington **12/30/57**

22845

MF-200A
(Rev. April 1956)

Audit copy

DMEA RECEIVED DEC 30 1957		
DATE	INITIALS	CODE
		800

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4793	Tungsten	1158	Churchill	Nevada

It is agreed 3 DEC 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Tungsten Mountain Mining Company, a Nevada corporation

whose mailing address is 511 Securities Building, Seattle 1, Washington

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before January 3, 1958, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $32,200.00*. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $24,150.00*, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows:

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

*See Article 10.

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. See Article 10.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent) after the lapse of six months from the date the ore was extracted from the ground remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Whereas--the parties to this contract were also parties to Contract Idm-E707 (Docket No. DMEA-3180), dated September 13, 1956, as amended, which was terminated by the Government because of the Operator's default. The Government contributed the sum of $432.00 to the costs of the terminated Contract, and repayment of said sum is a consideration to the Government for entering into this Contract. Now, therefore, it is agreed that in Article 6(b), the phrase "the total net amount contributed by the Government" includes the sum of $432.00 contributed under the terminated Contract.

? 1954

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

TUNGSTEN MOUNTAIN MINING CO.
(Operator)

By B. W. Porter

Title Pres.

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

I, F. L. Mills, certify that I am the secretary of the corporation named as Operator herein; that B. W. Porter, who signed this contract on behalf of the Operator, was then President 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.

F. L. Mills

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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DATE CODE

EXPLORATION PROJECT CONTRACT
TUNGSTEN MOUNTAIN MINING COMPANY
DOCKET NO. DMEA 4795

ANNEX I

The land referred to in Article 2 of the Contract is owned by the Operator. It consists of four unpatented lode mining claims, located in T. 19 N., R. 37 E., Olan Alpine Mining District, Churchill County, Nevada (outlined in green on the map, Figure 2A, described in Exhibit A), and Notices of Location of which are recorded in the official records of said county, as follows:

Claim Name	Book No.	Page No.
Hilltop	26	314
Porter No. 1	27	67
Artel No. 1	28	173
Medi No. 1	27	142

EXPLORATION PROJECT CONTRACT
TUNGSTEN MOUNTAIN MINING COMPANY
DOCKET NO. DMEA 4795

EXHIBIT A

Description of the Work

"Figure 1. Index Map of Churchill and Pershing Counties, Nevada"

"Fig. 2A - Map of Hilltop and Adjoining Claims"

"Figure 2 - Geologic Map and Section of the Hilltop Mine Area, Churchill County, Nevada"

"Figure 3 - Geologic Maps of Tunnels 1, 2 and 3, Hilltop Mine, Churchill County, Nevada"

"Figure 4 - Face at Bulldozer Cut, Hilltop Mine, Churchill County, Nevada"

The project is divided into two stages. The Operator shall perform the Stage I work, and as much of the Stage II work as is approved by the Government, dependent upon the results of Stage I work. The operation shall be conducted on a two shift per day basis, when possible.

All drifts and/or crosscuts shall be not less than 5 feet by 7 feet in the clear and shall be timbered as necessary.

Mineralized zones in adit, crosscuts and/or long holes shall be sampled and the samples assayed for tungsten. Samples from long holes shall not exceed 5 feet in length.

The locations, directions, and extent of all work are subject to the approval of the Government, but no long hole shall be drilled closer than 100 feet to another long hole on the same side of the drift.

Stage I

An adit shall be started approximately at the point indicated on Figure 2 and driven not more than 600 feet on a course about south 20 degrees east.

The northeasterly and southwesterly sides of the adit shall be explored by long hole drilling at approximately right angles. The length of a drill hole will depend upon the geology of the structure; but no hole shall exceed 75 feet in length, and the total drilling for all holes shall not exceed 600 feet. The drill holes are tentatively indicated on Figure 2, and may be on one side or both sides of the adit.

Stage II

As approved by the Government: (a) the adit driven in Stage I may be extended not to exceed an additional 100 feet; and (b) ore zones indicated by the Stage I long hole drilling may be explored by not to exceed an aggregate of 200 feet of drifting, crosscutting, and raising.

Estimated Cost of the Project

Fixed Unit Costs

Stage I

Drifting 600 feet @ $32.00/ft.	$19,200.00	
Timbering 200 feet @ $7.00/ft.	1,400.00	
Long hole drilling 600 feet @ $1.50/ft.	900.00	
60 assays for tungsten @ $4.00 each sample	240.00	
Estimated cost of Stage I		$21,740.00

Stage II

Drifting, crosscutting, and raising, 300 feet @ $32.00/ft.	$ 9,600.00
Timbering 100 feet @ $7.00/ft.	700.00
40 assays for tungsten @ $4.00 each sample	160.00

Estimated cost of Stage II	$10,460.00
Estimated total cost of Project	$32,200.00
Government participation @ 75%	$24,150.00*

* See Article 10.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DMEA-4795
(Tungsten)

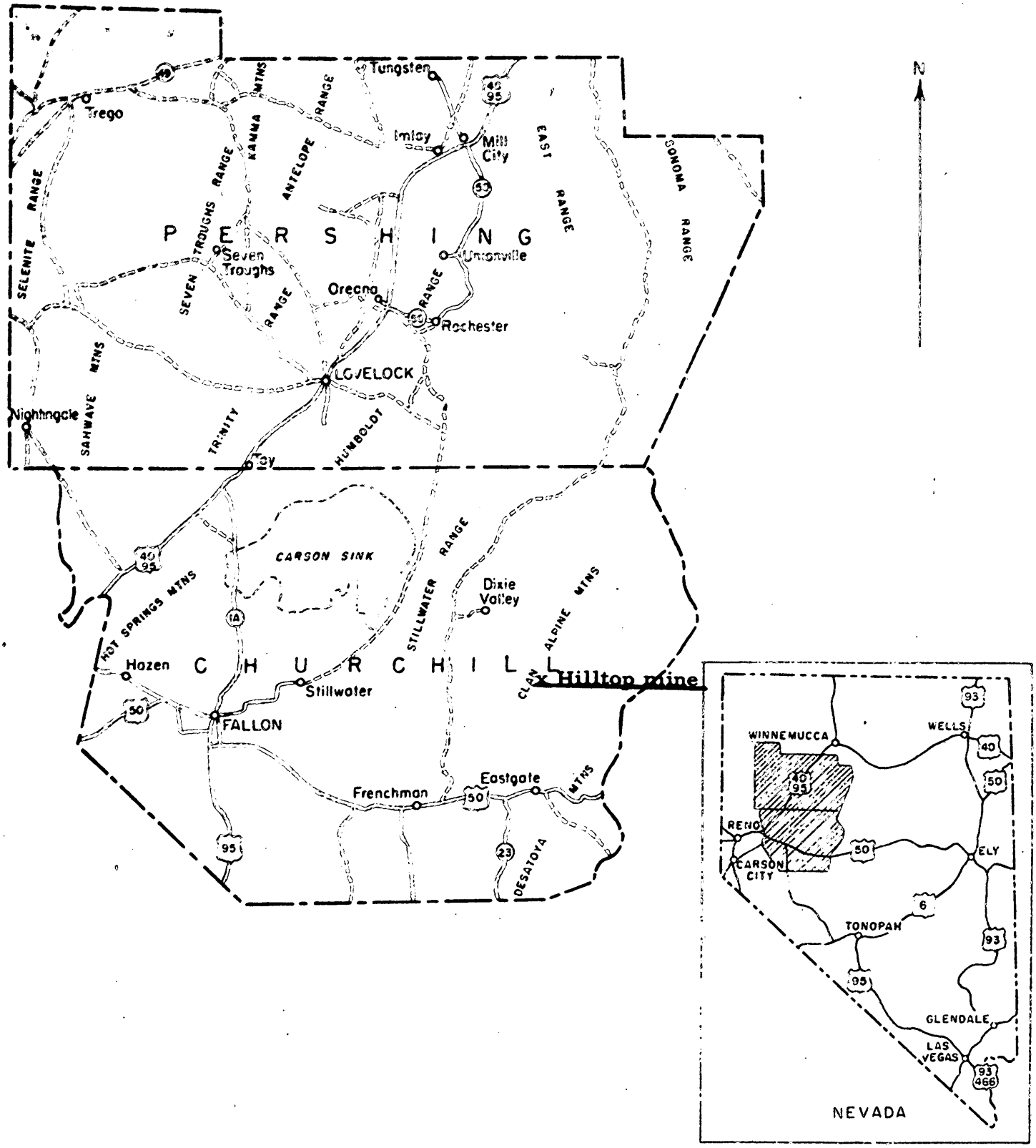

Figure 1. INDEX MAP OF CHURCHILL AND PERSHING COUNTIES, NEVADA

0 20 40 60 Miles

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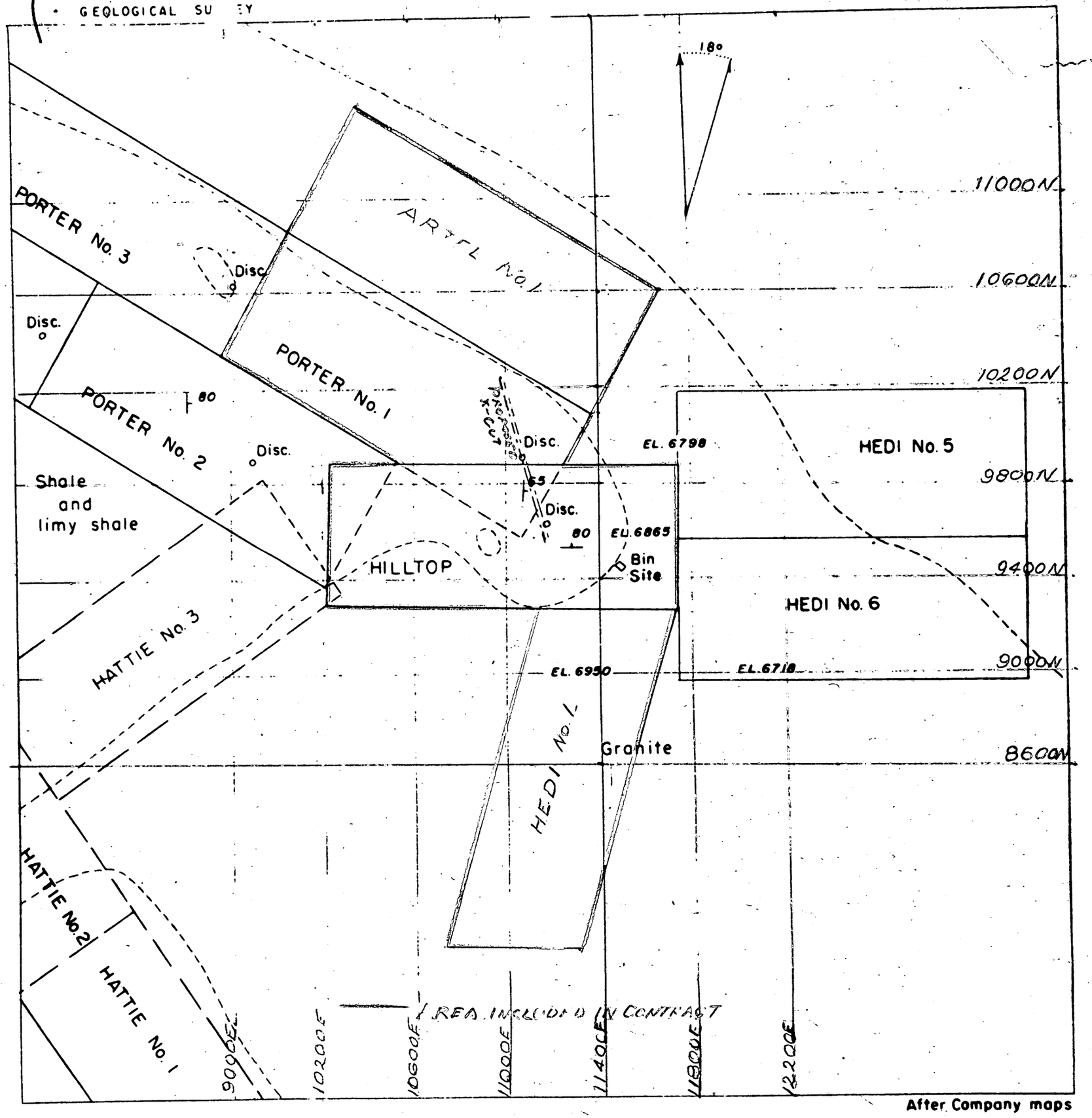
DATE

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENCE MINERALS EXPLORATION ADMINISTRATION
DOCKET NO. 4795



After Company maps

FIG. 2A

MAP OF HILLTOP AND ADJOINING CLAIMS

0 500 1000 FEET

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DME A 4795
(TUNGSTEN)

EXPLANATION

Granite

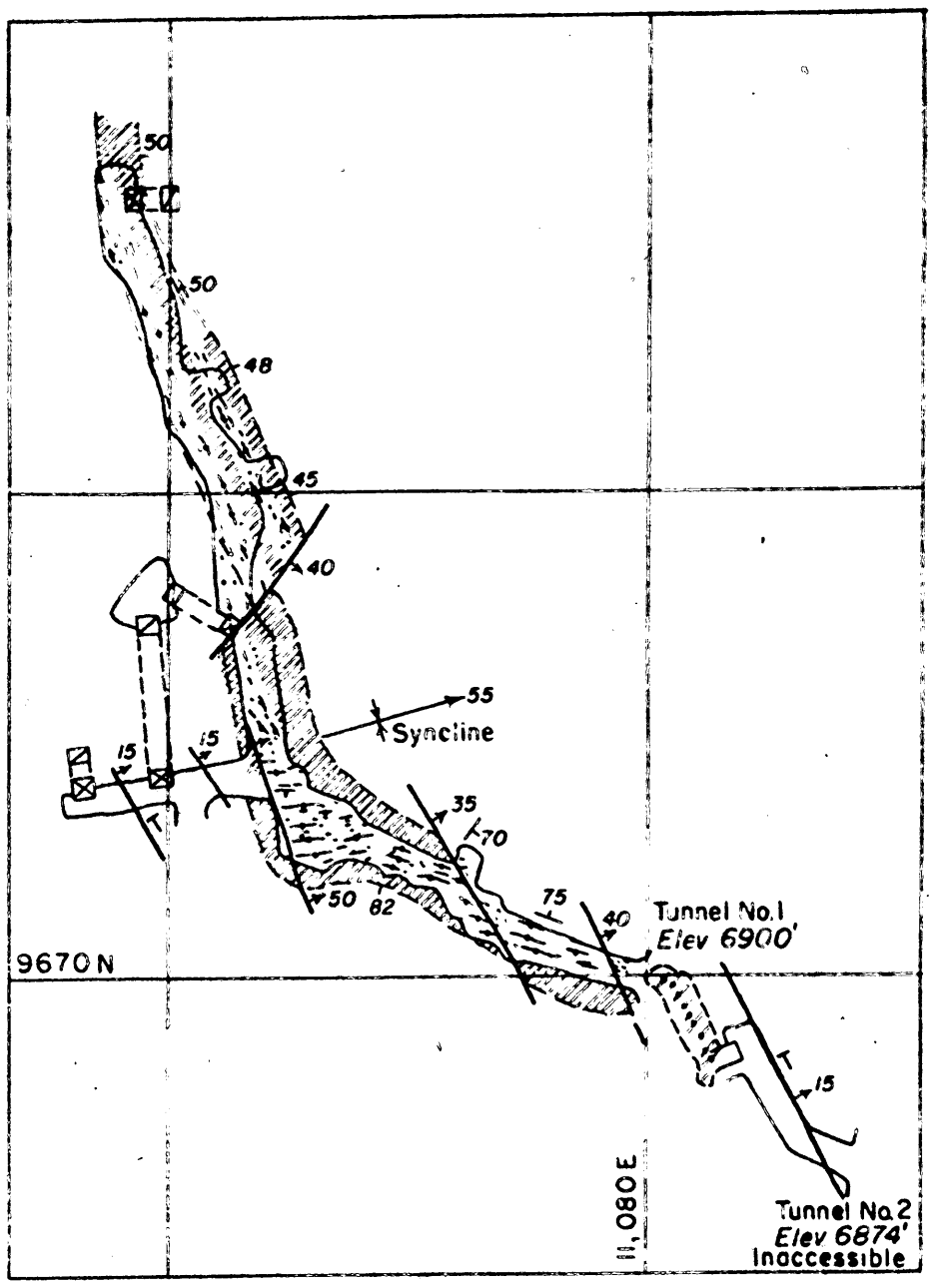
Limestone and/or limy shale

Mudstone, with interbedded thin, discontinuous tactite lenses

Sheelite, in fractures
Sheelite, disseminated

N

Note:
From Company maps, modified by R H. Campbell
August 1957



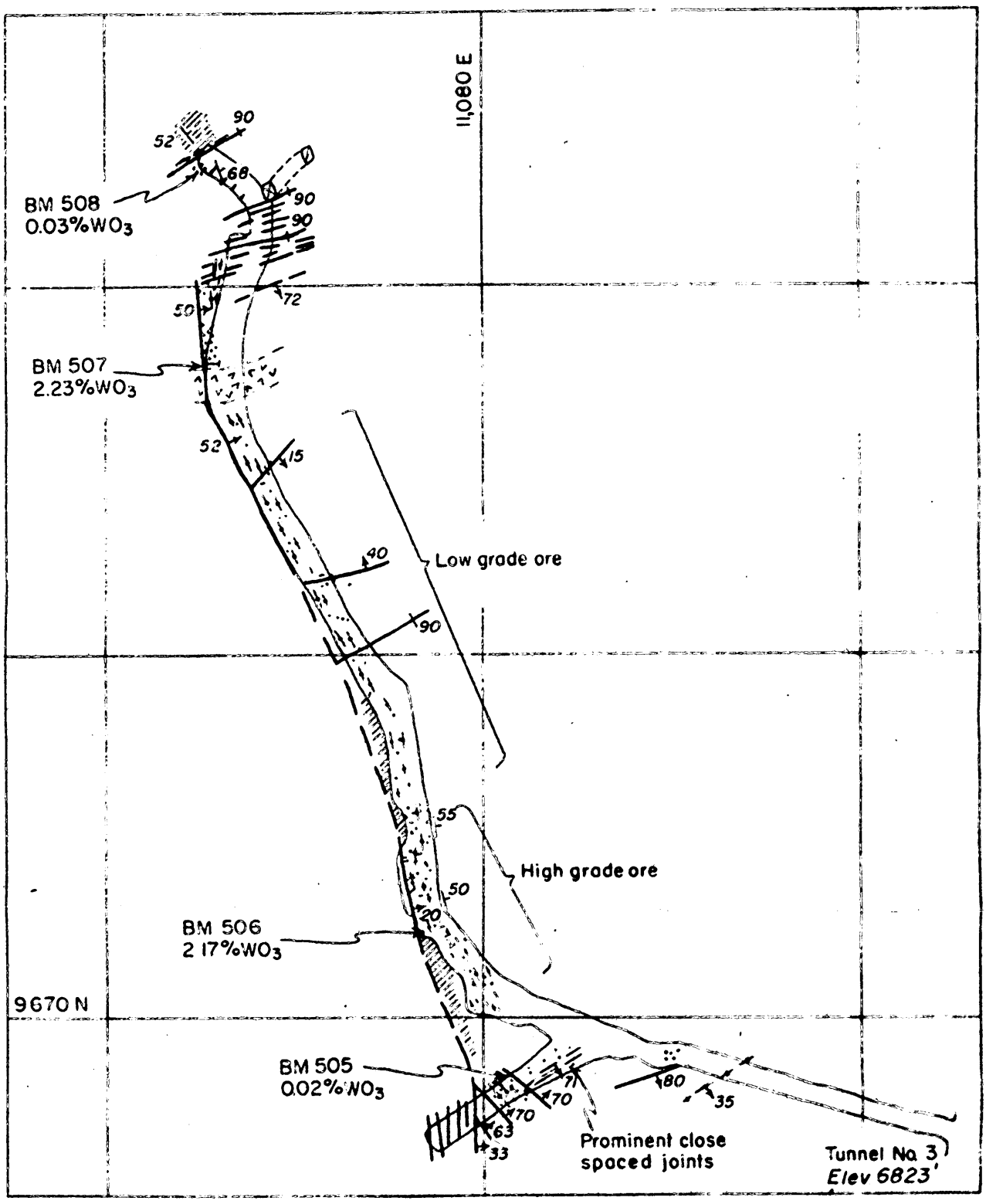
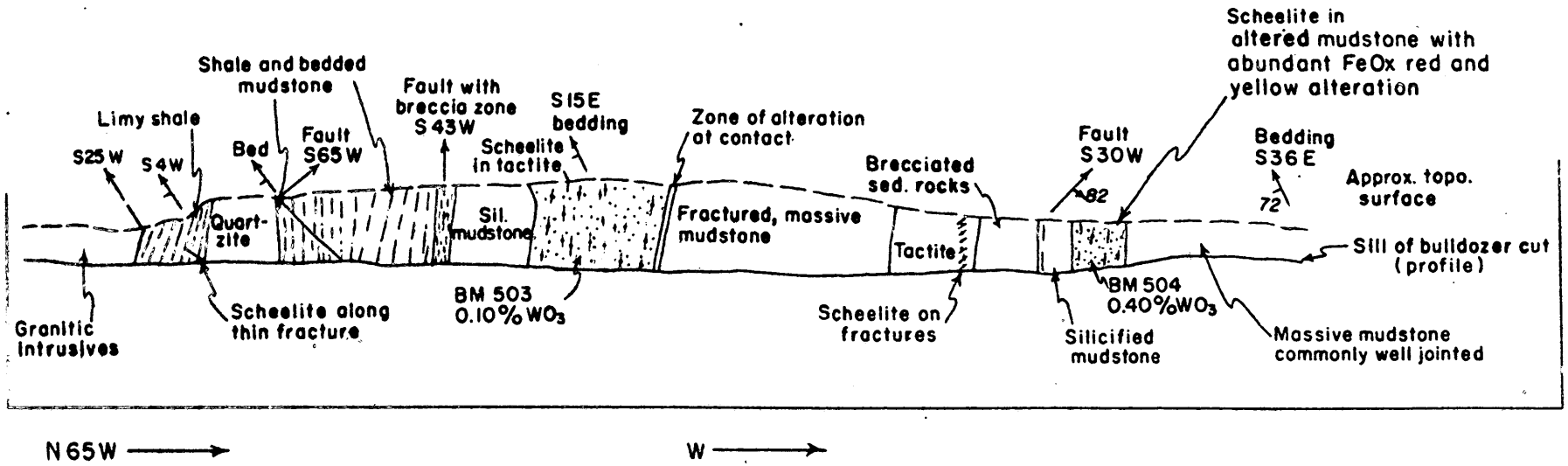


Figure 3. GEOLOGIC MAPS OF TUNNELS 1, 2, AND 3, HILLTOP MINE
CHURCHILL COUNTY, NEVADA

0 40 80 120 Feet



N65W →

W →

Geology by R. H. Campbell, August 1957

Figure 4. FACE AT BULLDOZER CUT, HILLTOP MINE
CHURCHILL COUNTY, NEVADA

0 20 40 60 Feet

DMEA Form 14

Contract No. Idm-E 1158

Docket No. 4795

DEPARTMENT OF THE INTERIOR

Approved contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
December 3, 1957	II	Nevada	Tungsten

Name and Address of Operator: Tungsten Mountain Mining Co.
511 Securities Building
Seattle 1, Washington

	Reserve	Obligation
Prior Amount	0	0
Increase	25,150.00	0
Decrease	0	0
Revised Amount	24,150.00	0

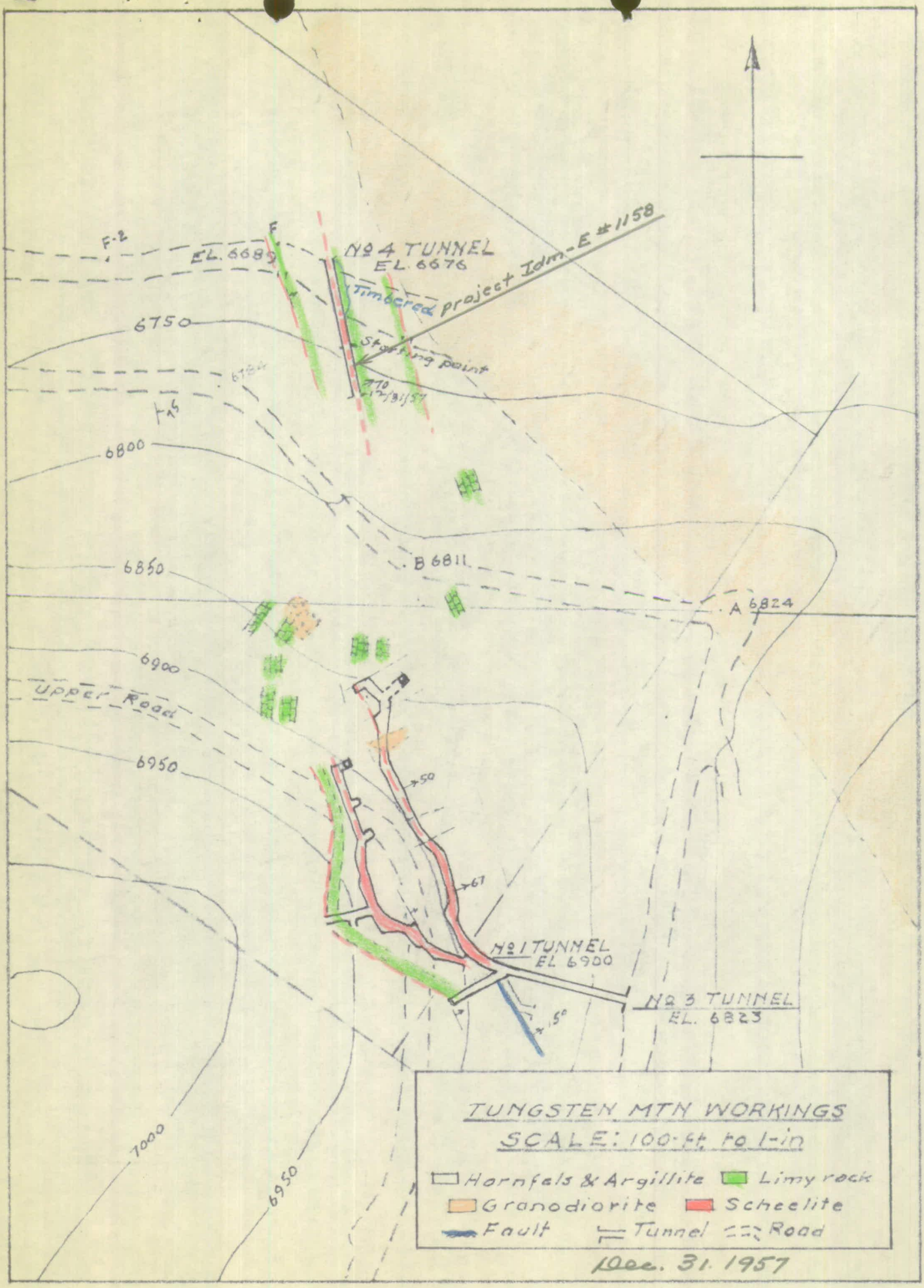
Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 12/4/57

22845


F-2
EL. 6689
F
No 4 TUNNEL
EL. 6676
Timbered project Idm-E #1158
Sketching point
6750
6784
6800
B 6811
6850
A 6824
6900
Upper Road
6950
50
67
No 1 TUNNEL
EL 6900
No 3 TUNNEL
EL. 6823
5°
7000
6950
TUNGSTEN MTN WORKINGS
SCALE: 100 ft to 1-in
Hornfels & Argillite
Limy rock
Granodiorite
Scheelite
Fault
Tunnel
Road
Dec. 31. 1957

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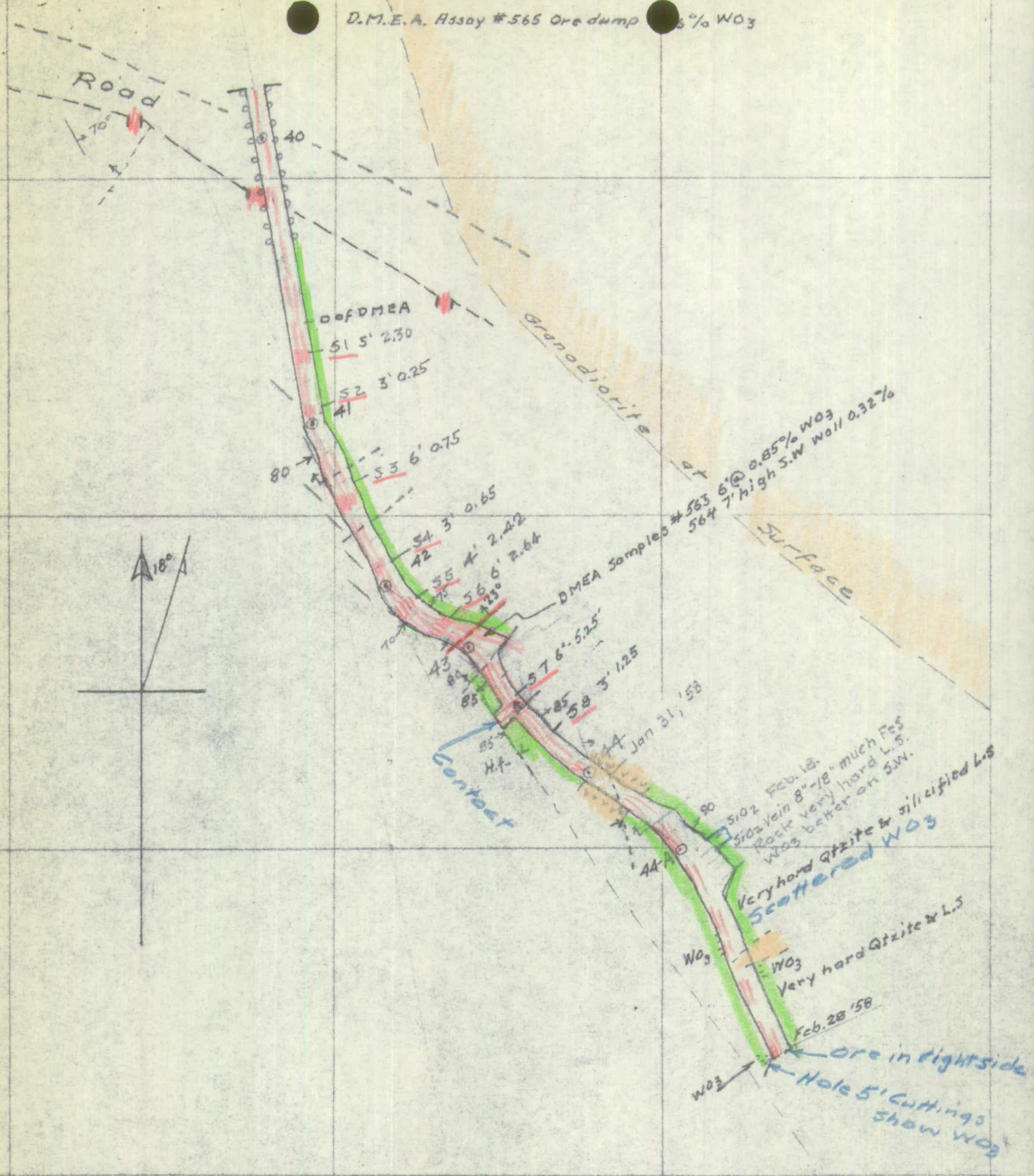
DATE	INITIALS	CODE



NO. 4 TUNNEL

ELEV. 6676

SCALE: 40-ft. to 1-in.

Feb. Advance 107-ft. inclusive 8-ft. X-cuts.

MAP 2

Report date 2/28/58

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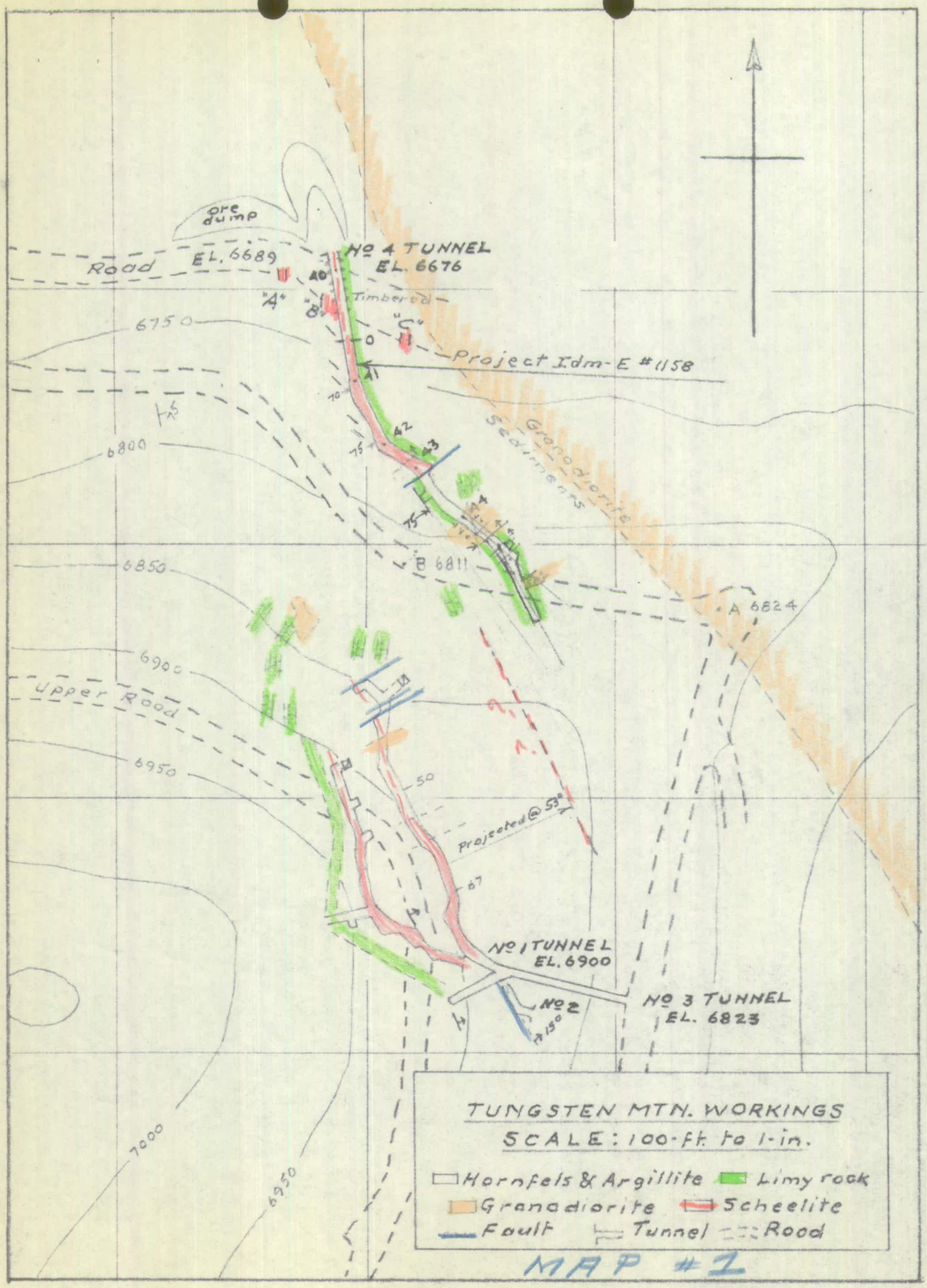
DATE	INITIALS	CODE


ore dump
Road
EL. 6689
No 4 TUNNEL
EL. 6676
"A"
"B"
Timbered
"C"
6750
Project Idm-E #1158
6800
Granodiorite
Sediments
B 6811
6850
A 6824
6900
Upper Road
6950
Projected @ 53°
No 1 TUNNEL
EL. 6900
No 2
No 3 TUNNEL
EL. 6823
7000
6950
TUNGSTEN MTN. WORKINGS
SCALE: 100-ft. to 1-in.
Hornfels & Argillite
Limy rock
Granodiorite
Scheelite
Fault
Tunnel
Road

MAP #2

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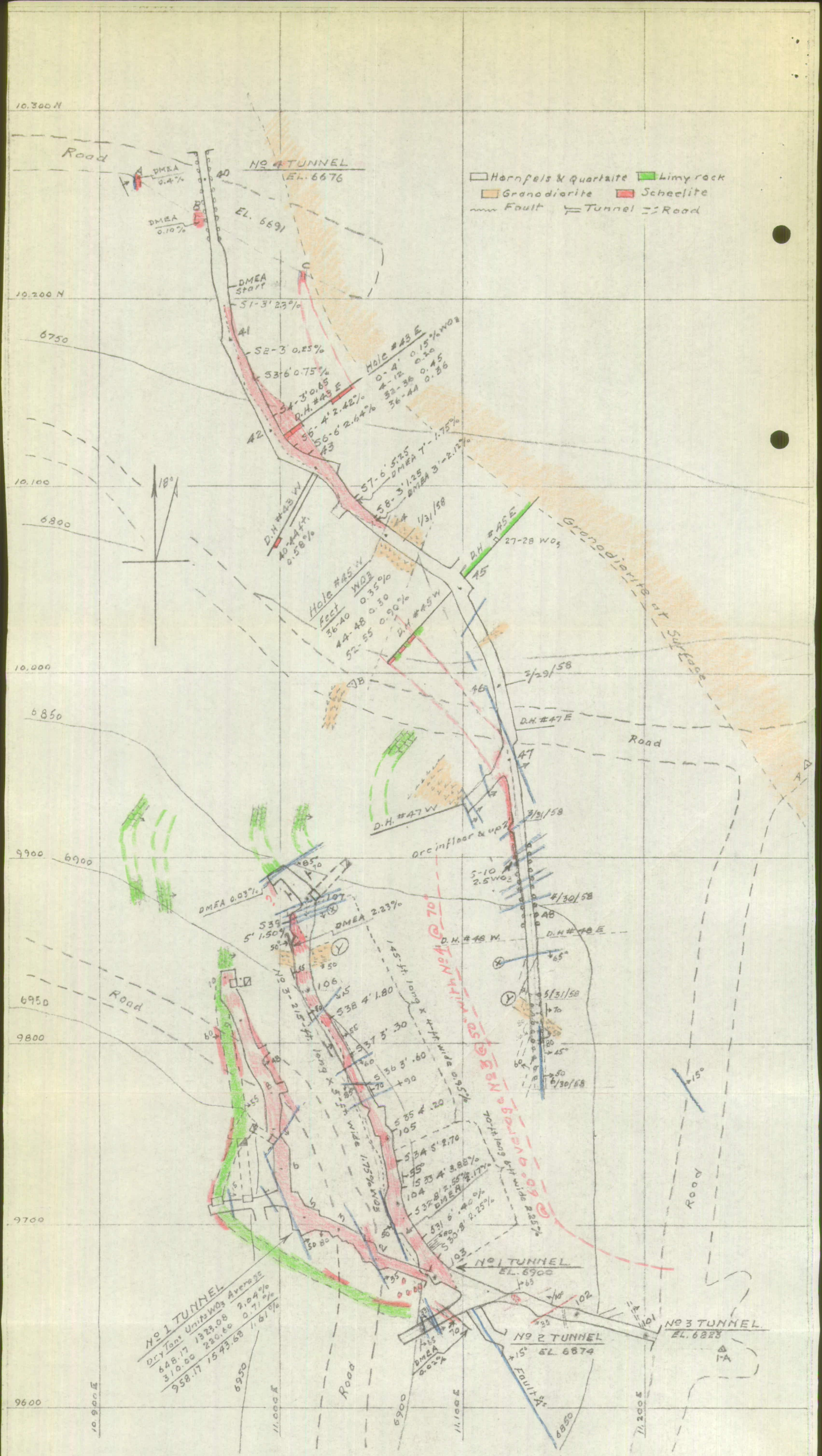

MAP OF Tungsten Mtn. TUNNELS

SCALE: 40-ft. to 1-in.

Report date 7/5/58

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RECEIVED JUL 23 1958
DATE | INITIALS | CODE

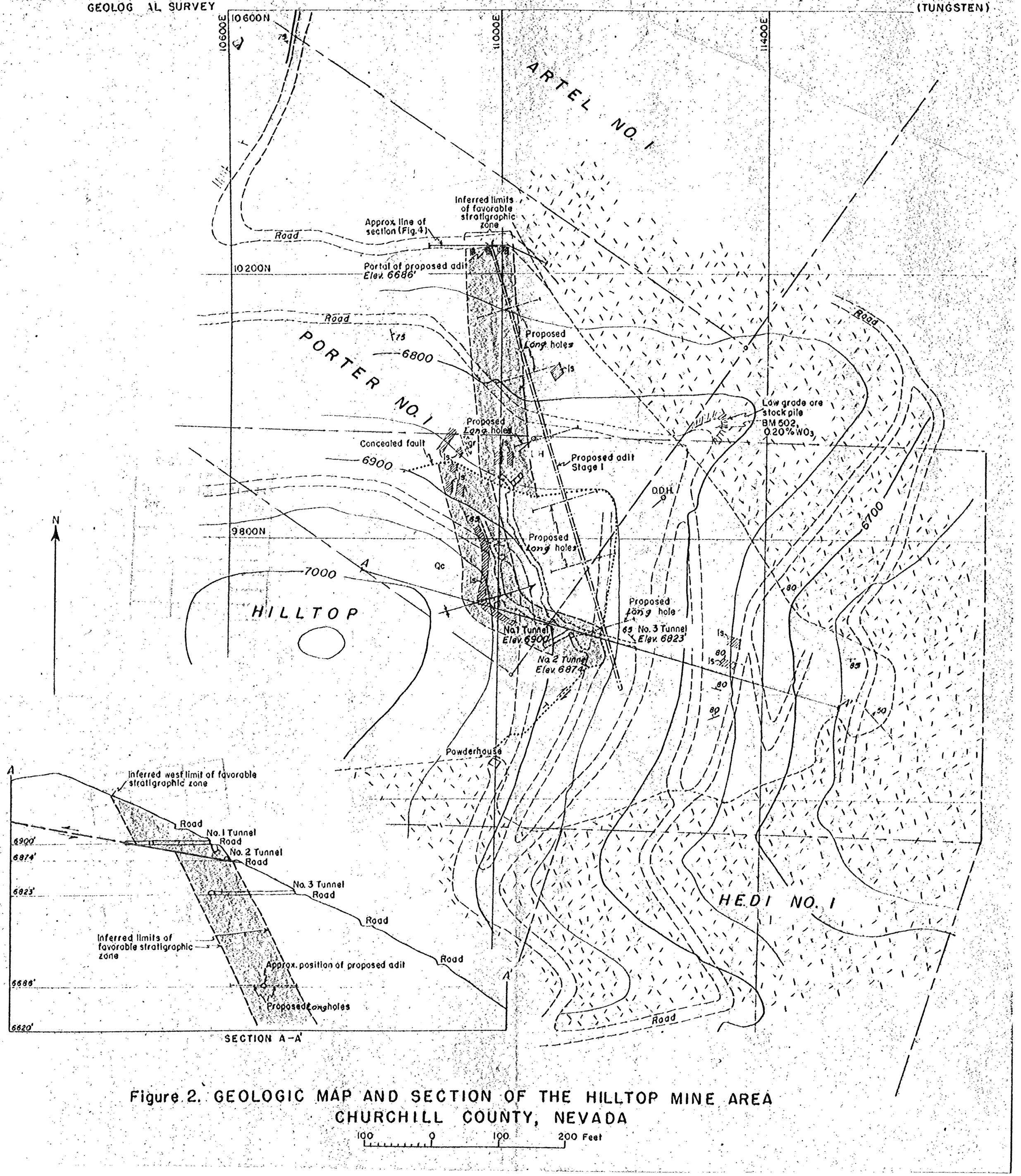

Figure 2. GEOLOGIC MAP AND SECTION OF THE HILLTOP MINE AREA
CHURCHILL COUNTY, NEVADA